

Revisiting Partisan Politics of Environmental Policy: How Labour Market Outsiders Weaken Left-wing Governments' Eco-Friendliness*

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Abstract

It is well documented that left-wing governments implement more stringent environmental protection measures than their right-wing counterparts. However, given the recent increase in outsiders in labour markets among left-wing voters, this conventional wisdom requires reassessment. Labour market outsiders—those unemployed or in precarious employment—are less likely to support environmental protection due to economic distress and the potential negative economic consequences of such policies. As the outsider population grows, left-wing governments may become more constrained in implementing stringent environmental policies. This study analyses a panel dataset covering 24 OECD member countries from 1990 to 2015 to examine how the size of the outsider population conditions the relationship between government partisanship and environmental policy stringency. The empirical analysis reveals that while a small outsider population results in minimal partisan differences in environmental policy stringency, a large outsider population leads to less stringent environmental protection under left-wing governments than under right-wing governments.

Keywords— environmental protection, partisanship, left-wing party, labour market outsiders, OECD countries

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Introduction

Despite scientific consensus on the existence, imminence, and solutions of environmental issues, they remain a major political divide in developed countries. A vast body of empirical research has documented that left-wing voters, politicians, parties, and governments are generally more proactive in environmental protection than their right-wing counterparts (e.g., Dunlap, 1975) and this partisan gap has widened over time (Dunlap and McCright, 2008). The United States' fluctuating stance towards the Paris Agreement exemplifies this divide. The Republican administration led by Donald Trump announced the country's withdrawal from the agreement in 2016; this decision was then reversed by his Democratic successor, Joe Biden, who pledged a strong commitment to climate-change mitigation during the 2020 presidential race. Biden's decision was then overturned upon the re-election of Trump in January 2025.

Nevertheless, the aforementioned partisan differentiation in environmental protection is not self-evident. Conventional wisdom posits that environmental protection aligns with the preferences of middle-class voters with postmaterialist values, who constitute a significant segment of left-wing party supporters (e.g., Gethin et al., 2021).¹ Meanwhile, it also conflicts with economic growth, a key priority of right-wing parties, thereby leading to their reluctance to advance environmental policies (e.g., Harring and Sohlberg, 2017). However, given materialist origins and *raison d'être* of left-wing parties, particularly of socialist and social democratic parties, they are also constrained by the tension between environmental protection and economic imperatives. Unemployed, working, and lower-income groups, traditionally catered to by left-wing parties, may be less attentive to 'lofty' concerns, such as environmental protection, due to their immediate economic struggles (cf. Kahn and Kotchen, 2011). Furthermore, they may even develop hostility towards environmental policies given their potential adverse effects, such as regressive distributional consequences and employment

¹Left-wing parties' conceptually include both socialist/social democratic parties and green/environmentalist parties. Still, my theoretical framework and empirical strategy predominantly suppose the former as they are likely to lead the left-wing camp in forming a government.

risks (e.g., Ohlendorf et al., 2021; Raff and Earnhart, 2022). These concerns may have been a driving force behind the ‘Yellow Vest Movement’ in 2018, during which French precariat workers took to the streets to protest a fuel tax hike, introduced by President Emmanuel Macron, and the broader socio-economic elite’s commitment to environmentalism (Rérolle, 2018).

This issue warrants greater attention in light of the rise of *outsiders* in labour markets, a group of people who are either unemployed or hold a precarious employment status (Rueda, 2005). Figure 1 presents the trends in the average shares of temporary employment, involuntary part-time employment, and unemployment across the 24 Organisation for Economic Co-operation and Development (OECD) member countries between 1990 and 2015. It illustrates a steady increase in temporary and involuntary part-time employment, except for unemployment, which fluctuates over time. Arguably, these outsiders may be more indifferent or hostile towards environmental protection than the remaining segments of the left-wing electorate because of their heightened economic vulnerability. For instance, greenhouse gas taxation increases consumer prices, imposing disproportionate burdens on outsiders with little financial security. Given these materialist concerns, an increase in the number of outsiders might intensify social pressure that may discourage left-wing parties from maintaining their commitment to environmental protection. A recent empirical study contradicting conventional wisdom found that left-wing governments tend to implement less stringent environmental policies (Tawiah, 2022). This calls for a reassessment of the role of government partisanship in environmental protection, with a particular focus on the influence of outsiders.

Thus, the present study aims to analyse how the size of the outsider population conditions the relationship between government partisanship and enacted environmental policies. Specifically, I hypothesize that the rise of outsiders would erode partisan differences in the stringency of environmental protection. To test this hypothesis, I analyse a panel dataset of 24 OECD member countries from 1990 to 2015. Following Tawiah (2022), the analysis

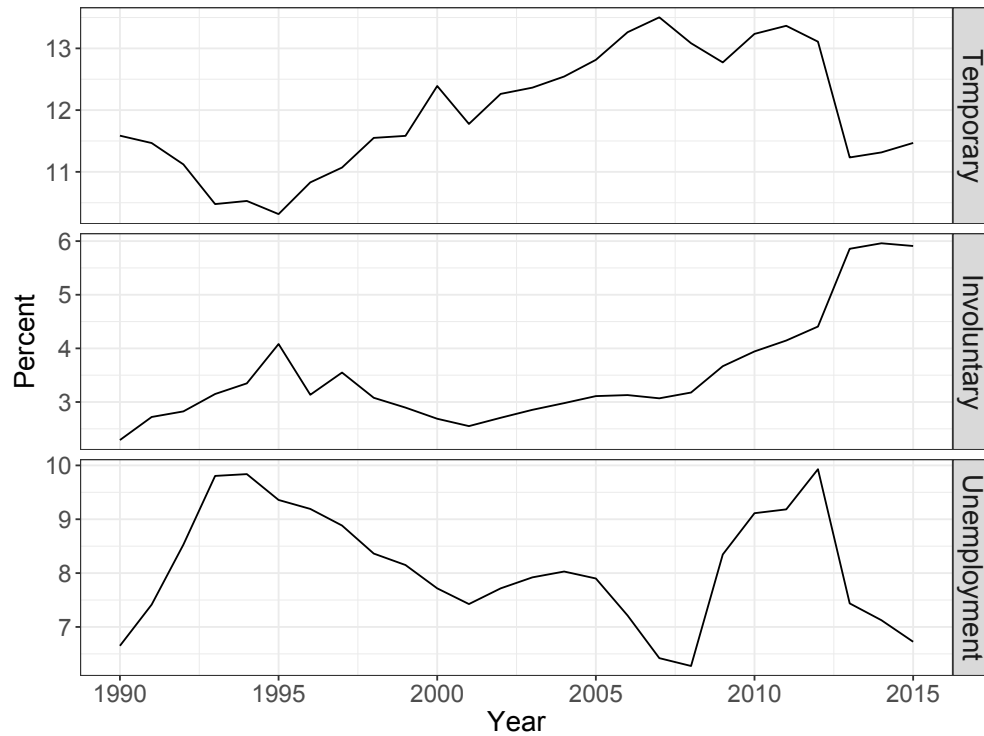


Figure 1: Trend of Average Share of Temporary Employment

employs the Environmental Policy Stringency index (Botta and Koźluk, 2014), which quantitatively assesses a country's environmental policies by incorporating a wide range of policy instruments, such as taxation and emission standards.

The findings extend beyond the initial hypothesis that while a small outsider population results in minimal partisan differences in environmental protection stringency, a large outsider population leads to *less* stringent environmental protection under left-wing governments compared to their right-wing counterparts. This result challenges the conventional perception that left-wing parties are inherently eco-friendly. It provides broader insights into ideological tensions between materialism and postmaterialism within contemporary left-wing politics.

Partisan Politics of Environmental Protection

Prior scholarship has clearly highlighted the significant role of the left–right divide in environmental politics. A vast body of research has observed that left-wing voters are more likely to embrace environmentalist attitudes than right-wing voters (Dunlap, 1975; Dunlap and McCright, 2008; Krosnick et al., 2000; Harring and Sohlberg, 2017). Likewise, left-wing and right-wing politicians or parties diverge in their stances on environmental issues, as observed in party manifestos (e.g., Carter, 2013). Moreover, left-wing governments have been found to implement more stringent environmental policies than their right-wing counterparts, thus outperforming them in terms of environmental outcomes (Wen et al., 2016; Chang and Berdiev, 2011). In short, left-wing environmentalism vis-à-vis right-wing apathy is a scholarly consensus.

More recent studies, however, have produced more nuanced findings. First, environmental awareness among left-wing voters is potentially contingent upon economic conditions. Using data from Google search trends and opinion polls in the United States, Kahn and Kotchen (2011) examined how the 2009 financial crisis affected public awareness of climate change. They found that during the crisis, searches for ‘global warming’ declined, while searches for ‘unemployment’ increased. Moreover, these effects were most pronounced in states experiencing high unemployment and strong Democratic electoral support. Second, and relatedly, Wen et al. (2016) argue that environmental protection can conflict with fiscal stimulus policies typically championed by left-wing governments. Their findings suggest that environmental quality tends to deteriorate under left-wing governments during periods of sluggish economic growth.

Surprisingly, this more recent scholarship rarely addresses the level of implemented policies, which should link public attitudes and environmental outcomes. A study by Tawiah (2022) is one of the few exceptions: using the EPS Index (Botta and Koźluk, 2014), he found that left-wing governments scored lower than their right-wing counterparts—that is, they implemented less stringent environmental protection. This observation contributes to revisiting

the partisan politics of environmental protection, although he fails to provide a compelling explanation for this pattern.² Analysing the policy level helps to fill empirical and theoretical gaps in the literature, thereby offering a firmer forecast of environmental developments. It also deepens our understanding of the challenges modern left-wing parties face due to their increasingly diverse electoral motives, as discussed below.

Left-wing Transformation and Electoral Dilemma

The scrutiny of left-wing environmentalism is closely tied to scholarship on the transformation of left-wing parties and their electorates. Left-wing parties, such as social democrats, have their roots in the traditional class structure, where the working class supported them whilst the bourgeoisie supported their right-wing counterparts (Hibbs, 1977). Post-war economic growth and rising levels of educational attainment, however, disrupted this structure by giving rise to new socioeconomic classes, such as knowledge-based middle classes (e.g, Kitschelt, 1994). The entry of these groups into the left-wing electorate, on the one hand, discouraged the pursuit of traditional interventionist policies, thereby narrowing the left–right competition over economic matters (cf. Kitschelt, 1994; Engler and Zohlnhöfer, 2019). On the other hand, it compelled them to address a wide variety of postmaterialist demands, leading to the emergence of an alternative political dimension. As environmental protection is an issue contested in this dimension, Hooghe et al. (2002) aptly dubbed it the ‘Green-Alternative-Libertarian/Traditional-Authoritarian-Nationalist’ (GAL/TAN) axis.³ Within this axis, left-wing parties have had to pursue socioculturally liberal agendas, such as minority rights and environmental protection, in response to electorates with higher educational attainment and increasingly liberal values (cf. Gethin et al., 2021).

While this scholarship rightly highlights the diversified and sometimes conflicting de-

²Tawiah (2022) attributes his finding to a left–right difference in attitudes towards personal freedom. Because environmental protection entails restrictions on individual behaviour, it conflicts with the personal freedoms espoused by left-wing parties while aligning with the law-and-order principles favoured by right-wing parties.

³Some scholars counter this argument by attributing environmental issues to negative externalities or market failures, which require government intervention (e.g., Benton, 1997).

mands that left-wing parties face—contributing, arguably, to their electoral decline (Bandau, 2023)—more recent work has revisited the transformation of left-wing parties and its consequences. Regarding the transformation itself, a substantial body of empirical research has shown that left-wing parties and voters remain averse to economic inequality and continue to express stronger support for redistribution than their right-wing counterparts (e.g., Abou-Chadi et al., 2024). Relatedly, Spoon and Williams (2021) document that even green/ecologist parties are forced to cater to economic issues during high-unemployment periods. Combined with findings that left–right differences in economic policy-making persist despite the constraints of globalization (e.g., Potrafke, 2009), these results suggest that left-wing parties remain attuned to their materialist commitment as advocates of the working class and the less well-off.

Nevertheless, it remains unclear how this persistent materialist identity shapes left-wing stances on postmaterialist issues. Given resource and cognitive constraints, materialist commitments may place left-wing parties in a dilemma with postmaterialist agendas (Gethin et al., 2021). Existing literature has treated materialist and postmaterialist domains largely in isolation and has not fully examined the link between them. Notably, approaching this missing link in the context of environmental issues helps to disentangle the nuances highlighted by recent scholarship on environmental politics, particularly those of Tawiah (2022). Furthermore, the interplay warrants further scrutiny, especially because left-wing electorates are undergoing another significant transformation: the rise of labour market outsiders, discussed below.

Labour Market Dualization and the Rise of Outsiders

Scholars agree that labour markets in advanced democracies are undergoing dualization between insiders and outsiders due to deindustrialization, feminization, globalization, and related processes. In his pioneering work on insider–outsider politics, Rueda (2005, 62) defines

outsiders as those who ‘are either unemployed or hold jobs characterized by low salaries and low levels of protection, employment rights, benefits, and social security privileges’, in contrast to insiders, who enjoy stable, well-paid employment. This status-related distinction translates into different preferences: insiders prefer strong employment protection, while outsiders favour labour market liberalization. Conventional wisdom further suggests that outsiders are more politically inactive and organizationally weaker than insiders, leading to insider-biased policy outcomes (e.g., Palier and Thelen, 2010).

More recent studies, however, cast doubt on this conventional view by pointing to larger-than-expected outsider influence. Trade unions, which traditionally represented insiders disproportionately, have sought to encompass outsiders; otherwise, they risk losing organizational power by remaining tied to an insider-based structure (O’Brady, 2021). This strategic shift has filtered into party politics, whereby social democratic parties increasingly pursue policies in favour of outsiders (Bürgisser and Kurer, 2021). Moreover, other studies suggest that outsiders, as part of the left-wing electorate, are potential targets for far-left or far-right populist parties, through which they gain bargaining power vis-à-vis mainstream left-wing parties (Rovny and Rovny, 2017).

Yet surprisingly, previous scholarship—focusing primarily on labour market and economic policies—has rarely examined the influence of outsiders on non-economic issues. As discussed above, the literature on modern left-wing parties suggests that they retain materialist commitments, even as the new middle class expands. The growing number of outsiders may intensify this tendency, as they presumably harbour more immediate materialist concerns than insiders. The broader consequences beyond the economic domain, however, remain unclear; unpacking them could provide relevant insights into environmental policymaking and the left-wing electoral dilemma outlined above. Below, I hypothesize how the rise of outsiders shapes left-wing preferences for environmental policies.

How Outsiders Shape the Left's Environmental Preferences and Policies

Building on prior scholarship, I assume that supporters of left-wing parties comprise two main social strata. The first is the working class or the less well-off. As they face greater economic hardship than employers and the affluent, their presence incentivizes left-wing parties to pursue market intervention, such as fiscal stimulus and redistribution (e.g., Hibbs, 1977). The second stratum is the middle class, typically individuals with higher education and employment in the service sector (Oesch, 2006). While they may share redistributive preferences with the working class (cf. Abou-Chadi et al., 2024), they also emphasize postmaterialist concerns such as minority rights, political participation, and environmental protection (e.g., Kitschelt, 1994). Their influence encourages left-wing parties to commit more strongly to environmental protection than right-wing parties, whose supporters tend to prioritize market liberalism and traditional values.

The rise of outsiders, however, is likely to shift left-wing priorities towards materialist agendas. Labour market dualization turns some of the working class into outsiders. Their economic vulnerability makes them especially sensitive to policies addressing inequality, redistribution, and social protection (Walter, 2010). At the same time, it prompts them to deprioritize postmaterialist agendas such as environmental protection, given their more immediate material needs. The middle class, though more skilled and relatively affluent, are not immune. While adhering to liberal values on sociocultural issues, they too increase their support for interventionist policies as they face greater employment risks (cf. Häusermann et al., 2015). By the same logic, their priorities also shift towards materialist concerns. To summarize, the rise of outsiders results in a deprioritization of postmaterialist issues among the left-wing electorate, incentivising left-wing parties to retreat from environmental commitments.

Beyond their mere presence, the potential adverse effects of environmental policies on out-

siders may further discourage left-wing parties from committing to them. Notably, market-based measures such as carbon taxes impose additional costs on households. Consumers must pay more for energy and other goods as higher production costs are passed on through prices (Wang et al., 2016). These costs disproportionately affect the less well-off, who spend a larger share of income on carbon-intensive products such as fuel and food, thereby exacerbating inequality through regressive effects (Grainger and Kolstad, 2010). Environmental protection policies may also threaten employment by increasing production costs, reducing employers' capacity to retain workers (Raff and Earnhart, 2022). Outsiders, whose employment status is already precarious, are likely to be the first victims of job losses. Consequently, as their numbers grow, outsiders are more likely to oppose environmental measures, and left-wing governments may increasingly retreat from stringent commitments.

In sum, the rise of outsiders reshapes left-wing preferences, ultimately altering the environmental policies they implement in office. As outsiders focus on material survival, their growing numbers shift political agendas towards materialist over postmaterialist concerns. Additionally, because environmental policies—particularly market-based ones—can exacerbate economic hardship among the less well-off, their increasing presence pressures left-wing parties to scale back environmental commitments. This combination results in weaker environmental preferences among left-wing parties and, consequently, less stringent environmental policies than would otherwise be the case. In contrast, if right-wing parties consistently oppose environmental protection, the partisan divide in environmental policymaking is likely to diminish as the size of the outsider population grows. Therefore, the following hypotheses are proposed:

Hypothesis 1: As the proportion of outsiders increases, the effect of government partisanship on the stringency of environmental protection diminishes.

Hypothesis 2: The dampening effect of the outsider increase is particularly observable for market-based environmental policies.

Data and Variables

Tawiah (2022) presents results that contradict the prevailing view at the policy level, therefore, my empirical analysis employs the same dependent variable: the Environmental Policy Stringency (EPS) Index, constructed by Botta and Koźluk (2014). This index evaluates the overall level of environmental policy stringency in 28 OECD member countries from 1990 to 2015.⁴ The coding procedure accounts for both market-based and non-market policy instruments. Market-based policies include taxes on CO₂, NO_x, and SO_x, trading schemes for them and energy certificates, feed-in tariffs for solar and wind energy, and deposit-refund schemes. Non-market policies include emission standards for CO₂, NO_x, and SO_x and R&D subsidies for renewable energy. Botta and Koźluk first assigned scores on a seven-point scale (0–6) to each policy instrument based on predetermined criteria.⁵ These scores were then averaged to produce two sub-EPS indices: one for market-based policies and the other for non-market-based policies. Finally, these two sub-indices were averaged to construct an aggregated EPS Index. My analysis primarily relies on the aggregated EPS Index but also examines the two sub-indices to assess whether the rise of outsiders leads to differing outcomes for market- and non-market-based policies.

Figure 2 shows the average EPS Index for the countries covered in the empirical analysis, which reveals an upward trend. The average EPS Index, which was below one in 1990, rose to nearly three by 2015, suggesting that environmental protection had become increasingly stringent in the countries included in this study. This upward trend likely reflects the growing prominence of international environmental agreements such as the Vienna Convention and the Montreal Protocol.

Regarding the first independent variable, government partisanship, I rely on the cabinet

⁴Although more recent versions of the Environmental Policy Stringency (EPS) index extend to 2020, later releases modify the aggregation procedure by introducing technological support as a separate subcomponent (Kruse et al., 2022). Since such policies are typically less salient and operate through longer-term and less visible channels than taxes or regulatory standards, their inclusion would change the meaning of the index in ways that are not fully comparable over time. I have thus concluded that relying on the 1990–2015 EPS data, which preserves temporal and conceptual consistency, is the best option for the purpose of my study.

⁵For instance, if the NO_x tax rate exceeded 4.5 MWh/tonne, a score of 6 was assigned.

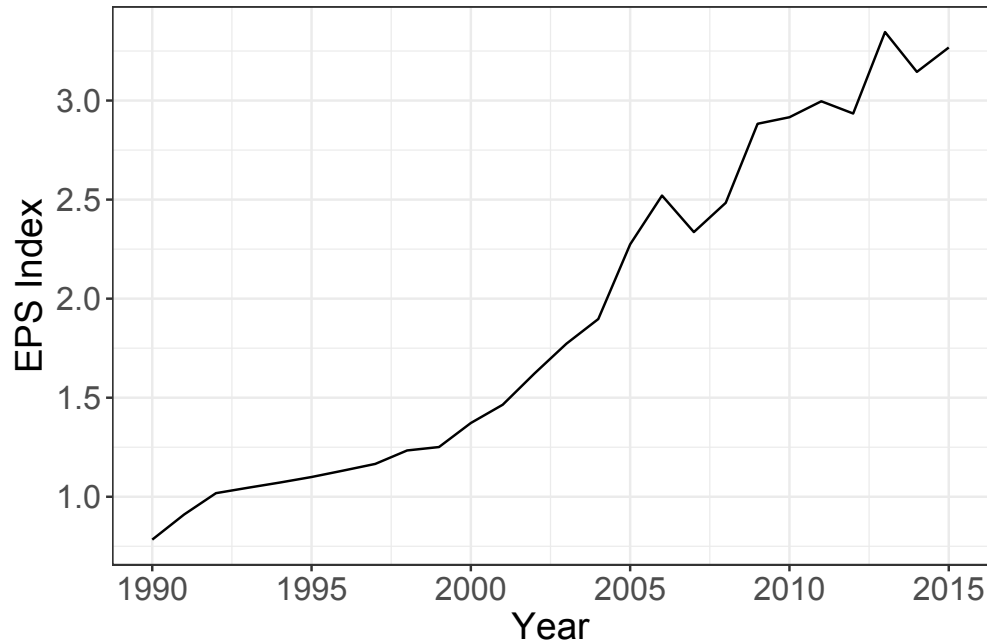


Figure 2: Trend of Average EPS Index

seat share of left-wing parties. The data are drawn from the *Comparative Political Data Set, 1960–2023* (CPDS) (Armingeon et al., 2025), which provides extensive political and institutional indicators for 36 democracies. Specifically, I employ the *gov_left1* variable, which records the proportion of cabinet posts held by social democratic and other left-wing parties in a given country-year. This measure is widely used in the literature (e.g., Engler and Zohlnhöfer, 2019; Bürgisser and Kurer, 2021) and offers an accurate indicator of incumbents’ partisanship, particularly in European contexts where coalition governments under parliamentary systems are common.

Another key independent variable is the size of the outsider population in labour markets. Following Rueda (2005), who defines outsiders as either unemployed or in precarious employment, I operationalize this concept using three indicators: the share of temporary employment, the share of involuntary part-time employment, and the unemployment rate. The first refers to the proportion of wage and salary workers in dependent employment whose jobs have a predetermined termination date (OECD, 2024b), while the second captures the proportion of part-time workers unable to secure full-time employment within total employ-

ment (OECD, 2024a). The unemployment rate is drawn from the CPDS (Armingeon et al., 2025). Employing these distinct indicators enables the identification of outsider segments to which left-wing parties are most responsive.

The covariates included in the analysis are as follows. First, I controlled for the presence of green parties in government. The participation of green parties in the governing coalition is expected to increase the likelihood of stringent environmental policies, leading to higher EPS Index values. Building on the *ParlGov Database* (Döring and Manow, 2019), I constructed a dummy variable indicating whether a green party participated in the government in a given country-year.⁶

Additionally, GDP growth and GDP per capita (log-transformed) were included to account for economic capacity, as high-growth economies and wealthier countries are more likely to afford environmental protection. Following the argument that closer economic interdependence incentivizes countries to engage in international environmental cooperation (Neumayer, 2002), foreign direct investment (FDI) and trade openness were further included as covariates. All covariates, except for the green party variable, were sourced from World Bank (2022). Note that the descriptive statistics for all the variables thus far are presented in Appendix A.

Model and Methods for Estimation

The procedure outlined above resulted in the creation of a panel dataset covering 24 OECD member countries over the period from 1990 to 2015, with country-years as the unit of observation⁷. The dependent variable is the EPS Index, whereas the main independent variables are the size of the outsider population, government partisanship, and their interaction term. Specifically, the following fixed-effects model is estimated:

⁶Parties classified as 'Green/Ecologist' in the *ParlGov Database* are identified as green parties in this study.

⁷The covered countries are: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, the Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, the United Kingdom, and the United States. The temporary employment variable, however, is missing for the US.

$$EPS_{it} = \alpha_1 + \alpha_{2,i} + \alpha_{3,t} + EPS_{it-1} + \beta_1 partisanship_{it-1} + \beta_2 outsider_{it-1} + \beta_3 partisanship_{it-1} \times outsider_{it-1} + \mathbf{x}'\boldsymbol{\beta} + \varepsilon$$

In this equation, α_1 is a constant, $\alpha_{2,i}$ denotes country fixed effects, $\alpha_{3,t}$ represents year fixed effects, and $\mathbf{x}'\boldsymbol{\beta}$ captures the control variables and their coefficients. I include the lagged dependent variable EPS_{it-1} , and apply a one-year lag to the independent and control variables to account for potential delays in policy implementation.

The coefficients $\beta_{(.)}$ pertain directly to the hypotheses. Since the aim of this study is not to estimate the direct effect of the outsider population on environmental protection, the sign of β_2 is left unspecified. Of greater interest are the effects of partisanship and its interaction with the outsider population. The conventional wisdom that left-wing governments are more likely to adopt stringent environmental protection measures is expected to hold when the outsider population is relatively small; accordingly, I expect $\beta_1 > 0$. The hypothesis, however, posits that this effect weakens as the outsider population increases, leading to the expectation that $\beta_3 < 0$.

Empirical Findings

Main Finding

Table 1 presents the main results using three different measures of outsiders. The first notable finding is that the cabinet share of left-wing parties has consistently positive coefficients, most of which are statistically significant. This indicates that when the outsider population is absent, left-leaning governments tend to adopt stringent environmental policies. In other words, the conventional view in the literature holds under conditions with no labour market

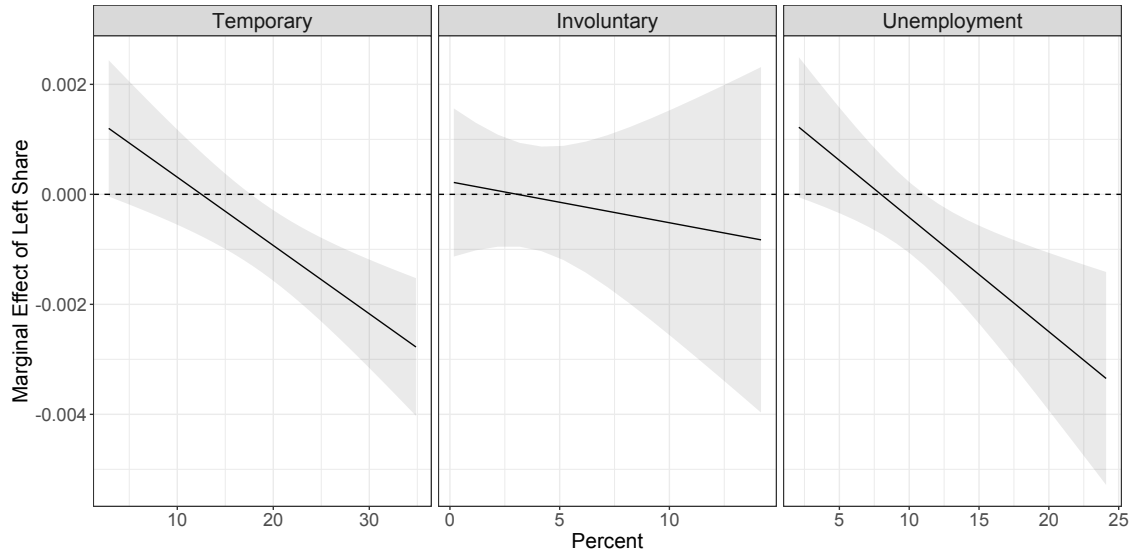
Table 1: Main Results

	Temporary		Involuntary		Unemployment	
	(1)	(2)	(3)	(4)	(5)	(6)
EPS (t-1)	0.6234*** (0.0505)	0.6437*** (0.0454)	0.6313*** (0.0507)	0.6310*** (0.0488)	0.6373*** (0.0498)	0.6424*** (0.0473)
Left share (t-1)	0.0017** (0.0008)	0.0016** (0.0008)	0.0002 (0.0007)	0.0002 (0.0007)	0.0017* (0.0008)	0.0017** (0.0008)
Temporary (t-1)	0.0125** (0.0054)	0.0096 (0.0059)				
Left share * Temporary (t-1)	-0.0001*** (0.0000)	-0.0001*** (0.0000)				
Involuntary (t-1)			-0.0195 (0.0146)	-0.0176 (0.0173)		
Left share * Involuntary (t-1)			-0.0001 (0.0001)	-0.0001 (0.0001)		
Unemployment (t-1)					0.0039 (0.0051)	0.0032 (0.0060)
Left share * Unemployment (t-1)					-0.0002*** (0.0001)	-0.0002*** (0.0001)
Green participation (t-1)		-0.0209 (0.0519)		-0.0176 (0.0551)		-0.0090 (0.0471)
GDP growth (t-1)		0.0064 (0.0066)		0.0128* (0.0071)		0.0066 (0.0054)
GDP per capita (t-1)		-0.0765 (0.0798)		-0.1331* (0.0807)		-0.1283 (0.0854)
Openness (t-1)		-0.0007 (0.0018)		-0.0021 (0.0019)		-0.0014 (0.0017)
FDI (t-1)		0.0034 (0.0022)		0.0039* (0.0022)		0.0036 (0.0023)
Country FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
R ²	0.4639	0.4803	0.4447	0.4673	0.4555	0.4745
Adj. R ²	0.3952	0.4053	0.3761	0.3896	0.3978	0.4075
Num. obs.	459	453	474	449	544	505

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

outsiders. By contrast, the outsider variables themselves do not exhibit consistent effects on the dependent variable. Except for temporary employment, which shows a significantly positive coefficient in Model (1), the coefficients of the outsider variables are statistically insignificant. As discussed above, there appears to be no *prima facie* relationship between the size of the outsider population and environmental policies.

More critical to this analysis is the interaction between government partisanship and outsider size. Table 1 shows that the interaction coefficients are consistently positive across the three outsider variables, reaching significance for temporary employment and the unemployment rate. This finding demonstrates that an increase in the outsider population, particularly in temporary employment and unemployment, diminishes the positive effect of



Note: Based on Models (2), (4), and (6) in Table 1, respectively.

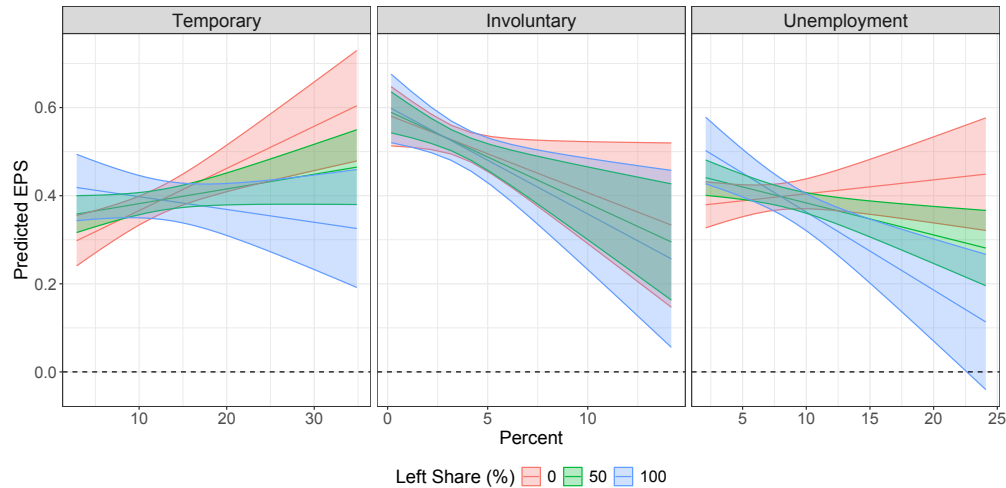
Figure 3: Marginal Effects of Left-wing Party Cabinet Share

left-wing governments on environmental policy stringency, thereby supporting Hypothesis 1.

Figure 3 visualizes the marginal effects of the cabinet share of left-wing parties conditional on the three outsider variables. Overall, the figure shows that the marginal effects decline as the outsider population increases, especially for temporary employment and the unemployment rate. A closer inspection yields a more nuanced interpretation: when the outsider population is small, the effects of left-leaning governments are largely null, as the confidence intervals overlap with the zero line. This suggests that the conventional view holds only in limited contexts. Conversely, when the outsider population is larger, left-leaning governments tend to relax environmental protection in response to increases in temporary employment and unemployment, producing lower stringency than under right-wing governments. This pattern runs counter to the conventional view and, to some extent, mirrors the findings of Tawiah (2022).

To interpret the findings more substantively, Figure 4 presents predicted values of the EPS Index under different levels of government composition and outsider size.⁸ The figure again illustrates larger partisan differences in environmental policies when the outsider population

⁸For the predictions, I set all other variables to their sample means and applied Germany's fixed effect.



Note: Based on Models (2), (4), and (6) in Table 1, respectively. The shaded areas denote 95% confidence intervals for a given setting of the independent variable.

Figure 4: Prediction of the EPS Index

is higher than when it is low, except in the case of involuntary part-time employment. For example, when temporary employment constitutes 2.86% of the total (the sample minimum), the predicted EPS is 0.30 when the left-wing share in government equals 0% and 0.42 when it equals 100%. Conversely, when temporary employment rises to the maximum of 34.9%, the predicted EPS is 0.60 when the left share is 0% and 0.33 when it is 100%. This 0.30-point difference amounts to roughly one-third of the standard deviation of the EPS Index. A similar pattern holds for unemployment. At its minimum of 2.1%, the EPS under full left-wing control is estimated to be higher by 0.13 points. At its maximum of 24.1%, however, the difference is estimated at -0.34 .

Decomposing the EPS Index

Having examined the overall level of environmental policies, I now turn to differences within them. I replicated the analysis above with the outcome variable decomposed into two sub-indices: the Market-based EPS Index and the Non-Market EPS Index. The former category includes policy instruments that incentivize economic actors to take environmentally friendly actions, such as taxes and trading schemes, whereas the latter comprises top-down regulations

and R&D subsidies. Given the cost visibility of market-based policies, Hypothesis 2 expected that the main results would be observable particularly for the Market-based EPS. Table 2 presents the results of this analysis.

The first three models in the table present the results with the Market-based EPS as the dependent variable, largely mirroring the main findings. For the models with temporary employment (1) and unemployment (3), the left share exhibits significantly positive coefficients, suggesting an environmentalist tendency of left-wing parties under low-outsider conditions. By contrast, the interaction terms in these models yield significantly negative coefficients, suggesting that this tendency is reversed under high-outsider conditions. The model with involuntary part-time employment (2) does not yield such a result, although the coefficient for the raw involuntary variable is significantly positive. In summary, the main finding applies to market-based policy instruments.

By contrast, the latter three models in Table 2 present the results with the Non-Market EPS Index as the dependent variable. In comparison to the market-based case, the main findings do not apply here. The left-share variable does not attain statistical significance across the models, nor do its interactions with temporary employment and unemployment. Only in Model (5), which includes involuntary part-time employment as the outsider variable, does the interaction term produce a significantly negative coefficient, consistent with the hypothesis. However, its significance barely reaches the 10% level, and the detailed results in Appendix C indicate that it is not robust to model specification. Combined with the result above, this finding lends credibility to Hypothesis 2.

Robustness Checks

I conducted some additional analyses to assess the robustness of the findings. The results are presented in the online supplementary material, as well as the descriptive statistics (Appendix A). Here, I briefly summarize and discuss the results of the robustness checks.

First, Appendices B and C provide the details of the analyses in the body. In these

Table 2: DV Decomposition: Market vs. Non-market EPS

	Market EPS			Non-market EPS		
	(1)	(2)	(3)	(4)	(5)	(6)
Market EPS (t-1)	0.7296*** (0.0428)	0.7257*** (0.0422)	0.7392*** (0.0380)			
Non-market EPS (t-1)				0.4730*** (0.0447)	0.4836*** (0.0528)	0.4956*** (0.0457)
Left share (t-1)	0.0021*** (0.0008)	−0.0005 (0.0008)	0.0021*** (0.0008)	0.0012 (0.0012)	0.0012 (0.0010)	0.0014 (0.0015)
Temporary (t-1)	0.0098 (0.0085)			0.0126 (0.0086)		
Left share * Temporary (t-1)	−0.0002*** (0.0000)			−0.0001 (0.0001)		
Involuntary (t-1)		−0.0399** (0.0198)			−0.0034 (0.0189)	
Left share * Involuntary (t-1)		0.0002 (0.0002)			−0.0003* (0.0002)	
Unemployment (t-1)			0.0049 (0.0080)			−0.0040 (0.0104)
Left share * Unemployment (t-1)			−0.0002*** (0.0001)			−0.0002 (0.0001)
Green participation (t-1)	−0.0242 (0.0888)	−0.0415 (0.0909)	−0.0363 (0.0783)	−0.0137 (0.0683)	0.0099 (0.0698)	0.0482 (0.0492)
GDP growth (t-1)	0.0033 (0.0091)	0.0032 (0.0092)	−0.0021 (0.0075)	0.0108 (0.0113)	0.0247* (0.0134)	0.0182** (0.0091)
GDP per capita (t-1)	0.0488 (0.0873)	0.0375 (0.0870)	0.0367 (0.0899)	−0.0440 (0.1260)	−0.1643 (0.1482)	−0.1992 (0.1516)
Openness (t-1)	−0.0001 (0.0017)	−0.0005 (0.0016)	0.0003 (0.0013)	−0.0005 (0.0022)	−0.0031 (0.0025)	−0.0028 (0.0023)
FDI (t-1)	0.0028 (0.0028)	0.0036 (0.0027)	0.0032 (0.0029)	0.0034 (0.0021)	0.0039 (0.0023)	0.0036 (0.0023)
Country FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
R ²	0.5690	0.5614	0.5754	0.2823	0.2992	0.3145
Adj. R ²	0.5068	0.4975	0.5213	0.1811	0.1981	0.2296
Num. obs.	453	449	505	462	453	518

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

analyses, I ran the models with covariates included one by one. The results show that the findings are largely unchanged, suggesting that they are robust to variations in the covariates' specifications. That said, it is notable that the interaction between the left share and the temporary employment becomes significant in some covariate specifications for the Non-Market EPS, contrary to the null finding discussed in the body.

Second, I re-ran the models without lagged dependent variables, given that including them may have underestimated the coefficients of the other independent variables (Achen, 2000). The results are presented in Appendix D, keeping the main findings largely unchanged. Although the interaction between the left share and the unemployment loses its significance for the overall EPS, it becomes significant for the market EPS, suggesting that the hypothesis holds in such a context again.

Third, I re-estimated the same models with the left share variable replaced with an alternative partisanship variable. I draw on the *execrlc* variable from the Database of Political Institutions (DPI), which classifies the partisanship of the chief executive's party on a three-point scale: right-wing (0), centrist (1), and left-wing (2) (Cruz et al., 2018).⁹ Again, the results are kept largely unchanged, suggesting the robustness of the finding to the measurement of government partisanship.

Fourth and finally, I re-estimated the main models using a country-wise Jackknife resampling approach (cf. Ren et al., 2010) to assess whether the main findings are sensitive to country-specific factors. In this analysis, I estimated each model with the target countries excluded one by one, and calibrated the coefficients and standard errors based on these estimated results. The detailed procedure and the results are presented in Appendix F, suggesting that country-specific factors did not drive the findings.

⁹The scale was modified for ease of interpretation.

Conclusion

In this paper, I have examined how the size of the outsider population conditions the relationship between government partisanship and enacted environmental policies. Previous research suggests that left-wing governments, supported by voters with postmaterialist preferences, are more likely to introduce stringent environmental policies than their right-wing counterparts. However, the left-wing electorates are facing labour market dualization, through which some of them have become outsiders, those without secure, well-paid employment. Given their economic precarity, these outsiders may prioritize their materialist needs over postmaterialist ones. I hypothesize that, combined with the potential adverse effects of environmental protection on the less well-off, the rise of these people will pressure left-wing governments to scale back their commitment to it, particularly to market-based environmental policies.

In order to test the hypotheses, I analysed a panel dataset of 24 OECD member countries between 1990 and 2015. The results of this analysis reveal that when the outsider population—particularly measured by temporary employment and unemployment—is small, left-dominant governments tend to implement more stringent environmental policies than governments without left-wing parties. This pattern, however, is reversed when the outsider population is large, suggesting that less stringent environmental policies are implemented under left-dominant governments than under non-left-wing governments. These findings are especially applicable to market-based policies, but not to non-market policies. While largely supporting the hypotheses, the findings also extend beyond them.

This finding challenges the prevailing view that left-wing governments are inherently more committed to environmental protection. While previous research has assumed that postmaterialist voters drive the environmental agenda of left-wing parties, these findings cast doubt on this assumption and suggest that the political landscape may shift in the future. At present, as exemplified by the cases in Germany, Italy, Sweden, Finland, and so on, it is a common tradition for socialist/social democratic parties and environmental

parties to form a red–green alliance. However, the traditional and fundamental goal of old left-wing parties, such as social democrats, has been to provide economic security to less well-to-do people. As shown in Figure 1, if labour market risks among left-wing voters become increasingly severe, social democrats may be expected to deprioritize environmental protection in favour of addressing immediate material concerns.

If right-wing governments remain mainly indifferent to environmental protection, then this withdrawal by left-wing governments could seriously undermine ongoing efforts to combat climate change. To avert such setbacks, preemptive measures are needed to mitigate the economic burden associated with environmental policies, ensuring that the working class and risk-vulnerable groups do not perceive green policies as a threat to their livelihoods.

Despite these crucial implications, this study has several limitations. First, the theoretical argument of the present paper warrants micro-foundations: the assumption that outsiders are less supportive of environmental protection due to their materialist priority and (perceived) negative effects of such policies needs to be empirically substantiated. Future studies could benefit from analysing individual-level data, such as an opinion survey, to validate the assumed correlations. Or, one could employ survey experiments to disentangle the causal mechanisms at play, exploring whether outsiders' opposition stems from economic insecurity, ideological predispositions, or political mobilization by parties and interest groups. Relatedly, one might object to the operationalization of outsiders in the present paper, which measures their size relative to all the employed. Future studies could benefit from building on prior suggestions to directly measure their relative size within left-wing parties' electorates (e.g., Gingrich and Häusermann, 2015; Engler and Zohlnhöfer, 2019; Bürgisser and Kurer, 2021).

Second, while the empirical analysis focuses on policy outcomes, it does not directly assess the environmentalist preferences of left-wing parties. Future studies could gain deeper insights by analysing party manifestos, parliamentary debates, or elite interviews to understand how left-wing parties frame environmental issues and whether they adjust their rhetoric in response to growing outsider populations.

Third, the finding that left-wing governments may implement less stringent environmental policies contradicts the conventional view that the Left has historically outperformed the Right in environmental governance. If left-wing governments are relaxing environmental regulations to accommodate outsiders, why have they been associated with better environmental outcomes in past studies? Future studies should explore this paradox by examining the relationship between policy stringency and actual environmental performance. This could involve assessing whether other policy mechanisms, such as green industrial strategies or international agreements, enable left-wing governments to achieve stronger environmental results despite potential rollbacks in regulatory measures.

Fourth and finally, the operationalization of the dependent variable may raise some objections. The EPS index, if not exclusively, focuses more on climate policy mitigation, which entails clearer distributional consequences than other environmental issues, and the empirical findings indeed highlight the significance of market-based policies. Given these considerations, the results might reflect economic concerns that outsiders prioritize, which could differ from the materialist–postmaterialist dilemma originally proposed by the theory. Future research would benefit from variables capturing the issues with less distributive impacts in order to assess the proposed theory more directly.

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Appendix:

Revisiting Partisan Politics of Environmental Policy: Are Left-wing Governments Always Eco-friendly? (Not intended for print)

A Descriptive Statistics

Table A.1: Descriptive Statistics

Variables	N	Mean	SD	Note
EPS	558	1.82	0.92	Overall level of environmental policy stringency (Botta and Koźluk, 2014).
Market EPS	558	1.26	0.82	Level of market-based environmental policy stringency (Botta and Koźluk, 2014).
Non-market EPS	576	2.35	1.23	Level of non-market environmental policy stringency (Botta and Koźluk, 2014).
Temporary employment	468	12.18	6.30	Share of temporary employment (dependent employment) (OECD, 2017).
Involuntary part-time employment	479	3.37	2.13	Involuntary part-time employment, percentage of employment (OECD, 2024a).
Unemployment	559	8.18	3.85	Unemployment rate, percentage of civilian labour force (Armingeon et al., 2025).
Left Party Cabinet Share	572	34.86	36.92	Cabinet posts of social democratic and other left parties in percentage of total cabinet posts (Armingeon et al., 2025).
Exective partisanship	538	1.03	0.95	Chief exective's party's orientation with respect to economic policy. Right = 0; Centre = 1; Left = 2 (Cruz et al., 2018).
Green participation	546	0.08	0.27	Author's coding based on Döring and Manow (2019). The value takes 1 if if any green party participate in the government or 0 otherwise.
GDP growth	555	2.21	2.73	GDP growth (annual %) (World Bank, 2022).
GDP per capita (log)	561	10.25	0.57	GDP per capita (constant 2015 US\$), natural logarithm (World Bank, 2022).
Trade openness	565	75.09	37.15	Trade, percentage of GDP (World Bank, 2022).
Foreign direct investment	564	4.29	7.64	Foreign direct investment, net inflows (% of GDP) (World Bank, 2022).

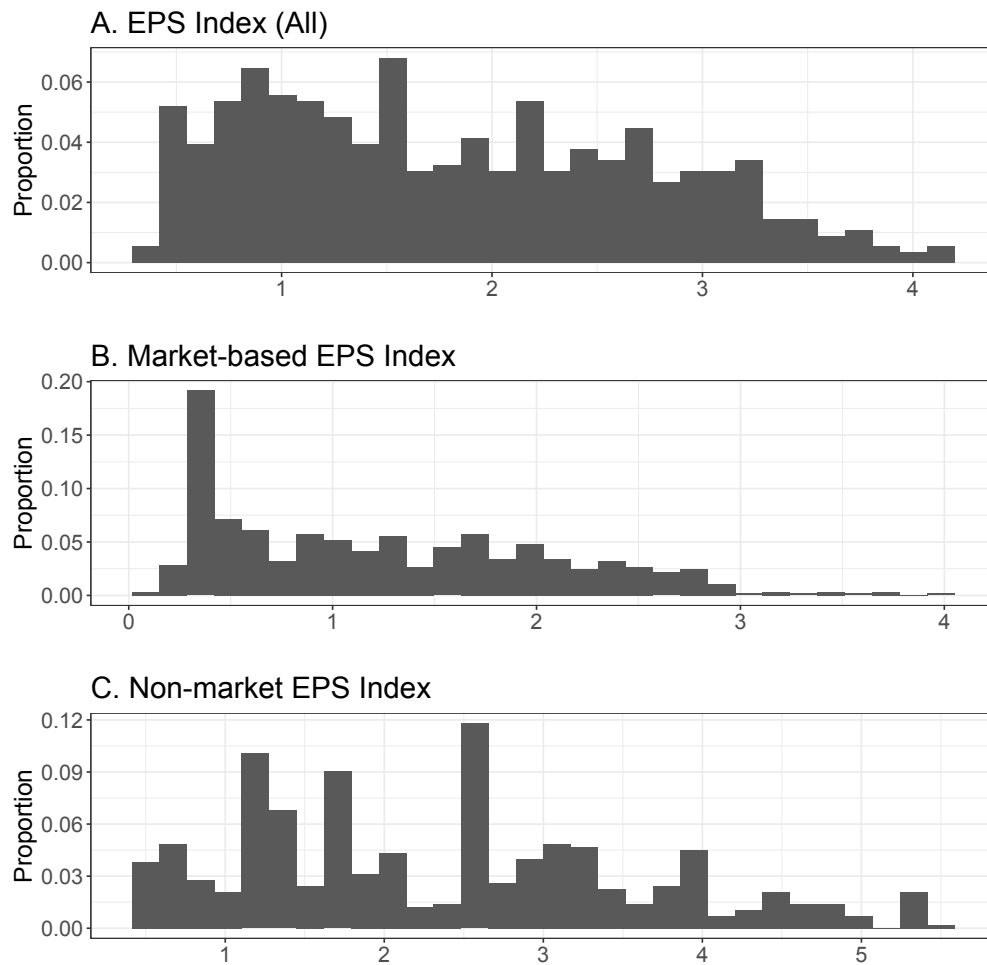


Figure A.1: Distribution of the EPS index

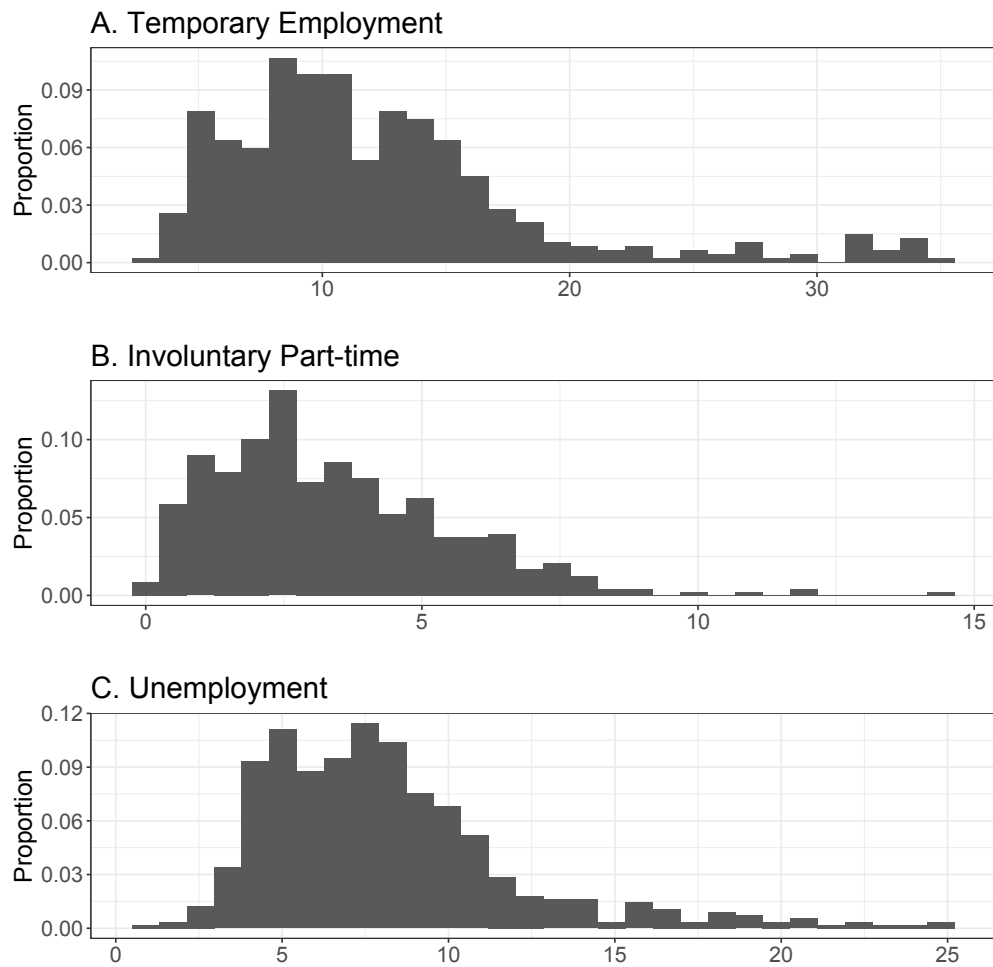


Figure A.2: Distributions of Outsider Variables

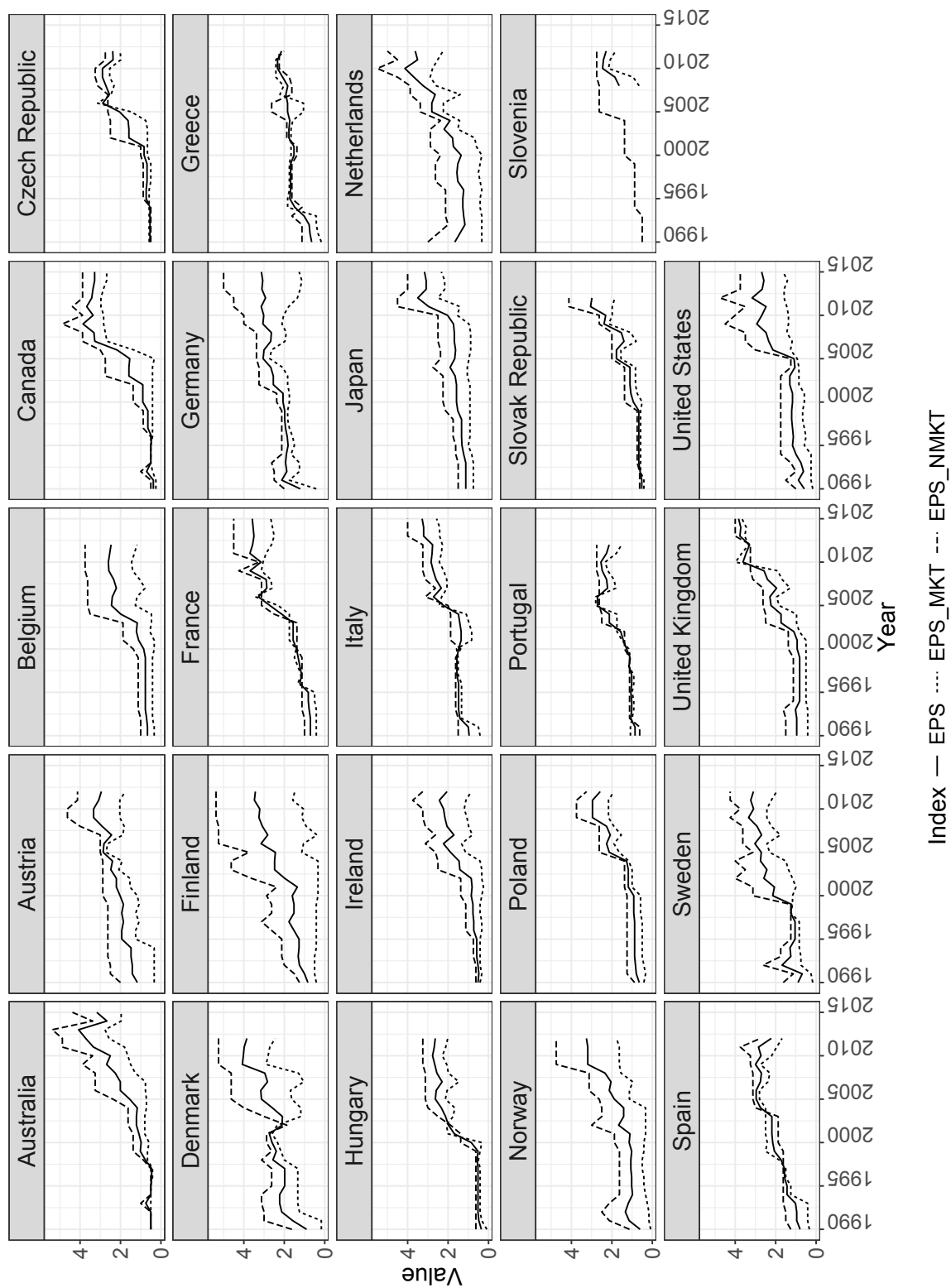


Figure A.3: By-country Trend of Average EPS Indices

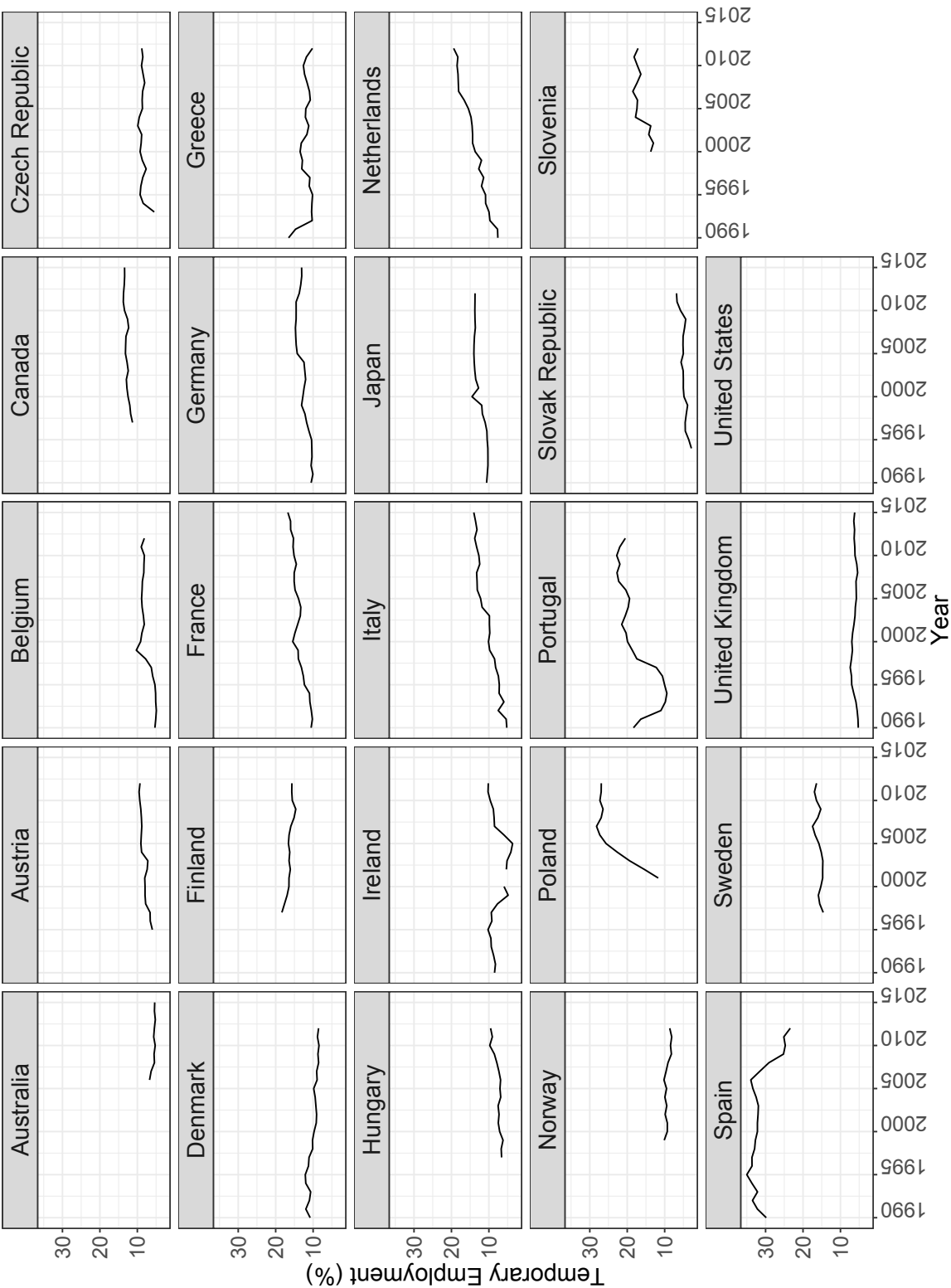


Figure A.4: By-country Trend of Temporary Employment

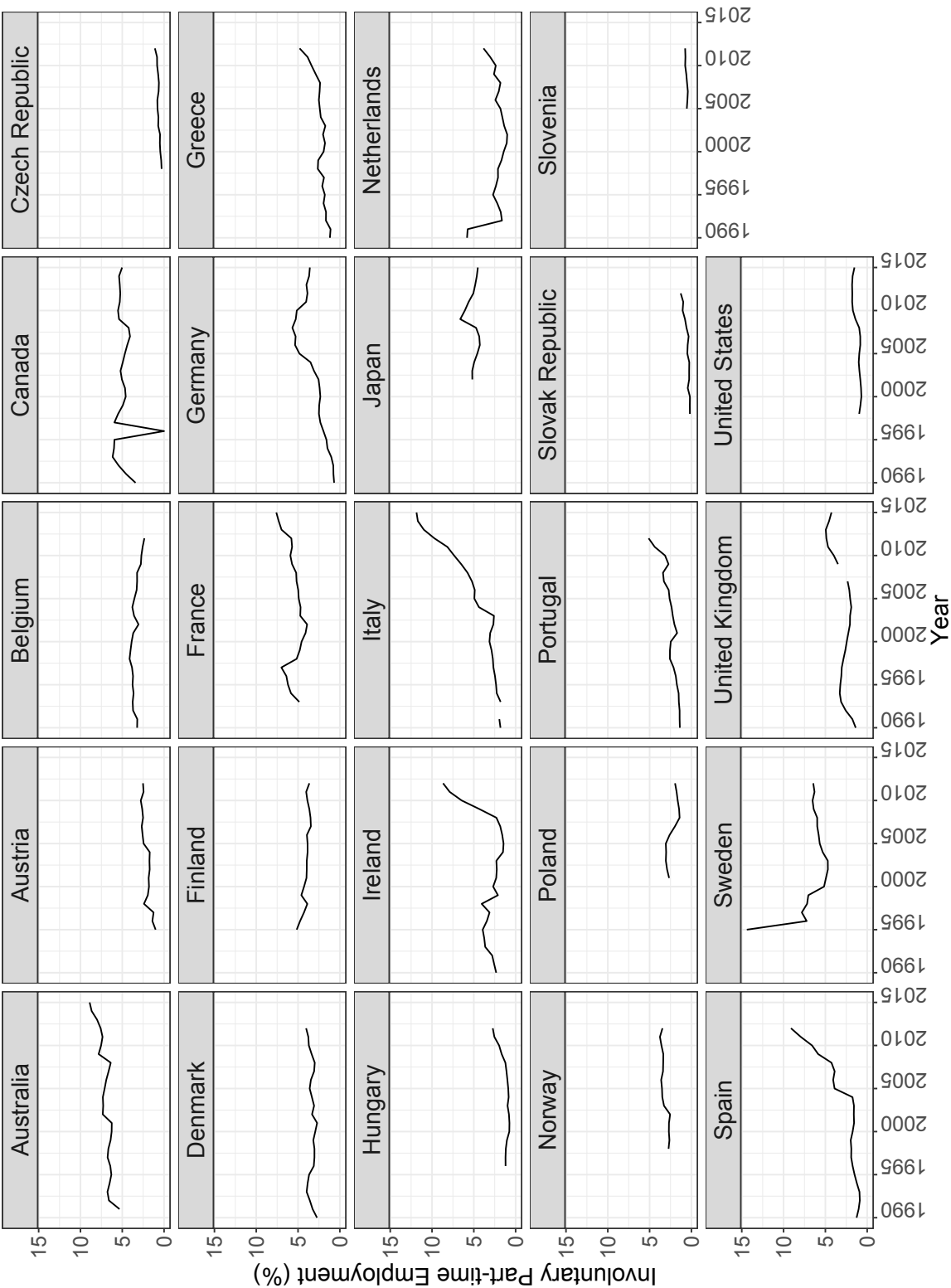


Figure A.5: By-country Trend of Involuntary Part-time employment Employment

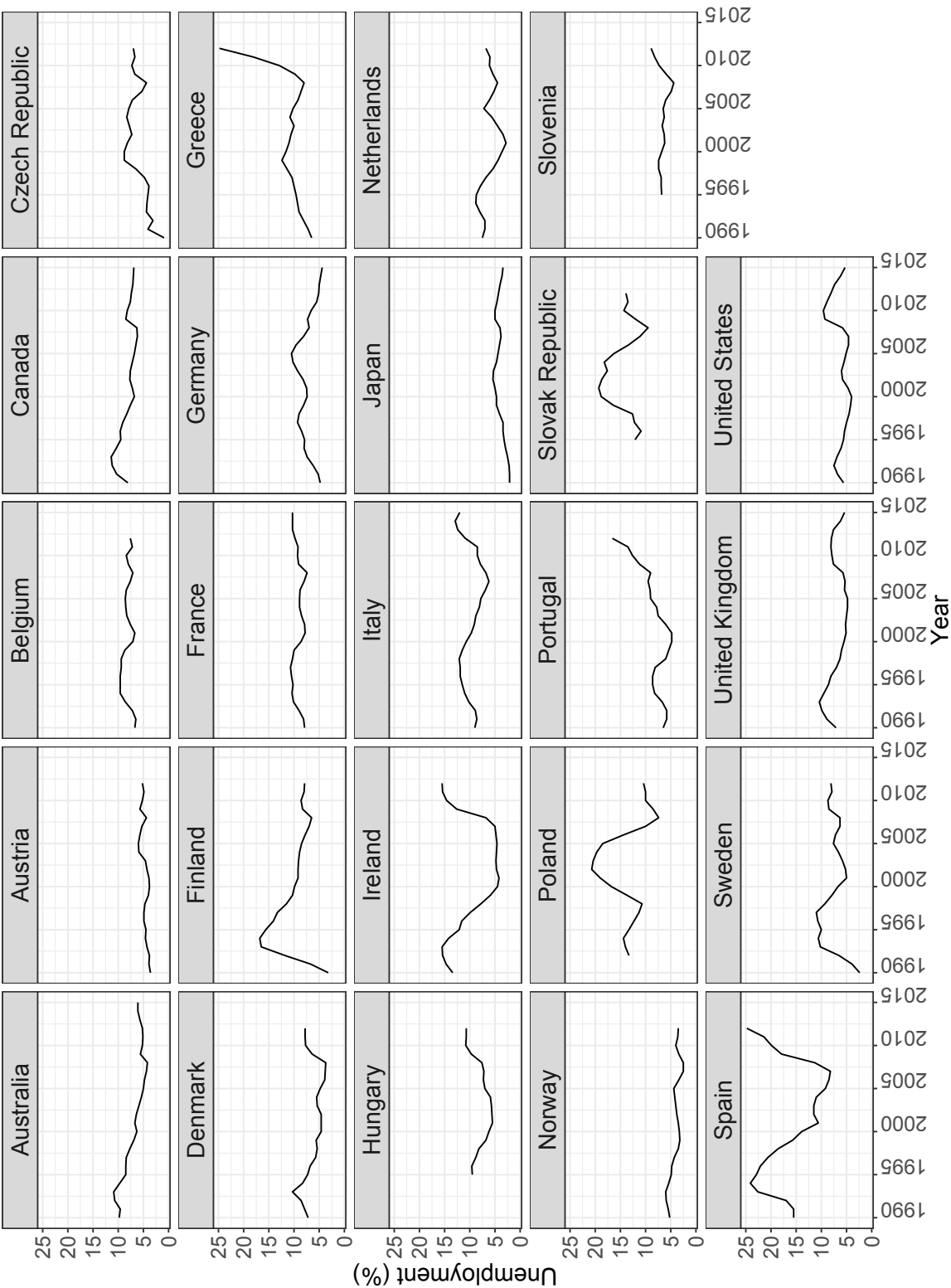


Figure A.6: By-country Trend of Unemployment

B Detailed Main Analysis

Table B.1: Detailed Analysis with Temporary Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS (t-1)	0.6234*** (0.0505)	0.6476*** (0.0455)	0.6175*** (0.0494)	0.6262*** (0.0531)	0.6228*** (0.0499)	0.6229*** (0.0507)	0.6437*** (0.0454)
Left share (t-1)	0.0017** (0.0008)	0.0016** (0.0007)	0.0017** (0.0008)	0.0017** (0.0008)	0.0017** (0.0008)	0.0017** (0.0008)	0.0016** (0.0008)
Temporary (t-1)	0.0125** (0.0054)	0.0125** (0.0054)	0.0124** (0.0054)	0.0121** (0.0057)	0.0124** (0.0057)	0.0116** (0.0050)	0.0096 (0.0059)
Left share * Temporary (t-1)	-0.0001*** (0.0000)	-0.0001*** (0.0000)	-0.0001*** (0.0000)	-0.0001*** (0.0000)	-0.0001*** (0.0000)	-0.0001*** (0.0000)	-0.0001*** (0.0000)
Green participation (t-1)		-0.0323 (0.0485)					-0.0209 (0.0519)
GDP growth (t-1)			0.0046 (0.0058)				0.0064 (0.0066)
GDP per capita (t-1)				-0.0325 (0.0722)			-0.0765 (0.0798)
Openness (t-1)					-0.0002 (0.0017)		-0.0007 (0.0018)
FDI (t-1)						0.0029 (0.0023)	0.0034 (0.0022)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.4639	0.4770	0.4623	0.4641	0.4640	0.4671	0.4803
Adj. R ²	0.3952	0.4077	0.3918	0.3940	0.3938	0.3973	0.4053
Num. obs.	459	454	458	459	459	459	453

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table B.2: Detailed Analysis with Involuntary Part-time Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS (t-1)	0.6313*** (0.0507)	0.6541*** (0.0477)	0.6162*** (0.0479)	0.6305*** (0.0509)	0.6216*** (0.0514)	0.6315*** (0.0505)	0.6310*** (0.0488)
Left share (t-1)	0.0002 (0.0007)	0.0003 (0.0006)	0.0002 (0.0007)	0.0002 (0.0007)	0.0000 (0.0007)	0.0002 (0.0007)	0.0002 (0.0007)
Involuntary (t-1)	-0.0195 (0.0146)	-0.0157 (0.0129)	-0.0173 (0.0156)	-0.0178 (0.0154)	-0.0247 (0.0187)	-0.0190 (0.0145)	-0.0176 (0.0173)
Left share * Involuntary (t-1)	-0.0001 (0.0001)	-0.0001 (0.0001)	-0.0001 (0.0001)	-0.0001 (0.0001)	-0.0000 (0.0002)	-0.0001 (0.0001)	-0.0001 (0.0001)
Green participation (t-1)		-0.0475 (0.0508)					-0.0176 (0.0551)
GDP growth (t-1)			0.0068 (0.0073)				0.0128* (0.0071)
GDP per capita (t-1)				-0.0861 (0.0710)			-0.1331* (0.0807)
Openness (t-1)					-0.0017 (0.0019)		-0.0021 (0.0019)
FDI (t-1)						0.0021 (0.0022)	0.0039* (0.0022)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.4447	0.4634	0.4358	0.4383	0.4493	0.4463	0.4673
Adj. R ²	0.3761	0.3928	0.3632	0.3662	0.3799	0.3765	0.3896
Num. obs.	474	457	466	467	474	474	449

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table B.3: Detailed Analysis with Unemployment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS (t-1)	0.6373*** (0.0498)	0.6572*** (0.0477)	0.6234*** (0.0473)	0.6339*** (0.0491)	0.6338*** (0.0491)	0.6366*** (0.0500)	0.6424*** (0.0473)
Left share (t-1)	0.0017* (0.0008)	0.0016** (0.0008)	0.0018** (0.0008)	0.0018** (0.0008)	0.0016* (0.0008)	0.0016* (0.0008)	0.0017** (0.0008)
Unemployment (t-1)	0.0039 (0.0051)	0.0047 (0.0050)	0.0056 (0.0052)	0.0036 (0.0055)	0.0035 (0.0056)	0.0035 (0.0051)	0.0032 (0.0060)
Left share * Unemployment (t-1)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)
Green participation (t-1)		-0.0303 (0.0459)					-0.0090 (0.0471)
GDP growth (t-1)			0.0036 (0.0055)				0.0066 (0.0054)
GDP per capita (t-1)				-0.0894 (0.0745)			-0.1283 (0.0854)
Openness (t-1)					-0.0010 (0.0016)		-0.0014 (0.0017)
FDI (t-1)						0.0023 (0.0022)	0.0036 (0.0023)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.4555	0.4739	0.4481	0.4510	0.4570	0.4568	0.4745
Adj. R ²	0.3978	0.4139	0.3873	0.3907	0.3979	0.3977	0.4075
Num. obs.	544	518	535	537	541	541	505

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

C Detailed Analysis with Decomposed EPS

C.1 Analysis with the Market EPS

Table C.1: Detailed Analysis with Market EPS and Temporary Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Market EPS (t-1)	0.7062*** (0.0513)	0.7321*** (0.0431)	0.7045*** (0.0523)	0.7062*** (0.0513)	0.7058*** (0.0500)	0.7064*** (0.0513)	0.7296*** (0.0428)
Left share (t-1)	0.0022*** (0.0009)	0.0022*** (0.0008)	0.0022** (0.0008)	0.0022*** (0.0008)	0.0022*** (0.0009)	0.0022** (0.0009)	0.0021*** (0.0008)
Temporary (t-1)	0.0105 (0.0082)	0.0102 (0.0081)	0.0104 (0.0082)	0.0116 (0.0081)	0.0104 (0.0084)	0.0096 (0.0079)	0.0098 (0.0085)
Left share * Temporary (t-1)	-0.0002*** (0.0000)	-0.0002*** (0.0000)	-0.0002*** (0.0000)	-0.0002*** (0.0000)	-0.0002*** (0.0000)	-0.0002*** (0.0000)	-0.0002*** (0.0000)
Green participation (t-1)		-0.0265 (0.0827)					-0.0242 (0.0888)
GDP growth (t-1)			0.0022 (0.0090)				0.0033 (0.0091)
GDP per capita (t-1)				0.0837 (0.0864)			0.0488 (0.0873)
Openness (t-1)					-0.0001 (0.0016)		-0.0001 (0.0017)
FDI (t-1)						0.0028 (0.0028)	0.0028 (0.0028)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.5516	0.5674	0.5513	0.5524	0.5516	0.5531	0.5690
Adj. R ²	0.4942	0.5101	0.4924	0.4939	0.4930	0.4947	0.5068
Num. obs.	459	454	458	459	459	459	453

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table C.2: Detailed Analysis with Market EPS and Involuntary Part-time Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Market EPS (t-1)	0.7028*** (0.0514)	0.7323*** (0.0429)	0.7000*** (0.0522)	0.7020*** (0.0511)	0.6990*** (0.0495)	0.7030*** (0.0514)	0.7257*** (0.0422)
Left share (t-1)	-0.0007 (0.0008)	-0.0004 (0.0008)	-0.0008 (0.0008)	-0.0008 (0.0008)	-0.0008 (0.0008)	-0.0007 (0.0008)	-0.0005 (0.0008)
Involuntary (t-1)	-0.0438** (0.0174)	-0.0383** (0.0151)	-0.0451** (0.0197)	-0.0463** (0.0199)	-0.0459** (0.0210)	-0.0431** (0.0174)	-0.0399** (0.0198)
Left share * Involuntary (t-1)	0.0002 (0.0001)	0.0002 (0.0001)	0.0002 (0.0002)	0.0002 (0.0002)	0.0002 (0.0002)	0.0002 (0.0002)	0.0002 (0.0002)
Green participation (t-1)		-0.0493 (0.0859)					-0.0415 (0.0909)
GDP growth (t-1)			0.0012 (0.0092)				0.0032 (0.0092)
GDP per capita (t-1)				0.0696 (0.0930)			0.0375 (0.0870)
Openness (t-1)					-0.0007 (0.0018)		-0.0005 (0.0016)
FDI (t-1)						0.0030 (0.0029)	0.0036 (0.0027)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.5426	0.5588	0.5426	0.5439	0.5431	0.5444	0.5614
Adj. R ²	0.4862	0.5008	0.4838	0.4853	0.4855	0.4869	0.4975
Num. obs.	474	457	466	467	474	474	449

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table C.3: Detailed Analysis with Market EPS and Unemployment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Market EPS (t-1)	0.7124*** (0.0468)	0.7402*** (0.0384)	0.7104*** (0.0471)	0.7108*** (0.0465)	0.7130*** (0.0461)	0.7122*** (0.0469)	0.7392*** (0.0380)
Left share (t-1)	0.0020** (0.0009)	0.0020** (0.0008)	0.0022** (0.0009)	0.0021** (0.0008)	0.0021** (0.0009)	0.0020** (0.0008)	0.0021*** (0.0008)
Unemployment (t-1)	0.0040 (0.0066)	0.0031 (0.0069)	0.0050 (0.0067)	0.0064 (0.0075)	0.0041 (0.0067)	0.0040 (0.0066)	0.0049 (0.0080)
Left share * Unemployment (t-1)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0003*** (0.0001)	-0.0003*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)
Green participation (t-1)		-0.0370 (0.0757)					-0.0363 (0.0783)
GDP growth (t-1)			-0.0025 (0.0075)				-0.0021 (0.0075)
GDP per capita (t-1)				0.0704 (0.0934)			0.0367 (0.0899)
Openness (t-1)					0.0002 (0.0014)		0.0003 (0.0013)
FDI (t-1)						0.0032 (0.0029)	0.0032 (0.0029)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.5549	0.5725	0.5551	0.5559	0.5552	0.5568	0.5754
Adj. R ²	0.5078	0.5237	0.5060	0.5071	0.5068	0.5086	0.5213
Num. obs.	544	518	535	537	541	541	505

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

C.2 Analysis with the Non-market EPS

Table C.4: Detailed Analysis with Non-market EPS and Temporary Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Non-market EPS (t-1)	0.4657*** (0.0451)	0.4770*** (0.0448)	0.4586*** (0.0435)	0.4666*** (0.0471)	0.4655*** (0.0451)	0.4650*** (0.0445)	0.4730*** (0.0447)
Left share (t-1)	0.0014 (0.0012)	0.0013 (0.0012)	0.0013 (0.0012)	0.0014 (0.0012)	0.0014 (0.0012)	0.0014 (0.0012)	0.0012 (0.0012)
Temporary (t-1)	0.0147* (0.0089)	0.0149* (0.0090)	0.0144 (0.0089)	0.0146* (0.0085)	0.0149* (0.0089)	0.0138 (0.0088)	0.0126 (0.0086)
Left share * Temporary (t-1)	-0.0001* (0.0001)	-0.0001* (0.0001)	-0.0001* (0.0001)	-0.0001* (0.0001)	-0.0001* (0.0001)	-0.0001* (0.0001)	-0.0001 (0.0001)
Green participation (t-1)		-0.0282 (0.0655)					-0.0137 (0.0683)
GDP growth (t-1)			0.0104 (0.0099)				0.0108 (0.0113)
GDP per capita (t-1)				-0.0107 (0.1136)			-0.0440 (0.1260)
Openness (t-1)					0.0002 (0.0022)		-0.0005 (0.0022)
FDI (t-1)						0.0031 (0.0024)	0.0034 (0.0021)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.2749	0.2803	0.2744	0.2749	0.2749	0.2770	0.2823
Adj. R ²	0.1840	0.1871	0.1813	0.1821	0.1821	0.1845	0.1811
Num. obs.	468	463	467	468	468	468	462

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table C.5: Detailed Analysis with Non-market EPS and Involuntary Part-time Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Non-market EPS (t-1)	0.4943*** (0.0504)	0.4964*** (0.0530)	0.4736*** (0.0492)	0.4942*** (0.0514)	0.4929*** (0.0509)	0.4944*** (0.0502)	0.4836*** (0.0528)
Left share (t-1)	0.0012 (0.0011)	0.0013 (0.0010)	0.0014 (0.0011)	0.0013 (0.0010)	0.0010 (0.0011)	0.0012 (0.0011)	0.0012 (0.0010)
Involuntary (t-1)	-0.0049 (0.0172)	-0.0040 (0.0166)	0.0010 (0.0186)	0.0005 (0.0191)	-0.0118 (0.0192)	-0.0047 (0.0172)	-0.0034 (0.0189)
Left share * Involuntary (t-1)	-0.0003 (0.0002)	-0.0003 (0.0002)	-0.0004* (0.0002)	-0.0004* (0.0002)	-0.0003 (0.0002)	-0.0003 (0.0002)	-0.0003* (0.0002)
Green participation (t-1)		-0.0408 (0.0664)					0.0099 (0.0698)
GDP growth (t-1)			0.0166 (0.0125)				0.0247* (0.0134)
GDP per capita (t-1)				-0.1136 (0.1259)			-0.1643 (0.1482)
Openness (t-1)					-0.0024 (0.0025)		-0.0031 (0.0025)
FDI (t-1)						0.0011 (0.0026)	0.0039 (0.0023)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.2906	0.2969	0.2808	0.2801	0.2959	0.2909	0.2992
Adj. R ²	0.2038	0.2054	0.1891	0.1886	0.2079	0.2022	0.1981
Num. obs.	478	461	470	471	478	478	453

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table C.6: Detailed Analysis with Non-market EPS and Unemployment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Non-market EPS (t-1)	0.5059*** (0.0447)	0.5069*** (0.0477)	0.4866*** (0.0435)	0.5058*** (0.0433)	0.5067*** (0.0443)	0.5035*** (0.0448)	0.4956*** (0.0457)
Left share (t-1)	0.0015 (0.0016)	0.0015 (0.0016)	0.0016 (0.0016)	0.0018 (0.0015)	0.0014 (0.0016)	0.0014 (0.0016)	0.0014 (0.0015)
Unemployment (t-1)	-0.0025 (0.0094)	-0.0019 (0.0096)	0.0003 (0.0096)	-0.0035 (0.0100)	-0.0032 (0.0097)	-0.0038 (0.0095)	-0.0040 (0.0104)
Left share * Unemployment (t-1)	-0.0002 (0.0001)	-0.0002 (0.0001)	-0.0002 (0.0001)	-0.0002 (0.0001)	-0.0002 (0.0001)	-0.0002 (0.0001)	-0.0002 (0.0001)
Green participation (t-1)		0.0101 (0.0500)					0.0482 (0.0492)
GDP growth (t-1)			0.0130* (0.0078)				0.0182** (0.0091)
GDP per capita (t-1)				-0.1660 (0.1331)			-0.1992 (0.1516)
Openness (t-1)					-0.0019 (0.0022)		-0.0028 (0.0023)
FDI (t-1)						0.0014 (0.0024)	0.0036 (0.0023)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.3077	0.3148	0.2987	0.3007	0.3106	0.3066	0.3145
Adj. R ²	0.2365	0.2389	0.2234	0.2261	0.2377	0.2333	0.2296
Num. obs.	558	532	548	551	555	555	518

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

D Analysis without Lagged Dependent Variable

Table D.1: Analysis with Temporary Employment and No Lagged DV

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Left share (t-1)	0.0037** (0.0017)	0.0036** (0.0017)	0.0034** (0.0017)	0.0036** (0.0017)	0.0036** (0.0018)	0.0036** (0.0017)	0.0032* (0.0017)
Temporary (t-1)	0.0192* (0.0103)	0.0190* (0.0103)	0.0184* (0.0099)	0.0222** (0.0098)	0.0176* (0.0106)	0.0182* (0.0099)	0.0157 (0.0101)
Left share * Temporary (t-1)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)	-0.0002*** (0.0001)
Green participation (t-1)		0.0322 (0.0859)					0.0723 (0.0911)
GDP growth (t-1)			0.0251** (0.0118)				0.0299** (0.0117)
GDP per capita (t-1)				0.2248** (0.0963)			0.1369 (0.1077)
Openness (t-1)					-0.0018 (0.0022)		-0.0029 (0.0023)
FDI (t-1)						0.0033 (0.0023)	0.0045* (0.0025)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.0365	0.0370	0.0523	0.0479	0.0416	0.0405	0.0771
Adj. R ²	-0.0839	-0.0876	-0.0691	-0.0738	-0.0809	-0.0821	-0.0531
Num. obs.	460	455	459	460	460	460	454

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table D.2: Analysis with Involuntary Part-time Employment and No Lagged DV

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Left share (t-1)	0.0000 (0.0016)	0.0001 (0.0016)	0.0001 (0.0016)	-0.0000 (0.0016)	-0.0003 (0.0016)	0.0001 (0.0016)	-0.0003 (0.0016)
Involuntary (t-1)	-0.0566*** (0.0200)	-0.0578*** (0.0197)	-0.0524** (0.0204)	-0.0578*** (0.0203)	-0.0675*** (0.0228)	-0.0561*** (0.0200)	-0.0659*** (0.0235)
Left share * Involuntary (t-1)	0.0001 (0.0003)	0.0001 (0.0003)	0.0001 (0.0003)	0.0002 (0.0003)	0.0002 (0.0003)	0.0001 (0.0003)	0.0002 (0.0003)
Green participation (t-1)		-0.0059 (0.0801)					0.0623 (0.0911)
GDP growth (t-1)			0.0294** (0.0144)				0.0384*** (0.0131)
GDP per capita (t-1)				0.1435 (0.1220)			0.0551 (0.1083)
Openness (t-1)					-0.0039* (0.0023)		-0.0050** (0.0022)
FDI (t-1)						0.0020 (0.0021)	0.0053** (0.0023)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.0331	0.0360	0.0523	0.0372	0.0587	0.0345	0.1045
Adj. R ²	-0.0835	-0.0878	-0.0668	-0.0834	-0.0573	-0.0845	-0.0230
Num. obs.	475	458	467	468	475	475	450

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table D.3: Analysis with Unemployment and No Lagged DV

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Left share (t-1)	0.0036** (0.0015)	0.0038** (0.0015)	0.0036** (0.0014)	0.0039*** (0.0015)	0.0036** (0.0015)	0.0035** (0.0015)	0.0035** (0.0014)
Unemployment (t-1)	-0.0042 (0.0089)	-0.0028 (0.0087)	0.0011 (0.0082)	0.0007 (0.0098)	-0.0053 (0.0096)	-0.0051 (0.0088)	0.0025 (0.0099)
Left share * Unemployment (t-1)	-0.0004*** (0.0001)	-0.0004*** (0.0001)	-0.0004*** (0.0001)	-0.0004*** (0.0001)	-0.0004*** (0.0001)	-0.0004*** (0.0001)	-0.0004*** (0.0001)
Green participation (t-1)		0.0495 (0.0748)					0.0894 (0.0772)
GDP growth (t-1)			0.0204** (0.0092)				0.0286*** (0.0097)
GDP per capita (t-1)				0.1047 (0.1353)			0.0552 (0.1247)
Openness (t-1)					-0.0023 (0.0020)		-0.0035* (0.0020)
FDI (t-1)						0.0025 (0.0022)	0.0047* (0.0025)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.0441	0.0472	0.0585	0.0487	0.0530	0.0462	0.0887
Adj. R ²	-0.0548	-0.0591	-0.0428	-0.0533	-0.0476	-0.0552	-0.0249
Num. obs.	545	519	536	538	542	542	506

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

E Analysis with an Alternative Partisanship Variable

Table E.1: Analysis with DPI and Temporary Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS (t-1)	0.6306*** (0.0566)	0.6559*** (0.0513)	0.6246*** (0.0562)	0.6315*** (0.0585)	0.6316*** (0.0562)	0.6309*** (0.0563)	0.6529*** (0.0520)
DPI partisanship (t-1)	0.0625** (0.0276)	0.0596** (0.0272)	0.0621** (0.0268)	0.0625** (0.0276)	0.0623** (0.0273)	0.0599** (0.0278)	0.0555** (0.0260)
Temporary (t-1)	0.0128** (0.0053)	0.0127** (0.0053)	0.0127** (0.0054)	0.0126** (0.0055)	0.0129** (0.0056)	0.0117** (0.0049)	0.0103* (0.0057)
DPI partisanship * Temporary (t-1)	-0.0057*** (0.0014)	-0.0054*** (0.0014)	-0.0056*** (0.0014)	-0.0057*** (0.0014)	-0.0057*** (0.0014)	-0.0055*** (0.0014)	-0.0050*** (0.0013)
Green participation (t-1)		-0.0280 (0.0499)					-0.0212 (0.0512)
GDP growth (t-1)			0.0047 (0.0054)				0.0058 (0.0060)
GDP per capita (t-1)				-0.0135 (0.0884)			-0.0599 (0.0914)
Openness (t-1)					0.0002 (0.0020)		-0.0002 (0.0020)
FDI (t-1)						0.0030 (0.0023)	0.0033 (0.0021)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.4729	0.4857	0.4714	0.4729	0.4730	0.4764	0.4886
Adj. R ²	0.4015	0.4136	0.3980	0.4000	0.4000	0.4039	0.4105
Num. obs.	437	432	436	437	437	437	431

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table E.2: Analysis with DPI and Involuntary Part-time Employment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS (t-1)	0.6302*** (0.0519)	0.6523*** (0.0493)	0.6134*** (0.0498)	0.6259*** (0.0518)	0.6246*** (0.0518)	0.6310*** (0.0512)	0.6312*** (0.0501)
DPI partisanship (t-1)	0.0076 (0.0285)	0.0096 (0.0318)	0.0098 (0.0289)	0.0105 (0.0296)	0.0061 (0.0310)	0.0117 (0.0267)	0.0147 (0.0312)
Involuntary (t-1)	-0.0256 (0.0181)	-0.0211 (0.0178)	-0.0246 (0.0186)	-0.0243 (0.0188)	-0.0276 (0.0208)	-0.0243 (0.0176)	-0.0205 (0.0203)
DPI partisanship * Involuntary (t-1)	-0.0064 (0.0071)	-0.0065 (0.0071)	-0.0070 (0.0071)	-0.0075 (0.0076)	-0.0060 (0.0078)	-0.0073 (0.0066)	-0.0080 (0.0070)
Green participation (t-1)		-0.0242 (0.0496)					0.0033 (0.0524)
GDP growth (t-1)			0.0071 (0.0059)				0.0121** (0.0055)
GDP per capita (t-1)				-0.0821 (0.0723)			-0.1322* (0.0763)
Openness (t-1)					-0.0009 (0.0022)		-0.0012 (0.0021)
FDI (t-1)						0.0029 (0.0024)	0.0042* (0.0023)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.4574	0.4751	0.4486	0.4513	0.4583	0.4606	0.4770
Adj. R ²	0.3861	0.4015	0.3730	0.3763	0.3857	0.3882	0.3955
Num. obs.	449	432	441	442	449	449	424

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

Table E.3: Analysis with DPI and Unemployment

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS (t-1)	0.6527*** (0.0514)	0.6726*** (0.0500)	0.6405*** (0.0497)	0.6473*** (0.0510)	0.6532*** (0.0515)	0.6522*** (0.0515)	0.6616*** (0.0510)
DPI partisanship (t-1)	0.1018*** (0.0329)	0.0976*** (0.0332)	0.1042*** (0.0325)	0.1059*** (0.0322)	0.1019*** (0.0331)	0.1043*** (0.0312)	0.1028*** (0.0298)
Unemployment (t-1)	0.0138** (0.0064)	0.0145** (0.0063)	0.0154** (0.0064)	0.0135* (0.0072)	0.0138** (0.0067)	0.0139** (0.0062)	0.0136* (0.0071)
DPI partisanship * Involuntary (t-1)	-0.0138*** (0.0035)	-0.0133*** (0.0034)	-0.0144*** (0.0035)	-0.0145*** (0.0035)	-0.0139*** (0.0036)	-0.0141*** (0.0034)	-0.0141*** (0.0032)
Green participation (t-1)		-0.0235 (0.0475)					-0.0085 (0.0464)
GDP growth (t-1)			0.0025 (0.0050)				0.0043 (0.0049)
GDP per capita (t-1)				-0.0826 (0.0855)			-0.1157 (0.0881)
Openness (t-1)					0.0001 (0.0016)		-0.0002 (0.0016)
FDI (t-1)						0.0034 (0.0024)	0.0041* (0.0024)
Country FE	YES	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES	YES
R ²	0.4751	0.4931	0.4674	0.4704	0.4751	0.4792	0.4937
Adj. R ²	0.4157	0.4311	0.4047	0.4082	0.4144	0.4190	0.4251
Num. obs.	512	487	504	505	512	512	479

Note: Cluster robust standard errors in parenthesis. *** p < 0.01; ** p < 0.05; * p < 0.1

F Analyses with Country-wise Jackknife Resampling

This section demonstrates the result of the reestimation of the main analyses with a country-wise Jackknife resampling. In this procedure, each of the models were estimated with the targeted countries excluded one by one, and bias-adjusted (jackknife) coefficients and their standard errors were obtained based on the original coefficients and the means of the obtained leave-one-out estimators. Suppose that β_{original} is a vector of coefficients from the original estimation (ordinary square fixed effects model) and that β_{-i} is a vector of coefficients from a leave-one-out estimation which excludes country $i \in \{1, \dots, N\}$. The Jackknife coefficients β_{jack} and their standard errors σ_{jack} were

$$\beta_{\text{jack}} = \beta_{\text{original}} - (N - 1) \left(\hat{\beta}_{(\cdot)} - \beta_{\text{original}} \right)$$

$$\sigma_{\text{jack}} = \sqrt{\frac{N - 1}{N} \sum_{i=1}^N \left(\beta_{-i} - \hat{\beta}_{(\cdot)} \right)^2},$$

where $\hat{\beta}_{(\cdot)} = \frac{1}{N} \sum_{i=1}^N \beta_{-i}$. In Tables [F.1](#) through [F.3](#), each entry denotes β_{jack} and $[\beta_{\text{jack}} - 1.96 \times \sigma_{\text{jack}}, \beta_{\text{jack}} + 1.96 \times \sigma_{\text{jack}}]$.

Table F.1: Analysis with Jackknife and EPS

	Temporary		Involuntary		Unemployment	
	(1)	(2)	(3)	(4)	(5)	(6)
EPS (t-1)	0.6232* [0.5120; 0.7345]	0.6125* [0.4887; 0.7362]	0.6263* [0.5114; 0.7412]	0.5958* [0.4675; 0.7242]	0.6326* [0.5231; 0.7421]	0.6147* [0.4955; 0.7338]
Left share (t-1)	0.0021* [0.0002; 0.0039]	0.0019 [−0.0001; 0.0038]	0.0001 [−0.0014; 0.0015]	−0.0000 [−0.0016; 0.0015]	0.0016* [0.0000; 0.0032]	0.0014 [−0.0003; 0.0031]
Temporary (t-1)	0.0150* [0.0007; 0.0293]	0.0097 [−0.0081; 0.0275]				
Left share * Temporary (t-1)	−0.0002* [−0.0003; −0.0001]	−0.0002* [−0.0003; −0.0000]				
Involuntary (t-1)			−0.0231 [−0.0553; 0.0091]	−0.0222 [−0.0651; 0.0208]		
Left share * Involuntary (t-1)			−0.0001 [−0.0004; 0.0003]	−0.0000 [−0.0004; 0.0004]		
Unemployment (t-1)					−0.0011 [−0.0188; 0.0166]	−0.0015 [−0.0199; 0.0169]
Left share * Unemployment (t-1)					−0.0002* [−0.0004; −0.0000]	−0.0002 [−0.0004; 0.0000]
Green participation (t-1)		0.0087 [−0.1074; 0.1248]		0.0053 [−0.1150; 0.1255]		0.0168 [−0.0875; 0.1211]
GDP growth (t-1)		0.0101 [−0.0061; 0.0263]		0.0197 [−0.0001; 0.0395]		0.0117 [−0.0047; 0.0281]
GDP per capita (t-1)		0.1483 [−0.2131; 0.5096]		0.0160 [−0.3213; 0.3533]		−0.0033 [−0.3196; 0.3130]
Openness (t-1)		−0.0017 [−0.0058; 0.0023]		−0.0039 [−0.0094; 0.0017]		−0.0032 [−0.0076; 0.0012]
FDI (t-1)		0.0029 [−0.0019; 0.0077]		0.0037 [−0.0014; 0.0088]		0.0035 [−0.0015; 0.0084]
Country FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Num. obs.	459	453	474	449	544	505

* Null hypothesis value outside the confidence interval.

Table F.2: Analysis with Jackknife and MarketEPS

	Temporary		Involuntary		Unemployment	
	(1)	(2)	(3)	(4)	(5)	(6)
Market EPS (t-1)	0.7007* [0.6035; 0.7979]	0.7387* [0.6263; 0.8511]	0.6903* [0.5925; 0.7881]	0.7363* [0.6306; 0.8421]	0.7046* [0.6170; 0.7923]	0.7556* [0.6634; 0.8478]
Left share (t-1)	0.0025* [0.0006; 0.0045]	0.0023* [0.0002; 0.0043]	-0.0011 [-0.0030; 0.0007]	-0.0007 [-0.0026; 0.0012]	0.0020* [0.0001; 0.0040]	0.0018 [-0.0000; 0.0037]
Temporary (t-1)	0.0175 [-0.0032; 0.0382]	0.0124 [-0.0114; 0.0362]				
Left share * Temporary (t-1)	-0.0002* [-0.0003; -0.0001]	-0.0002* [-0.0003; -0.0001]				
Involuntary (t-1)			-0.0559* [-0.0985; -0.0134]	-0.0431 [-0.0890; 0.0029]		
Left share * Involuntary (t-1)			0.0003 [-0.0001; 0.0008]	0.0002 [-0.0002; 0.0006]		
Unemployment (t-1)					0.0013 [-0.0175; 0.0202]	-0.0040 [-0.0260; 0.0179]
Left share * Unemployment (t-1)					-0.0003* [-0.0004; -0.0001]	-0.0002* [-0.0004; -0.0000]
Green participation (t-1)		0.0248 [-0.1984; 0.2479]		-0.0116 [-0.2450; 0.2218]		0.0115 [-0.1890; 0.2120]
GDP growth (t-1)		0.0107 [-0.0121; 0.0334]		0.0087 [-0.0131; 0.0305]		0.0019 [-0.0157; 0.0195]
GDP per capita (t-1)		-0.0469 [-0.4379; 0.3441]		-0.0882 [-0.4671; 0.2907]		-0.1404 [-0.5231; 0.2423]
Openness (t-1)		-0.0010 [-0.0053; 0.0032]		-0.0009 [-0.0052; 0.0033]		-0.0002 [-0.0036; 0.0033]
FDI (t-1)		0.0026 [-0.0041; 0.0093]		0.0040 [-0.0028; 0.0107]		0.0037 [-0.0034; 0.0109]
Country FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Num. obs.	459	453	474	449	544	505

* Null hypothesis value outside the confidence interval.

Table F.3: Analysis with Jackknife and Non-market EPS

	Temporary			Involuntary		Unemployment	
	(1)	(2)	(3)	(4)	(5)	(6)	
Non-market EPS (t-1)	0.4912* [0.3704; 0.6121]	0.4464* [0.3356; 0.5572]	0.5106* [0.3839; 0.6372]	0.4523* [0.3240; 0.5806]	0.5120* [0.4047; 0.6193]	0.4617* [0.3520; 0.5714]	
Left share (t-1)	0.0010 [−0.0016; 0.0036]	0.0008 [−0.0019; 0.0035]	0.0013 [−0.0010; 0.0036]	0.0010 [−0.0011; 0.0032]	0.0009 [−0.0016; 0.0035]	0.0005 [−0.0021; 0.0031]	
Temporary (t-1)	0.0118 [−0.0046; 0.0283]	0.0099 [−0.0083; 0.0280]					
Left share * Temporary (t-1)	−0.0001 [−0.0002; 0.0000]	−0.0001 [−0.0002; 0.0001]					
Involuntary (t-1)			−0.0041 [−0.0481; 0.0398]	−0.0083 [−0.0666; 0.0500]			
Left share * Involuntary (t-1)			−0.0004 [−0.0010; 0.0002]	−0.0003 [−0.0009; 0.0002]			
Unemployment (t-1)					−0.0121 [−0.0337; 0.0094]	−0.0099 [−0.0335; 0.0137]	
Left share * Unemployment (t-1)					−0.0001 [−0.0003; 0.0001]	−0.0001 [−0.0003; 0.0001]	
Green participation (t-1)		−0.0292 [−0.1975; 0.1391]		0.0050 [−0.1644; 0.1744]		0.0413 [−0.0669; 0.1495]	
GDP growth (t-1)		0.0105 [−0.0147; 0.0357]		0.0315 [−0.0012; 0.0642]		0.0239* [0.0001; 0.0477]	
GDP per capita (t-1)		0.4296 [−0.1232; 0.9825]		0.1982 [−0.3946; 0.7910]		0.1518 [−0.4012; 0.7047]	
Openness (t-1)		−0.0005 [−0.0059; 0.0049]		−0.0052 [−0.0124; 0.0021]		−0.0053 [−0.0112; 0.0006]	
FDI (t-1)		0.0024 [−0.0041; 0.0090]		0.0030 [−0.0040; 0.0100]		0.0029 [−0.0038; 0.0096]	
Country FE	YES	YES	YES	YES	YES	YES	
Year FE	YES	YES	YES	YES	YES	YES	
Num. obs.	468	462	478	453	558	518	

* Null hypothesis value outside the confidence interval.