Table 1: Data statistics

Statistic	N	Mean	St. Dev.	Min	Max
Difference with previous public employment rate (CPER)	1,166	−0.012	0.146	−0.941	1.025
Lagged of difference in public employment rate	1,166	−0.012	0.150	−1.064	1.025
GDP growth, QoQ, lagged one quarter	1,166	0.591	1.202	−10.209	7.356
Absolute change in unemployment rate, QoQ	1,166	0.004	0.424	−2.282	2.921
Change in GDP per capita in USD, QoQ	1,166	311.278	572.823	−5,134.898	4,525.348
Government expenditure in % of GDP (interpolated)	1,166	46.199	7.031	30.894	68.127
Change in government expenditure	1,166	−0.009	0.701	−6.562	6.171
Log of adult population (interpolated)	1,166	16.167	1.492	12.699	19.285

Table 2: Main variable result

	Dependent variable:
	Difference in public employment rate
GDP growth, QoQ, lagged one quarter	-0.020^{***}
	(0.004)
Absolute change in unemployment rate, QoQ	-0.064^{***}
	(0.011)
Change in GDP per capita in USD, QoQ	-0.00002^{***}
	(0.00001)
Government expenditure in % of GDP (interpolated)	-0.002^{***}
	(0.001)
Change in government expenditure	0.009
	(0.006)
Log of adult population (interpolated)	-0.008^{***}
	(0.003)
Constant	0.235^{***}
	(0.059)
Auto-correlation effect	Yes
Observations	1,166
R^2	0.070
Adjusted R^2	0.064
Residual Std. Error	0.141 (df = 1158)
F Statistic	12.376^{***} (df = 7; 1158)
Note:	*p<0.1; **p<0.05; ***p<0.01

Table 3: Effect of Lassen Fiscal Score

	Dependent variable:	
	Difference in public employment rate	
	(1)	(2)
GDP growth, QoQ, lagged one quarter	−0.018	−0.025***
	(0.012)	(0.005)
Absolute change in unemployment rate, QoQ	−0.093***	−0.092***
	(0.016)	(0.015)
Change in GDP per capita in USD, QoQ	−0.00003***	−0.00003***
	(0.00001)	(0.00001)
Government expenditure in % of GDP (interpolated)	−0.002***	−0.002***
	(0.001)	(0.001)
Change in government expenditure	0.013*	0.013*
	(0.007)	(0.007)
Log of adult population (interpolated)	−0.001	−0.009**
	(0.006)	(0.004)
Fiscal Transparency	−0.005	
	(0.004)	
Effect of fiscal transparency on GDP growth coefficient	−0.002	
	(0.003)	
Constant	0.178*	0.267***
	(0.098)	(0.085)
Auto-correlation effect	Yes	Yes
Observations	834	834
R^2	0.072	0.068
Adjusted R^2	0.061	0.060
Residual Std. Error	0.136 (df = 824)	0.136 (df = 826)
F Statistic	7.057*** (df = 9; 824)	8.601*** (df = 7; 826)
Note:		*p<0.1; **p<0.05; ***p<0.01

Table 4: Effect of IMF GFS Score

	Dependent variable:	
	Difference in public employment rate	
	(1)	(2)
GDP growth, QoQ, lagged one quarter	−0.012	−0.020***
	(0.015)	(0.004)
Absolute change in unemployment rate, QoQ	−0.064***	−0.064***
	(0.011)	(0.011)
Change in GDP per capita in USD, QoQ	−0.00002***	−0.00002***
	(0.00001)	(0.00001)
Government expenditure in % of GDP (interpolated)	−0.002**	−0.002***
	(0.001)	(0.001)
Change in government expenditure	0.009	0.009
	(0.006)	(0.006)
Log of adult population (interpolated)	−0.009***	−0.008***
	(0.003)	(0.003)
Fiscal Transparency	−0.0002	
	(0.0004)	
Effect of fiscal transparency on GDP growth coefficient	−0.0002	
	(0.0003)	
Constant	0.238***	0.235***
	(0.062)	(0.059)
Auto-correlation effect	Yes	Yes
Observations	1,166	1,166
R^2	0.070	0.070
Adjusted R^2	0.063	0.064
Residual Std. Error	0.141 (df = 1156)	0.141 (df = 1158)
F Statistic	9.696*** (df = 9; 1156)	12.376*** (df = 7; 1158)
Note:		*p<0.1; **p<0.05; ***p<0.01

Table 5: Effect of Government Political Orientation

	Dependent variable:	
	Difference in public employment rate	
	(1)	(2)
GDP growth, QoQ, lagged one quarter	-0.020^{***}	-0.020^{***}
	(0.004)	(0.004)
Absolute change in unemployment rate, QoQ	-0.064^{***}	-0.064^{***}
	(0.011)	(0.011)
Change in GDP per capita in USD, QoQ	-0.00002^{***}	-0.00002^{***}
	(0.00001)	(0.00001)
Government expenditure in % of GDP (interpolated)	-0.002^{***}	-0.002^{***}
	(0.001)	(0.001)
Change in government expenditure	0.010	0.009
	(0.006)	(0.006)
Log of adult population (interpolated)	-0.009^{***}	-0.008^{***}
	(0.003)	(0.003)
Left Side Government	0.003	
	(0.004)	
Constant	0.236^{***}	0.235^{***}
	(0.059)	(0.059)
Auto-correlation effect	Yes	Yes
Observations	1,166	1,166
R^2	0.070	0.070
Adjusted R^2	0.064	0.064
Residual Std. Error	0.141 (df = 1157)	0.141 (df = 1158)
F Statistic	10.876^{***} (df = 8; 1157)	12.376^{***} (df = 7; 1158)
Note:		*p<0.1; **p<0.05; ***p<0.01

Table 6: Effect of Years before Next Election

	Dependent variable:	
	Difference in public employment rate	
	(1)	(2)
GDP growth, QoQ, lagged one quarter	-0.020^{***}	-0.020^{***}
	(0.004)	(0.004)
Absolute change in unemployment rate, QoQ	-0.064^{***}	-0.064^{***}
	(0.011)	(0.011)
Change in GDP per capita in USD, QoQ	-0.00002^{***}	-0.00002^{***}
	(0.00001)	(0.00001)
Government expenditure in % of GDP (interpolated)	-0.002^{***}	-0.002^{***}
	(0.001)	(0.001)
Change in government expenditure	0.009	0.009
	(0.006)	(0.006)
Log of adult population (interpolated)	-0.008^{***}	-0.008^{***}
	(0.003)	(0.003)
Years until next election	-0.002	
	(0.003)	
Constant	0.240^{***}	0.235^{***}
	(0.060)	(0.059)
Auto-correlation effect	Yes	Yes
Observations	1,166	1,166
R^2	0.070	0.070
Adjusted R^2	0.063	0.064
Residual Std. Error	0.141 (df = 1157)	0.141 (df = 1158)
F Statistic	10.867^{***} (df = 8; 1157)	12.376^{***} (df = 7; 1158)
Note:		*p<0.1; **p<0.05; ***p<0.01