

Table 1:

Statistic	N	Mean	St. Dev.	Min	Max
Public employment rate	671	19.086	6.596	7.514	34.579
Time	671	2.665	2.775	-14.814	11.953
GDP growth	671	7.392	4.162	1.080	26.094
Unemployment rate	671	44.642	8.317	21.415	68.570
Government expenditure in % of GDP	671	2.558	1.408	-1.010	5.503
Log of population in million	671	56.563	10.608	31.224	76.943

Table 2: Main variable result

	<i>Dependent variable:</i>
	Public employment rate
GDP growth	0.152*** (0.036)
Unemployment rate	0.106*** (0.031)
Government expenditure in % of GDP	0.239*** (0.021)
Log of population in million	-9.964*** (1.485)
Household net income, in % of GDP	0.070*** (0.022)
Constant	12.606*** (2.896)
Year fixed-effect	Yes
Country fixed-effect	Yes
Observations	671
R ²	0.947
Adjusted R ²	0.940
Residual Std. Error	1.614 (df = 591)
F Statistic	134.109*** (df = 79; 591)
<i>Note:</i>	*p<0.1; **p<0.05; ***p<0.01

Table 3: Robustness of log of working population

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	0.169*** (0.039)	0.172*** (0.039)
Unemployment rate	0.071 (0.044)	0.060 (0.045)
Government expenditure in % of GDP	0.355*** (0.023)	0.349*** (0.023)
Household net income, in % of GDP	−0.020 (0.024)	−0.016 (0.027)
Log of total population in million	−4.944* (2.654)	
lpop		1.155 (1.273)
Constant	11.349* (5.964)	−1.955 (3.677)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	413	413
R ²	0.925	0.925
Adjusted R ²	0.913	0.913
Residual Std. Error (df = 355)	1.792	1.799
F Statistic (df = 57; 355)	77.204***	76.588***
<i>Note:</i>	*p<0.1; **p<0.05; ***p<0.01	

Table 4: Effect of income inequality

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	0.016 (0.042)	0.012 (0.042)
Unemployment rate	0.190** (0.081)	0.181** (0.080)
Government expenditure in % of GDP	0.067*** (0.022)	0.064*** (0.022)
Log of population in million	6.261*** (1.948)	6.731*** (1.810)
Household net income, in % of GDP	0.115* (0.063)	0.110* (0.062)
Gini coefficient	-5.640 (8.338)	
Constant	-1.088 (5.483)	-2.809 (4.830)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	105	105
R ²	0.996	0.996
Adjusted R ²	0.991	0.992
Residual Std. Error	0.462 (df = 47)	0.459 (df = 48)
F Statistic	212.926*** (df = 57; 47)	219.198*** (df = 56; 48)

Note:

*p<0.1; **p<0.05; ***p<0.01

Table 5: Effect of the gini coefficient (TOTH 2015)

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	0.158*** (0.045)	0.160*** (0.045)
Unemployment rate	0.008 (0.051)	0.002 (0.051)
Government expenditure in % of GDP	0.485*** (0.027)	0.501*** (0.026)
Log of population in million	−0.364 (1.769)	−0.029 (1.769)
Household net income, in % of GDP	−0.110*** (0.032)	−0.115*** (0.032)
Gini coefficient (Toth 2015)	13.266* (7.294)	
Constant	−3.031 (4.807)	−1.117 (4.717)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	254	254
R ²	0.940	0.939
Adjusted R ²	0.925	0.924
Residual Std. Error	1.518 (df = 202)	1.526 (df = 203)
F Statistic	62.381*** (df = 51; 202)	62.848*** (df = 50; 203)

Note:

*p<0.1; **p<0.05; ***p<0.01

Table 6: Effect of the GDP per capita

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	0.164*** (0.037)	0.134*** (0.038)
Unemployment rate	0.094** (0.040)	0.112*** (0.042)
Government expenditure in % of GDP	0.377*** (0.023)	0.326*** (0.023)
Log of population in million	1.201 (0.992)	1.156 (1.034)
Household net income, in % of GDP	−0.024 (0.023)	−0.021 (0.024)
GDP per capita, in USD Millions	−0.0002*** (0.00003)	
Constant	−3.835 (3.503)	−1.750 (3.635)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	504	504
R ²	0.932	0.926
Adjusted R ²	0.921	0.914
Residual Std. Error	1.798 (df = 433)	1.875 (df = 434)
F Statistic	84.689*** (df = 70; 433)	78.511*** (df = 69; 434)

Note:

*p<0.1; **p<0.05; ***p<0.01

Table 7: Effect of IMF fiscal transparency index

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	0.041 (0.028)	0.041 (0.029)
Unemployment rate	0.121*** (0.036)	0.118*** (0.037)
Government expenditure in % of GDP	0.138*** (0.027)	0.131*** (0.027)
Log of population in million	3.594* (2.057)	3.849* (2.082)
Household net income, in % of GDP	0.011 (0.041)	0.026 (0.041)
IMF GFS Index	0.008** (0.004)	
Constant	1.585 (4.224)	0.912 (4.271)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	133	133
R ²	0.996	0.996
Adjusted R ²	0.995	0.995
Residual Std. Error	0.490 (df = 101)	0.497 (df = 102)
F Statistic	907.245*** (df = 31; 101)	910.866*** (df = 30; 102)

Note:

*p<0.1; **p<0.05; ***p<0.01

Table 8: Effect of Lassen Fiscal Transparency index

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	0.053 (0.101)	0.067 (0.046)
Unemployment rate	−0.023 (0.049)	−0.022 (0.049)
Government expenditure in % of GDP	0.391*** (0.024)	0.391*** (0.024)
Log of population in million	0.730 (0.963)	0.716 (0.956)
Household net income, in % of GDP	−0.122*** (0.025)	−0.123*** (0.025)
Fiscal Transparency		
Effect of Fiscal Transparency on GDP Growth	0.003 (0.021)	
Constant	3.402 (2.925)	3.427 (2.917)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	484	484
R ²	0.928	0.928
Adjusted R ²	0.915	0.915
Residual Std. Error	1.893 (df = 410)	1.891 (df = 411)
F Statistic	71.968*** (df = 73; 410)	73.141*** (df = 72; 411)

Note:

*p<0.1; **p<0.05; ***p<0.01

Table 9: Effect of Lassen Fiscal Transparency index

	<i>Dependent variable:</i>	
	Public employment rate	
	(1)	(2)
GDP growth	−0.004 (0.099)	0.121*** (0.031)
Unemployment rate	0.111*** (0.036)	0.116*** (0.036)
Government expenditure in % of GDP	0.314*** (0.019)	0.313*** (0.019)
Log of population in million	0.055 (0.852)	0.011 (0.852)
Household net income, in % of GDP	−0.027 (0.019)	−0.023 (0.019)
Fiscal Transparency		
Effect of Fiscal Transparency on GDP Growth	0.002 (0.002)	
Constant	2.329 (2.504)	2.145 (2.502)
Year fixed-effect	Yes	Yes
Country fixed-effect	Yes	Yes
Observations	658	658
R ²	0.938	0.938
Adjusted R ²	0.929	0.929
Residual Std. Error	1.760 (df = 577)	1.762 (df = 578)
F Statistic	108.956*** (df = 80; 577)	110.168*** (df = 79; 578)

Note:

*p<0.1; **p<0.05; ***p<0.01