

Table 1:

Statistic	N	Mean	St. Dev.	Min	Max
Difference with previous public employment rate (CPER)	2,550	0.014	0.200	−1.889	1.434
Lagged of difference in public employment rate	2,550	0.014	0.202	−1.889	1.434
Year	2,550	1,995.625	12.914	1,969	2,015
Quarter	2,550	2.706	4.583	−41.531	33.204
GDP growth	2,550	6.709	3.377	0.581	20.359
Unemployment rate	2,550	6.699	3.400	0.581	20.359
Lagged unemployment rate	2,550	45.477	7.811	21.929	68.766
Government expenditure in % of GDP (interpolated)	2,550	16.220	1.509	12.581	19.309
Log of working population (interpolated)	2,550	25,150.520	16,071.190	3,203.262	109,139.000

Table 2: Main variable result

	<i>Dependent variable:</i>
	Difference in Public employment rate in %
GDP growth	−0.001 (0.001)
Unemployment rate	0.153*** (0.010)
Lagged unemployment rate	−0.160*** (0.010)
Government expenditure in % of GDP (interpolated)	0.0003 (0.001)
Log of working population (interpolated)	−0.014*** (0.003)
GDP per capita, in USD Millions (interpolated)	−0.00000*** (0.00000)
Constant	1.699* (0.979)
Year fixed-effect	Yes
Auto-correlation effect	Yes
Seasonal effect	Yes
Observations	2,550
R <sup>2</sup>	0.206
Adjusted R <sup>2</sup>	0.203
Residual Std. Error	0.179 (df = 2538)
F Statistic	59.867*** (df = 11; 2538)

Note:

\*p&lt;0.1; \*\*p&lt;0.05; \*\*\*p&lt;0.01

Table 3: Effect of Lassen Fiscal Score

	<i>Dependent variable:</i>	
	Difference in Public employment rate in %	
	(1)	(2)
GDP growth	−0.0004 (0.002)	−0.001 (0.001)
Unemployment rate	0.172*** (0.013)	0.172*** (0.013)
Lagged unemployment rate	−0.184*** (0.013)	−0.183*** (0.013)
Government expenditure in % of GDP (interpolated)	0.00005 (0.001)	0.0004 (0.001)
Log of working population (interpolated)	−0.004 (0.005)	−0.012*** (0.003)
GDP per capita, in USD Millions (interpolated)	−0.00000 (0.00000)	−0.00000 (0.00000)
Fiscal Transparency	−0.007* (0.004)	
Effect of fiscal transparency on GDP growth	−0.0001 (0.0005)	
Constant	1.669 (2.377)	1.999 (2.361)
Year fixed-effect	Yes	Yes
Auto-correlation effect	Yes	Yes
Seasonal effect	Yes	Yes
Observations	1,896	1,896
R <sup>2</sup>	0.250	0.248
Adjusted R <sup>2</sup>	0.245	0.244
Residual Std. Error	0.171 (df = 1882)	0.171 (df = 1884)
F Statistic	48.177*** (df = 13; 1882)	56.464*** (df = 11; 1884)

*Note:*

\*p&lt;0.1; \*\*p&lt;0.05; \*\*\*p&lt;0.01

Table 4: Effect of IMF GFS Score

	<i>Dependent variable:</i>	
	Difference in Public employment rate in %	
	(1)	(2)
GDP growth	−0.002 (0.003)	−0.001 (0.001)
Unemployment rate	0.159*** (0.011)	0.159*** (0.011)
Lagged unemployment rate	−0.166*** (0.011)	−0.166*** (0.011)
Government expenditure in % of GDP (interpolated)	0.0004 (0.001)	0.0004 (0.001)
Log of working population (interpolated)	−0.013*** (0.003)	−0.013*** (0.003)
GDP per capita, in USD Millions (interpolated)	−0.00000*** (0.00000)	−0.00000*** (0.00000)
Fiscal Transparency	−0.00003 (0.0004)	
Effect of fiscal transparency on GDP growth	0.00001 (0.0001)	
Constant	1.793* (1.004)	1.798* (1.001)
Year fixed-effect	Yes	Yes
Auto-correlation effect	Yes	Yes
Seasonal effect	Yes	Yes
Observations	2,496	2,496
R <sup>2</sup>	0.205	0.205
Adjusted R <sup>2</sup>	0.200	0.201
Residual Std. Error	0.178 (df = 2482)	0.177 (df = 2484)
F Statistic	49.091*** (df = 13; 2482)	58.062*** (df = 11; 2484)

*Note:*

\*p&lt;0.1; \*\*p&lt;0.05; \*\*\*p&lt;0.01

Table 5: Effect of Government Political Side

	<i>Dependent variable:</i>	
	Difference in Public employment rate in %	
	(1)	(2)
GDP growth	−0.001 (0.001)	−0.001 (0.001)
Unemployment rate	0.164*** (0.011)	0.163*** (0.011)
Lagged unemployment rate	−0.171*** (0.011)	−0.170*** (0.011)
Government expenditure in % of GDP (interpolated)	0.0002 (0.001)	0.0004 (0.001)
Log of working population (interpolated)	−0.012*** (0.003)	−0.012*** (0.003)
GDP per capita, in USD Millions (interpolated)	−0.00000*** (0.00000)	−0.00000** (0.00000)
Left Side Government	0.011*** (0.004)	
Constant	1.107 (1.166)	1.539 (1.159)
Year fixed-effect	Yes	Yes
Auto-correlation effect	Yes	Yes
Seasonal effect	Yes	Yes
Observations	2,086	2,086
R <sup>2</sup>	0.246	0.243
Adjusted R <sup>2</sup>	0.241	0.239
Residual Std. Error	0.172 (df = 2073)	0.172 (df = 2074)
F Statistic	56.233*** (df = 12; 2073)	60.386*** (df = 11; 2074)

*Note:*

\*p&lt;0.1; \*\*p&lt;0.05; \*\*\*p&lt;0.01

Table 6: Effect of Government Political Side

	<i>Dependent variable:</i>	
	Difference in Public employment rate in %	
	(1)	(2)
GDP growth	−0.001 (0.001)	−0.001 (0.001)
Unemployment rate	0.163*** (0.011)	0.162*** (0.011)
Lagged unemployment rate	−0.170*** (0.011)	−0.169*** (0.011)
Government expenditure in % of GDP (interpolated)	0.0003 (0.001)	0.0004 (0.001)
Log of working population (interpolated)	−0.012*** (0.003)	−0.012*** (0.003)
GDP per capita, in USD Millions (interpolated)	−0.00000** (0.00000)	−0.00000** (0.00000)
Years until next election	−0.006* (0.003)	
Constant	1.598 (1.159)	1.514 (1.159)
Year fixed-effect	Yes	Yes
Auto-correlation effect	Yes	Yes
Seasonal effect	Yes	Yes
Observations	2,082	2,082
R <sup>2</sup>	0.243	0.241
Adjusted R <sup>2</sup>	0.238	0.237
Residual Std. Error	0.172 (df = 2069)	0.172 (df = 2070)
F Statistic	55.279*** (df = 12; 2069)	59.896*** (df = 11; 2070)

*Note:*

\*p&lt;0.1; \*\*p&lt;0.05; \*\*\*p&lt;0.01