Channels of business influence
The multi-dimensionality of economic preferences in export-led Switzerland

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October 2021
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Paper prepared for the November 4^{th} and 5^{th} Unequal Democracies workshop at the university of Geneva

Abstract

In this paper, I explore the link between different components of an individual's economic position – their social class, the exposure of their sector to foreign demand, as well as their skill specificity profile – and their preferences on various dimensions of economic and welfare policy in export-led Switzerland. An important reason for such a targeted interest lies in the characteristics of the country as one where powerful business interests need to deal with the presence of direct democratic institutions. In this vein, I further argue that narratives about economic causality and policy requirements are key in terms of mediating the link between economic position and preferences, and as such are highly important tools in preventing direct democratic institutions from harming business interests. Being that exports have been a key source of growth in Switzerland over the past decades and that business representatives regularly claim that fiscal cuts and welfare retrenchment must happen in order for the trend to keep going, I explore the relationship between exposure to foreign final demand and a variety of preferences pertaining to the economic realm, across a number of profiles determined by class and skill specificity.

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Introduction

It is generally well accepted that the position of individuals in the economic system is a key determinant of their economic preferences. To this, however, one should immediately add that what specifically constitutes an individual's economic position is open to question; several dimensions can indeed be defined, the relevance and relative salience of which will vary across domains of economic preferences, and arguably across time and space as well. For example, variables such as social class – itself subject to various operationalizations (Oesch, 2006) – and income are often mobilized to explain preferences for redistribution; level of education or the characteristics of one's economic sector for preferences for freer trade; and employment status along an insider-outsider dimension (Rueda, 2005) for preferences for labor market flexibilization and job protection. The aim of this paper is to widen our understanding of the ways in which these various aspects of an individual's economic position interact with one another in shaping economic preferences.

For instance, economic sectors have different trajectories in terms of value-added and employment growth and exhibit varying degrees of integration into world markets and exposure to international competition. As such, they often have different policy demands – be it in terms of fiscal, trade or labor market policy – in addition to having different bargaining capabilities. These have a lot to do with the sector's position vis-à-vis the country's overall political economy, with how much the country depends on that sector for its aggregate economic performance, and also with the degree to which leading firms in the sector are believed to be able to shift future investment elsewhere or even relocate entire activities. These different aspects arguably make up a sector's structural power in the sense of Bell and Hindmoor (2014) and Culpepper and Reinke (2014), which representatives of that sector can mobilize – explicitly or implicitly – when advocating in favour or against particular policies.

While management of large individual firms and employers' association representatives are bound to be acutely aware of their firm or sector's situation and policy needs – barring considerations about arbitrations between short-term and longer term orientations –, an important question pertains to the extent to which different types of workers in sectors with different characteristics determine their preferences with regards to those of their employers. The alignment of workers with their employers is likely to depend at least somewhat on these factors that make up an economic sector's bargaining power vis-à-vis policymakers, because if, for instance, threats of an investment strike were to materialize within a sector, workers within that sector are likely to be the first to suffer the consequences. On the other hand, they likely stand to be second order beneficiaries in case substantial productivity-enhancing investments were to be made. Furthermore, workers of different classes or with different sets of skills are likely to factor in their economic sector in different ways when it comes to determining their preferences on a given dimension. For instance, Baccaro and Pontusson (2019) hypothesize that skilled workers from growth driving sectors will tend to have political demands in line with those of their employer on issues that the latter emphasize as key to maintaining the country's growth model, from which they arguably benefit more than the average citizen. On the other hand, the preferences of groups such as routine workers and

managers may be expected to be more dependent on their class affiliation and less dependent on their sectoral affiliation, owing in part to their skills being less sector-specific. To be clear, the multi-dimensionality mentioned in the title of paper, while aimed first and foremost at the preferences side of things, also applies to the constituents of the individual's economic position, which are expected to interact with one another.

An important theoretical premise to the arguments presented in this paper is that the ways in which economic actors perceive their interests are not straightforward, in the sense that these perceived interests cannot be deduced from their position in the economic system alone, but rather are necessarily mediated by the general understanding that actors have of economic phenomena. That understanding is likely to be imperfect, subject to uncertainty and reliant on heuristics derived from discourses and narratives put forth by representatives of organized interests, policymakers as well as the media. At the same time, there is a constant struggle between organized groups who seek to impose their preferred narrative as the dominant one, allowing the more successful actors to frame their demands as key components in the pursuit of the general interest(Mach, 2006; Baccaro and Pontusson, 2019). This typically applies to whole countries, but there is no reason as to why analogous dynamics couldn't be at play on smaller scales, at the level of individual firms or economic sectors which, like countries, are never monolithic entities, but rather are made up of heterogeneous actors. Whether or not there is much truth to whatever the dominant narrative happens to be at any moment or place in time is actually less important than the narrative itself and its components being internalized by a sufficiently large number of people. Of course, to take a concrete example, there is an argument to be made that the stacking up of neoliberal reforms in the name of neoliberal narratives actually affects the economic landscape in such a way that the reforms effectively enable actors to materialize threats or statements that would have previously been harder to actually materialize. At the extreme – and this is a purely hypothetical scenario –, the purely imagined structural power of a sector could become materially very concrete thanks to the reforms obtained in the name of that – at the time – imagined power.

The perspective outlined above stands in epistemological opposition with research that seeks to ground the link between economic position and economic preferences in rational choice theory and, as such, to make predictions on the basis of individual utility functions derived from theoretical economic models. Much like Hainmueller and Hiscox (2006) find that the link between education and a favorable view of freer trade appears to have more to do with the fact that college educated individuals are more exposed to cosmopolitan values than with the predictions of the Stolper-Samuelson model of trade, I argue that it is more likely that narratives pertaining to a country's growth model – sources of growth, institutional requirements for growth, effective beneficiaries of growth – are what contributes to shaping the link between economic position and economic preferences, rather than utility functions with parameters derived from economic models. Having said all that, I should add that empirically speaking, the analyses proposed here do not differ substantially from those found in the literature.

Finally, as mentioned in the title, this paper focuses on Switzerland[1], a country whose growth model over the past few decades has been primarily export-led – although not at the cost of stagnating domestic consumption (Baccaro and Pontusson, 2016; Hein and Martschin, 2020) –, with traditionally powerful and coordinated business elites (Katzenstein, 1984) – sometimes even coined a system of "private interest government" (Mach and Trampusch, 2011) – who nonetheless need their interests to prevail more and more often in the arena of popular votes, as the mode of politics has arguably shifted over time from a *quiet* one to a *louder* or *noisier* one (Emmenegger and Marx, 2019; Mach et al., 2021). These characteristics – dependence on exports for growth and direct democratic institutions – make Switzerland a particularly interesting case for the type of analyses hinted at above, as economic preferences often get the chance to express themselves directly, without the forced mediation of party politics – although party identification is often a key driver of vote choice in popular votes (Kriesi, 2005) –, which sometimes lead to voters having to cast votes for parties with platforms that are consistent with their preferences on the issue most important to them, but not so much on other issues (Kurella and Rosset, 2017). That is, the variable geometry coalitions (Sciarini, 2015b,a) that sometimes define the Swiss parliamentary arena – with the right-wing SVP voting along with other bourgeois parties on traditional capital-labour issues, but defecting when it comes to European integration issues, reinforcing the role of the SP on those issues –, potentially applies to voters as well, as they are free to deviate from the recommendation of the party they voted for come an important popular vote. This is by far not the most likely scenario (Kriesi, 2005), but there are cases where it happens, as documented by Afonso and Papadopoulos (2015) for the 11^{th} revision of the OASI, when the SVP's electorate largely deviated from the party recommendation. To sum up, while business interests can generally count on the support of a majority in parliament, either through the dominant *Bürgerblock* parties or sometimes with the support of the SP on EU-related issues, they also need to maintain popular majorities on certain issues, and these often answer to different logics. It is with all of this in mind that this paper seeks to explore the multi-dimensionality of economic preferences in export-led Switzerland, against the backdrop of the idea that the links between economic position and economic preferences represent at once a constraint and a potential channel of influence for business. To do so, I rely on individual survey data from the Swiss Household Panel (SHP, 2019) as well as surveys from the Swiss Election Study (Selects, 2019), which between them allow me to cover several dimensions of economic preferences.

This paper is organized as follows, section 1 reviews some of the literature on growth models and situates Switzerland with regard to that framework, before moving on to economic preferences and their determinants. Section 2 presents the data on which the empirical analyses are based, discusses issues of operationalization and presents the main model specifications. Finally, section 3 presents the main results of the paper and a final section offers a discussion regarding their implications.

[1]More specifically on working age respondents living in Switzerland who have at least previously held a job – for the Selects data, only those respondents with Swiss citizenship.

1 Growth models and economic preferences in Switzerland

1.1 Growth models

The growth model perspective draws inspiration from theoretical models developed by heterodox economists after the writings of Kalecki (Lavoie, 2014; Lavoie and Stockhammer, 2012); these models go against a purely supply-side perspective on political economy and instead put aggregate demand at the center – aggregate demand is said to create its own supply up to the economy's production capacity. With that in mind, one of the key insights is that the functional distribution of income between labor and capital has important consequences for said demand, as wage-earners tend to have a higher propensity to consume than capital earners. This logic can further be applied to income inequality in general, with the propensity to save out of one's wage being higher for high-income individuals. Without going into too much details, an important theoretical model for the growth model perspective is the one developed by Bhaduri and Marglin (Lavoie, 2014), where investment reacts not only indirectly (positively) to higher real wages through capacity utilization, but also directly (negatively) to a declining share of profits, allowing the model to rediscover either Keynesian or neoclassical properties dependent on the respective strength of each parameters, with these properties corresponding respectively to wage-led and profit-led growth models. In practice, the existence of profit-led growth models has been criticized as mainly illusory (Stockhammer, 2016), because they actually correspond to either debt-led or export-led regimes that require ever rising – and as such unsustainable – debt-to-income ratios, from either the domestic economy or the commercial partners.

These insights correspond to the findings of Baccaro and Pontusson (2016), who are interested in investigating what alternatives to the fordist growth model – rising real wages through continued productivity gains, made possible by permanent efforts to further rationalize production and increasing returns to scale – have actually developed over time. To that end, they look at a variety of indicators, including for instance the respective contributions to GDP growth of domestic consumption and net exports, productivity and real wage growth, the price-sensitivity of exports, etc. Their idea is to emphasize the diversity in trajectories rather than proposing a definitive typology; in Germany for instance, the diverging trend between real wages and productivity growth appears to play a central role, because the German economy is above all export-led, so that wage moderation is a key tool for the price-competitiveness of its exports. The analysis further shows that the burden of the aforementioned wage moderation is first and foremost shouldered by unskilled service workers, whereas workers in manufacturing experienced real wage growth more in line with national productivity growth over the 2000s. If Germany is export-led, the United Kingdom's growth model revolves around a combination of real-wage growth and rising household debt, while Sweden strikes a balance between these two extremes. More recently, Hein and Martschin (2020) proposed a more refined typology of, among other things, export-led growth models, by distinguishing between the export-led mercantilist variant – where already positive Net exports of goods and services keep growing at a solid pace, with the contribution to growth of the balance of goods

and services staying positive – and a weakly export-led variant, where either still negative Net exports of goods and services are slowly inching towards becoming positive or where that indicator is positive but declining.

Baccaro and Pontusson (2019) sought to instil more politics into their initial approach by drawing inspiration from the work of Amable and Palombarini (2005, 2008); Amable (2015, 2017); Amable et al. (2011). More recently, the approach has been complemented by the conceptual distinction between *growth regimes* and *growth models* (Hassel and Palier, 2021). Growth models as such become more strictly defined in terms of the main components of aggregate demand, whereas growth regimes encapsulate that aspect while keeping some of the insights from the Varieties/Diversity of Capitalism literature. As such, it stresses the importance of product market regulations, modes of financing the economy as well as welfare institutions in shaping the availability of growth strategies and enabling a particular growth model. A strength of this approach is that it pushes the growth model away from a functionalist direction, which would assume that political elites will necessarily adopt policies that are coherent with the overall growth model because they expect to be judged based on the country's aggregate economic performance, irrespective of the distribution of economic gains across the population. Instead, it provides a framework which allows for a more political economic perspective on growth models, one that would emphasize the irreducible nature of social conflict and thus the socio-political conditions of stability of a given country's growth model, as well as the institutional arrangements through which social conflict is successfully (or not) regulated.

1.2 Situating Switzerland

Following Hein and Martschin (2020), table 1 compares Switzerland to other export-led mercantilist countries over the 1990-2019 period. Among other things, this illustrates that Germany really established the current iteration of its export-led mercantilist model during the 2000s – on average during the 1990s following reunification, Net exports represented only a small portion of GDP and were barely growing –, while Switzerland did so around the mid-1990s, when already positive Net exports made notable contributions to what growth the country experienced during the second half of the decade. An interesting aspect of the Swiss growth model, however, lies in the steady and comparably large growth contributions of private consumption over the last three decades, which isn't necessarily common among countries that rely on export-led growth, as export-led growth often requires a degree of wage restraint, which in turn depresses private consumption. Over the 1990-2019 period, Switzerland thus appears to have struck a fairly balanced growth model relying on both a growing positive balance of goods and services and a growing domestic demand. Figure 1 displays trends in real wages and hourly productivity for the countries present in table 1. These show that real wage growth has lagged behind labor productivity growth pretty much everywhere, as one would expect considering the global decline of the wage share of income, and it shows Switzerland achieving fairly strong and steady real wage growth compared to other countries coined as export-led mercantilist. It also highlights the wage restraint used by Germany during

the 2000s to set up and bolster its export-led model, as well as the upward adjustment of real wages following the Great Recession, a phenomenon that is mirrored by the growth contribution of private consumption over the 2010s. Lastly, another interesting aspect of Swiss growth to take away from table 1 is the comparably low contribution of public consumption, the largest part of which consists of the compensation of employees responsible for producing public goods and services. Importantly, the Swiss government has on average been running fiscal surpluses between 2000 and 2019 – note that the Swiss people approved a constitutional debt brake by mandatory referendum in late 2001, which came into force in 2003.

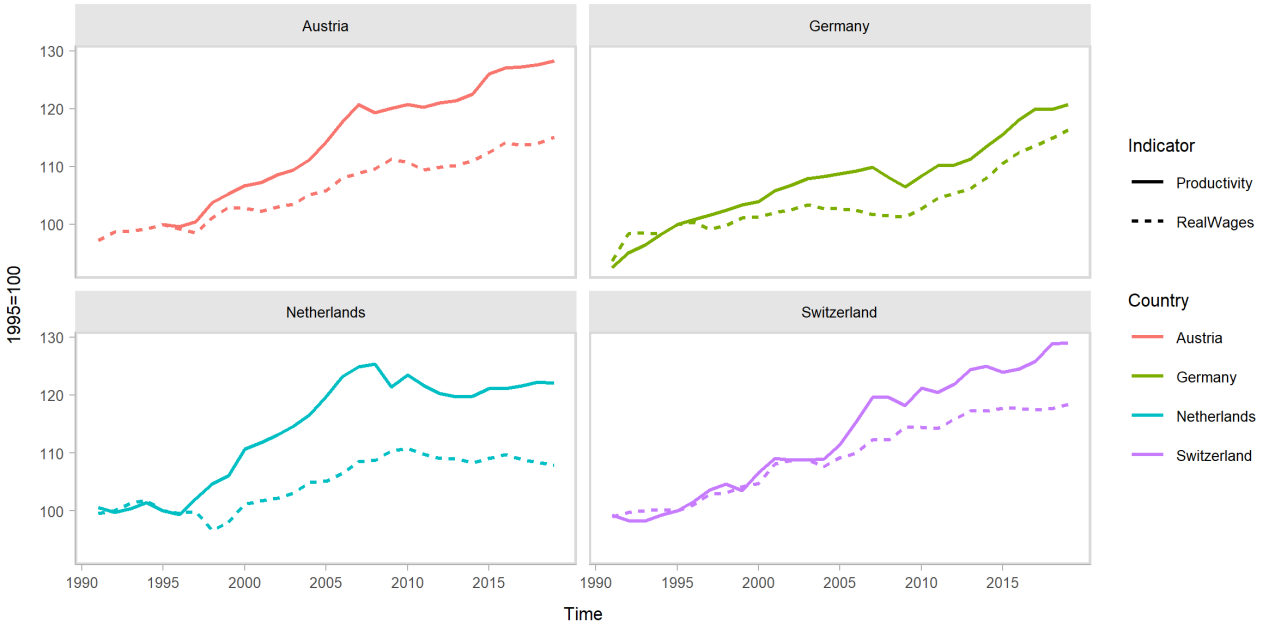


Figure 1: Real wages and productivity trends for a selection of export-led mercantilist economies

One of the explanations to Switzerland being able to achieve a "balanced" growth model with a strong net exports component lies in the low to moderate price sensitivity of its exports, or at least of a non-negligible segment thereof, such as watches or pharmaceuticals (Auer and Sauré, 2011; KOF, 2015; Poltier, 2018; Thorbecke and Kato, 2018), although the capital goods and machine industry are negatively affected by a stronger Real Effective Exchange Rate (REER). Thorbecke and Kato (2018) also state that Switzerland often ranks as the country with the most sophisticated export structure according to several measures. Of course, in the context of global value chains, the issue of diminishing revenues from exports sales due to currency appreciation needs to be put in the balance against that of cheaper imported intermediate inputs, hence the importance of taking into account not only the revenue but also the cost structure of a given firm or sector.

Table 1: Key macroeconomic variables for a selection of export-led mercantilist economies

	1991-2000				2001-2009				2010-2019			
	AUT	CHE	DEU	NLD	AUT	CHE	DEU	NLD	AUT	CHE	DEU	NLD
Financial balances of external sector as a share of nominal GDP, per cent	2.23	-7.17	1.25	-5.27	-2.05	-9.58	-4.00	-5.55	-2.06	-9.60	-7.21	-8.80
Financial balances of public sector as a share of nominal GDP, per cent	-3.49	-1.42	-3.32	-2.01	-2.43	-0.01	-2.44	-1.43	-1.64	0.41	0.22	-1.63
Financial balance of private household sector as a share of nominal GDP, per cent	4.80	6.25	3.62	2.17	4.87	8.25	5.52	-1.39	2.57	10.35	5.22	2.94
Financial balance of the corporate sector as a share of nominal GDP, per cent	-3.55	1.74	-1.55	4.67	-0.40	1.34	0.91	8.36	1.13	-1.24	1.78	7.49
Growth contribution of domestic demand including stocks, percentage points	2.31	0.88	1.58	2.97	1.16	1.45	0.02	1.21	1.25	1.13	1.72	0.92
Growth contribution of private consumption, percentage points	1.18	0.82	0.87	1.66	0.79	0.81	0.19	0.30	0.47	0.85	0.78	0.33
Growth contribution of public consumption, percentage points	0.50	0.11	0.44	0.52	0.34	0.16	0.25	0.78	0.16	0.11	0.38	0.13
Growth contribution of gross fixed capital formation, percentage points	0.69	0.30	0.35	0.89	0.02	0.30	-0.18	0.19	0.56	0.60	0.57	0.35
Growth contribution of the balance of goods and services, percentage points	0.31	0.34	0.01	0.35	0.35	0.32	0.51	0.17	0.18	0.87	0.21	0.51
Net exports of goods and services as a share of nominal GDP, per cent	-0.52	3.96	0.34	5.47	3.34	7.67	4.81	7.56	3.26	11.26	6.26	9.71

Note: Data for Financial balances of public and external sector starting from 1995 in AUT, CHE and NLD; Growth contribution data for Germany starting from 1992. (Source: Ameco)

For instance, in a micro-level analysis of Swiss firms, Kaiser et al. (2018) try to determine how exposure to currency appreciation – defined as the share of exports in total sales minus imported intermediate inputs as a share of total costs – conditions the effect of a specially computed industry-specific REER variable on a series of firm-level outcomes. They show that the effect on sales and value-added is negative and significant only for highly-exposed firms (with a net-exposure over 33%), while others are not affected. Incidentally and in addition to that, it should be added that short-term effects on sales can be somewhat misleading, as exemplified by the case of pharmaceuticals exports following the "franc shock" of 2015; while sales revenues initially took a hit because transaction contracts were denominated in foreign currencies, the branch was later able to adjust its export prices upwards to at least partially make up for that revenue loss, exemplifying that its exports are not strongly price-sensitive (KOF, 2015; Poltier, 2018). Importantly, Kaiser et al. (2018) also explore the dynamics of investment surrounding the aforementioned "franc shock" of 2015, and how different types of firms responded to it. The group of firms that experienced the most significant drop in investment appear to be the SMEs active in manufacturing with a positive net exposure, whereas exposed firms employing more than 250 full-time equivalent employees remained unaffected on that front. This could be the result of tighter cash flow constraints for SMEs following diminishing sales revenues as compared to larger firms. Indeed, if SMEs do not have the same ability as large firms to finance investment on financial markets and instead have to rely on retained earnings and/or bank credit, they will have a harder time finding resources to invest and adjust to the new "franc fort" environment. One thing to have in mind is that aggregate investment figures are dominated by large firms, which explains why the GDP contribution of Gross Fixed Capital Formation remained stable in 2015 and 2016[2].

The "franc fort" situation is in part due to the Swiss franc acting as a "safe haven" currency when the world economy goes into a downturn, as foreign capital flows towards Swiss franc denominated assets because of lower expected inflation and perhaps perceptions of lower political risks (Kaiser et al., 2018; Bernholz, 2015; Thorbecke and Kato, 2018). Although the situation described certainly doesn't correspond to the first preference of the financial sector, this sector does benefit at least somewhat from the associated inflow of foreign capital, as it tends to increase the volume of managed assets and thus revenues from fees and commissions. These are far from negligible as they represent, for large banks, almost 36% of their ordinary revenues over the 2010-2019 period according to data from the Swiss National Bank[3], although this is down from the years leading up to financial crisis. For export-oriented sectors, as mentioned above, the effects are diverse and depend on factors such as firm size, price cost margins and, of course, the time horizon taken under consideration. While a deteriorating Swiss price-competitiveness pleases no one during a context of depressed foreign demand, it is clear that some actors have more tools than others to address the situation and adjust to it. While the "franc fort" *status quo* represents no-one's preferred outcome, it corresponds to a situation that manages to protect the interests of a number of actors, and it

[2] 15 firms are responsible for 50% of investment according to Kaiser et al. (2018).

[3] Source: Own calculations using data from data.snb.ch, "Income statement items" table for Big Banks.

appears that the main losers are a certain type of SME whose products are price-sensitive enough that they suffer from currency appreciations, and who at the same time are having difficulties finding the financial resources necessary to upgrade, and it stands to reason that their workers or prospective workers are affected as well.

1.3 Economic position and economic preferences

As mentioned in the introduction, one of the aims of the paper is to study the interaction between different variables meant to capture something about the economic position of an individual and how these relate to their preferences on different dimensions. The main variables that I will consider in this section are the following; exposure to foreign demand as the main sector-related variable – I will discuss the operationalization in section 2 –, skill specificity (Iversen and Soskice, 2001) and social class. For social class, my main focus will be on a hierarchical understanding of the concept – Oesch (2006) 5-class scheme[4] –, but I will also look into alternative specifications using a dichotomization of ISCO skill levels similar to that of Wren and Rehm (2013) as well as work logics. Indeed, Oesch (2006) and Kitschelt and Rehm (2014) have exploited the notion of a class structure organized not only according to a hierarchical component, but also with regard to four different "work logics" – the technical, the organizational and the interpersonal service work logics, to which one may add an independent work logic, in which large employers, self-employed professionals and small business owners may be classified. These horizontal divisions within the class structure have been shown to be strong predictors for individual political preferences and vote choice, with for instance socio-cultural professionals and semi-professionals (SCP) – the two upper segments on the interpersonal service work logic in the extended 16-class classification – corresponding to the core electorate of the "new left" (Oesch and Rennwald, 2018).

Regarding exposure, it is most often used as a predictor of freer trade preferences in line with the Ricardo-Viner model of trade (Hays et al., 2005), with individuals in exporting sector likely to prefer more trade openness, whereas individuals from primarily importing sectors are expected to have more protectionist attitudes. An alternative perspective on trade preferences rests on the Stolper-Samuelson model, which predicts that in developed economies with abundant skilled labor, highly skilled workers should benefit from trade openness, whereas unskilled workers should face deteriorating conditions (Scheve and Slaughter, 2001; Mayda and Rodrik, 2005). Regarding exposure, there is also a received wisdom that it should lead individuals to seek insurance against the risks associated with it, namely uncontrollable fluctuations in world markets that could hurt their industry and, as such, their job prospects. This view somewhat corresponds to an individual level translation of the small states argument of Katzenstein (1985) or of the embedded liberalism

[4]Hierarchically, the Higher-grade service class is composed of Large employers, Self-employed professionals, Technical experts, Higher-grade managers and administrators and socio-cultural professionals; the Lower-grade service class regroups the Technicians, the Lower-grade managers and administrators and the socio-cultural semi-professionals; Small business owners include small business owners either without or with up to 9 employees; Skilled workers include Skilled manual workers, Skilled clerks, and Skilled service workers; and finally Unskilled workers include Low-skilled manual workers, unskilled clerks and Low-skilled service workers.

thesis of Ruggie (1982). This compensation logic is indeed invoked by Balcells Ventura (2006) and Walter (2010)to explain individual level preferences for redistribution.

Such a logic of insurance is also at the center of Iversen and Soskice (2001)'s argument that skill specificity should be associated with more redistributive preferences, as individuals whose income depend strongly on specific skills are more likely to suffer a pay cut should they lose their job and be forced to accept a new one where their specific skills are not put to good use. The macro version of that argument is that developed by Estevez-Abe et al. (2001), which states that political economies relying more heavily on general skills are more likely to have weak levels of social protection, whereas those that require their workforce to invest in specific skills need to foster individual-level incentives for workers to do so, for instance with strong employment protection legislation – when skills are firm-specific – and generous unemployment insurance systems – when skills are industry-specific.

Of course, there are also arguments that state that the mechanisms associated with the compensation logic are likely to break down as globalization progresses and capital becomes more footloose (Rodrik, 1998; Colantone and Stanig, 2018b); capitalists will fight against the higher tax burden required to compensate the losers of globalization and high capital openness can be expected to reinforce their bargaining power. If workers and citizens buy into the narrative according to which political options are entirely constrained under a free movement of capital framework, and that any attempt at taxing profits would end up being counterproductive, then the predictions made under the insurance logic can be reversed. For instance Wren and Rehm (2013, 2014) argue that skilled workers in traded dynamic service sectors are likely to oppose welfare spending, insofar as they assume that the act of insuring themselves against the risk of job loss actually increases the likelihood that said risk will materialize. This might happen because the higher tax burden required to sustain the welfare system would a) hurt the competitiveness of the sectors in which they are employed, or b) hurt the attractiveness of those sectors from the point of view of investors, again with negative consequences for their future employment prospects – with this latter notion implying that developed countries ought to fight for FDI with tax incentives in the same ways as do so-called dependent market economies (Nölke and Vliegenthart, 2009). In addition, the effective replacement rate that highly-skilled workers obtain when becoming unemployed is lower than that of less skilled workers, further skewing their preferences against social spending.

Strictly speaking, such a counterargument cannot really be used regarding the skill specificity insurance logic in order to reverse it, because for a given level of exposure, there is no reason to expect that social spending would hurt the employment prospects of those in highly skill specific occupations more than the others, so the logic of insurance should hold in general. There is, however, an interesting question regarding the interaction between the two variables; namely whether one should expect the negative effect of exposure to be reinforced for individuals with highly specific skills. Such a relationship would make sense considering that individuals with highly specific skills have good reasons to give more weight to the characteristics of their sector, and likely face yet stronger costs in case of job loss. It is also possible that exposure would reinforce the pref-

erences for insurance that could be associated with skill specificity, so it is not a straightforward interaction.

Capital openness and the exit option of firms aren't everything, however, and Iversen and Soskice (2019) insist on the fact that highly dynamic firms also rely very strongly on their skilled workforce for their competitive edge, which does effectively limit the extent to which they can effectively relocate and optimize on the basis of fiscal criteria[5]. Once more, the joint existence of these different perspectives maintains the potential for conflicting narratives about the true latitude – and thus, structural power – of capital in developed countries. The complexity of these questions is such that it is unlikely that any empirical evidence would lead to the formation of a consensus about which effect actually dominates, making the narratives as such all the more important. Arguably, the generally dominant narrative in Switzerland is one that puts forth the competitiveness and attractiveness arguments.

In defence of that notion, it is useful to look at the discourses of business actors over the last decades. Based on what we've seen, the argument of the dependence of the Swiss model in its current configuration on its export industries rests on fairly solid ground, which in turn is likely to give weight to the discourses stemming from representatives or high-profile members of those industries. From that position, these actors have been very quick to claim and repeat over the years that the policy needs of export industries involved cuts in taxes and social spending, all in the country's best interest, as many jobs and much fiscal resources are presented as tied to the fate of the export-oriented sectors. Guex (1998), for instance, puts together a large number of quotes stemming from the 1990s, when the Swiss economy went through a sustained recession. The argument is thus made of two parts that can be summed up in terms of one dependence component that can hardly be denied, and one component pertaining to supposed negative effects of taxes and spending on profits and investments, which isn't backed up by empirical elements; not only does it ignore a series of variables that contribute to making Switzerland attractive for firms, it also tends to misrepresent the standing of Switzerland relative to other countries on key variables such as the tax share and public spending levels. Variations on these sorts of discourses have been continuously present in the public sphere with fluctuating intensity over the years (Mach, 2006; Emmenegger and Marx, 2019), and the campaign in favor of the Corporate Tax Reform III in 2017 boasted "competitiveness" and "protect jobs" all over its posters[6].

Now regarding how class is expected to interact with the relationships discussed above; based on Wren and Rehm (2013, 2014), exposed highly skilled workers should be the group most opposed to generous social spending policies. Not only are they generally net contributors to these, but their employment prospects could be hurt by higher domestic inflation – contrary to highly-skilled workers in non-traded sectors – and they are not direct beneficiaries of increased government spending on public employment – contrary to many highly-skilled workers in the education or health

[5]Then again, profit shifting through intra-group transfer pricing is a highly common practice, which allows certain firms to keep access to their specialized workforce while effectively benefiting from alternative fiscal jurisdictions. As a result, the distribution of the overall tax burden is shifted towards labor.

[6]See campaign material on the following page: `https://swissvotes.ch/vote/611.00`

sectors. Baccaro and Pontusson (2019) hypothesise that skilled workers – including vocationally trained workers – active in the growth-driving export industries are likely to display preferences aligned with those of their employers, who have been very intent on pushing for policies that would foster wage moderation throughout the low-skill service economy (Kinderman, 2005, 2017; Baccaro and Benassi, 2017). Again, in the perspective that I defend in this paper, these expectations have more to do with workers internalizing parts of the discourses on their sector and their country's growth model than about interests that could be objectivized. This argument also ties back to the question of the struggle for the definition of what constitutes the general interest, and with whose immediate interests it finds itself most closely aligned. As far as the other classes are concerned, the self-employed with a small number of employees should also respond negatively to exposure, as they likely act as upstream suppliers for exporters of final products, whereas unskilled workers are unlikely to be particularly responsive to exposure.

In terms of what to expect of the interaction between exposure and skill specificity across the different classes, predictions become somewhat tricky, as I have pointed above that the interaction itself is not straightforward. One way to think through tentative expectations would be to say that the higher classes should discount insurance to a stronger extent than the lower classes. This would be due in part to the fact that even when they boast highly specific skills, they are still likely to have fairly strong general skills (Iversen and Soskice, 2001), and in part due to the aforementioned threshold effect limiting the effective replacement rate they are entitled to in case of unemployment. Them discounting insurance should correspond to the coefficient of the interaction being at least neutral or negative – depending on whether skill specificity reinforces the exposure logic. For the self-employed, I don't expect the interaction to be relevant, and for skilled and unskilled workers, the insurance logic is somewhat more likely to prevail – which could lead us to expect a positive sign on the interaction coefficient.

Colantone and Stanig (2018b,a) have coined the term *economic nationalism* to discuss the modalities of the globalization backlash observed in many countries. Its characteristics are a desire for protectionism in lieu of the welfare state, as well as strong anti-tax sentiments. To test their hypothesis, the authors explore the effect of the Chinese import shock at the regional level on vote choice – either coding the economic nationalism score of the chosen party (revealed preferences) or simply looking at Brexit vote – using an two-stage-least-squares framework. As mentioned in the introduction, Swiss net exports have been a major source of economic growth, which would make it rather unlikely that economic nationalism should take the exact same guise in Switzerland as those described by Colantone and Stanig. Of course, the Swiss Farmers' Union and other agricultural interests have generally fought against the indiscriminate expansion of free trade (Sciarini, 1995), but manufacturing firms have overall benefited more from the ability to export than they have suffered from imports competition, including SMEs who often act as service providers or suppliers for larger firms. If we view the problem with the Chinese import shock in terms of job losses, then it can be reframed for the Swiss case by taking a different equilibrium as the reference point; if most of Swiss manufacturing can be described as being export-dependent, then the risk of job losses

should be expected to come from falling exports. As such, rather than protectionism to protect oneself against imports, the advocated policy would be more along the lines of doing everything to at least maintain the mercantilist position of Switzerland vis-à-vis the world. Competitiveness, attractiveness and staying ahead being the main keywords. In a country such as Switzerland where large export surpluses have arguably been vital for a substantial portion of recent growth and appear so as well for future growth, skilled workers active in export-oriented sectors – whose job and income security rest on the continued ability of their sector to both capture foreign demand and further develop production capacity through investment, some of which foreign – can indeed be expected to be on average more sensitive to the attractiveness-competitiveness argument and its various components, including notions that lower taxes on high incomes and corporations will stimulate investment, or that cuts in public spending and redistributive policies are a must in order to maintain competitiveness.

1.4 Dimensions of economic preferences

Up to this point, I have discussed at length about the multidimensional nature of economic position, but not so much about the multidimensional nature of economic preferences, beyond preferences for redistribution and freer trade. Table 2 thus reformulates a series of elements from the previous sections, and further links some of the arguments regarding class, exposure and skill specificity to other dimensions of economic preferences, namely monetary and labor market policy. Of course, while in an ideal world, survey questionnaires would include items that make it possible to tap equally well into individual preferences pertaining to each of these dimensions, this is not actually the case. Indeed, while the topics of redistribution and free trade are usually well-covered, it is rarer to find a highly relevant survey item as far as the others are concerned, which means that sometimes less ideal survey items have to be used. In the next section, I will discuss my data, the proposed operationalization of my main independent variables as well as the other variables of interest, the dependent variables that I will look into, before presenting the different model specifications that I plan to use.

Table 2: Summary of expected relationships between economic preferences and economic position

Dimension	**Class**	**Exposure and skill specificity**	**Differential effects across classes**
Social spending and redistribution	Primary importance, preferences for redistribution have typically been structured along the traditional class cleavage between capital and labor and along the income distribution.	For exposure, expected negative effect through competitiveness argument, potential positive effect through insurance argument. For skill specificity, expected positive effect through insurance argument. Interaction between the two could either reinforce the expected negative effect of exposure, or reinforce the expected positive effect of skill specificity.	Exposure ought to have a negative effect for all classes but unskilled workers. The insurance logic related to skill specificity and the interaction should be mainly relevant for skilled and unskilled workers. High skill specificity should reinforce the negative effect of exposure for members of the service classes, while it should not be relevant for the self-employed.
Trade and globalization	In developed economies, highly skilled workers are expected to benefit from freer trade, whereas low-skill workers are expected to lose out, and the preferences should thus follow that logic. There is an argument that consumers generally benefit from free trade, with the potential of rendering the total effect ambiguous in the short-run for low-skill workers (Rodrik, 2018).	Highly relevant through differential exposure, dependence on foreign demand vs fear of import competition. The first one ought to be more relevant in the Swiss case, so that exposure to foreign demand should lead to more positive views of trade and globalization. No direct effect expected for skill specificity, but the interaction with exposure should reinforce the initial effect through stronger sectoral attachment.	For both skill levels, exposure to foreign demand should be associated with positive views of globalization. There could be differential effects of exposures across skill levels if, for instance, even non-exposed highly-skilled look favorably upon globalization.
Monetary : inflation, REER, interest rates	Not highly politicized along the class dimension in recent decades (generalization of the model of the Independent Central Bank), but clear potential for class conflict over the prioritization of the fight against inflation.	Highly relevant through sensitivity to REER for certain sectors, but inflation actually ambiguous, since the low-inflation of the Swiss franc has contributed to its "safe haven" currency status (Kaiser et al., 2018; Thorbecke and Kato, 2018), causing increases in the REER at the expense of price competitiveness. Potential divergence in priorities between financial, manufacturing, construction sectors in terms of interests rates, inflation and REER (Baccaro and Pontusson, 2019).	Proximity to sectors exposed to foreign demand should affect high-skill and low-skill individuals in similar ways, although it is possible that the highly skilled are more present in sectors with less price sensitive exports, leading them to worry less about currency appreciation through "safe haven" effect. Again, I expect that skill specificity should simply act to reinforce the main effect of exposure through a sectoral attachment mechanism.
Labor market: retirement age	Working classes and lower skill workers are more likely to be in irregular employment, have less access to protected public sector jobs and be subject to low pay. Aspects related to employment protection are unlikely to be relevant in Switzerland, as there is little employment protection across the board. Regarding retirement age, there should be differences across classes and skill levels.	Exposure should be associated with more positive views of increases in the retirement age, mainly through the salience of the competitiveness narrative. Skill specificity should again mainly reinforce the exposure effect.	Regarding differences between high-skill and low-skill workers relative to the aforementioned relationships, exposure should matter more for the former, as class is likely to be a salient predictor for the latter.

2 Data and Operationalization

In this section I will start with a brief description of the data used in the subsequent analyses, followed by some preliminary descriptive analyses of that data. The main data source that I use in the following analyses is the Swiss Household Panel (SHP, 2019), which has followed a representative sample of Swiss households since 1999, conducting yearly interviews with their members, and with adjustments for sample attrition taking place in 2004 and 2013. Other data sources that I will be using include some Selects (2019) datasets, in particular because they sometimes offer access to more concrete or more substantively interesting dependent variables than those commonly found in the SHP. Additionally, I make use of Eurepean Social Survey (2018) surveys in conjunction with the OECD TiVA (OECD, 2018) databases to compute the occupational exposure variable, and the Manifesto Project Database (Volkens et al., 2021) to consider the association of my variables of interest with preferences revealed through vote choice.

2.1 Main Independent variables

I have already briefly discussed how I plan to operationalize occupational class, privileging a hierarchical understanding of the concept in the main analyses, and exploring work logics based definitions (Oesch, 2006; Kitschelt and Rehm, 2014) in complementary analyses. A straightforward operationalization of economic sector based on NOGA02 classification at the section level (17 categories)[7] is problematic because at this level of aggregation, certain sections - and particularly manufacturing - are fairly heterogeneous across the many branches that compose them – in terms of indicators such as the growth trend in value added and employment as well as, importantly, exposure to foreign demand. Furthermore, skills are not particularly portable across branches such as food processing, pharmaceuticals, Computer, electronic and optical products and the machine industry. As such, the "sectoral" variable included in my analyses can be described as occupational exposure to foreign final demand. I draw on the empirical strategy of Baccaro and Neimanns (2021), who take advantage of the fact that the Eurepean Social Survey (2018) precisely documents respondents' sectoral affiliation at the second level of aggregation, which allows for the differentiation of the branches of manufacturing[8]. The way these authors proceed consists in calculating the distribution of ISCO-88 4-digits occupations across 15 sectors, and then effectively treating those probabilities as weights in order to assign to each 4-digits occupation a value that is the weighted combination of some quantity of interest measured at the sectoral level. Formally,

$$Occupational\ trade\ exposure_{io} = \sum_{s=1}^{N} P(s \mid o) * Sectoral\ trade\ exposure_{s} \tag{1}$$

[7] A classification equivalent to NACE rev.1 and 1.11 at this level of aggregation.

[8] More specifically, ESS1 refers to NACE rev1, ESS2-4 to NACE rev1.1, and finally ESS5-9 refer to NACE rev2, which is equivalent to the Swiss NOGA08.

where i represents the individual, o the occupation, and s the sector. Using their occupation-level sectoral weights, Baccaro and Neimanns (2021) then calculate occupational exposure to trade as $\frac{Exports+Imports}{Output}$.

The way I proceed is similar, but differs on a couple of points. First off, it seeks to adjust for the fact that my measure is meant to be specific to Switzerland; I match the branches used in ESS rounds 1 through 4[9] with the classification used in the OECD TIVA 2016 database, which consists of 33 sectoral categories. As each ESS wave comprises around 2000 respondents per country, relying only on Swiss respondents to calculate the occupation-level sectoral weights for that country would likely result in an overly noisy measure, which is why I choose to use data from eight additional countries that remain fairly similar to Switzerland[10]. I do however take into account the differences in relative sizes of the various sectors across countries – it is indeed more likely for a German worker to be active in the manufacturing of transport equipment branch than for a Swiss worker, owing to the much smaller size of that branch in Switzerland. In order to correct for these differences in sectoral composition between Switzerland and other countries, I do two operations, which are expressed in equation 2 below.

$$P(sec_j^{ch} \mid occ_i) = \frac{\frac{P(occ_i)*P(sec_j^{ch})}{P(occ_i)} + \sum_{c=1}^{C} \frac{P(sec_{cj}^{foreign}|occ_{ci})*\frac{sec_j^{ch}/GDP^{ch}}{sec_{cj}^{foreign}/GDP_c}}{\sum_{j=1}^{J} P(sec_{cj}^{foreign}|occ_{ci})*\frac{sec_j^{ch}/GDP^{ch}}{sec_{cj}^{foreign}/GDP_c}}}{C+1} \quad (2)$$

Where occ_i is the i^{th} occupation and sec_j is the j^{th} sector, Swiss or foreign, C denotes the eight countries that are not Switzerland and c the c^{th} country, hence the final averaging over $C+1$. The idea is first to correct for the size of a given sector relative to GDP across countries[11], and then to make sure that the probability mass function of a given occupation always sums to 1 across all Swiss sectors. This means that in the case of a highly specific occupation that only exists within one or two sectors that turn out to be rare in Switzerland – this is the case for instance with some occupations highly linked to the Mining and Quarrying sector –, the occupation-level sectoral weights are back-corrected by the second operation in order to take this specificity into account. However, when an occupation is distributed indifferently across several sectors, then the initial correction is highly meaningful, and likely provides a more realistic estimate of how an occupation is distributed across sectors in Switzerland.

This approach deals with both issues mentioned above, namely the aggregation of all branches of manufacturing as well as the variation in how different occupations are associated with a small

[9] Years 2002, 2004, 2006 and 2008.

[10] The countries are the following: Austria, Belgium, Germany, Denmark, France, Great Britain, the Netherlands and Sweden.

[11] I assume that this more or less reflects how many people are employed in that sector in a given country, which in turns implies the assumption that the distribution of productivity levels across the 33 sectors is similar in all countries. While it would certainly be best to use sectoral employment data for that purpose, it is difficult to find such data in both highly disaggregated form (33 sectoral categories) and following the old NACE rev1.1 classification. For instance, older versions of the OECD STAN database based on the ISIC rev.3 that would be appropriate for that purpose have missing values in certain cells, making me prefer the simpler use of value added to employment. All things considered, these different approaches should lead to extremely similar results.

or large number of sectors. The cost of the approach, on the other hand, is that by transforming the occupation-level sectoral weights obtained through this operation into some continuous sector-level property – namely exposure to foreign final demand in my case –, we do lose out in terms of the implicit dimensionality that comes along with a more straightforward operationalization of economic sector, as these could be said to carry qualitative differences as well.

As mentioned above, Baccaro and Neimanns (2021) chose an exposure measure based on the sum of exports and imports over total output, to which I prefer another measure available in the OECD TiVA 2016 database, namely the share of domestic value added embodied in foreign final demand[12], whose value is always between 0 and 1 and which, according to the TiVA documentation, can be considered as a measure of an industry's reliance on foreign final demand, in terms of both its role as an exporter of final goods and services or that of a producer of intermediate goods and services that reach final consumers abroad (households, government, or as investment). In Switzerland, imports competition isn't a prime issue for most sectors – perhaps with the exception of the agricultural sector –, an aspect that is underlined in the already mentioned study of Kaiser et al. (2018), who never find a significant effect of the import competition coefficient[13] on any firm-level outcomes. One of the interesting features of the chosen indicator is that it better represents the insertion into global markets of sectors that don't immediately export their goods or services but nonetheless ultimately depend on the exports of the goods or services for which they provide intermediary inputs. As such, this variable is more evenly distributed across the population of sectors than the aforementioned trade exposure; indeed, when one looks at Gross Exports, one looks at a mixture of exported value added generated both within the exporting sector and elsewhere in the domestic economy. This, in turn, may lead one to underestimate the actual dependence on foreign demand – especially over the medium- to long-run – of certain sectors that specialize in producing intermediate goods and services, some of which are embodied in the actual exports of other industries. To reach a compromise between taking into account effects over time and allowing year-on-year variation to retain some importance, I average the values $T-1$ and T to generate my sector-level variable in T.

All in all, this indicator remains fairly well correlated with the other exposure indicator, As for the general strategy of relying on occupation-level sectoral weights, one of its additional virtues is that it allows me to use datasets that contain precise information regarding the occupation of the respondent (meaning ISCO88 or 08 at the 4-digits level) but no specific information pertaining to their sectoral affiliation; this notably concerns the majority of Selects (2019) surveys, which sometimes contain items that are more concrete with regards to certain dimensions of economic preferences.

Note that the currently available TiVA databases are respectively limited to the years 1995-2011 for the 2016 edition that relies on NACE rev. 1.1, and 2005-2015 for the 2018 edition, which refers to NACE rev. 2 industries. This limited availability of the different series does have consequences,

[12]The name of the variable in TIVA 2016 is VALUX_FFDDVA.

[13]Also based on industry-specific REER, only this time weighted based on the origin of imports rather than the destination of exports.

especially considering the distribution of item availability across the SHP wages, which I discuss below.

Now regarding skill specificity, I follow for the most part the approach outlined in Iversen and Soskice (2001), which seeks to derive skill specificity for all ISCO 2-digits groups by taking the ratio of the share of total ISCO 4-digits occupations within each group to the proportion of the labor force employed within that group, repeating the operation for ISCO major groups and taking the average of the two values divided by skill level according to ISCO major group. I follow the same approach, but proceed to extend the operation to ISCO 3-digits groups, such that my measure is an average between three rather than two values. As the resulting distribution is strongly left-skewed, I decide to log the variable.

2.2 Other variables of interest and controls

There are no big surprises when it comes to the other independent variables that I plan to use in my models, although some of the coding choices are certainly worth mentioning. These variables of course include income, dichotomous variables for public versus private sector employment, union membership, whether the respondent is currently unemployed, Swiss citizenship, whether the respondent lives in an urban or rural environment, sex, age, degree of political interest, I also often propose replications of the main models with the addition of left-right self-placement in the appendix. Finally, I deliberately omit level of education, because it tends to be highly correlated with both operationalizations of class, be it hierarchical occupational class or on the dichotomization of ISCO skill levels.

To go into more details about certain variables, for income, I choose to use a personal income variable rather than a household level one, because it seemed more relevant in the context of an analysis focusing on occupational characteristics. I use the personal income from the ad hoc SHP dataset that imputes some of the missing income values (Lipps, 2010). Although I would ideally have preferred to make use of the personal *work* income variable, the trade-off in terms of number of observations seemed unfavorable. As the income variable results from an open question and not from the use of income bands, there are respondents with extremely high values on the variable, bringing me to construct a ceiling for it. For each year of data, I compute a weighted percentile for the personal income variable, and subsequently calculate the mean personal income value for respondents situated at the 98^{th} percentile of the sample distribution, before substituting any value above that ceiling with the ceiling value. In order to enhance year-on-year comparability, I also deflate all income values using the yearly CPI index of the Bank of International Settlements , with 2010 as a reference year. The resulting yearly top personal income values are displayed in table 3. I considered logging the income variable in addition to the previous operations, but the cap already deals fairly well with the left-skewed distribution, so that it didn't seem necessary, I resorted to simply standardizing the variable. Finally, although as a general principle, I am somewhat opposed to trying to explain attitudes and preferences with other variables pertaining to attitudes and preferences or overall ideology, I control for left-right placement in certain models;

this variable is expected to be very strongly associated with the redistribution dependent variables, and its inclusion is meant to make sure that any main effects found are not simply mediated by a potential association of exposure with left-right self-placement.

Table 3: Top personal income values in 2010 Swiss francs for each year

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Ceiling	149109	156413	153748	183822	156679	165766	162191	165790	162931	184777
Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ceiling	175582	169463	181515	187984	196461	206106	217020	208830	207200	204234

Finally, just an additional observation on the perimeter of my analyses; because my main independent variables have to do with labor market insertion, I restrict my analyses to respondents aged between 20 and 65 and who either currently have or have had a job in the past. Respondents who are unemployed in a given wave are coded as such, but are also given values on certain variables based on their last occupation; this of course includes occupation as such and thus class, self-employment status and public-private status. When available, this information is taken from previous waves to which the respondent participated, otherwise it is taken from the `lastjob` ad hoc dataset. This seemed like a reasonable compromise in order to integrate current employment status in the model, while also acknowledging that the relevance of occupational characteristics do not simply vanish upon losing one's job.

2.3 Dependent variables

As already mentioned above, the SHP doesn't contain a whole lot of items that are of interest as dependent variables within the framework of this paper, and particularly in the years prior to 2011, before they started to implement the "political behaviour and values" module, which would then be used in every third wave and which contains items where respondents whether they favor an increase or decrease of expenses in specific areas of social policy; unemployment benefits, old age, social assistance, health, research and education. By opposition, the waves from 1999 through 2009 have asked yearly about whether social expenses in general should increase, decrease or stay the same, and whether "high incomes" should pay more, less or the same amount of taxes as they currently do, with these more general items are also part of the "political behaviour and values" module. As the main independent variable of interest, exposure to foreign demand, can only be computed up to 2015 with the current iteration of TiVA, this limits its use to just two waves that comprise the full set of public expenditure items; with this in mind, I favor relying on the 2016 TiVA edition which allows for coverage of waves 1999-2009 and 2011, which means focusing on the overall social expenses and tax the high incomes items. The weakness of these items lies in them being too general in terms of their object, especially as far as the tax item is concerned, which remains very open to interpretation – where does the "high income" category start? Does the

item pertain only to work income or is capital income particularly targeted? And what corporate income taxes? As the item lacks specificity, it is likely that respondents will have different things in mind when formulating a response. Nonetheless, both items likely tap into issues that have been brought forward in this paper, for instance surrounding the idea that Swiss competitiveness rests on cuts in social expenses and more favorable tax conditions for highly skilled labor, capital, shareholders and corporations alike. The data used in these analyses, because it is composed of repeated observations over the years, also represents a good occasion to put the panel structure of the data to more use, so in addition to simple random effects models with year dummies, I also implement random effects within-between (REWB) models (Bell and Jones, 2015; Bell et al., 2019). I will discuss these choices in more details in the next subsection.

Table 4: Descriptive statistics

Statistic	N	Mean	St. Dev.	Min	Pctl(25)	Pctl(75)	Max
1999-2011							
soc.exp	42,797	0.25	0.76	−1	0	1	1
tax.high.inc	42,797	0.75	0.43	0	0	1	1
exp.foreign.demand	42,797	0.31	0.18	0.03	0.16	0.45	0.86
logged.skill.specificity	42,797	−0.02	0.74	−1.14	−0.44	0.20	4.19
age	42,797	42.75	11.63	20	34	52	65
pers.income	42,797	63,977.93	38,951.31	66	35,184	85,082	184,777
female	42,797	0.51	0.50	0	0	1	1
public	42,797	0.32	0.47	0	0	1	1
swiss	42,797	0.91	0.28	0	1	1	1
urban	42,797	0.84	0.36	0	1	1	1
union.member	42,797	0.22	0.41	0	0	0	1
unemployed	42,797	0.01	0.12	0	0	0	1
pol.interest	42,797	0.05	0.97	−2.02	−0.56	0.89	1.62
left.right.scale	38,538	4.62	2.09	0.00	3.00	6.00	10.00
skill.level.bin	42,797	0.56	0.50	0	0	1	1

Note: Only complete cases were used to generate this table, there could be slight variation in N in the following analyses depending on the dependent variable used. Note that logged.skill.specificity is centred around the mean, and that in the following analyses, exp.foreign.demand, left.right.scale, age and pers.income are all either standardized, centred or logged and centred.

As mentioned, the dependent variables available in the SHP remain a little vague, but perhaps more importantly, they mostly cover facets of redistribution, while the other dimensions discussed in 2 are largely absent. For this reason, I also resort to a third set of analyses that make use of a series of items found in different Selects (2019) surveys. In the order of the dimensions mentioned in 2, for *redistribution*, although it is already fairly well covered, I look into the retrospective question in wave 1 of the 2015 Panel/RCS pertaining to the respondent's vote choice on the initiative "Taxing multi-million inheritances to finance our AHV (Inheritance Tax Reform)", which was rejected by both the Swiss people and the Swiss cantons in June of 2015 – note that this particular vote campaign was already the object of a case study in Emmenegger and Marx (2019).

For *trade and globalization*, I will look into a general item of the 2007 Swiss Election Study asking respondents if they agree with the statement whether "The ongoing opening of the economies is for the good of all", as well as two related items in wave 1 of the 2015 Panel/RCS asking whether the bilateral agreements had a positive or a negative impact on the Swiss economy and the Swiss labor market respectively. Finding items suited to the *monetary* dimension is not easy, although tentative analyses can be conducted using items from the 2011 RCS where respondents were asked about their feelings vis-à-vis the strength of the Swiss franc at the time (I create an additive scale using fear and anger), or yet even an item probing the respondent's trust in the Swiss National Bank in wave 3 of the 2015 Panel/RCS – this part of the survey took place following the October 18^{th} Federal Election, around ten months after the SNB decided to give up on the floor exchange rate against the Euro, which was criticized for leading to substantial REER appreciation (Bernholz, 2015). Regarding some *labor market* dimension, considering that employment protection legislation is non-existent in Switzerland, I have chosen an item pertaining to the issue of raising the retirement age. There are two occurrences of such an item in the Selects surveys, one in the general 2003 surveys and one in wave 2 of the 2015 Panel/RCS. The number of response categories is the same both times, but the framing differs somewhat from one item to the other; indeed, the 2003 version of the item introduces the question with "In order to insure the AHV", which isn't the case in the 2015 question, as it specifies instead that the policy would concern both sexes. While the items aren't perfectly identical, the policy *status quo* regarding the retirement age is the same in both instances and corresponds to the one enacted with the 10^{th} revision of the AHV from 1997, which progressively raised the retirement age of women to 64 from 62 years of age – the reform fully came into force in 2005, 8 years after its adoption. Considering these arguments, I believe it justified to conduct the analysis jointly for both years while controlling for year of survey.

Regarding the coding of the other variables, I stayed as close as possible to the general coding scheme used with the SHP data. Note that the only income variable available in Selects is generally household income, and people select the income band that they belong to. In conformity with the approach advocated by Hout (2004), I took the midpoints of the income bands, transformed the top-coded category according to the relative frequencies of the two top categories, and adjusted the result using the household size variable – this variable was available in all Selects surveys of interest, whereas number of adults was only sporadically available. Note too that whereas I simply standardized the 10-step political interest variable in the SHP, I chose to dichotomize the 4-step variable present in selects.

There is a further case to be made about preferences being revealed through vote choice, and for that reason, I present a final series of models adjoining all waves of Selects from 1999 through 2015, in order to test for the association between my variables of interest and the preferences revealed by the respondent's vote choice on a few dimensions of interest taken from the Manifesto Project Dataset (Volkens et al., 2021), namely *markeco*, *welfare* and *planeco*.

2.4 Model specifications

As mentioned in the introduction, my general modelling strategy involves the use of mixed effect models. The baseline models simply include individual random effects to control somewhat for unobserved heterogeneity while still leveraging inter-individual variation for the results, year dummies are included. Considering the distribution of responses across the two items, I use an ordinal logit model for the social expenses items, whereas I dichotomize the taxes on high incomes item between those who believe they ought to pay more in taxes and the others, and use a logit model specification.

$$logit(P(Y_{irt} \leq j)) = \beta_0 + \beta_1 class_i + \beta_2 exposure_i + \beta \mathbf{X}_i + \alpha_r^{id} \tag{3}$$

with

$$\alpha_r^{id} \sim N(0, \sigma_{ar}^2)$$

Additional models include the $class * exposure$ interaction as well as the three-way interaction $class * exposure * skill.specificity$. Figure A.1 displays boxplots of the exposure and skill specificity variables for the five classes, with the aim to show that although the distributions are not equivalent for all classes, some variation can nonetheless be found within each class for both variables. In addition, A.2 and A.3 show similar boxplots for the work logic classification scheme as well as the high and low skill groups.

Now, as alluded to already, Bell and Jones (2015) point to the fact that simple random intercepts are not without issues. Although the random intercepts themselves absorb the unobserved heterogeneity in terms of its immediate relationship to the dependent variable, there remains the issue that any X_{ij} can be thought of as resulting from the addition of – in the context of this paper – a respondent-level $X_j^{Between}$ and an occasion-level X_{ij}^{Within}, both of which can have distinct effects. Simple random effects models implicitly assume that the statistical between and within effects are identical, which doesn't appear all that likely in the case of our data, for at least two reasons. The first pertains to the strong presence of long term logics in the possible mechanisms linking class and exposure to attitudes and preferences, as discussed in section 1.3, whereas the second is linked to the fact that the potential for variation on our dependent variables remains fairly limited overall, such that it is unclear whether within-individual changes will easily find a counterpart on 3-point scale or dichotomous dependent variables. As a result, the β's in the equations above correspond to an "uninterpretable weighted average of the two processes", although the overall effects should generally be dominated by the between effects. Bell and Jones (2015) and Bell et al. (2019) recommend a modelling strategy which seeks to model separately the between and within effects, along the lines of what equation 4 does below.

$$\begin{aligned} logit(P(Y_{irt} \leq j)) = \beta_0 + \beta_W(\mathbf{X}_{ir} - \bar{\mathbf{X}}_r) + \beta_B \bar{\mathbf{X}}_r + \\ \beta \mathbf{X}_i + \alpha_r^{id} \end{aligned} \tag{4}$$

Where $\beta_W(\mathbf{X}_{ir} - \bar{\mathbf{X}}_r)$ is a matrix of respondent mean-centered occasion-level covariates along with its vector of β_{Within} coefficients, $\beta_B \bar{\mathbf{X}}_r$ is a matrix of respondent-level covariates obtained by

taking the respondent mean for all relevant covariates, along with its vector of $\beta_{Between}$ coefficients, and $\mathbf{X}_i$ is still the same matrix of occasion-level covariates as before, only we are not interested in decomposing them. For continuous response variables, the β_W's of the REWB approach very closely match the coefficients obtained with so-called Fixed-effects (FE) models. When it comes to non-linear link functions, however, the approach can result in some degree of bias in both the within and between effects. While pointing this out, Bell et al. (2019) do also say that said bias is unlikely to be severe, and are ultimately open to the use of REWB specifications for ordered logit and other generalized linear models. Note that although the class variable following the Oesch-scheme is not a fixed quality but may change along with occupational changes that the respondent undergoes over their life course, I opt for an approach where each respondent is assigned their modal value on the class variable, so that I am able to interact the Within and Between exposure variables with a single categorical class variable for each respondent.

Finally, the models making use of the selects datasets are generally just simplified specifications of the models described above – with continuous variables sometimes dichotomized around the mean in other to provide for a quicker and easier interpretation –, my particular expectations follow the general outline displayed in table 2.

Regarding estimation, most of these analyses require that a great number of parameters be estimated due to the individual random effects, which is why the following models are all estimated using Bayesian inference. Unless otherwise specified, all the models presented in this paper are fitted using the `brm` function from the `brms R` package, a package that allows the specification of models to be estimated in `stan` with a syntax close to that used by `lmer`. I use the default `brms` priors which are meant to be weakly informative, and run 4 chains of at least 10,000 iterations including a 5,000 iterations warmup for all models presented here. For all Bayesian models presented in this paper, the `r-hat` of all parameters was 1.00, indicating that the chains had mixed properly and that the model displayed no validity issues.

3 Results

3.1 Ordered logistic regression of attitudes on social expenses and taxes on high incomes

Results for the first set of analyses are expressed in table 5, with both models being shown with and without an interaction term between exposure to foreign final demand and class, as well as with the inclusion of the left-right scale variable, which is meant to test whether the effect of exposure is sensitive to left-right self-placement being controlled for. In these analyses, the dependent variables are coded such that higher values are associated with more preferences for spending and higher taxes for the high incomes. Regarding the interpretation of the coefficients for the ordered logit models, positive values mean that higher values of the variable are associated with the outcomes of the bottom of the scale being less likely, whereas the opposite is true for negative coefficients. First referring to models 1 through 3, the signs of most coefficients are as expected; with public

sector workers, female, urban, unionized, unemployed and politically interested respondents all being more in favor of social spending increases, whereas Swiss and richer respondents tend to be more opposed to these. Regarding the different classes, neither the lower-grade service class nor unskilled workers appear to have systematically different baseline preferences than the higher-grade service class, while small business owners and skilled workers appear more likely to be against social spending increases. The sign of our exposure variable, as expected, is negative in the model with no interaction, as well as in the other two models, meaning that the responses of higher-grade service workers are associated with their exposure level, whether we control for left-right self-placement or not. In order to better visualize these results, figures 2 and A.4 show the predicted probabilities of being in the different response categories across the five classes with respect to one's degree of exposure to foreign demand – going from the 5^{th} to the 95^{th} percentile on the scale of that variable –, based on models 2 and 3 respectively. These first figures use sample modal or median values for the other variables, which lead to less realistic class profiles; in order to account for that, figure A.8 sets all variables to values typical for the class in question, still based on model 3. Throughout these figures, we are able to see that the effect of exposure is more or less the same, with negative effects being found for the service classes and small business owners, but no effect being found for either skilled or unskilled workers, contrary to formulated expectations regarding skilled workers.

Now regarding models 4 to 6 pertaining to the tax item, two things immediately stand out; the income coefficient appears large in that it is far removed from zero, and the baseline class coefficients are larger too, while there doesn't appears to be much difference in terms of the effect of exposure between the different classes. Controlling for left-right self-placement affects the model more strongly than it did in the social spending model, with exposure ceasing to be statistically significant for the higher-grade service class, but gaining in magnitude for small business owners. Regarding the control variables, difference with the spending model include a significant negative effect of age and the fact that Swiss respondents are more likely to favor tax increases for the rich than foreign respondents, a similar sign reversal can be seen for the urban and political interest variables – only in model 6 –, whereas being unemployed does nothing to affect one's response. Figure 3 presents a series of plots based on the same logic as previous figures, which shows that of all classes, the only one for which the effect of exposure remains strong in all specifications are the small business owners, whose preferences over the issue of tax increases for high incomes very much depends on that variable. Regarding the two service classes, while panel a) already struggles to demonstrate an effect of exposure for the higher-grade service class, panels b) and c) clearly plead against an independent effect of exposure for those groups. Overall, there is thus already interesting variation in terms of how both class itself and exposure within classes are associated with two separate aspects – although to an extent complementary – of redistribution, social spending and taxes on high incomes.

As mentioned earlier in the paper, I also estimated versions of the above models using alternative specifications for class; these are displayed in tables A.1 and A.2, with figures A.6 and A.7 providing visualizations. Unsurprisingly based on previous results, the negative effect of exposure appears

to be concentrated on the group of high-skill workers, for both the social spending and the class variable. Regarding work logics, although there is a small significant effect for the independent work logic group, the overall picture is more blurry and points to that dimension not being the most relevant regarding the effect of exposure, with hierarchical class offering more variation in the slopes.

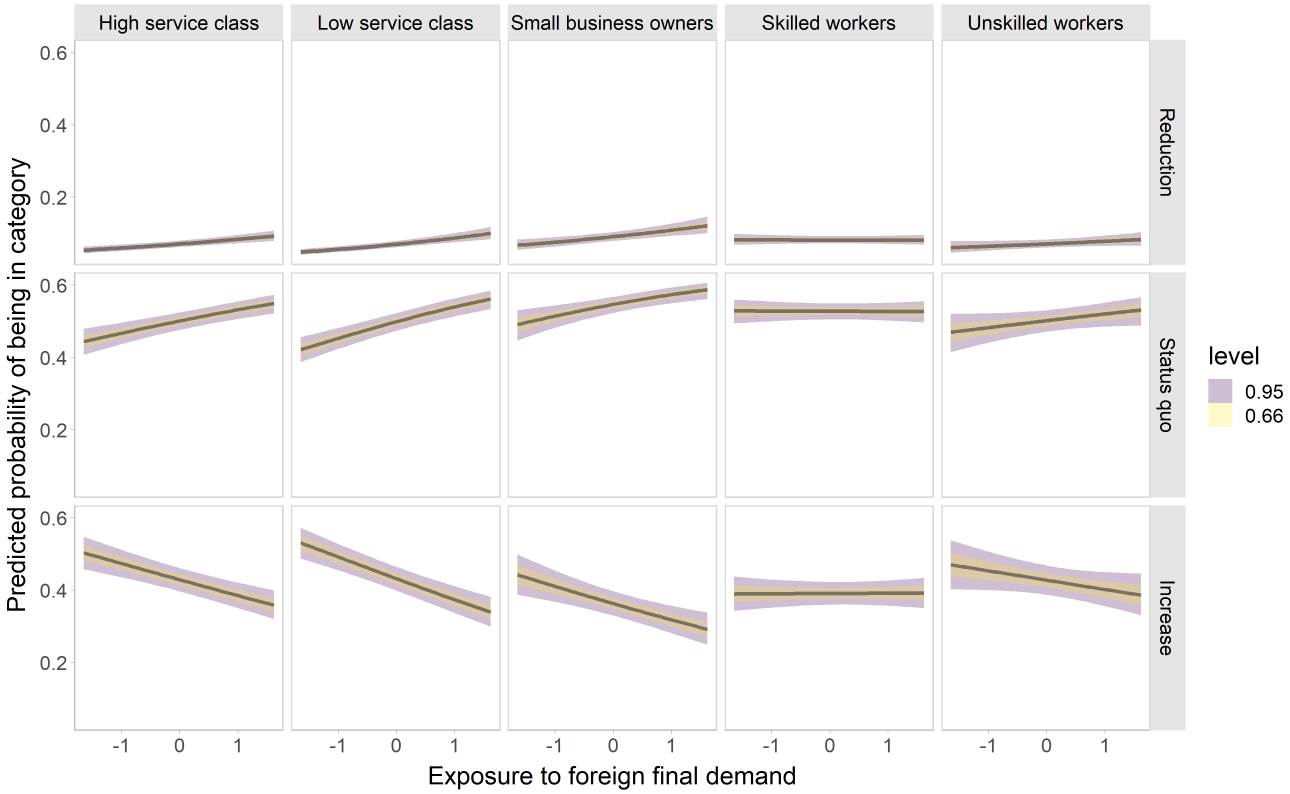


Figure 2: Predicted probabilities of social spending preferences based on model 2 with sample typical values

Table 5: Ordered logit models of attitudes on social expenses and logit models on taxes on high incomes

	soc.exp			tax.high		
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
exp.foreign.demand	−0.15*	−0.18*	−0.12*	−0.11*	−0.12*	−0.06
	[−0.20; −0.11]	[−0.25; −0.11]	[−0.19; −0.05]	[−0.17; −0.05]	[−0.21; −0.03]	[−0.15; 0.04]
pers.income	−0.08*	−0.08*	−0.07*	−0.34*	−0.34*	−0.34*
	[−0.12; −0.04]	[−0.12; −0.04]	[−0.11; −0.03]	[−0.40; −0.29]	[−0.39; −0.29]	[−0.40; −0.29]
lower-grade service (ref: higher-grade)	0.02	0.01	0.03	0.37*	0.37*	0.37*
	[−0.08; 0.13]	[−0.09; 0.11]	[−0.08; 0.13]	[0.24; 0.50]	[0.23; 0.50]	[0.24; 0.51]
small business owners	−0.27*	−0.28*	−0.20*	0.14	0.15	0.26*
	[−0.40; −0.15]	[−0.40; −0.15]	[−0.32; −0.07]	[−0.02; 0.30]	[−0.01; 0.31]	[0.10; 0.43]
skilled workers	−0.12*	−0.16*	−0.12*	0.45*	0.43*	0.51*
	[−0.22; −0.02]	[−0.26; −0.05]	[−0.23; −0.02]	[0.32; 0.58]	[0.30; 0.57]	[0.36; 0.65]
unskilled workers	0.00	−0.01	0.09	0.12	0.11	0.24*
	[−0.14; 0.15]	[−0.15; 0.14]	[−0.06; 0.25]	[−0.06; 0.31]	[−0.08; 0.29]	[0.04; 0.44]
exp.foreign.demand*lower-grade service		−0.06	−0.09		−0.03	−0.07
		[−0.15; 0.03]	[−0.18; 0.00]		[−0.15; 0.09]	[−0.19; 0.05]
exp.foreign.demand*small business owners		−0.02	−0.06		−0.10	−0.19*
		[−0.14; 0.10]	[−0.19; 0.06]		[−0.26; 0.05]	[−0.35; −0.02]
exp.foreign.demand*skilled workers		0.18*	0.11*		0.10	0.12
		[0.08; 0.29]	[0.00; 0.22]		[−0.04; 0.23]	[−0.02; 0.26]
exp.foreign.demand*unskilled workers		0.08	0.01		0.12	0.04
		[−0.06; 0.21]	[−0.14; 0.16]		[−0.06; 0.29]	[−0.15; 0.23]
public	0.18*	0.17*	0.18*	0.21*	0.21*	0.27*
	[0.10; 0.26]	[0.09; 0.25]	[0.10; 0.27]	[0.11; 0.32]	[0.11; 0.32]	[0.16; 0.39]
age	0.00	0.00	0.00	−0.01*	−0.01*	−0.01*
	[−0.00; 0.01]	[−0.00; 0.01]	[−0.00; 0.01]	[−0.01; −0.00]	[−0.01; −0.00]	[−0.01; −0.00]
female	0.54*	0.54*	0.43*	0.12	0.12	−0.01
	[0.42; 0.66]	[0.42; 0.65]	[0.32; 0.55]	[−0.01; 0.26]	[−0.02; 0.26]	[−0.15; 0.13]
swiss	−0.61*	−0.60*	−0.52*	0.40*	0.41*	0.42*

Continues on next page.

Table 5: (*Continued*)

	soc.exp			tax.high		
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
	[−0.77; −0.44]	[−0.76; −0.44]	[−0.69; −0.35]	[0.22; 0.58]	[0.22; 0.59]	[0.22; 0.62]
urban	0.28*	0.29*	0.25*	−0.25*	−0.24*	−0.31*
	[0.16; 0.41]	[0.16; 0.41]	[0.13; 0.38]	[−0.40; −0.10]	[−0.40; −0.09]	[−0.47; −0.15]
union	0.20*	0.19*	0.15*	0.38*	0.38*	0.36*
	[0.12; 0.28]	[0.11; 0.27]	[0.07; 0.24]	[0.27; 0.49]	[0.27; 0.48]	[0.25; 0.47]
unemployed	0.39*	0.40*	0.48*	0.20	0.20	0.29
	[0.17; 0.62]	[0.18; 0.62]	[0.24; 0.73]	[−0.09; 0.49]	[−0.09; 0.50]	[−0.04; 0.62]
political.interest	0.06*	0.06*	0.06*	−0.04	−0.04	−0.06*
	[0.02; 0.10]	[0.02; 0.10]	[0.01; 0.10]	[−0.09; 0.01]	[−0.09; 0.01]	[−0.11; −0.00]
left.right.scale			−0.64*			−0.53*
			[−0.68; −0.60]			[−0.58; −0.48]
between.resp.sd	2.29*	2.29*	2.12*	2.42*	2.42*	2.30*
	[2.23; 2.35]	[2.23; 2.35]	[2.06; 2.19]	[2.34; 2.51]	[2.33; 2.51]	[2.21; 2.39]
Intercept cut 1	−2.47*	−2.47*	−2.57*			
	[−2.69; −2.25]	[−2.70; −2.25]	[−2.80; −2.34]			
Intercept cut 2	0.40*	0.40*	0.43*			
	[0.18; 0.62]	[0.18; 0.62]	[0.20; 0.66]			
Intercept				0.97*	0.97*	1.05*
				[0.71; 1.24]	[0.70; 1.24]	[0.76; 1.33]
Observations	43,608	43,608	39,187	44,400	44,400	39,656
Respondents	9,894	9,894	9,305	10,019	10,019	9,407
Year dummies	Yes	Yes	Yes	Yes		

* Null hypothesis value outside 95% credible interval.

3.2 Adding skill specificity into the mix

The next step in the analyses is meant to test whether differences in skill specificity within each groups are associated with different dynamics, as I have formulated the hypothesis that a high degree of occupational skill specificity ought to reinforce the logic of sectoral – here, exposure to foreign demand – effects, in particular for the higher classes and high-skill workers, for which a negative effect of exposure was indeed found to exist. Table A.3 presents the three-way interacted models using the hierarchical class variable and the skill variable respectively. Because three-way interaction are notoriously difficult to interpret based on the coefficients, figure 4 reproduces the same manner of plots as the previous ones, but with two lines representing different levels of skill specificity – respectively the 10^{th} and 90^{th} percentile –, whereas figure A.9 tells the story from the other way around, fixing exposure levels at similar points and allowing skill specificity to vary, and figure 5 displays the response probabilities of specific profiles of respondents. Once more, these figures prefer a solution where all values are drawn separately for each groups, as the boxplots have documented that the distribution of these key variables differ somewhat across classes; this allows avoiding making claims about impossible cases[14].

The results can be understood as follows; when we fix skill specificity and look at the effect of exposure, we see that the overall negative effect of exposure for the higher classes appears to be driven by respondents with general skills, whereas the slope is flat for the more specialized workers. Upon closer inspection, the slope for respondents around the median level of skill specificity still behaves in a manner similar to those with the lowest values (see figure A.11, with only the median and 10^{th} percentile values for maximum clarity), which suggest that insofar as something special is happening, it concerns highly specialized workers in particular, rather than specifically workers with only general skills. When we fix exposure to focus on the effect of skill specificity, we see a negative effect that is mostly concentrated among non-exposed workers. Now focusing on the profiles figure, the general pattern for the spending variable tends to show that exposure and skill specificity act as substitute variables from the point of view of these three classes. Indeed, a high value on either one of them bring respondents more or less to the same spot in terms of preferences, namely against more social spending, with the low-low profile the only one to stand out. The situation is a little bit different when looking at the tax item, since if there is a standout profile, it is the one with high exposure and low skill specificity – this is particularly true for the lower-service class, but for the other classes of interest, it still appears as clearly distinct from at least the low-low profile – this is also obvious from the clear negative slope of the red lines in the second panel of figure 4.

Although these results do not square with my initial expectations – that these variables would rather be acting as complements and reinforce one another's effects –, they are interesting nonetheless. We already have an explanation as to why exposure ought to be associated with anti-

[14]Note that the horizontal axis is always on the same scale, such that this aspect always remains comparable across classes, only the extent to which the graph itself extends as well as the particular values behind percentiles vary.

redistributive preferences, so we really only need to understand why skill specificity actually functions in the way it does. It is clear from these results that skill specificity does not feed into increased preferences for insurance among the higher hierarchical classes, and I have already discussed how the competitiveness argument that applies well to exposure doesn't really apply to skill specificity. From here, possible explanations could for instance include the fact that highly specialized workers are less likely to be beneficiaries of the employment generated by social spending, making them less keen on social spending that their less specialized counterparts who do. It could also be linked to this profile coinciding with traditionally liberal professions – such as medical doctors in the case of the high-service class –, likely to hold more conservative views on redistributive issues. Regarding the tax item, the main thing to note is that exposure has the expected effect with all respondents except for those among the most specialized. It could be that exposed highly specialized workers from the higher hierarchical classes generally feel that increases in the REER will not particularly affect them, perhaps because the goods and services produced by their sector are not particularly price-sensitive.

Regarding the skill-level specification, the results are similar, although not quite as clear-cut for the spending model, where even highly specialized high-skill respondents behave in the expected manner with regards to exposure. For the tax model, the results appear very similar to what they are for the lower-service class.

3.3 Random Effect Within Between models

As far as the REWB models are concerned, I only include respondents for which I have at least three complete cases. Another important aspect is to determine how one ought to approach variation over time; of course, safe for the most basic socio-demographic variables, every other variable is subject to some degree of variation over time, including for instance the class variable. Allowing class and exposure to both vary, however, poses problems of interpretation that are hard to deal with[15]. For that reason, when it comes to these analyses, I fix the class variable as well as other variables where variation is of little interest to their modal value for each respondent. In models A13 and A14, I only look at the effects of exposure (both Within and Between) across the five classes. In models A15 and A16, I distribute respondents into four groups based on their skill level (high or low) and whether they are below or above the median in terms of skill specificity, I then assign to each respondents their modal value on that new variable and once more look at the effect of both between and within exposure across these different categories of respondents.

Table A.4 presents the results of these models; as far as the Between parts of the different models are concerned, the only potential difference compared to previous models pertains to the behavior of the low-skill high-specificity group with respect to exposure in model A14. In this model, higher exposure appears to be associated with more positive views of social spending for

[15]Briefly, switching respondents effectively become scattered across a multitude of dummy variables – for both the Between and the Within parts of the model – on which they are assigned a value between 0 and 1, making it highly problematic to interpret the results in empirically meaningful terms.

Table 6: Total marginal effect of exp.foreign.demand.W across all groups, based on model A16

Group	High skill high specificity	High skill low specificity	Low skill high specificity	Low skill low specificity
Coefficient	0.04	-0.07^{*}	-0.05	-0.09^{*}
	$[-0.02; 0.1]$	$[-0.12; -0.01]$	$[-0.11; 0.01]$	$[-0.17; -0.02]$

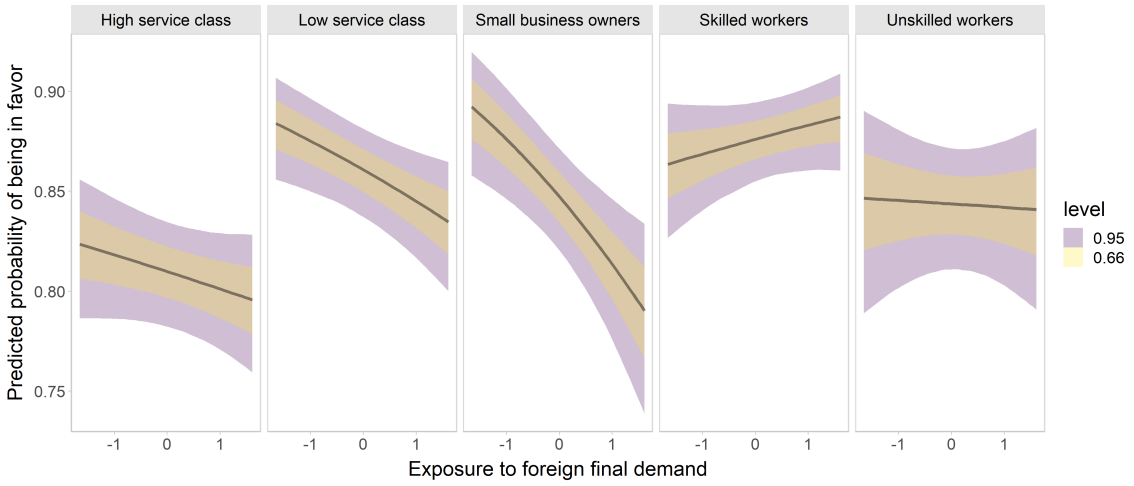
this group, a result consistent with the insurance hypothesis. In the three-way interaction model A10 – which made use of continuous rather than categorical variables –, the point estimate of the slope pertaining to analogous respondents was already slightly positive (see the blue line in the upper panel of figure A.10), although it was not estimated very precisely. In the Within part of the model, intra-respondent changes in exposure do not appear overall to be conducive to attitudinal change, except perhaps to a limited extent in model A16, where the results tell us that the slope for *exp.W* is significantly more negative for the groups that are not the reference category. This does not tell us, however, if the total effect is distinct from zero for one or more of these groups, so table 6 computes the total marginal effect of *exp.W* for all three groups along with confidence intervals. The results point to there being a negative effect of intra-respondent changes in exposure for both low skill specificity groups with regard to the tax item. As both *exp.W* and *pers.inc.W* have been re-standardized for the purposes of this particular analysis, it is possible to state that the coefficients of the former are similar in magnitude to those of the latter, it is interesting to note that tax preferences are more sensitive to individual changes in income and exposure – at least for certain groups defined based on their skills profile – than social spending preferences.

Overall, these results suggest a pattern of fairly sticky preferences, which arguably fits better with a general framework where narratives and continued exposure to those narratives constitute an important part of the story, rather than one where well-understood self-interest dominates.

Figure 3: Preferences for increasing taxes on high incomes

(a) Predicted probabilities based on model 5 with sample typical values

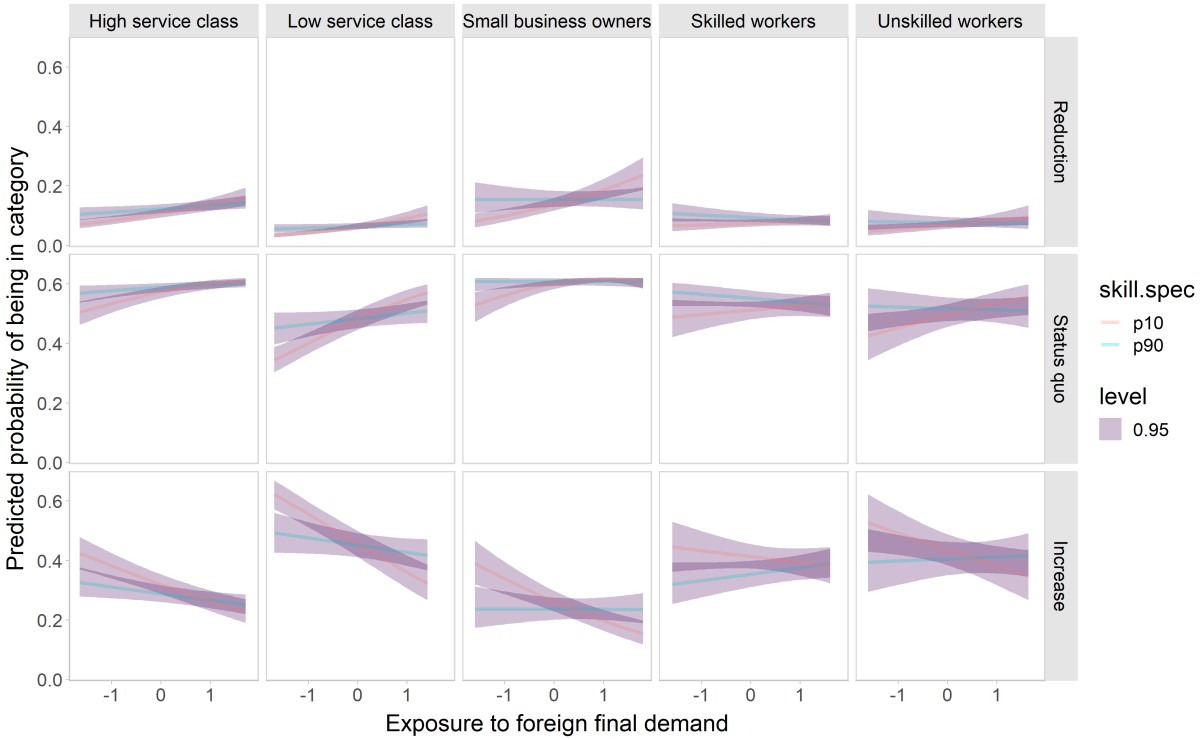
(b) Predicted probabilities based on model 6 with sample typical values



(c) Predicted probabilities based on model 6 with class-specific values

Figure 4: Effect of exposure by class and skill specificity

(a) Predicted probabilities of social spending preferences based on model A9 by class and skill specificity



(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A11 by class and skill specificity

Figure 5: Exposure-skill specificity profiles

(a) Predicted probabilities of social spending preferences based on model A9 by profile

(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A11 by profile

Table 7: Various statistical models using Selects data

	inheritance	open eco	bilat eco	bilat lab	strong chf	trust snb	retirement
	Model 7	Model 8	Model 9	Model 10	Model 11	Model 12	Model 13
high.skill-low.spec (ref:HS-HS)	−0.05	−0.15	0.02	−0.03	0.39	0.34*	−0.04
	[−0.27; 0.17]	[−0.50; 0.19]	[−0.15; 0.19]	[−0.20; 0.13]	[−0.51; 1.29]	[0.14; 0.54]	[−0.18; 0.09]
low.skill-high.spec	−0.41*	0.31	−0.79*	−0.60*	−0.52	−0.06	0.43*
	[−0.69; −0.13]	[−0.06; 0.68]	[−0.99; −0.60]	[−0.78; −0.41]	[−1.53; 0.50]	[−0.30; 0.18]	[0.27; 0.58]
low.skill-low.spec	−0.35*	−0.24	−0.40*	−0.30*	−0.20	0.13	0.35*
	[−0.67; −0.04]	[−0.63; 0.15]	[−0.61; −0.18]	[−0.50; −0.09]	[−1.26; 0.85]	[−0.14; 0.39]	[0.19; 0.52]
exp.foreign.demand	−0.05	−0.08	0.02	−0.07	−1.06*	−0.03	−0.00
	[−0.23; 0.14]	[−0.35; 0.19]	[−0.11; 0.16]	[−0.20; 0.06]	[−1.82; −0.29]	[−0.19; 0.14]	[−0.12; 0.11]
log.HH.income	−0.14*	−0.21*	0.25*	0.19*	−0.28	0.30*	−0.22*
	[−0.27; −0.01]	[−0.42; −0.00]	[0.15; 0.34]	[0.10; 0.28]	[−0.85; 0.30]	[0.19; 0.42]	[−0.30; −0.13]
exp*high.skill-low.spec	−0.06	0.06	0.04	−0.04	1.28*	0.33*	−0.07
	[−0.27; 0.16]	[−0.25; 0.37]	[−0.12; 0.20]	[−0.20; 0.12]	[0.42; 2.13]	[0.14; 0.53]	[−0.20; 0.05]
exp*low.skill-high.spec	0.07	−0.25	0.04	0.02	1.54*	−0.05	0.04
	[−0.22; 0.35]	[−0.60; 0.10]	[−0.15; 0.23]	[−0.18; 0.21]	[0.51; 2.57]	[−0.29; 0.20]	[−0.11; 0.19]
exp*low.skill-low.spec	0.00	0.24	−0.09	−0.04	1.11	0.07	0.02
	[−0.33; 0.33]	[−0.19; 0.67]	[−0.31; 0.12]	[−0.25; 0.17]	[−0.02; 2.25]	[−0.20; 0.34]	[−0.16; 0.20]
public	0.60*	0.12	0.03	0.05	−0.36	−0.07	0.22*
	[0.41; 0.78]	[−0.14; 0.38]	[−0.11; 0.17]	[−0.08; 0.18]	[−1.05; 0.32]	[−0.24; 0.09]	[0.11; 0.33]
age	0.00	−0.02*	0.01*	0.01*	0.04*	0.00	0.01*
	[−0.00; 0.01]	[−0.03; −0.01]	[0.01; 0.02]	[0.00; 0.01]	[0.02; 0.07]	[−0.01; 0.01]	[0.01; 0.02]
female	−0.17	0.02	−0.41*	−0.20*	−0.90*	−0.33*	0.12*
	[−0.36; 0.01]	[−0.23; 0.27]	[−0.54; −0.28]	[−0.33; −0.08]	[−1.56; −0.22]	[−0.49; −0.17]	[0.02; 0.23]
urban	0.34*	−0.14	0.11	−0.08	−0.57	−0.10	0.04
	[0.09; 0.59]	[−0.37; 0.09]	[−0.06; 0.27]	[−0.24; 0.08]	[−1.24; 0.10]	[−0.31; 0.11]	[−0.07; 0.15]
union	0.74*	0.22	0.17	0.08		−0.17	0.23*
	[0.53; 0.95]	[−0.10; 0.55]	[−0.00; 0.33]	[−0.09; 0.24]		[−0.38; 0.04]	[0.11; 0.36]
unemployed	0.96*	−1.14*	−0.39	−1.03*	0.47	−0.71*	0.74*

Continues on next page.

Table 7: (*Continued*)

	inheritance	open eco	bilat eco	bilat lab	strong chf	trust snb	retirement
	Model 7	Model 8	Model 9	Model 10	Model 11	Model 12	Model 13
	[0.33; 1.59]	[−2.24; −0.04]	[−0.89; 0.10]	[−1.51; −0.55]	[−2.81; 3.78]	[−1.29; −0.14]	[0.31; 1.18]
interest.bin	0.46*	0.29*	0.79*	0.56*	−0.05	0.57*	−0.55*
	[0.23; 0.70]	[0.03; 0.56]	[0.66; 0.93]	[0.43; 0.69]	[−0.72; 0.64]	[0.41; 0.74]	[−0.66; −0.45]
Intercept	−0.45				12.81*	3.66*	
	[−1.55; 0.65]				[8.10; 17.50]	[2.72; 4.59]	
Intercept cut 1		−3.93*	−2.19*	−1.36*			−4.74*
		[−5.69; −2.18]	[−2.98; −1.39]	[−2.10; −0.60]			[−5.47; −4.04]
Intercept cut 2		−2.28*	0.14	0.95*			−3.39*
		[−4.03; −0.55]	[−0.62; 0.91]	[0.22; 1.70]			[−4.11; −2.69]
Intercept cut 3		−1.21	1.51*	1.77*			−1.93*
		[−2.95; 0.52]	[0.75; 2.27]	[1.04; 2.52]			[−2.64; −1.24]
Intercept cut 4		0.09	4.02*	4.31*			
		[−1.65; 1.83]	[3.26; 4.80]	[3.56; 5.06]			
sigma					4.74*	2.32*	
					[4.53; 4.96]	[2.27; 2.37]	
2015							−0.71*
							[−0.81; −0.60]
Observations	2,776	1,022	4,018	4,012	965	3,985	6,352
Year(s) of data	2015	2007	2015	2015	2011	2015	2003 & 2015
Model type	Logit	Ordinal	Ordinal	Ordinal	Linear	Linear	Ordinal

* Null hypothesis value outside 95% credible interval.

3.4 Additional models

In this section, I will briefly presents the results of the models introduced in section 2.3, which can all be found in tables 7 and 8. Because of the smaller sample sizes and in order to ease interpretation of the results, I use a coding scheme similar to that of models A14 and A16, where I group individuals into four groups based on skill levels and skill specificity and interact the resulting variable with exposure. The logistic regression pertaining to the inheritance tax vote recall shows no effect of our exposure variable across all four groups, although both lower skill groups were significantly less likely to vote in favor of the initiative. This is somewhat puzzling for an initiative aimed at taxing the wealthiest families in the country. Public sector workers, union members, unemployed people and respondents claiming to be interested in politics were all more likely to state that they had voted in favor of the reform, whereas the opposite was true for respondents with a higher household income. Note that when they analysed this vote using Voto data, Emmenegger and Marx (2019) found that agreement with the statement that the tax would endanger SMEs – the core argument of the campaign against the new tax – was the strongest predictor for opposing the tax, and that party identification was itself a strong predictor of the level of agreement. As seen in table A.5ays the same models but adds the left-right scale variable, the coefficients undergo large changes with the inclusion of that variable, such that skill level ceases to be a relevant predictor.

For the ordinal logit model 9 looking at agreement with the statement that "The ongoing opening of the economies is for the good of all", none of the coefficients of interest are statistically significant, with income, age and unemployment being associated with less disagreement with the statement – although somewhat surprisingly for the latter –, whereas politically interested respondents are more likely to disagree. Controlling for left-right self-placement does not change the model drastically, although it shifts the unemployment coefficient just enough for its confidence interval to include zero.

For the first of the two items pertaining to the effects of the bilateral agreements, namely whether these were good for the economy in general, we note once more that exposure appears irrelevant to the position of all four groups, with again the two lower skill groups less likely to agree with the statement, and the confidence interval pertaining to the low-skill high specificity group coming very close to being outside that of the low skill low specificity group, which would imply more specialized low-skill workers view economic integration with the EU more negatively than their less specialized counterparts. Older respondents, respondents from richer households and those interested in politics are more likely to view the bilateral agreement as a good thing for the Swiss economy, whereas women tend to view them more negatively. Controlling for left-right self-placement doesn't affect the model very much, as the same variables stay statistically significant – note that the exact magnitude of the coefficients are not directly comparable across nested models in the case of logit models. Now regarding the effect of the bilateral agreements on the labor market, the model is extremely similar to the previous one, but the effect for the low-skill low specificity group now disappears once we control for left-right self-placement.

The items probing into monetary and exchange rates issues are the most indirect among those studied in the current section; the dependent variable in model 11 results from the addition of two items from the 2011 RCS tapping into negative feelings – namely "anger" and "fear" – regarding the "franc fort" situation, as the REER of the Swiss franc had steadily increased following the financial crisis and the Great Recession. Surprisingly, the exposure coefficient for the high-skill highly specialized group is strongly negative, as can be seen in panel a) of figure 6, whereas one might have expected that exposed respondents would be negatively affected by the franc fort and thus answer more rather than less negatively than other respondents. Exposed respondents in that group are typically various sorts of life science technicians and professionals, whereas their less exposed counterparts are members of the medical professions; why the former would be less angry and scared vis-à-vis the franc fort situation isn't clear to me. In model 12, the continuous dependent variable is the level of trust in the SNB, and the group that stands out is that of high skill low skill specificity workers, who display particularly high trust of the SNB, and those among them that are most exposed display even more so. Once more, this comes as a little bit of a surprise considering the fact that most export sectors were affected negatively by the SNB putting an end to the floor exchange rate against the Euro. The high skill low specificity group actually comprises a non-negligible share of finance professionals, and I have already mentioned in section 1.2 that despite being an exposed sector, demand in the financial sector reacts in a specific way, owing to the "safe haven" effect. Barring dynamic and linkage effects with other industries, the sector is one that actually stands to gain, in terms of the volume of assets under control, from the type of policy that is conducive to a "franc fort" situation. As such, it is not necessarily surprising that this group displays a more positive and more coherent attitude vis-à-vis the SNB than other groups.

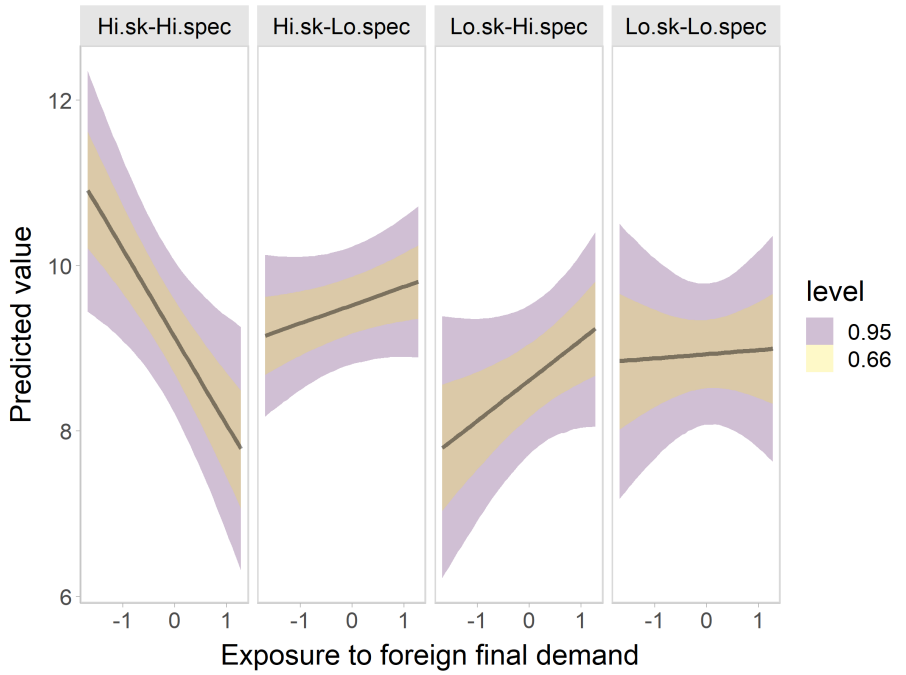
The last model featured in this table is an ordinal regression on agreement with the statement that the retirement age should be increased, with lower values indicating agreement. From the table, it is already apparent that by 2015, Swiss voters were much less likely to outright reject the notion that one should increase the retirement age, although this could have something to do with the phrasing of the item. For the rest, skill levels appear once more as the only determinant variable of interest, with lower skilled workers being more likely to oppose increases in the retirement age. Once more, no coefficients pertaining to exposure are statistically significant. Public sector workers, older respondents, union members as well as the unemployed all generally oppose an increase, whereas respondents from richer households and those claiming to be interested in politics are more likely to favor such a policy change. The addition of left-right self-placement doesn't appear to significantly alter these relationships

Overall, these models point to the preferences underlying respondents' responses to these items being structured first and foremost around hierarchically ordered skill levels as well as income, including for items pertaining to issues of free trade. Skill specificity and exposure to foreign demand are only sporadically relevant and in sometimes unexpected ways.

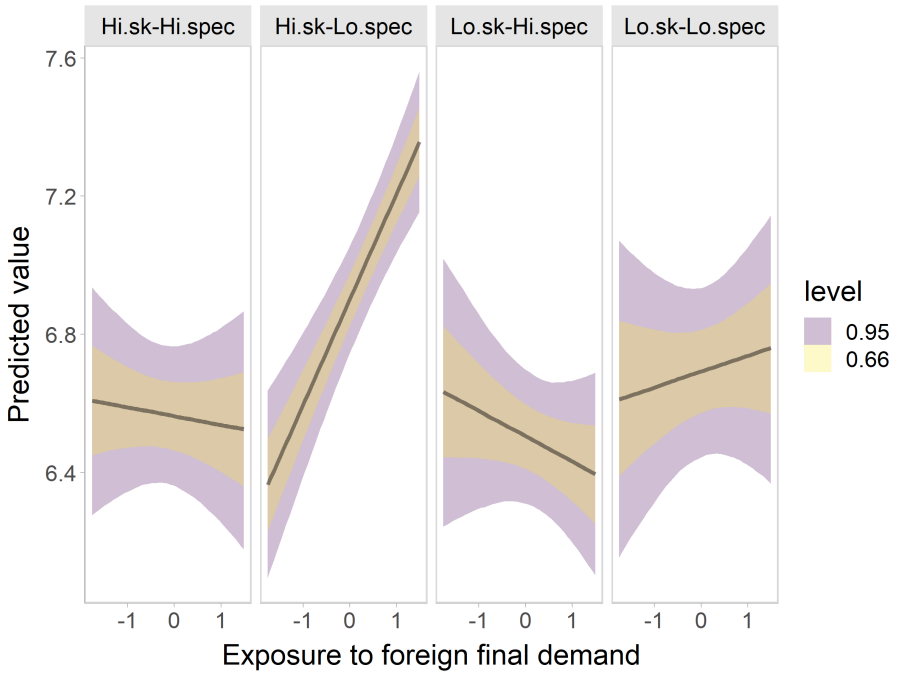
Table 8 presents a last set of models where the dependent variable for each respondent corresponds

Figure 6: Strong Swiss franc and SNB trust

(a) Predicted value of negative feelings vis-à-vis the franc fort by skill profile and exposure based on model 11



(b) Predicted value of trust in SNB by skill profile and exposure based on model 12



to the score of the party they voted for in a given election[16] on three dimensions selected from the Manifesto Project Database (Volkens et al., 2021), these being *markeco* – which consists of positive mentions of the free market economy and statements compatible with economic orthodoxy –, *welfare* – consisting of positive mentions of equality and welfare state expansion – and *planeco* – which measures favorable mentions of market regulations and economic planning, price controls and minimum wage policies. The model specifications remain very basic, as I didn't control for the median voter position on the dimension of interest or for other relevant dimensions, and simply used election year dummy variables[17]. The results are nonetheless interesting; a first thing to note is that as far as the high-skill highly specialized workers are concerned, how exposed they are to foreign demand doesn't affect their revealed preferences on any of those dimensions. Respondents in the high skill low specificity group, however, display a much more favorable view of the free market the more exposed they are, are more anti-welfare the more exposed they are, and become more sceptical vis-à-vis economic regulations and planning the more exposed they are. For the lower skill groups, up to now exposure hadn't proved to be a relevant variable, despite my initial expectations that they would be for at least a subset of them. Interestingly, these models suggest that exposure does matter somewhat to these groups, with the variable displaying completely opposite effects dependent on skill specificity for the markeco variable, whereas the association isn't quite significant for the other two dimensions. Overall, low-skill specialized workers have a very high baseline on the markeco dimension, but being highly exposed drives them down to levels comparable to those of exposed high skill low specificity workers. On the other hand, low-skill low specificity workers have a lower baseline, but exposure appears to strongly drive them towards more positive attitudes vis-à-vis the free market.

Table 8: OLS models of preferences revealed by vote choice

	markeco	*welfare*	*planeco*
	Model 14	Model 15	Model 16
high.skill-low.spec (ref:HS-HS)	0.16^*	-0.15^*	-0.13^*
	$[0.06; 0.25]$	$[-0.22; -0.07]$	$[-0.19; -0.06]$
low.skill-high.spec	0.54^*	-0.34^*	-0.23^*
	$[0.44; 0.65]$	$[-0.43; -0.26]$	$[-0.30; -0.15]$
low.skill-low.spec	0.35^*	-0.24^*	-0.17^*
	$[0.23; 0.46]$	$[-0.33; -0.15]$	$[-0.25; -0.09]$
exp.foreign.demand	0.05	−0.02	−0.01
	$[-0.03; 0.13]$	$[-0.08; 0.04]$	$[-0.06; 0.05]$
exp*high.skill-low.spec	0.09	-0.11^*	-0.09^*
	$[-0.00; 0.18]$	$[-0.18; -0.04]$	$[-0.15; -0.02]$

Continues on next page.

[16] I only looked at the National Assembly vote of the people claiming to have actually voted, note that I could only include those respondents who voted for the parties included in the Manifesto Project Database that particular election, generally between 10 and 11 distinct parties.

[17] Table A.6 replicates these models using fewer control variables in order to gain in terms of the number of observations, the coefficients of interest remain highly similar.

Table 8: (*Continued*)

	markeco	*welfare*	*planeco*
	Model 14	Model 15	Model 16
exp*low.skill-high.spec	−0.24*	0.08	0.04
	[−0.34; −0.13]	[−0.00; 0.16]	[−0.04; 0.11]
exp*low.skill-low.spec	0.15*	−0.04	0.07
	[0.02; 0.28]	[−0.14; 0.06]	[−0.02; 0.16]
log.HH.income	−0.02	0.00	−0.03
	[−0.08; 0.05]	[−0.05; 0.05]	[−0.07; 0.02]
public	−0.07	0.08*	0.10*
	[−0.14; 0.00]	[0.02; 0.14]	[0.05; 0.15]
age	0.00*	−0.00	0.00*
	[0.00; 0.01]	[−0.00; 0.00]	[0.00; 0.00]
female	−0.12*	0.09*	0.02
	[−0.19; −0.05]	[0.03; 0.14]	[−0.03; 0.07]
union	−0.32*	0.23*	0.19*
	[−0.40; −0.24]	[0.17; 0.30]	[0.13; 0.25]
unemployed	−0.20	0.33*	0.29*
	[−0.51; 0.11]	[0.08; 0.57]	[0.08; 0.51]
interest.bin	−0.07	0.10*	0.06
	[−0.16; 0.02]	[0.04; 0.17]	[−0.00; 0.12]
Intercept	0.08	−0.31	0.04
	[−0.46; 0.63]	[−0.74; 0.12]	[−0.34; 0.43]
sigma	1.02*	0.80*	0.70*
	[1.00; 1.05]	[0.78; 0.82]	[0.69; 0.72]
Observations	3,897	3,897	3,897
Election Year dummies	Yes	Yes	Yes

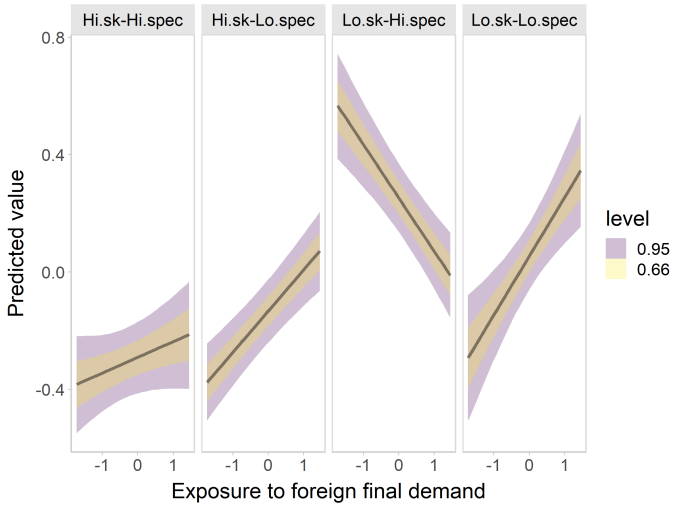
* Null hypothesis value outside 95% credible interval.

4 Conclusion

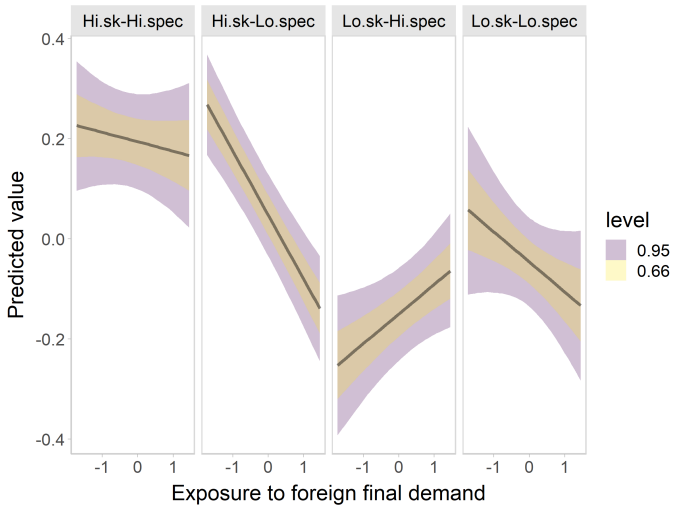
In this paper, I have outlined arguments as to why the link between economic position and economic preferences should be understood as being mediated by narratives pertaining to economic causality in general as well as how these narratives are used to shed light on aspects of a particular political economy – here, that of Switzerland. Starting with the export-led nature of the Swiss political economy and the discourses that business actors have regularly put forth over the years about the policy needs of the Swiss growth model, I have argued that these are generally located at the intersection between an undeniable reality – Switzerland's past and current export dependence – and hypotheses pertaining to the effects of policy choices in the welfare and fiscal domains that are entirely debatable. Furthermore, owing to its direct democratic institutions, being able to dominate the narrative about what's good for the country, its economy, or its leading sectors is

Figure 7: Expected value of revealed preferences based on vote choice

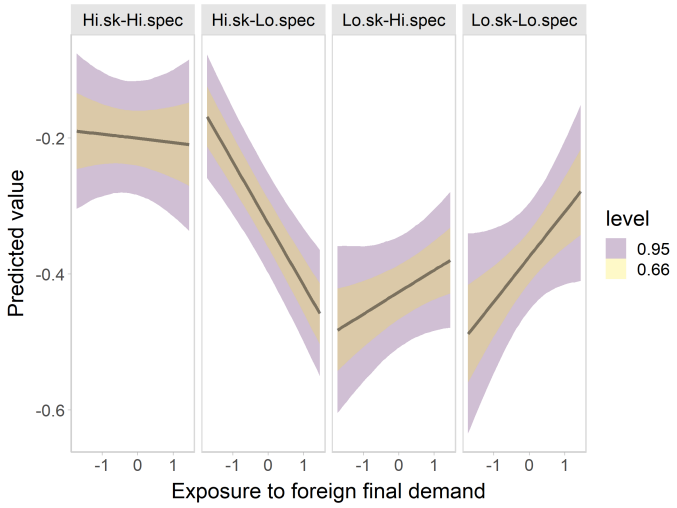
(a) *markeco*



(b) *welfare*



(c) *planeco*



arguably even more important in Switzerland than it is in other countries.

Drawing from a literature more grounded in rational choice theory, I then formulated assumptions as to how different groups of workers ought to respond to increased exposure to foreign final demand. The results were partially in line with my expectations, with the notable exception of skilled workers, who appeared much less responsive to their level of exposure than I would have expected. Among the higher hierarchical classes, the negative association between exposure and preferences for social spending and taxes on high incomes was further found not to concern those workers with a highly specific set of skills, who turned out to behave much like skilled and unskilled workers. Interestingly, alternative specifications classifying workers on the basis of two dichotomized measures of skill level and specificity led to the finding that as far as the preferences revealed by vote choice are concerned, exposure can display drastically different effects across groups; for instance, while the specialized segment of low-skill workers view notions pertaining to the free market and economic orthodoxy more negatively the more exposed they are, precisely the opposite is true for the low skill specificity segment of that group.

Finally, there are several directions that can be explored from here; for one, the revealed preferences models can certainly be refined and improved. In addition, in future work I plan to study the association between the characteristics of local labor markets – notably in terms of exposure to foreign demand – and the outcome of popular votes pertaining to policy domains that interest business. In addition, the measures constructed for the sake of this meso-level analysis will also be available to extend some of the models of the current paper and test whether sociotropic considerations come into play in the formation of individual level preferences, and notably whether responses to individual-level exposure is in some way conditioned by the degree of exposure of one's local labor market.

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Acknowledgement

This project has received funding from the European Research Council (ERC) under the European Union's Horizon 2020 research and innovation programme (grant agreement No. [741538]).

Appendices

A Additional tables and figures

Table A.1: Ordered logit models of attitudes on social expenses and logit models on taxes on high incomes with dichotomized skill levels

	soc.exp		tax.high	
	Model A1	Model A2	Model A3	Model A4
exp.foreign.demand	−0.01	−0.01	−0.00	0.03
	[−0.07; 0.06]	[−0.08; 0.05]	[−0.09; 0.08]	[−0.06; 0.12]
pers.income	−0.09*	−0.08*	−0.33*	−0.33*
	[−0.13; −0.05]	[−0.12; −0.03]	[−0.39; −0.28]	[−0.39; −0.28]
high.skill	0.23*	0.16*	−0.23*	−0.37*
	[0.15; 0.32]	[0.07; 0.25]	[−0.35; −0.12]	[−0.49; −0.26]
exp.foreign.demand*high.skill	−0.23*	−0.17*	−0.18*	−0.16*
	[−0.31; −0.15]	[−0.25; −0.09]	[−0.29; −0.08]	[−0.27; −0.06]
left.right.scale		−0.63*		−0.53*
		[−0.67; −0.59]		[−0.58; −0.48]
between.resp.sd	2.28*	2.12*	2.42*	2.30*
	[2.22; 2.34]	[2.06; 2.18]	[2.34; 2.51]	[2.22; 2.39]
Intercept cut 1	−2.29*	−2.45*		
	[−2.51; −2.08]	[−2.68; −2.23]		
Intercept cut 2	0.58*	0.54*		
	[0.36; 0.79]	[0.32; 0.76]		
Intercept			1.28*	1.48*
			[1.03; 1.53]	[1.21; 1.76]
Observations	43,625	39,200	44,416	39,668
Respondents	9,895	9,306	10,020	9,408
Year dummies	Yes	Yes	Yes	Yes

* Null hypothesis value outside 95% credible interval. Controls included in the model but not shown in the table.

Table A.2: Ordered logit models of attitudes on social expenses and logit models on taxes on high incomes with work logic interaction

	soc.exp		tax.high	
	Model A5	Model A6	Model A7	Model A8
exp.foreign.demand	−0.14*	−0.12*	−0.13*	−0.12*
	[−0.22; −0.07]	[−0.20; −0.04]	[−0.23; −0.03]	[−0.22; −0.02]
pers.income	−0.07*	−0.07*	−0.35*	−0.36*
	[−0.12; −0.03]	[−0.11; −0.02]	[−0.41; −0.30]	[−0.42; −0.31]
Ref: Independent work logic				
Administrative	−0.03	−0.06	0.18*	0.12
	[−0.14; 0.08]	[−0.17; 0.06]	[0.04; 0.34]	[−0.04; 0.28]
Technical	0.09	0.09	0.33*	0.36*
	[−0.02; 0.20]	[−0.03; 0.21]	[0.19; 0.47]	[0.20; 0.51]
Interpersonal	0.33*	0.29*	0.16*	0.17*
	[0.22; 0.45]	[0.17; 0.41]	[0.01; 0.31]	[0.02; 0.33]
exp.*Administrative	0.19*	0.19*	−0.07	−0.03
	[0.06; 0.31]	[0.05; 0.31]	[−0.24; 0.09]	[−0.20; 0.14]
exp.*Technical	0.15*	0.07	0.13	0.12
	[0.04; 0.25]	[−0.04; 0.19]	[−0.01; 0.27]	[−0.03; 0.28]
exp.*Interpersonal	−0.05	−0.01	0.00	0.09
	[−0.15; 0.05]	[−0.12; 0.09]	[−0.13; 0.13]	[−0.05; 0.22]
left.right.scale		−0.64*		−0.53*
		[−0.68; −0.60]		[−0.58; −0.48]
between.resp.sd	2.28*	2.12*	2.43*	2.31*
	[2.22; 2.34]	[2.06; 2.18]	[2.34; 2.52]	[2.23; 2.40]
Intercept cut 1	−2.27*	−2.43*		
	[−2.50; −2.05]	[−2.66; −2.20]		
Intercept cut 2	0.60*	0.56*		
	[0.38; 0.81]	[0.34; 0.79]		
Intercept			0.98*	1.14*
			[0.72; 1.24]	[0.86; 1.41]
Observations	43,608	39,187	44,400	39,656
Respondents	9,894	9,305	10,019	9,407
Year dummies	Yes	Yes	Yes	Yes

* Null hypothesis value outside 95% credible interval. Controls included in the model but not shown in the table.

Table A.3: Ordered logit models of attitudes on social expenses and logit models on taxes on high incomes including 3-way interaction with skill specificity

	soc.exp		tax.high	
	Model A9	Model A10	Model A11	Model A12
exp.foreign.demand	−0.14*	−0.04	−0.08	−0.02
	[−0.22; −0.06]	[−0.11; 0.04]	[−0.18; 0.01]	[−0.12; 0.07]
pers.income	−0.08*	−0.09*	−0.34*	−0.33*
	[−0.12; −0.04]	[−0.13; −0.05]	[−0.39; −0.28]	[−0.38; −0.27]
lower-grade service (ref: higher-grade)	0.02		0.37*	
	[−0.09; 0.13]		[0.22; 0.51]	
small business owners	−0.24*		0.16	
	[−0.37; −0.11]		[−0.01; 0.33]	
skilled workers	−0.11		0.46*	
	[−0.22; 0.00]		[0.31; 0.60]	
unskilled workers	0.05		0.07	
	[−0.12; 0.22]		[−0.14; 0.28]	
logged skill specificity (lss)	−0.14*	−0.07	−0.01	0.07
	[−0.27; −0.01]	[−0.14; 0.01]	[−0.17; 0.16]	[−0.03; 0.17]
exp*lower-grade service	−0.06		−0.05	
	[−0.17; 0.04]		[−0.18; 0.09]	
exp*small business owners	−0.12		−0.18*	
	[−0.25; 0.01]		[−0.35; −0.01]	
exp*skilled workers	0.14*		0.06	
	[0.03; 0.25]		[−0.09; 0.21]	
exp*unskilled workers	−0.03		0.02	
	[−0.19; 0.14]		[−0.19; 0.21]	
exp*lss	0.15*	0.08*	0.18*	0.01
	[0.05; 0.26]	[0.01; 0.15]	[0.05; 0.31]	[−0.08; 0.10]
lss*lower-grade service	0.12		0.37*	
	[−0.10; 0.34]		[0.08; 0.66]	
lss*small business owners	0.06		0.07	
	[−0.12; 0.25]		[−0.17; 0.31]	
lss*skilled workers	0.03		0.18	
	[−0.12; 0.19]		[−0.02; 0.38]	
lss*unskilled workers	0.08		0.10	
	[−0.09; 0.26]		[−0.13; 0.33]	
exp*lss*lower-grade service	0.14		0.19	
	[−0.05; 0.32]		[−0.05; 0.44]	
exp*lss*small business owners	0.06		−0.08	
	[−0.10; 0.22]		[−0.29; 0.13]	
exp*lss*skilled workers	−0.08		−0.21*	
	[−0.20; 0.05]		[−0.37; −0.06]	
exp*lss*unskilled workers	−0.04		−0.09	

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Table A.3: (*Continued*)

	soc.exp		tax.high	
	Model A9	Model A10	Model A11	Model A12
	[−0.20; 0.12]		[−0.30; 0.10]	
high.skill		0.20*		−0.22*
		[0.11; 0.30]		[−0.33; −0.10]
exp*high.skill		−0.16*		−0.11
		[−0.25; −0.06]		[−0.23; 0.01]
lss*high.skill		0.00		0.14
		[−0.15; 0.15]		[−0.06; 0.33]
exp*lss*high.skill		0.06		0.29*
		[−0.09; 0.20]		[0.11; 0.47]
between.resp.sd	2.28*	2.28*	2.41*	2.42*
	[2.22; 2.34]	[2.22; 2.34]	[2.33; 2.50]	[2.33; 2.50]
Intercept cut 1	−2.45*	−2.31*		
	[−2.67; −2.22]	[−2.53; −2.10]		
Intercept cut 2	0.43*	0.56*		
	[0.20; 0.65]	[0.34; 0.77]		
Intercept			0.91*	1.24*
			[0.64; 1.18]	[0.98; 1.49]
Observations	43,608	43,625	44,400	44,416
Respondents	9,894	9,895	10,019	10,020
Year dummies	Yes	Yes	Yes	Yes

* Null hypothesis value outside 95% credible interval. Controls included in the model but not shown in the table.

Table A.4: REWB ordered logit models of attitudes on social expenses and logit models on taxes on high incomes with class and skill group interaction

	soc.exp		tax.high	
	Model A13	Model A14	Model A15	Model A16
Between variables				
exp.foreign.demand.B	−0.38*	−0.10	−0.19*	0.06
	[−0.51; −0.25]	[−0.24; 0.04]	[−0.33; −0.04]	[−0.10; 0.22]
pers.inc.B	−0.24*	−0.23*	−0.70*	−0.68*
	[−0.32; −0.16]	[−0.31; −0.15]	[−0.80; −0.61]	[−0.77; −0.58]
lower-grade service (ref: higher-grade)	−0.04		0.46*	
	[−0.23; 0.15]		[0.24; 0.67]	
small business owners	−0.69*		−0.10	
	[−0.94; −0.44]		[−0.39; 0.18]	
skilled workers	−0.46*		0.40*	
	[−0.66; −0.27]		[0.18; 0.62]	
unskilled workers	−0.52*		0.01	
	[−0.78; −0.26]		[−0.29; 0.31]	
exp.B*lower-grade service	0.10		−0.02	
	[−0.07; 0.26]		[−0.21; 0.17]	
exp.B*small business owners	0.21		0.04	
	[−0.03; 0.45]		[−0.24; 0.32]	
exp.B*skilled workers	0.44*		0.31*	
	[0.24; 0.63]		[0.09; 0.54]	
exp.B*unskilled workers	0.32*		0.30*	
	[0.08; 0.58]		[0.02; 0.59]	
high.skill-low.spec (ref:HS-HS)		−0.04		−0.06
		[−0.22; 0.14]		[−0.26; 0.15]
low.skill-high.spec		−0.71*		0.23*
		[−0.91; −0.52]		[0.00; 0.46]
low.skill-low.spec		−0.32*		0.06
		[−0.53; −0.11]		[−0.19; 0.30]
exp.B*high.skill-low.spec		−0.42*		−0.43*
		[−0.59; −0.24]		[−0.64; −0.23]
exp.B*low.skill-high.spec		0.34*		0.06
		[0.14; 0.54]		[−0.17; 0.29]
exp.B*low.skill-low.spec		−0.07		0.07
		[−0.31; 0.17]		[−0.21; 0.35]
Within variables				
exp.foreign.demand.W	0.03	−0.01	−0.00	0.04
	[−0.02; 0.07]	[−0.05; 0.04]	[−0.06; 0.06]	[−0.02; 0.10]
pers.inc.W	−0.01	−0.01	−0.05*	−0.05*
	[−0.03; 0.01]	[−0.03; 0.02]	[−0.08; −0.02]	[−0.08; −0.01]
exp.W*lower-grade service	−0.06		−0.03	

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Table A.4: (*Continued*)

	soc.exp		tax.high	
	Model A13	Model A14	Model A15	Model A16
	[−0.12; 0.01]		[−0.12; 0.06]	
exp.W*small business owners	−0.06		−0.09	
	[−0.14; 0.02]		[−0.20; 0.03]	
exp.W*skilled workers	−0.03		−0.05	
	[−0.09; 0.03]		[−0.14; 0.03]	
exp.W*unskilled workers	−0.01		−0.07	
	[−0.10; 0.07]		[−0.18; 0.05]	
exp.W*high.skill-low.spec		0.01		−0.11*
		[−0.05; 0.07]		[−0.19; −0.02]
exp.W*low.skill-high.spec		0.02		−0.09*
		[−0.04; 0.08]		[−0.17; −0.00]
exp.W*low.skill-low.spec		−0.03		−0.13*
		[−0.11; 0.04]		[−0.23; −0.03]
Other				
between.resp.sd	2.27*	2.26*	2.41*	2.41*
	[2.21; 2.34]	[2.20; 2.32]	[2.32; 2.50]	[2.32; 2.50]
Intercept cut 1	−2.94*	−2.95*		
	[−3.24; −2.65]	[−3.24; −2.67]		
Intercept cut 2	−0.04	−0.06		
	[−0.33; 0.25]	[−0.34; 0.23]		
Intercept			1.26*	1.29*
			[0.92; 1.60]	[0.94; 1.63]
Observations	38,422	38,445	39,158	39,180
Respondents	6,143	6,148	6,238	6,243
Years dummies	Yes	Yes	Yes	Yes

* Null hypothesis value outside 95% credible interval. Controls included in the model but not shown in the table.

Table A.5: Various statistical models using Selects data, including control for left-right self-placement

	inheritance	open eco	bilat eco	bilat lab	trust snb	retirement
	Model A17	Model A18	Model A19	Model A20	Model A21	Model A22
high.skill-low.spec (ref:HS-HS)	0.10	−0.15	0.07	0.03	0.36*	−0.05
	[−0.15; 0.35]	[−0.50; 0.20]	[−0.10; 0.24]	[−0.14; 0.19]	[0.16; 0.56]	[−0.19; 0.09]
low.skill-high.spec	0.08	0.28	−0.61*	−0.41*	−0.06	0.44*
	[−0.23; 0.40]	[−0.09; 0.64]	[−0.81; −0.40]	[−0.61; −0.21]	[−0.31; 0.19]	[0.29; 0.60]
low.skill-low.spec	−0.03	−0.29	−0.23*	−0.12	0.10	0.41*
	[−0.37; 0.32]	[−0.69; 0.11]	[−0.45; −0.01]	[−0.33; 0.10]	[−0.17; 0.37]	[0.24; 0.58]
exp.foreign.demand	−0.04	−0.07	0.02	−0.07	−0.06	0.03
	[−0.25; 0.17]	[−0.35; 0.20]	[−0.11; 0.17]	[−0.21; 0.07]	[−0.23; 0.11]	[−0.09; 0.14]
log.HH.income	−0.06	−0.24*	0.29*	0.24*	0.25*	−0.19*
	[−0.21; 0.09]	[−0.46; −0.03]	[0.19; 0.38]	[0.14; 0.33]	[0.13; 0.36]	[−0.27; −0.11]
exp*high.skill-low.spec	0.09	0.03	0.10	0.03	0.33*	−0.09
	[−0.15; 0.33]	[−0.29; 0.35]	[−0.06; 0.26]	[−0.13; 0.19]	[0.14; 0.53]	[−0.22; 0.04]
exp*low.skill-high.spec	−0.02	−0.21	0.02	−0.04	0.03	−0.01
	[−0.34; 0.31]	[−0.56; 0.14]	[−0.18; 0.22]	[−0.24; 0.16]	[−0.21; 0.27]	[−0.16; 0.14]
exp*low.skill-low.spec	0.15	0.23	−0.05	−0.02	0.05	−0.01
	[−0.22; 0.52]	[−0.21; 0.66]	[−0.28; 0.18]	[−0.24; 0.20]	[−0.22; 0.32]	[−0.20; 0.18]
public	0.53*	0.15	−0.03	−0.06	−0.04	0.20*
	[0.32; 0.74]	[−0.11; 0.42]	[−0.18; 0.11]	[−0.20; 0.08]	[−0.21; 0.13]	[0.09; 0.31]
age	0.00	−0.02*	0.01*	0.01*	0.00	0.01*
	[−0.00; 0.01]	[−0.03; −0.01]	[0.00; 0.01]	[0.00; 0.01]	[−0.01; 0.01]	[0.01; 0.02]
female	−0.48*	0.02	−0.49*	−0.27*	−0.32*	0.09
	[−0.69; −0.26]	[−0.23; 0.28]	[−0.63; −0.36]	[−0.40; −0.14]	[−0.48; −0.15]	[−0.02; 0.19]
urban	0.08	−0.11	0.03	−0.16	−0.10	0.00
	[−0.20; 0.36]	[−0.35; 0.12]	[−0.15; 0.20]	[−0.33; 0.01]	[−0.32; 0.11]	[−0.12; 0.12]
union	0.39*	0.24	0.05	−0.05	−0.16	0.19*
	[0.14; 0.64]	[−0.09; 0.57]	[−0.12; 0.23]	[−0.22; 0.12]	[−0.36; 0.06]	[0.06; 0.32]
unemployed	1.11*	−1.11	−0.49	−1.09*	−0.69*	0.66*

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Table A.5: (*Continued*)

	inheritance	open eco	bilat eco	bilat lab	trust snb	retirement
	Model A17	Model A18	Model A19	Model A20	Model A21	Model A22
	[0.36; 1.86]	[−2.26; 0.00]	[−0.98; 0.01]	[−1.57; −0.61]	[−1.28; −0.11]	[0.24; 1.11]
interest.bin	0.38*	0.31*	0.79*	0.55*	0.46*	−0.49*
	[0.11; 0.65]	[0.04; 0.58]	[0.64; 0.94]	[0.41; 0.69]	[0.29; 0.64]	[−0.61; −0.38]
left.right.scale	−1.16*	0.07	−0.37*	−0.43*	0.21*	−0.13*
	[−1.28; −1.06]	[−0.06; 0.19]	[−0.43; −0.30]	[−0.49; −0.36]	[0.13; 0.28]	[−0.19; −0.08]
2015						−0.72*
						[−0.83; −0.62]
Intercept	−0.94				4.18*	
	[−2.22; 0.33]				[3.22; 5.14]	
Intercept cut 1		−4.12*	−1.93*	−1.15*		−4.53*
		[−5.88; −2.36]	[−2.76; −1.10]	[−1.94; −0.37]		[−5.26; −3.80]
Intercept cut 2		−2.49*	0.37	1.23*		−3.17*
		[−4.24; −0.74]	[−0.42; 1.17]	[0.44; 2.00]		[−3.89; −2.44]
Intercept cut 3		−1.41	1.72*	2.05*		−1.71*
		[−3.16; 0.33]	[0.92; 2.51]	[1.26; 2.83]		[−2.43; −0.99]
Intercept cut 4		−0.11	4.30*	4.67*		
		[−1.87; 1.63]	[3.49; 5.10]	[3.87; 5.45]		
sigma					2.28*	
					[2.23; 2.34]	
Observations	2,651	998	3,748	3,744	3,715	5,979
Year(s) of data	2015	2007	2015	2015	2015	2003 & 2015
Model type	Logit	Ordinal	Ordinal	Ordinal	Linear	Ordinal

* Null hypothesis value outside 95% credible interval.

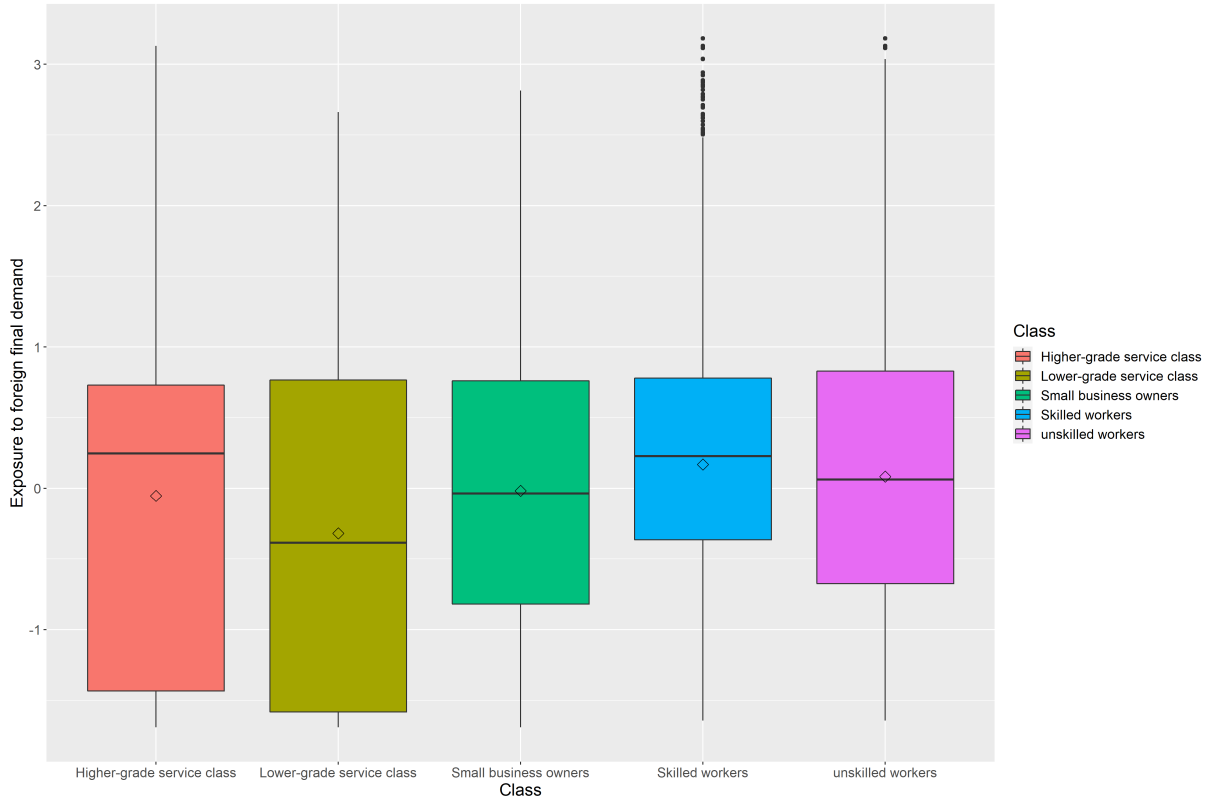
Table A.6: OLS models of preferences "revealed" by vote choice with fewer control variables

	markeco	*welfare*	*planeco*
	Model A23	Model A24	Model A25
sigma	0.92*	0.93*	0.94*
	[0.91; 0.94]	[0.92; 0.95]	[0.92; 0.95]
high.skill-low.spec (ref:HS-HS)	0.09*	−0.17*	−0.17*
	[0.03; 0.15]	[−0.23; −0.11]	[−0.23; −0.11]
low.skill-high.spec	0.38*	−0.38*	−0.38*
	[0.31; 0.45]	[−0.45; −0.31]	[−0.45; −0.31]
low.skill-low.spec	0.24*	−0.29*	−0.29*
	[0.17; 0.32]	[−0.36; −0.21]	[−0.36; −0.21]
exp.foreign.demand	0.07*	−0.04	−0.04
	[0.02; 0.12]	[−0.09; 0.01]	[−0.09; 0.01]
exp*high.skill-low.spec	0.07*	−0.16*	−0.16*
	[0.02; 0.13]	[−0.21; −0.10]	[−0.21; −0.10]
exp*low.skill-high.spec	−0.20*	0.09*	0.09*
	[−0.27; −0.13]	[0.02; 0.16]	[0.02; 0.16]
exp*low.skill-low.spec	0.07	−0.07	−0.07
	[−0.01; 0.15]	[−0.15; 0.01]	[−0.15; 0.02]
age	0.00*	0.00	0.00
	[0.00; 0.00]	[−0.00; 0.00]	[−0.00; 0.00]
female	−0.06*	0.05*	0.05*
	[−0.10; −0.01]	[0.01; 0.10]	[0.01; 0.10]
unemployed	−0.20*	0.30*	0.30*
	[−0.38; −0.01]	[0.11; 0.49]	[0.10; 0.49]
interest.bin	−0.09*	0.13*	0.13*
	[−0.14; −0.03]	[0.07; 0.19]	[0.07; 0.19]
Intercept	−0.06	−0.22*	−0.22*
	[−0.15; 0.03]	[−0.31; −0.12]	[−0.31; −0.13]
sigma	0.92*	0.93*	0.93*
	[0.91; 0.94]	[0.92; 0.95]	[0.92; 0.95]
Observations	7,362	7,362	7,362
Election Year dummies	Yes	Yes	Yes

* Null hypothesis value outside 95% credible interval.

Figure A.1: Boxplots five classes

(a) Distribution of the exposure variable across five classes



(b) Distribution of logged skill specificity across five classes

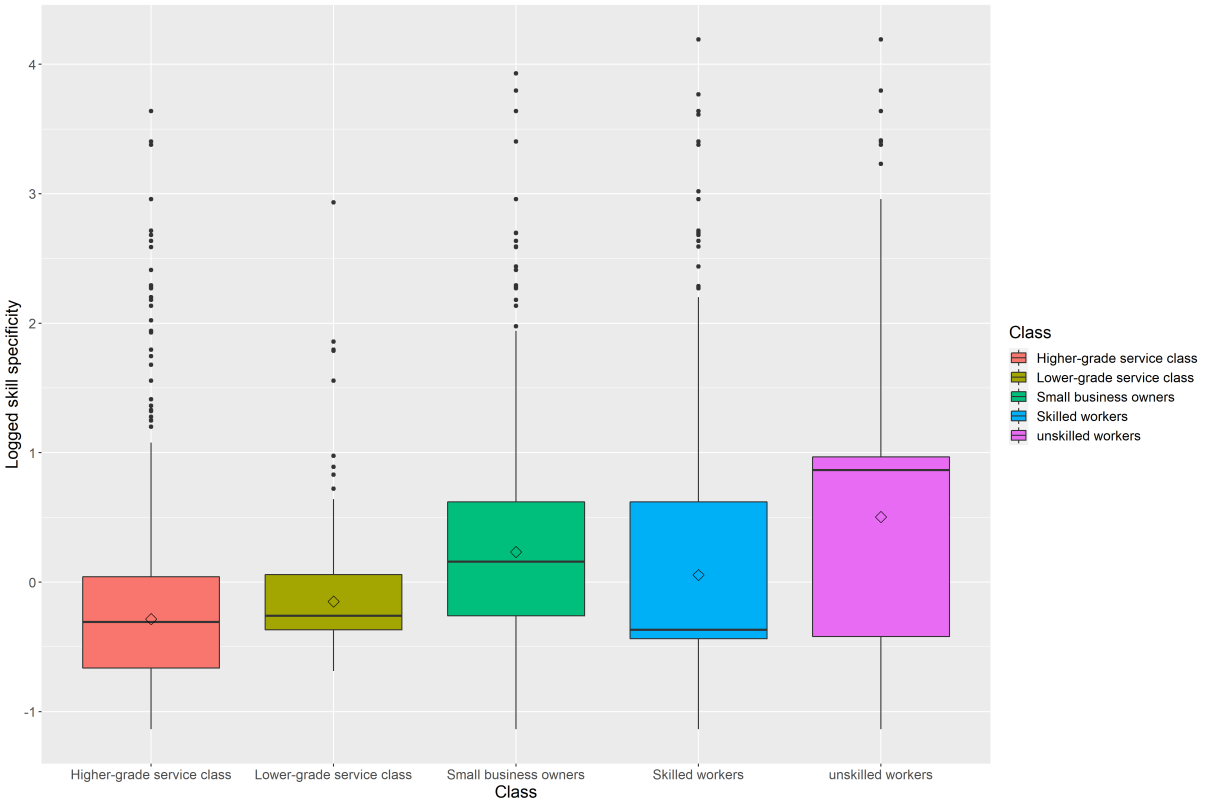
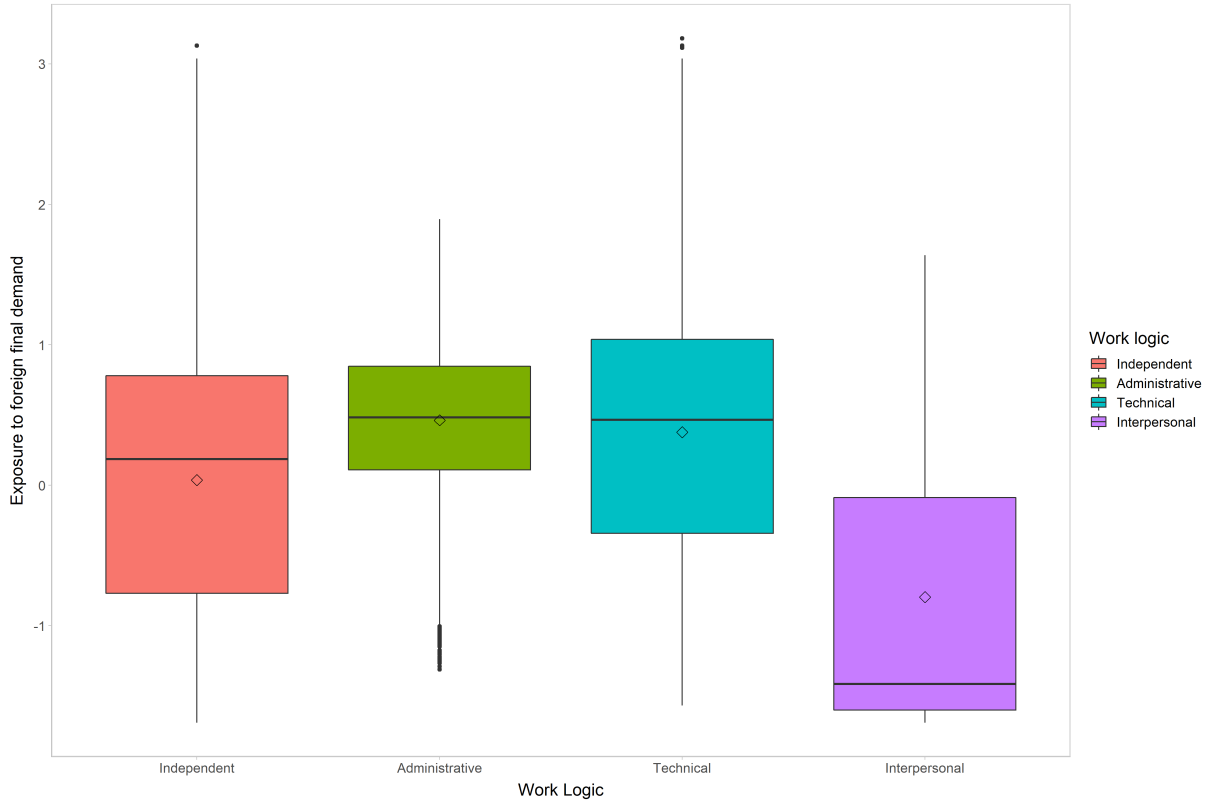


Figure A.2: Boxplots work logics

(a) Distribution of the exposure variable across four work logics



(b) Distribution of logged skill specificity across four work logics

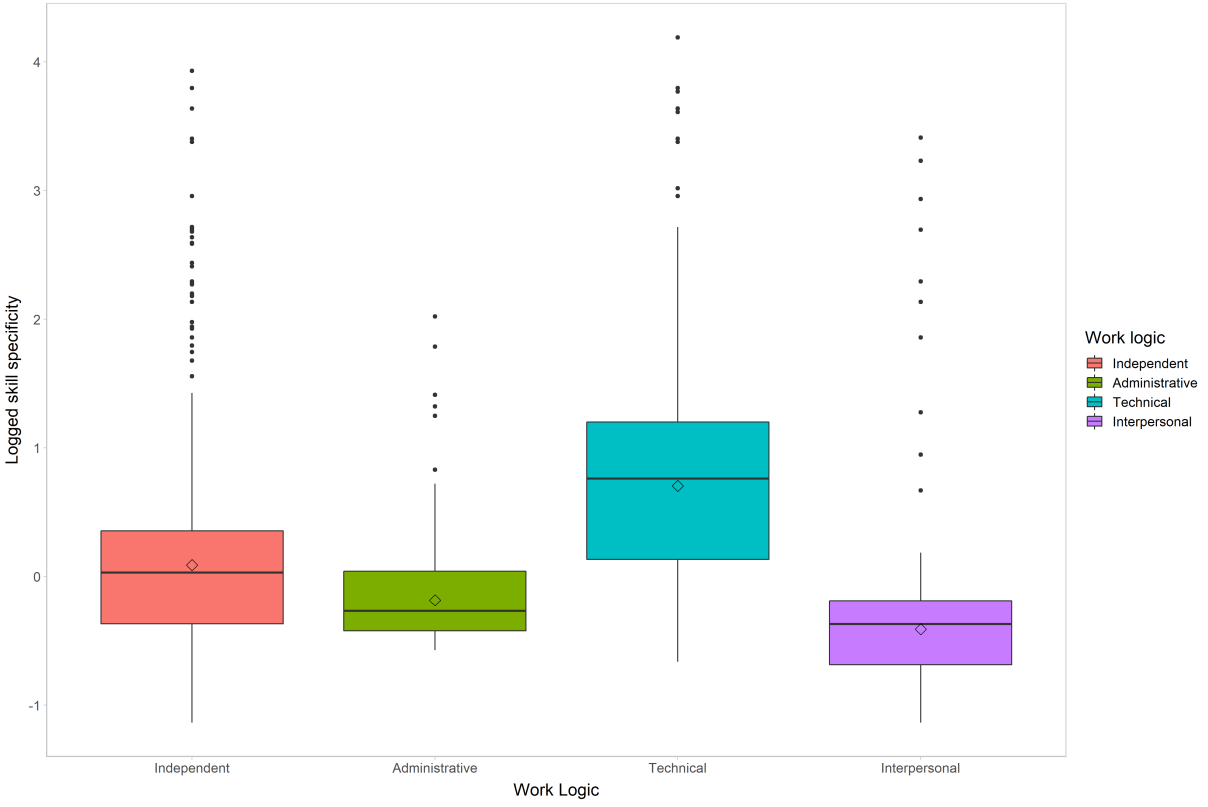
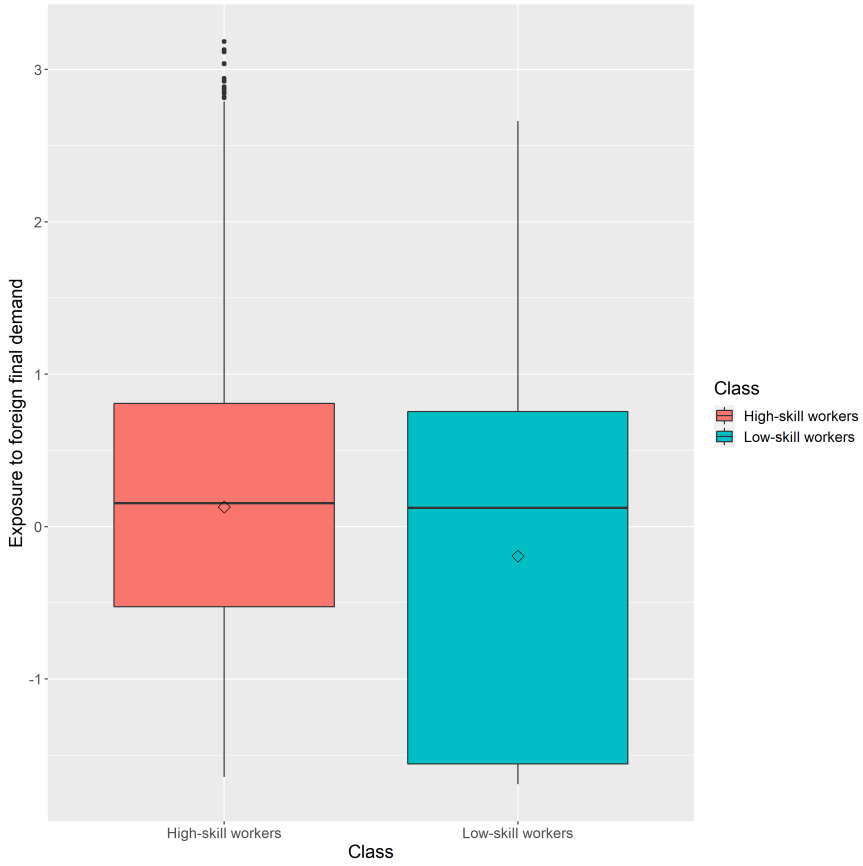
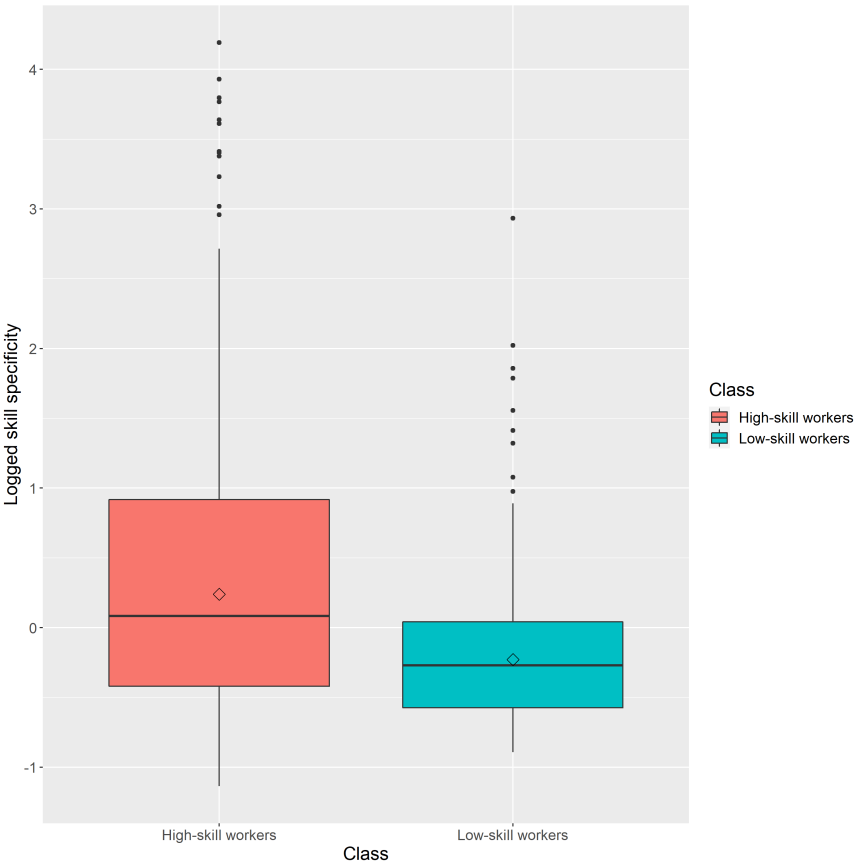


Figure A.3: Boxplots skill groups

(a) Distribution of the exposure variable across two skill groups



(b) Distribution of logged skill specificity across two skill groups



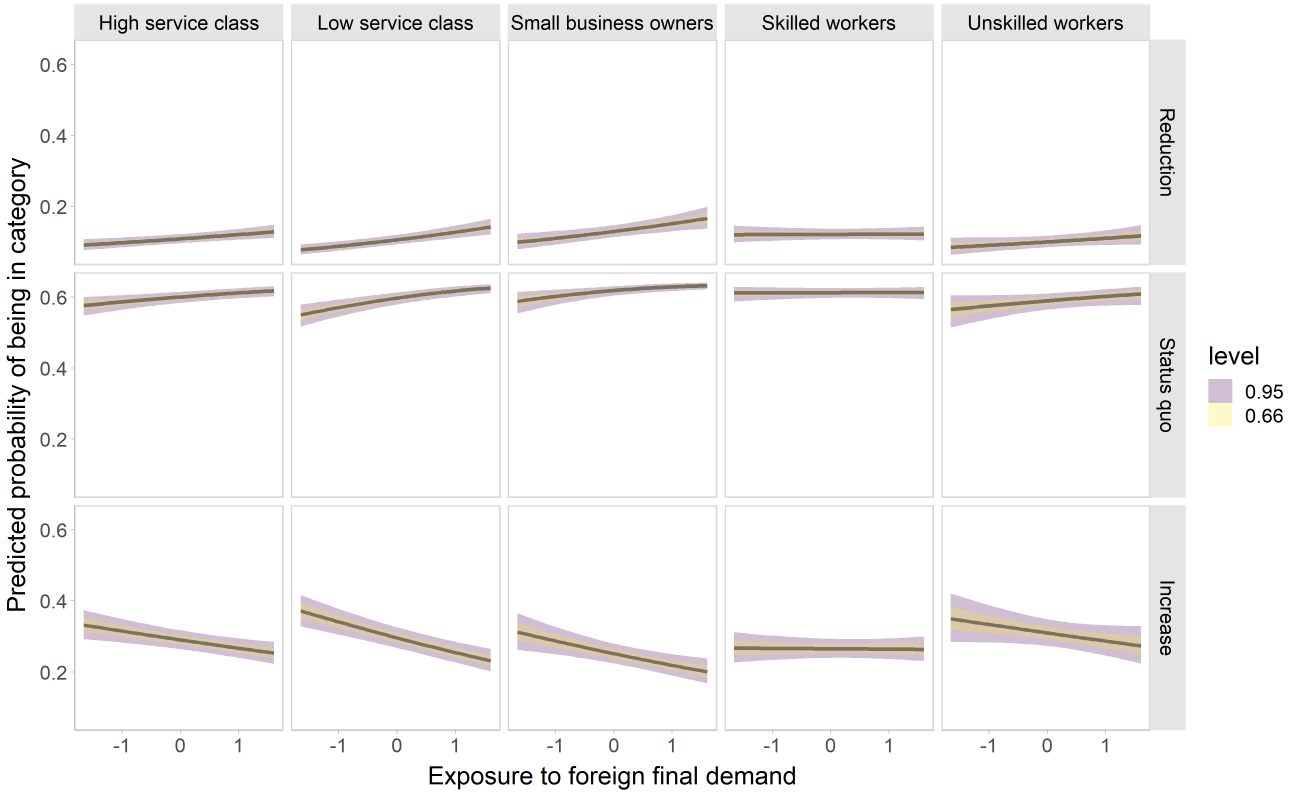


Figure A.4: Predicted probabilities of social spending preferences based on model 3 with sample typical values

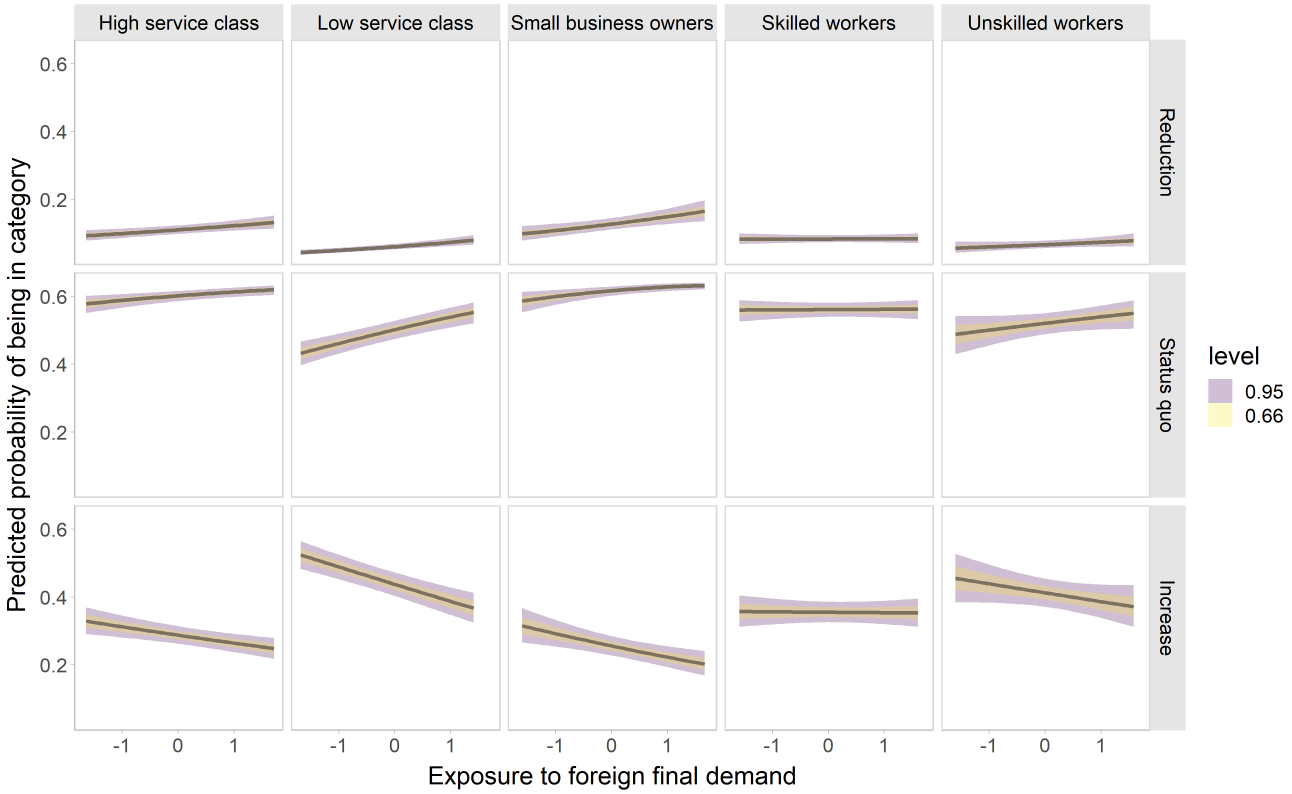
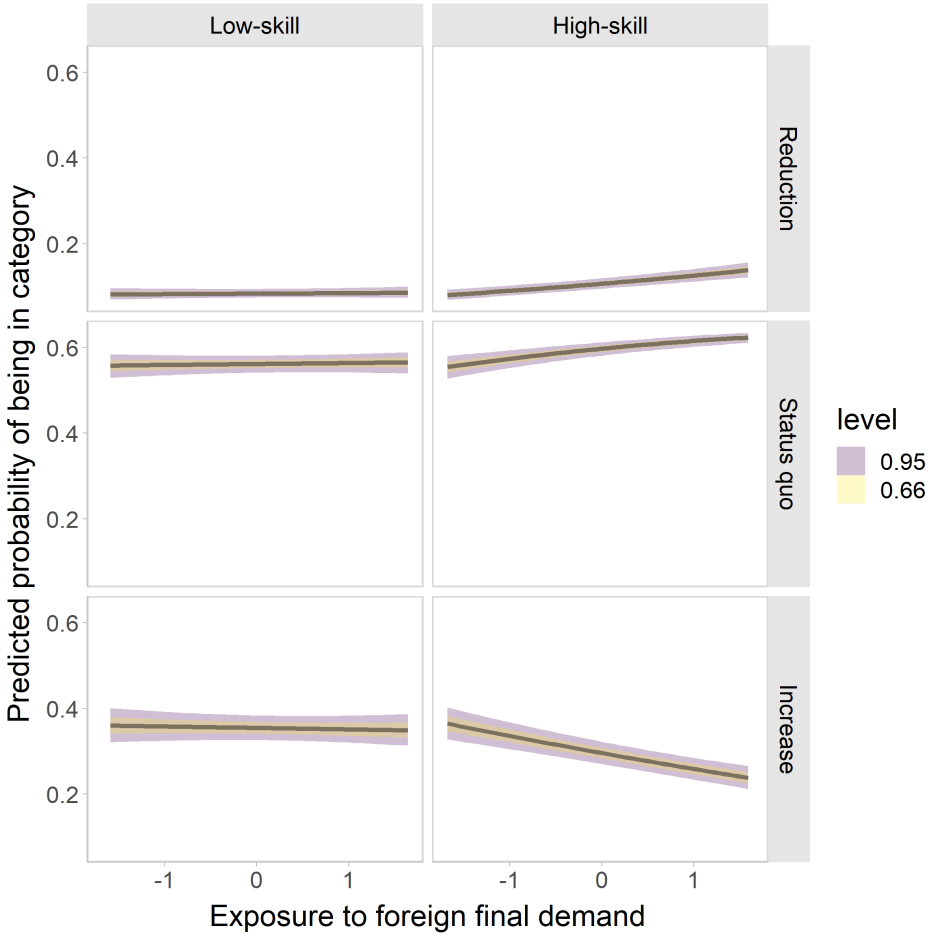


Figure A.5: Predicted probabilities of social spending preferences based on model 3 with class-specific values

Figure A.6: Effect of exposure by skill group

(a) Predicted probabilities of social spending preferences based on model A2 with group-specific values



(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A4 with group-specific values

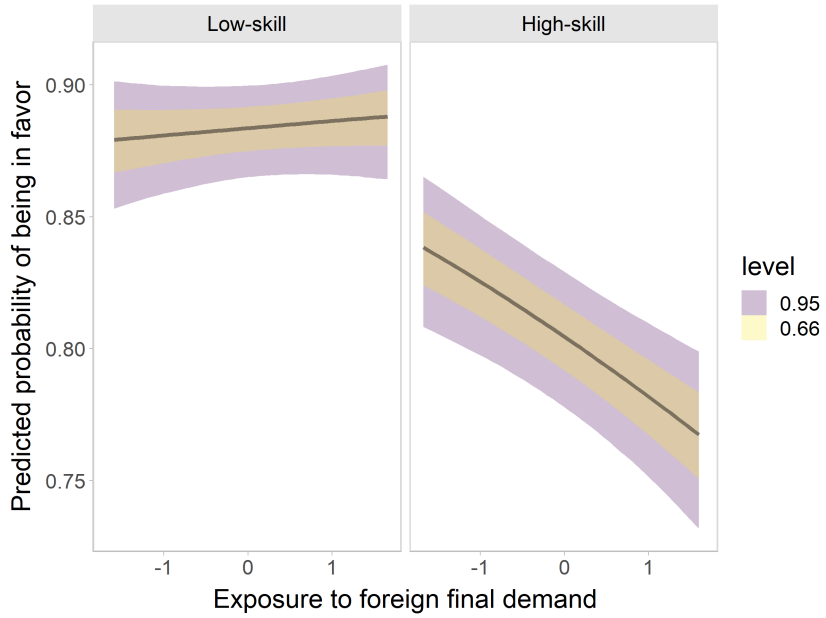
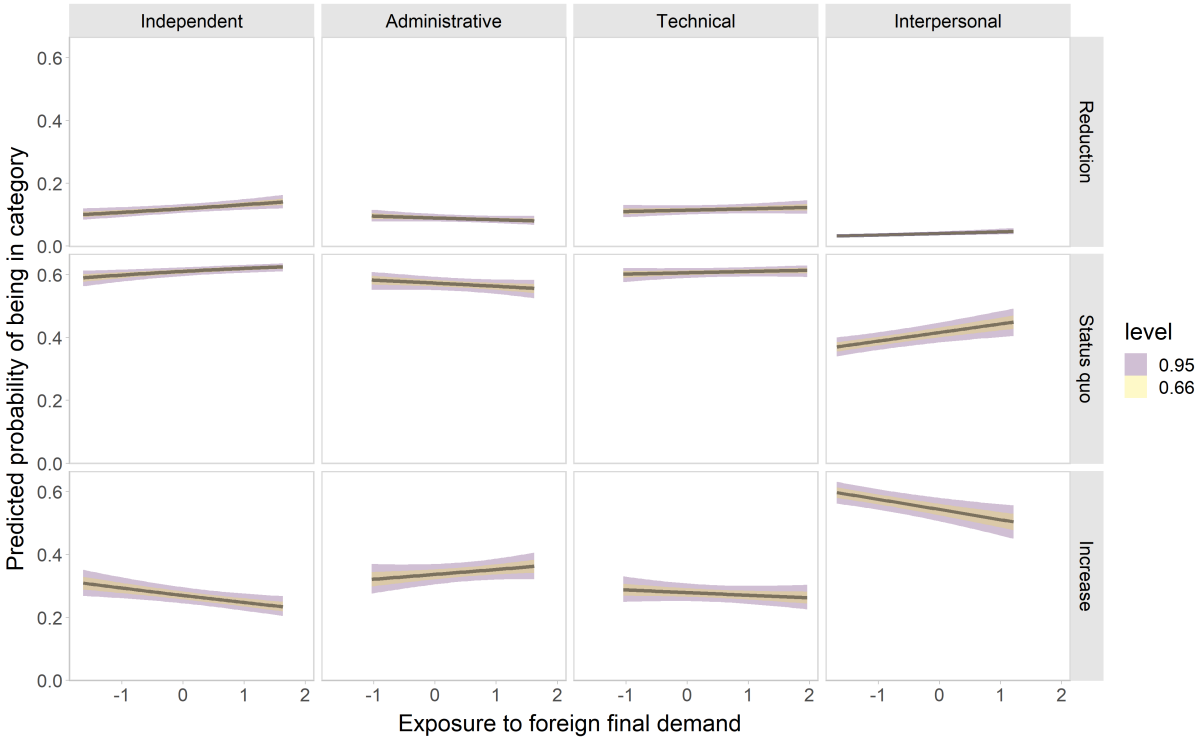
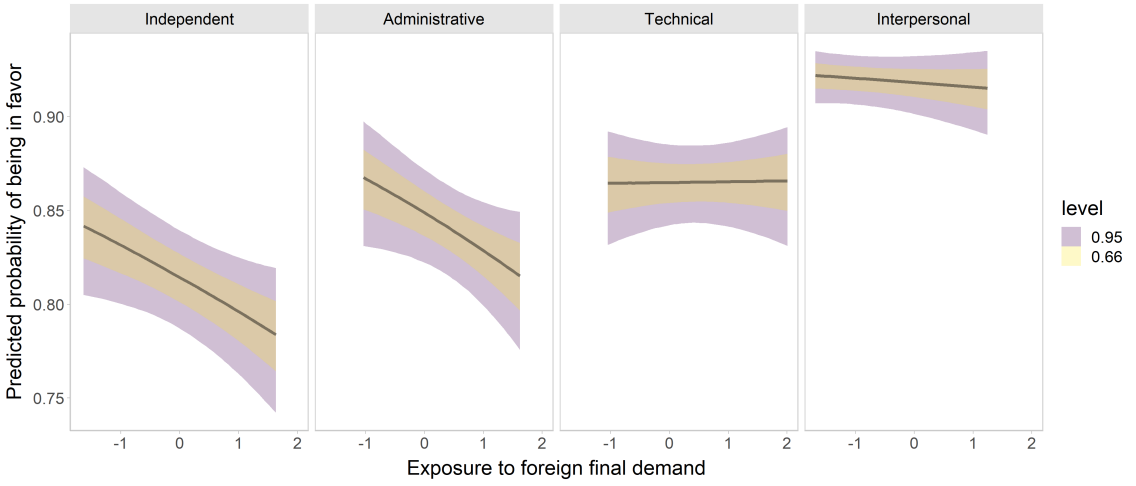


Figure A.7: Effect of exposure by work logics

(a) Predicted probabilities of social spending preferences based on model A6 with group-specific values



(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A8 with group-specific values



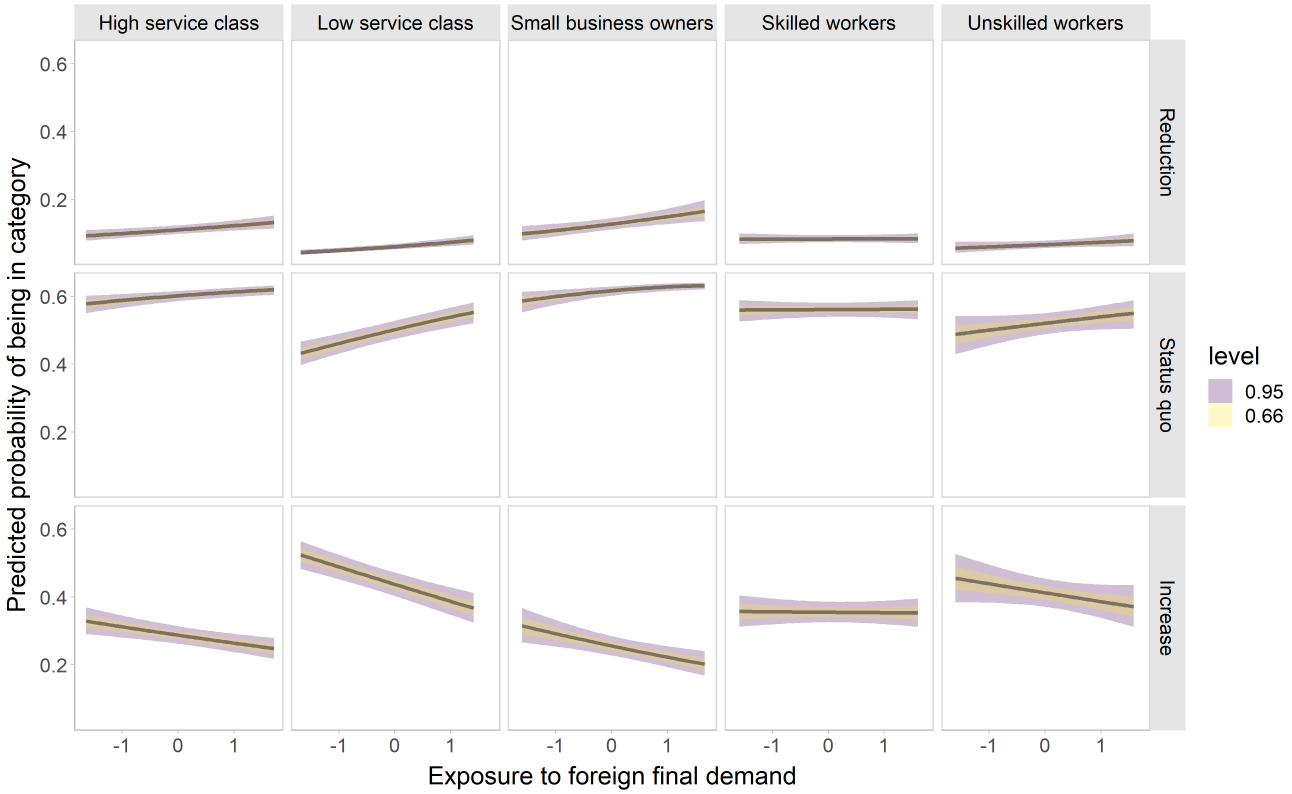
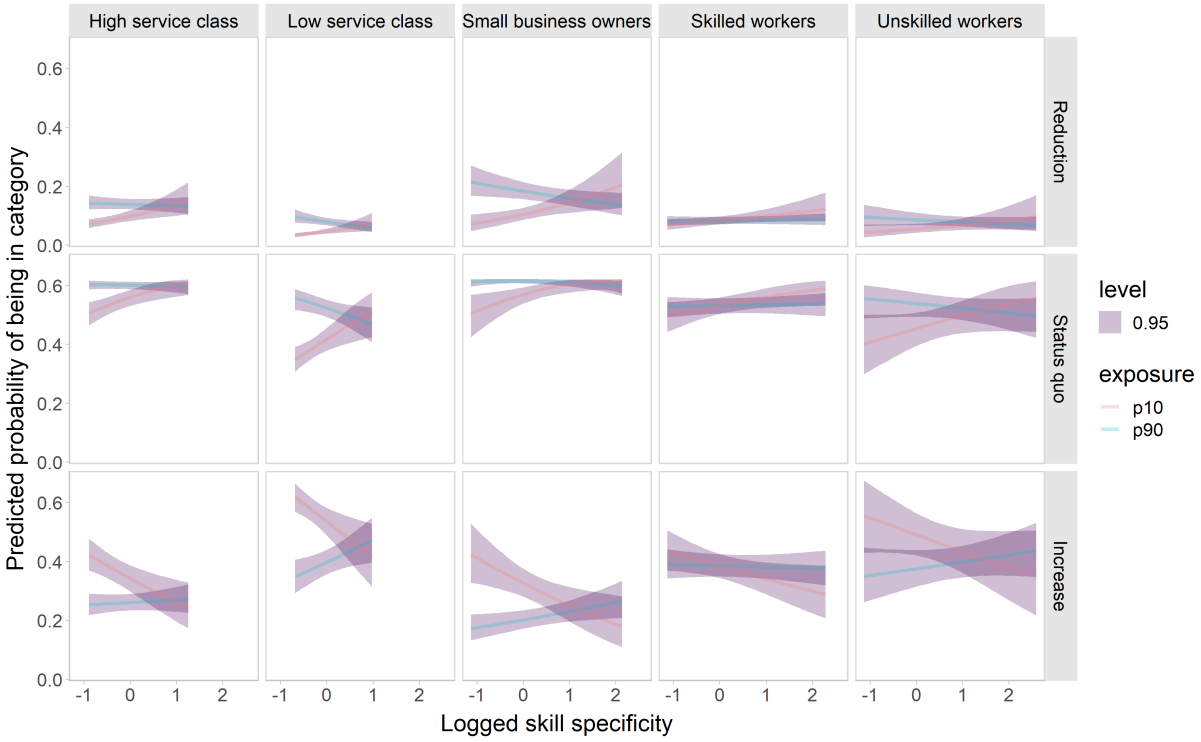


Figure A.8: Predicted probabilities of social spending preferences based on model 3 with class-specific values

Figure A.9: Effect of skill specificity by class and level of exposure

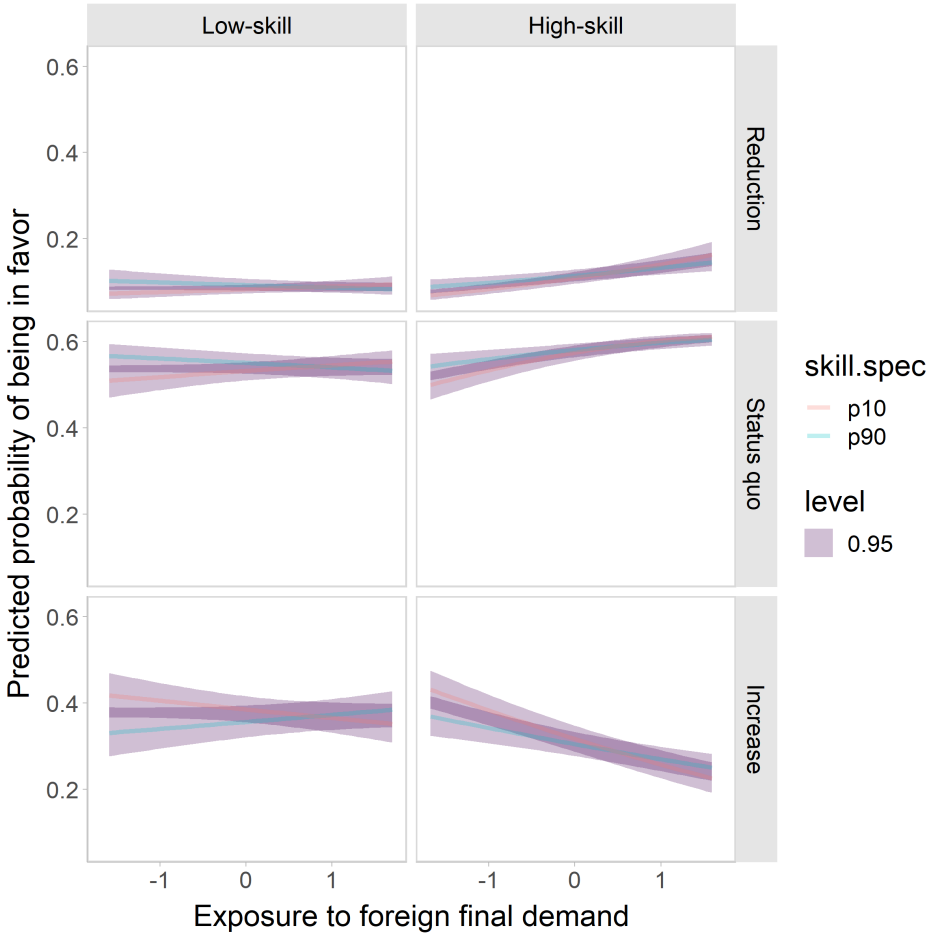
(a) Predicted probabilities of social spending preferences based on model A9 by class and exposure



(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A11 by class and exposure

Figure A.10: Effect of exposure by skill group and skill specificity

(a) Predicted probabilities of social spending preferences based on model A10 by skill level and skill specificity



(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A12 by skill level and skill specificity

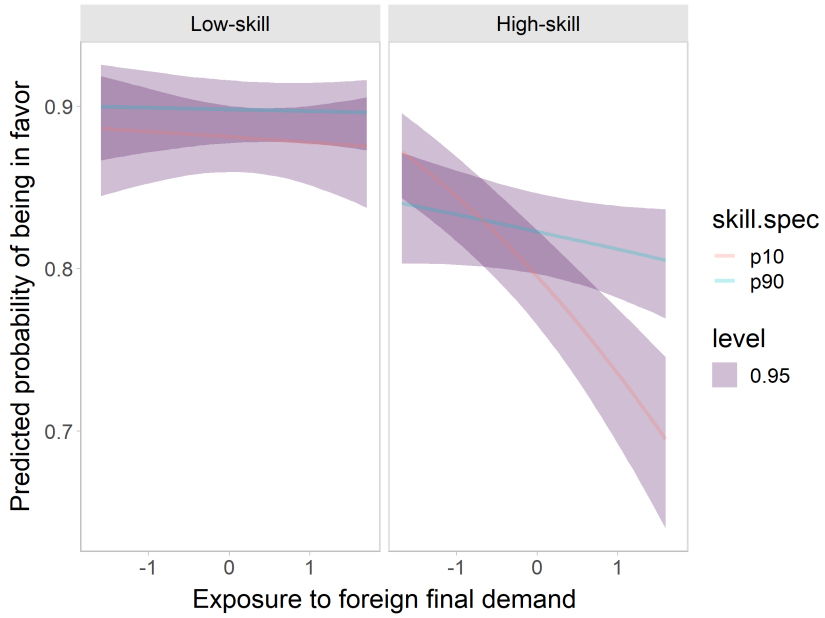
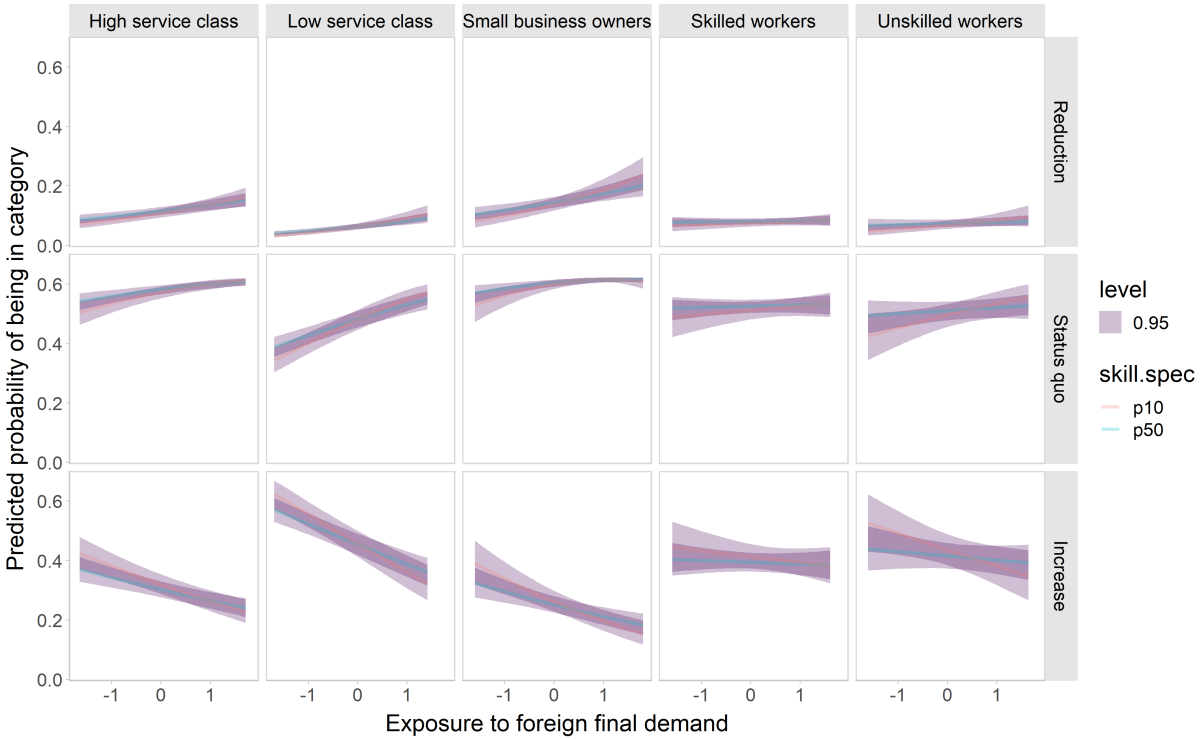


Figure A.11: Effect of exposure by class and skill specificity

(a) Predicted probabilities of social spending preferences based on model A9 by class and skill specificity



(b) Predicted probabilities of being in favor of higher taxes on high incomes based on model A11 by class and skill specificity