

Labor Divides, Informality and Regulation

The public opinion on labor law in Latin America

Supplementary Material

November 8, 2018

Supplementary Material

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Figure S1: Overview: Labor law skepticism over time (LAB 1997, 2000, 2001, 2005 country averages)

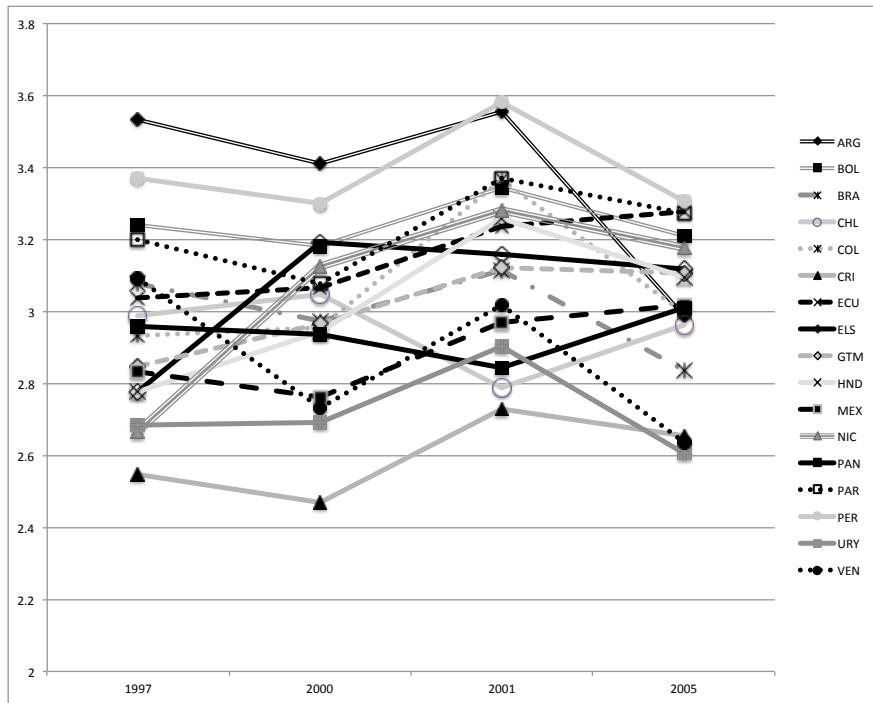


Figure S2: Unemployment concern within next 12 month by country (1- no concern, 4 - very concerned; item is yearly asked in LAB 1996-2015)

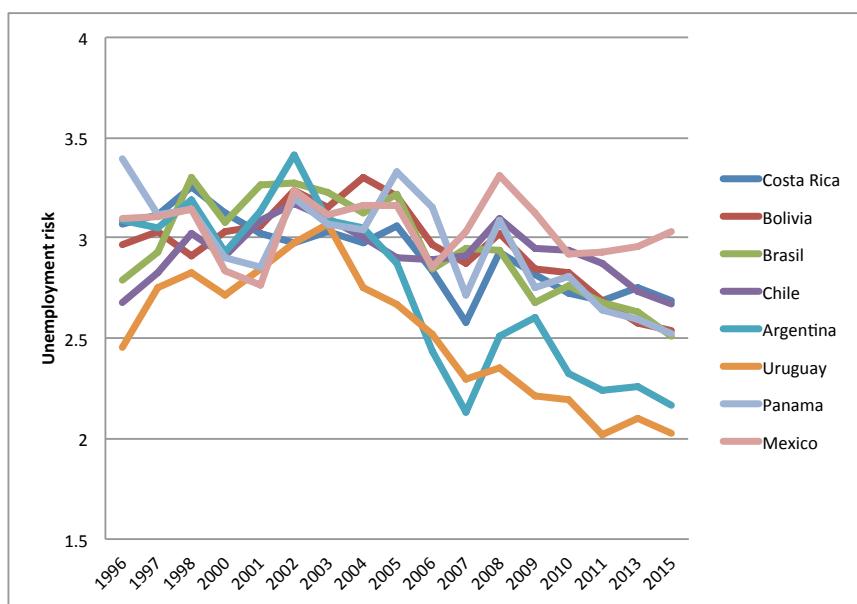


Table S1: Ordered logit regression on labor law skepticism with fixed effects

	(M1)	(M2)	(M3)	(M4)
<i>(DV: labor law skepticism)</i>				
Employment status				
Self-employed	0.182*** (0.055)	0.146** (0.053)		0.133* (0.057)
(ref: private employee)				
Public employee	-0.128 (0.082)	-0.038 (0.088)		0.008 (0.093)
Unemployed	0.411*** (0.099)	0.356*** (0.100)		0.400** (0.136)
Retired	0.125+ (0.065)	0.003 (0.072)		-0.029 (0.073)
Housekeeping	0.241*** (0.045)	0.183** (0.064)		0.176* (0.085)
Student	-0.061 (0.049)	0.044 (0.064)		0.091 (0.083)
Informal			0.131* (0.064)	
Controls				
Male		-0.051 (0.033)	-0.034 (0.037)	-0.028 (0.037)
Age		0.002 (0.002)	0.002 (0.002)	0.001 (0.002)
Education				
Secondary		-0.115*** (0.034)	-0.097** (0.035)	-0.109** (0.035)
(ref: primary)				
Tertiary		-0.224** (0.073)	-0.165* (0.073)	-0.182* (0.080)
Married		-0.031 (0.036)	-0.003 (0.036)	-0.019 (0.039)
Wealth index		-0.114** (0.035)	-0.126*** (0.036)	-0.130** (0.040)
Urban		0.045*** (0.011)	0.048*** (0.013)	0.047*** (0.013)
Household head		0.010 (0.064)	-0.049 (0.053)	0.025 (0.072)
Enforcement		-0.194*** (0.014)	-0.183*** (0.015)	-0.181*** (0.015)
Union confidence			-0.380*** (0.058)	-0.378*** (0.058)
Left ideology			0.022 (0.016)	0.026 (0.016)
Politically active			-0.036+ (0.019)	-0.029 (0.019)
Cut 1: Constant	-2.910*** (0.121)	-4.095*** (0.208)	-4.070*** (0.232)	-3.919*** (0.241)
Cut 2: Constant	-1.415*** (0.047)	-2.566*** (0.164)	-2.570*** (0.183)	-2.393*** (0.211)
Cut 3: Constant	1.381*** (0.060)	0.349+ (0.197)	0.399+ (0.217)	0.565* (0.246)
Observations	17956	17956	13239	13972
ll	-18775.999	-18304.40	-13448.59	-14235.17
BIC	37630.4	36775.3	27039.5	28632.6

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005

Note: The estimation contains country fixed effects and clustered standard errors. Fixed effects are not displayed.

Table S2: Additional macro controls: Inactivity rate and Pension Coverage

	(M 1)	(M 2)	(M 3)	(M 4)	(M 5)	(M 6)
<i>(DV: labor law skepticism)</i>						
Micro predictors						
Employment status						
Self-employed (ref: private employee)	0.051** (0.018)	0.037 (0.074)		0.052** (0.018)	0.035 (0.074)	
Public employee	-0.006 (0.026)	-0.011 (0.107)		-0.005 (0.026)	-0.013 (0.107)	
Unemployed	0.138*** (0.028)	-0.405*** (0.108)		0.138*** (0.028)	-0.407*** (0.108)	
Retired	-0.006 (0.032)	-0.055 (0.109)		-0.006 (0.032)	-0.058 (0.109)	
Housekeeping	0.063** (0.023)	0.077 (0.086)		0.063** (0.023)	0.077 (0.086)	
Student	0.041 (0.028)	0.120 (0.110)		0.042 (0.028)	0.122 (0.110)	
Informal			-0.200* (0.094)			-0.203* (0.094)
Cross-level interactions						
Self-employed × LR		0.001 (0.004)			0.001 (0.004)	
Public employee × LR		0.000 (0.006)			0.000 (0.006)	
Unemployed × LR		0.030*** (0.006)			0.030*** (0.006)	
Retired × LR		0.003 (0.005)			0.003 (0.005)	
Housekeeping × LR		-0.001 (0.005)			-0.001 (0.005)	
Student × LaborRightsPos		-0.005 (0.006)			-0.005 (0.006)	
Informal worker × LR			0.015** (0.005)			0.015** (0.005)
Micro controls						
Male	-0.015 (0.014)	-0.015 (0.014)	-0.017 (0.014)	-0.014 (0.014)	-0.015 (0.014)	-0.017 (0.014)
Age	0.000 (0.001)	0.000 (0.001)	0.001 (0.000)	0.000 (0.001)	0.000 (0.001)	0.001 (0.000)
Education						
Secondary (ref: primary)	-0.030* (0.015)	-0.031* (0.015)	-0.025 (0.015)	-0.030+ (0.015)	-0.031* (0.015)	-0.024 (0.015)
Tertiary	-0.056** (0.021)	-0.057** (0.021)	-0.050* (0.021)	-0.055** (0.021)	-0.056** (0.021)	-0.048* (0.021)
Married	-0.003 (0.013)	-0.003 (0.013)	0.001 (0.013)	-0.003 (0.013)	-0.003 (0.013)	0.001 (0.013)
Wealth index	-0.048*** (0.008)	-0.047*** (0.008)	-0.046*** (0.008)	-0.049*** (0.008)	-0.048*** (0.008)	-0.047*** (0.008)
Urban	0.017*** (0.003)	0.016*** (0.003)	0.016*** (0.003)	0.017*** (0.003)	0.016*** (0.003)	0.016*** (0.003)
Household head	0.004 (0.016)	0.005 (0.016)	-0.023 (0.015)	0.004 (0.016)	0.005 (0.016)	-0.024 (0.015)
Enforcement	-0.063*** (0.003)	-0.063*** (0.003)	-0.064*** (0.003)	-0.063*** (0.003)	-0.063*** (0.003)	-0.064*** (0.003)
Union confidence	-0.139*** (0.014)	-0.139*** (0.014)	-0.140*** (0.014)	-0.139*** (0.014)	-0.139*** (0.014)	-0.140*** (0.014)
Left ideology	0.010*** (0.002)	0.010*** (0.002)	0.008*** (0.002)	0.010*** (0.002)	0.009*** (0.002)	0.008*** (0.002)
Politically active	-0.011* (0.005)	-0.011* (0.005)	-0.014** (0.005)	-0.011* (0.005)	-0.011* (0.005)	-0.014** (0.005)
Macro predictors						
LR	-0.008 (0.007)	-0.010 (0.008)	-0.009 (0.008)	-0.019** (0.007)	-0.021** (0.008)	-0.019** (0.007)
Pension coverage	-0.005* (0.002)	-0.005* (0.002)	-0.005* (0.002)			
Inactivity rate				0.008	0.008	0.006

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Constant	3.601*** (0.119)	3.642*** (0.129)	3.658*** (0.120)	(0.007) 3.395*** (0.255)	(0.007) 3.427*** (0.259)	(0.007) 3.486*** (0.254)
Random effects parameters						
Var (Constant)	0.122 (0.004)	0.122 (0.004)	0.125 (0.004)	0.016 (0.004)	0.016 (0.005)	0.016 (0.005)
Var (Residual)	0.514 (0.006)	-0.512 (0.006)	0.512 (0.006)	0.514 (0.006)	0.512 (0.006)	0.512 (0.006)
N Level 1	13972	13972	13239	13972	13972	13239
N Level 2	18	18	18	18	18	18
<i>ll</i>	-15198.51	-15180.83	-14381.50	-15200.68	-15182.92	-14383.39
Chi ²	926.16	963.49	862.93	913.47	951.37	852.47
BIC	30616.6	30638.5	28943.3	30620.9	30642.6	28947.1

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; Mosley (2010); World Bank (WDI). LR= Labor Rights Indicator, higher values indicate better collective labor rights. Pension coverage data is taken from Rofman & Oliveri (2012).

Table S3: The determinants of labor law skepticism: with perception of national economy

(DV: labor law skepticism)	(M 1)	(M 2)	(M 3)	(M 4)	(M 5)	(M 6)
Employment status						
Self-employed	0.043** (0.016)		0.043* (0.018)		0.052** (0.017)	
(ref: private employee)						
Public employee	-0.023 (0.023)		-0.006 (0.026)		-0.006 (0.024)	
Unemployed	0.096*** (0.025)		0.112*** (0.028)			
Retired	0.007 (0.028)		-0.002 (0.032)			
Housekeeping	0.053** (0.020)		0.054* (0.023)			
Student	0.021 (0.025)		0.040 (0.028)		0.098 (0.075)	
Informal		0.049** (0.015)		0.045** (0.017)		0.082*** (0.018)
Micro controls						
Male	-0.014 (0.012)	-0.016 (0.012)	-0.005 (0.014)	-0.008 (0.014)	0.003 (0.015)	0.012 (0.016)
Age	-0.000 (0.000)	0.000 (0.000)	-0.000 (0.001)	0.000 (0.000)	-0.000 (0.001)	0.000 (0.001)
Education						
Secondary	-0.036** (0.013)	-0.033* (0.013)	-0.033* (0.015)	-0.029+ (0.015)	-0.017 (0.017)	-0.009 (0.018)
(ref: primary)						
Tertiary	-0.074*** (0.019)	-0.074*** (0.019)	-0.059** (0.021)	-0.051* (0.021)	-0.083*** (0.024)	-0.068** (0.025)
Married	-0.007 (0.011)	-0.004 (0.011)	-0.001 (0.013)	0.001 (0.013)	-0.009 (0.015)	-0.011 (0.016)
Wealth index	-0.041*** (0.007)	-0.041*** (0.007)	-0.048*** (0.008)	-0.046*** (0.008)	-0.032*** (0.009)	-0.025** (0.010)
Urban	0.014*** (0.002)	0.014*** (0.002)	0.015*** (0.003)	0.015*** (0.003)	0.017*** (0.003)	0.018*** (0.003)
Household head	-0.004 (0.014)	-0.027* (0.013)	-0.001 (0.016)	-0.024 (0.015)	-0.010 (0.018)	-0.016 (0.018)
Enforcement	-0.061*** (0.002)	-0.061*** (0.002)	-0.056*** (0.003)	-0.057*** (0.003)	-0.061*** (0.003)	-0.062*** (0.003)
Union confidence			-0.127*** (0.014)	-0.128*** (0.014)		
Left ideology			0.008*** (0.002)	0.007** (0.002)		
Politically active			-0.011* (0.005)	-0.014* (0.005)		
Unemployment risk					0.042*** (0.007)	0.041*** (0.008)
Perception of economy	-0.115*** (0.006)	-0.114*** (0.007)	-0.113*** (0.007)	-0.111*** (0.007)	-0.119*** (0.008)	-0.115*** (0.009)
Macro predictors						
Social security exp.			-0.015** (0.006)	-0.014* (0.006)		
Constant	3.634*** (0.049)	3.653*** (0.046)	3.767*** (0.086)	3.789*** (0.084)	3.457*** (0.063)	3.415*** (0.062)
Random effects parameters						
Var (Constant)	0.022 (0.007)	0.020 (0.007)	0.014 (0.005)	0.014 (0.005)	0.022 (0.008)	0.018 (0.006)
Var (Residual)	0.505 (0.005)	0.503 (0.005)	0.505 (0.006)	0.504 (0.006)	0.510 (0.007)	0.508 (0.007)
N Level 1	17879	17021	13921	13188	10340	9502
N Level 2	18	18	18	18	18	18
ll	-19289.13	-18342.89	-15026.15	-14220.15	-11220.5	-10288.04
Chi ²	1350.97	1252.95	1169.20	1083.91	833.47	768.09
BIC	38764.3	36822.2	30271.7	28611.1	22598.1	20713.5

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; World Bank (WDI). Perception of the national economy ranges from 1=very bad to 5=very good.

Table S4: The determinants of labor law skepticism: with presidential approval

(DV: <i>labor law skepticism</i>)	(M 1)	(M 2)	(M 3)	(M 4)	(M 5)	(M 6)
Employment status						
Self-employed	0.049** (0.017)		0.049** (0.019)		0.055** (0.018)	
(ref: <i>private employee</i>)						
Public employee	-0.025 (0.024)		-0.014 (0.026)		-0.007 (0.025)	
Unemployed	0.102*** (0.025)		0.122*** (0.028)			
Retired	-0.006 (0.029)		-0.014 (0.033)			
Housekeeping	0.066** (0.021)		0.067** (0.024)			
Student	0.024 (0.026)		0.046 (0.029)		0.089 (0.077)	
Informal		0.047** (0.015)		0.047** (0.018)		0.080*** (0.018)
Male	-0.011 (0.013)	-0.016 (0.012)	-0.006 (0.014)	-0.010 (0.014)	0.003 (0.016)	0.011 (0.017)
Age	0.001 (0.000)	0.001+ (0.000)	0.001 (0.001)	0.001 (0.000)	0.001 (0.001)	0.001* (0.001)
Education						
Secondary	-0.032* (0.014)	-0.031* (0.014)	-0.030* (0.015)	-0.026+ (0.016)	-0.018 (0.018)	-0.010 (0.019)
Tertiary	-0.071*** (0.019)	-0.073*** (0.020)	-0.055* (0.022)	-0.049* (0.022)	-0.085*** (0.025)	-0.071** (0.026)
Married	-0.003 (0.012)	0.003 (0.012)	0.002 (0.013)	0.005 (0.013)	-0.008 (0.016)	-0.010 (0.016)
Wealth index	-0.043*** (0.007)	-0.042*** (0.007)	-0.050*** (0.008)	-0.048*** (0.008)	-0.035*** (0.010)	-0.027** (0.010)
Urban	0.016*** (0.003)	0.016*** (0.003)	0.016*** (0.003)	0.016*** (0.003)	0.019*** (0.003)	0.019*** (0.003)
Household head	-0.009 (0.015)	-0.035* (0.014)	-0.005 (0.017)	-0.032* (0.015)	-0.016 (0.018)	-0.022 (0.019)
Enforcement	-0.061*** (0.003)	-0.061*** (0.003)	-0.057*** (0.003)	-0.058*** (0.003)	-0.062*** (0.003)	-0.062*** (0.003)
Union confidence			-0.127*** (0.014)	-0.128*** (0.014)		
Left ideology			0.007** (0.002)	0.006* (0.002)		
Politically active			-0.009+ (0.005)	-0.013* (0.006)		
Unemployment risk					0.044*** (0.008)	0.043*** (0.008)
Presidential approval	-0.180*** (0.012)	-0.183*** (0.013)	-0.167*** (0.014)	-0.170*** (0.014)	-0.171*** (0.016)	-0.174*** (0.017)
Macro predictors						
Social security exp.			-0.014* (0.006)	-0.012* (0.006)		
Constant	3.395*** (0.047)	3.427*** (0.045)	3.533*** (0.089)	3.567*** (0.087)	3.199*** (0.060)	3.168*** (0.060)
Random effects parameters						
Var (Constant)	0.022 (0.008)	0.021 (0.007)	0.016 (0.006)	0.015 (0.005)	0.022 (0.008)	0.019 (0.007)
Var (Residual)	0.510 (0.006)	0.509 (0.006)	0.510 (0.006)	0.508 (0.006)	0.518 (0.007)	0.515 (0.008)
N Level 1	16825	16025	13283	12588	9768	8987
N Level 2	18	18	18	18	18	18
ll	-18246.11	-17356.27	-14403.21	-13629.52	-10677.92	-9798.31
Chi ²	1191.62	1115.63	1033.60	964.45	713.81	674.60
BIC	36677.1	34848.1	29024.8	27429.0	21512.0	19733.2

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; World Bank (WDI). Presidential approval is a dummy variable with 1=approval and 0=no approval.

Table S5: Labor law skepticism and unemployment risk

	(M 1) DV: labor law	(M 2) DV: labor law	(M 3) DV: un- empl. risk	(M 4) DV: un- empl. risk	(M 5) DV: un- empl. risk	(M 6) DV: un- empl. risk
Micro predictors						
Employment status						
Self employed (ref: <i>private employee</i>)	0.059*** (0.017)		-0.037+ (0.023)		0.061 (0.100)	
Public employee	-0.010 (0.024)		-0.166*** (0.032)		-0.081 (0.144)	
Student	0.091 (0.076)		-0.045 (0.101)		1.088* (0.533)	
Informal		0.093*** (0.018)		-0.003 (0.023)		0.053 (0.135)
Cross-level interactions						
Self-employed × LR					-0.005 (0.005)	
Public employee × LR					-0.003 (0.008)	
Student × LR					-0.066* (0.030)	
Informal × LR						-0.002 (0.008)
Micro controls						
Male	-0.011 (0.016)	-0.001 (0.016)	-0.050* (0.021)	-0.031 (0.021)	-0.061** (0.023)	-0.041+ (0.024)
Age	0.000 (0.001)	0.001 (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.005*** (0.001)	-0.006*** (0.001)
Education						
Secondary	-0.020 (0.018)	-0.011 (0.018)	-0.031 (0.023)	-0.042+ (0.024)	-0.019 (0.026)	-0.025 (0.027)
Tertiary	-0.088*** (0.024)	-0.074** (0.025)	-0.142*** (0.032)	-0.179*** (0.033)	-0.131*** (0.035)	-0.163*** (0.036)
Married	-0.011 (0.015)	-0.013 (0.016)	0.016 (0.020)	0.011 (0.021)	0.007 (0.023)	0.001 (0.023)
Wealth index	-0.039*** (0.009)	-0.030** (0.010)	-0.126*** (0.012)	-0.117*** (0.013)	-0.114*** (0.013)	-0.103*** (0.014)
Urban	0.020*** (0.003)	0.021*** (0.003)	0.014*** (0.004)	0.015*** (0.004)	0.013** (0.005)	0.014** (0.005)
Household head	-0.001 (0.018)	-0.007 (0.018)	0.018 (0.024)	0.040+ (0.024)	0.008 (0.026)	0.036 (0.027)
Enforcement	-0.069*** (0.003)	-0.069*** (0.003)	-0.018*** (0.004)	-0.018*** (0.004)	-0.015** (0.005)	-0.017*** (0.005)
Union confidence					0.041+ (0.024)	0.039 (0.025)
Left ideology					0.005 (0.004)	0.002 (0.004)
Politically active					-0.007 (0.009)	-0.005 (0.009)
Macro predictors						
LR					-0.023*** (0.005)	-0.025*** (0.005)
Social security exp.					-0.011** (0.004)	-0.010* (0.004)
Constant	3.320*** (0.054)	3.279*** (0.053)	3.763*** (0.062)	3.701*** (0.063)	4.250*** (0.112)	4.214*** (0.102)
Random effects parameters						
Var (Constant)	0.039 (0.013)	0.034 (0.012)	0.025 (0.009)	0.230 (0.008)	.003 (0.002)	0.004 (0.002)
Var (Residual)	0.545 (0.008)	0.542 (0.008)	0.931 (0.013)	0.923 (0.013)	0.918 (0.014)	0.910 (0.015)
Observations	10384	9546	10594	9738	8375	7650
BIC	22914.1	20995.6	29544.7	27055.3	23295.6	21188.3

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; Mosley (2010); World Bank (WDI). LR= Labor Rights Indicator, higher values indicate better collective labor rights.

Table S6: The determinants of labor law skepticism: without BOL and URY

(DV: <i>labor law skepticism</i>)	(M 1) – URY	(M 2) – URY	(M 3) – URY	(M 4) – BOL	(M 5) – BOL	(M 6) – BOL
Micro predictors						
Employment status						
Self-employed	0.060** (0.019)	-0.139 (0.095)		0.052** (0.019)	0.032 (0.077)	
(ref: <i>private employee</i>)						
Public employee	-0.004 (0.027)	-0.091 (0.141)		-0.001 (0.027)	0.002 (0.112)	
Unemployed	0.110*** (0.029)	-0.484*** (0.146)		0.134*** (0.028)	-0.434*** (0.111)	
Retired	0.001 (0.034)	-0.190 (0.150)		-0.000 (0.033)	-0.053 (0.113)	
Housekeeping	0.064** (0.024)	0.032 (0.106)		0.064** (0.024)	0.088 (0.089)	
Student	0.045 (0.029)	0.055 (0.135)		0.033 (0.030)	0.103 (0.116)	
Informal			-0.209* (0.097)			-0.220* (0.100)
Cross-level interactions						
Self-employed × LR		0.012* (0.005)			0.001 (0.004)	
Public employee × LR		0.005 (0.008)			-0.000 (0.006)	
Unemployed × LR		0.035*** (0.008)			0.031*** (0.006)	
Retired × LR		0.011 (0.008)			0.003 (0.005)	
Housekeeping × LR		0.002 (0.006)			-0.001 (0.005)	
Student × LR		-0.001 (0.008)			-0.004 (0.006)	
Informal × LR			0.015** (0.006)			0.016** (0.006)
Micro controls						
Male	-0.008 (0.015)	-0.008 (0.015)	-0.013 (0.014)	-0.016 (0.015)	-0.016 (0.015)	-0.019 (0.014)
Age	0.001 (0.001)	0.001 (0.001)	0.001+ (0.000)	0.000 (0.001)	0.000 (0.001)	0.000 (0.000)
Education						
Secondary	-0.030+ (0.016)	-0.030+ (0.016)	-0.026+ (0.016)	-0.029+ (0.016)	-0.030+ (0.016)	-0.023 (0.016)
Tertiary	-0.040+ (0.022)	-0.041+ (0.022)	-0.039+ (0.022)	-0.056* (0.022)	-0.059** (0.022)	-0.051* (0.022)
Married	0.007 (0.014)	0.008 (0.014)	0.008 (0.013)	-0.003 (0.014)	-0.004 (0.014)	0.000 (0.013)
Wealth index	-0.048*** (0.008)	-0.048*** (0.008)	-0.046*** (0.008)	-0.051*** (0.008)	-0.050*** (0.008)	-0.050*** (0.008)
Urban	0.016*** (0.003)	0.015*** (0.003)	0.016*** (0.003)	0.017*** (0.003)	0.017*** (0.003)	0.017*** (0.003)
Household head	-0.006 (0.017)	-0.006 (0.017)	-0.030+ (0.016)	0.001 (0.017)	0.002 (0.017)	-0.026 (0.016)
Enforcement	-0.064*** (0.003)	-0.063*** (0.003)	-0.064*** (0.003)	-0.063*** (0.003)	-0.063*** (0.003)	-0.064*** (0.003)
Union confidence	-0.138*** (0.014)	-0.138*** (0.014)	-0.138*** (0.015)	-0.144*** (0.014)	-0.144*** (0.014)	-0.146*** (0.015)
Left ideology	0.009*** (0.002)	0.009*** (0.002)	0.008*** (0.002)	0.010*** (0.002)	0.010*** (0.002)	0.008*** (0.002)
Politically active	-0.012* (0.005)	-0.013* (0.005)	-0.016** (0.006)	-0.012* (0.006)	-0.012* (0.005)	-0.016** (0.006)
Macro predictors						
LR	-0.012 (0.008)	-0.019* (0.009)	-0.014 (0.009)	-0.011+ (0.007)	-0.013+ (0.007)	-0.012+ (0.007)
Social sec. exp.	-0.013* (0.006)	-0.013* (0.006)	-0.012+ (0.006)	-0.016** (0.006)	-0.016** (0.006)	-0.015* (0.006)

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Constant	3.658*** (0.165)	3.780*** (0.178)	3.730*** (0.169)	3.691*** (0.122)	3.735*** (0.133)	3.739*** (0.125)
Random effects parameters						
Var (Constant)	0.013 (0.005)	0.013 (0.005)	0.014 (0.005)	.0112 (0.004)	0.011 (0.004)	0.012 (0.004)
Var (Residual)	0.512 (0.006)	0.512 (0.006)	0.512 (0.006)	0.520 (0.006)	0.519 (0.006)	0.518 (0.007)
N Level 1	13108	13108	12466	13196	13196	12495
N Level 2	17	17	17	17	17	17
ll	-14242.61	-14231.41	-13540.32	-14435.53	-14417.21	-13646.54
Chi ²	849.94	873.55	801.27	896.46	934.96	836.42
BIC	28703.3	28737.8	27259.8	29089.3	29109.6	27472.3

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; Mosley (2010); World Bank (WDI). LR= Labor Rights Indicator, higher values indicate better collective labor rights. Bolivia and Uruguay are excluded in a step-wise procedure as degrees of freedom are limited at level two.

Table S7: Labor law skepticism: contact with local government as proxy for clientelism

	(M 1)	(M 2)	(M 3)	(M 4)
<i>(DV: labor law skepticism)</i>				
Micro predictors				
Employment status				
Self-employed	0.052** (0.018)		0.040 (0.074)	
Public employee	-0.007 (0.026)		-0.010 (0.107)	
Unemployed	0.136*** (0.028)		-0.412*** (0.107)	
Retired	-0.010 (0.032)		-0.063 (0.109)	
Housekeeping	0.061** (0.023)		0.076 (0.085)	
Student	0.043 (0.028)		0.138 (0.109)	
Informal		0.055** (0.017)		-0.198* (0.094)
Cross-level interactions				
Self-employed × LR			0.000 (0.004)	
Public employee × LR			0.000 (0.006)	
Unemployed × LR			0.030*** (0.006)	
Retired × LR			0.003 (0.005)	
Housekeeping × LR			-0.001 (0.005)	
Student × LR			-0.005 (0.006)	
Informal × LR				0.015** (0.005)
Micro controls				
Male	-0.014 (0.014)	-0.016 (0.014)	-0.015 (0.014)	-0.016 (0.014)
Age	0.000 (0.001)	0.001 (0.000)	0.000 (0.001)	0.001 (0.000)
Education				
Secondary	-0.030* (0.015)	-0.026+ (0.015)	-0.030* (0.015)	-0.025 (0.015)
Tertiary	-0.056** (0.021)	-0.053* (0.021)	-0.056** (0.021)	-0.052* (0.021)
Married	-0.002 (0.013)	0.001 (0.013)	-0.002 (0.013)	0.001 (0.013)
Wealth index	-0.050*** (0.008)	-0.047*** (0.008)	-0.048*** (0.008)	-0.047*** (0.008)
Urban	0.016*** (0.003)	0.016*** (0.003)	0.016*** (0.003)	0.016*** (0.003)
Household head	0.004 (0.016)	-0.024 (0.015)	0.005 (0.016)	-0.024 (0.015)
Enforcement	-0.063*** (0.003)	-0.064*** (0.003)	-0.063*** (0.003)	-0.064*** (0.003)
Union confidence	-0.138*** (0.014)	-0.139*** (0.014)	-0.138*** (0.014)	-0.138*** (0.014)
Left ideology	0.010*** (0.002)	0.008*** (0.002)	0.010*** (0.002)	0.008*** (0.002)
Contact local govt	-0.028* (0.013)	-0.033* (0.014)	-0.030* (0.013)	-0.033* (0.014)
Macro predictors				
LR			-0.016* (0.007)	-0.015* (0.007)
Social sec. exp.	-0.016** (0.006)	-0.015* (0.006)	-0.013* (0.006)	-0.012* (0.006)

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Constant	3.502*** (0.089)	3.530*** (0.087)	3.753*** (0.137)	3.757*** (0.129)
Random effects parameters				
Var (Constant)	0.016 (0.006)	0.016 (0.006)	0.013 (0.005)	0.013 (0.005)
Var (Residual)	0.514 (0.006)	0.512 (0.006)	0.512 (0.006)	0.512 (0.006)
Observations	14118	13375	14118	13375
ll	-15358.27	-14532.51	-15337.53	-14526.88
Chi ²	923.03	848.88	974.39	865.74
BIC	30926.8	29226.5	30952.2	29234.3

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; World Bank (WDI).

Table S8: Hierarchical analysis for job security (Heckman & Pagés (M1-2)) and sub-sample regression analysis for high (M3-4) and low (5-6) de jure individual labor rights cases

	(M 1)	(M 2)	(M 3) high rigidity	(M 4) high rigidity	(M 5) low rigidity	(M 6) low rigidity
<i>(DV: labor law skepticism)</i>						
Micro predictors						
Employment status						
Self-employed	0.029 (0.083)		0.092+ (0.040)		-0.022 (0.063)	
Public employee	-0.085 (0.119)		0.030 (0.114)		0.111 (0.100)	
Unemployed	0.270* (0.129)		0.161 (0.106)		-0.019 (0.116)	
Retired	-0.034 (0.130)		0.201 (0.109)		0.185 (0.149)	
Housekeeping	0.075 (0.098)		0.057 (0.046)		-0.095+ (0.040)	
Student	0.136 (0.121)		0.041 (0.087)		-0.017 (0.130)	
Informal		0.170* (0.081)		-0.034 (0.028)		0.135 (0.123)
Enforcement			-0.041* (0.011)	-0.058** (0.007)	-0.059* (0.015)	-0.058* (0.010)
Cross-level interactions						
Self-employed × JS	0.006 (0.027)					
Public employee × JS	0.024 (0.038)					
Unemployed × JS	-0.044 (0.042)					
Retired × JS	0.012 (0.043)					
Housekeeping × JS	-0.004 (0.031)					
Student × JS	-0.030 (0.037)					
Informal × JS		-0.035 (0.024)				
Interactions						
Self-employed × enforcement			-0.014 (0.009)		0.002 (0.003)	
Public employee × enforcement			-0.003 (0.030)		-0.028 (0.016)	
Unemployed × enforcement			-0.034+ (0.012)		0.032 (0.016)	
Retired × enforcement			-0.044+ (0.019)		-0.049+ (0.019)	
Housekeeping × enforcement			-0.012 (0.007)		0.019+ (0.008)	
Student × enforcement			-0.021 (0.011)		0.010 (0.031)	
Informal × enforcement				0.014* (0.004)		-0.018+ (0.008)
Micro controls						
Male	-0.015 (0.015)	-0.017 (0.014)	-0.001 (0.022)	0.005 (0.017)	-0.053 (0.047)	-0.041 (0.042)
Age	0.001 (0.001)	0.001* (0.000)	0.002* (0.001)	0.003* (0.001)	0.002 (0.002)	0.001 (0.002)
Education						
Secondary	-0.025 (0.016)	-0.021 (0.016)	-0.017 (0.026)	-0.018 (0.030)	0.011 (0.026)	0.016 (0.019)
Tertiary	-0.049* (0.022)	-0.043* (0.022)	-0.034* (0.009)	-0.023 (0.024)	-0.098 (0.091)	-0.070 (0.071)
Married	-0.003 (0.014)	0.001 (0.013)	-0.013 (0.015)	0.001 (0.019)	-0.035 (0.040)	-0.027 (0.031)
Wealth index	-0.046*** (0.046)	-0.043*** (0.043)	-0.028 (0.028)	-0.029 (0.029)	-0.088* (0.088)	-0.081* (0.081)

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	(0.008)	(0.008)	(0.019)	(0.019)	(0.022)	(0.017)
Urban	0.019*** (0.003)	0.019*** (0.003)	0.017* (0.004)	0.018** (0.004)	0.012 (0.008)	0.012 (0.008)
Household head	-0.001 (0.017)	-0.031* (0.016)	-0.070 (0.038)	-0.059 (0.028)	0.001 (0.078)	-0.031 (0.052)
Union confidence	-0.167*** (0.014)	-0.168*** (0.014)	-0.118* (0.028)	-0.121* (0.029)	-0.099** (0.017)	-0.105** (0.018)
Left ideology	0.016*** (0.002)	0.015*** (0.002)	0.007 (0.006)	0.007 (0.006)	0.009 (0.006)	0.008 (0.006)
Politically active	-0.012* (0.005)	-0.016** (0.006)	-0.014 (0.016)	-0.015 (0.014)	-0.012 (0.014)	-0.014 (0.016)
Macro predictors						
JS	0.095+ (0.057)	0.099+ (0.053)				
Social security exp.	-0.016* (0.008)	-0.014+ (0.007)				
Fixed effects			yes	yes	yes	yes
Constant	2.816*** (0.222)	2.824*** (0.212)	3.301*** (0.058)	3.342*** (0.061)	3.223*** (0.139)	3.259*** (0.103)
Random effects parameters						
Var (Constant)	0.022 (0.008)	0.021 (0.008)				
Var (Residual)	0.542 (0.007)	0.541 (0.007)				
Observations	13778	13068	3903	3718	3152	2947
BIC	30976.9	29284.5	7971.8	7582.5	6844.2	6414.8

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Source: LAB 2005; World Bank (WDI).

Note: For the analysis of high and low de jure individual labor rights sub-sets we use the lower 25% and the upper 25% of cases in the distribution of the de jure job security (JS) indicator from Heckman & Pagés for our set of Latin American countries. To estimate the individual-level interaction terms between enforcement and employment status we use OLS regression analysis with clustered standard errors at the country level and country-fixed effects.