# Partisan Borders: Political Ideology and Frictions in Interstate Job-to-Job Flows

**Abstract**

This paper investigates whether political partisanship affects interstate job-to-job flows in the United States. Job flows are lower between politically misaligned states. Exploiting close presidential elections as a quasi-natural experiment, I show that newly formed misalignment following partisan flips reduces quarterly job flows by 4.8% between flipped states and their previously aligned counterparts. Evidence from gubernatorial elections and differences in state abortion laws suggests that this mobility friction reflects partisan identity and broader ideological differences. Workers also sort toward states whose political orientation more closely matches their origin state. Overall, political ideology is an important determinant of interstate labor mobility.

JEL classification: J01, J61

Keywords: Partisanship, political ideology, interstate job-to-job flows, labor mobility.

# I. Introduction

Geographic job-to-job flow plays an important role in regional economic adjustment and efficient allocation of human capital (Topel, 1986; Blanchard, Katz, Hall and Eichengreen, 1992). Yet, interstate migration in the United States has declined substantially over recent decades (Molloy, Smith and Wozniak, 2011; Koşar, Ransom and Van der Klaauw, 2022). Existing literature emphasizes the role of wage differentials, employment opportunities, moving and housing costs in shaping mobility decisions (Bartel, 1979; Stark and Bloom, 1985; Diamond, 1981; Kennan and Walker, 2011). However, the role of non-economic factors, such as political ideology, remains under-explored.

This paper investigates whether political partisanship creates frictions in interstate job-to-job flows. I construct a sample of quarterly interstate job-to-job flows using comprehensive data from the U.S. Census's Longitudinal Employer-Household Dynamics (LEHD) program.[1] To focus on voluntary job transition decisions, I examine job-to-job flows without observable separation. This restriction alleviates the concern that observed transitions reflect involuntary displacement rather than worker preferences.

I find that political misalignment between origin and destination states significantly reduces interstate job flows. Exploiting close presidential elections as a quasi-exogenous shock to interstate political alignment, I show that quarterly interstate job flows decline by 4.8% when a narrow presidential electoral victory breaks prior political alignment between states. Moreover, the effect has intensified dramatically since 2012, consistent with intensified political polarization during this period.

Workers' location decisions reflect utility maximization of both economic and non-economic factors. In addition to wage and employment opportunities, workers value the social, institutional, and political environments. As political polarization has intensified, the divergence in the state-level institutional and political environments has become more salient. If individuals incur disutility from living in environments they perceive as misaligned, political divergence may generate frictions in interstate job-to-job flows. The frictions in interstate job flows distort the reallocation of human capital and may exacerbate regional economic disparities.

I develop a utility-based migration model where workers trade off economic gains against political misalignment costs. I extend a standard random utility model of job location choice by allowing political alignment between origin and destination states to enter workers' utility. In addition to wages and moving costs, workers incur a disutility when relocating to a politically misaligned state, which lowers the probability of interstate job transitions across misaligned states.

To measure political misalignment, I collect presidential election outcomes at the state level. I classify each state as either Democrat-leaning or Republican-leaning according to the party of the winning presidential candidate in the most recent election. In addition, I construct two continuous

[1]The LEHD data covers approximately 95% of private sector employment. It captures quarterly interstate job-to-job flows between origin-destination states across all 50 U.S. states and the District of Columbia from 2001 to 2024. An observation is included in the database only when a worker obtains a new employment in the destination state. The data do not capture moves across states that do not result in new employment. Therefore, this dataset only covers job-to-job moves and does not include migration upon retirement.

measures of political distance. The first measure is political distance, which calculated as the absolute difference in the Democratic vote share between the origin and destination states in the most recent presidential election. The second measure is the distance of the state democracy index, which proxies the extent to which all members of the polity have equal ability to influence policy outcomes through elections.[2] While the analysis relies on state-level political ideology as a proxy for individuals' political preferences, individual ideology may not perfectly align with the aggregate political orientation of a state. Nevertheless, state-level ideology is broadly representative of the preferences of the majority of residents and captures the prevailing political environment in a state.

The baseline OLS estimates suggest that political misalignment reduces interstate job flows, and more interestingly, this effect is symmetric. Job flows decline similarly whether workers move from Democratic-leaning to Republican-leaning states or vice versa, ruling out partisan-specific aversion. The friction is particularly pronounced among typically mobile groups (young, male, and white workers).

To strengthen causal identification, I exploit close presidential elections as a quasi-experiment. This approach isolates plausibly exogenous shifts in political alignment. Close elections provide a source of plausibly exogenous variation in political misalignment that is unlikely to be driven by underlying job market trends. Specifically, I compare job-to-job flows before and after close elections that reverse a state's partisan alignment. Given that the unit of observation is a directed state pair, such shocks affect both inflows to and outflows from the flipped close election state. Using this identification strategy, I find that quarterly interstate job-to-job flows decline by 4.8% when the close elections break previous political alignment. To verify that this effect is driven by changes in political alignment rather than by election uncertainty or other characteristics of close elections, I conduct a falsification test using close elections that did not reverse a state's partisan alignment and therefore did not generate new political misalignment between state pairs. These non-flipping close elections produce no significant change in interstate job flows, indicating that the effect is largely due to the change in political alignment rather than the closeness of the election.

Political ideology is closely intertwined with state policy, raising the question of whether the effects of political misalignment primarily reflect workers' avoidance of specific state regulations. To distinguish these channels, I examine misalignment based on both presidential and gubernatorial election outcomes. I find that interstate job-to-job flows are significantly affected by presidential elections misalignment, whereas gubernatorial misalignment has little explanatory power. I further examine abortion policy, an important area in which state laws have diverged sharply in recent years. Specifically, I test whether political misalignment continues to affect interstate job-to-job mobility among reproductive-age women when origin and destination states have similar abortion laws. Even among state pairs aligned in their abortion regulations, political misalignment significantly reduces interstate job-to-job flows for women aged from 25 to 34. Together, these findings suggest that the mobility friction associated with political misalignment cannot be fully explained by differences in specific state policies.

[2]The data is available here: https://democracypolicylab.berkeley.edu/state-democracy-index/.

The sub-period analysis reveals that political misalignment had modest effects on job flows during 2001-2011 but substantial effects during 2012-2024. This pattern aligns with well-documented increases in political polarization (Baker, Baksy, Bloom, Davis and Rodden, 2020), suggesting that partisan identity has become increasingly salient in workers' location decisions. I further show that the negative effects of political misalignment are stronger among male, white, and people aged from 25 to 44. Moreover, these political frictions do not dissipate with geographic proximity: even among neighboring states that share a border, political misalignment significantly reduces job-to-job mobility. Finally, the effect is symmetric across presidential parties, indicating that it is not driven exclusively by either party.

This paper contributes to several strands of literature on political economy, labor market, and migration decisions. First, existing literature in migration emphasizes economic and social factors such as moving and housing costs, wage rigidities, licensing rules, family ties and home bias (Bartel, 1979; Molloy et al., 2011; Coen-Pirani, 2010; Gallin, 2004; Mincer, 1978; Kleiner, 2016; Chen and Rosenthal, 2008; Koşar et al., 2022; Topel, 1986; Kennan and Walker, 2011; Wilson, 2026). More recent research has expanded this framework to include information frictions and search frictions that affect job matching across locations (Wilson, 2021). However, the role of political preference on interstate job-to-job moves has received relatively little attention. When workers choose among labor markets in different states, political context varies substantially across the choice set. I find that political partisanship represents an additional, non-economic friction for interstate job-to-job flows. The findings highlight that workers' job transition decisions are not solely driven by financial considerations or job market fundamentals, but also by workers' political preferences.

Second, recent studies suggest that political preference increasingly influences major household and economic choices, including residential location (Gimpel and Hui, 2015; McCartney, Orellana-Li and Zhang, 2024), fertility decision (Dahl, Lu and Mullins, 2022), investment decisions,[3] and entrepreneur activities (Engelberg, Guzman, Lu and Mullins, 2025). Moreover, Barrios and Hochberg (2021) suggest that political partisanship shapes risk perceptions during the COVID-19 pandemic. My paper contributes to this emerging literature by focusing on labor mobility as another channel through which political ideology imposes economic frictions.

Third, while prior studies on international migration examine cross-country moves driven by political regime differences (Bertocchi and Strozzi, 2008; Bove, Efthyvoulou and Pickard, 2023), this study focuses on interstate job-to-job flows, which allows us to isolate the role of state-level political ideology from national-level political institutions. I provide quasi-experimental evidence that partisan misalignment reduces interstate job moves. I further document evidence of ideological deepening, whereby workers sort toward states more closely aligned with their own ideology, a pattern consistent with the reverse channel in which reduced mobility deepens geographic sorting and reinforces partisan divergence.

The rest of the paper proceeds as follows. Section II presents the theoretical model. Section III

[3]Kempf, Luo, Schäfer and Tsoutsoura (2023) find that fund managers' political beliefs significantly affect their international investment choices, suggesting that partisan preferences create frictions in global financial markets.

describes the data and empirical methodology. Section IV reports empirical evidence. Section V concludes.

# II. Theoretical Framework

**Random utility model of job location choice**

To model job transition decisions, I begin with a standard location-choice framework in which workers evaluate the economic and non-economic tradeoffs of relocating across states, following Davies, Greenwood and Li (2001), Kennan and Walker (2011), and Koşar et al. (2022). I specify workers' utility as a function of wages, moving cost, and an additional ideological component capturing political misalignment between origin and destination states. This structure allows ideological frictions to directly enter the worker's decision problem. Consider a worker, indexed by $i$, in origin state $o$, considering whether to accept a job offer in destination state $d$ at time $t$. The migration decision depends not only on wage differences and moving costs, but also on disutility arising from political ideology misalignment. The worker's indirect utility is

$$U^i_{odt} = V^i_{odt} - \phi(P_{ot}, P_{dt}; t) + \varepsilon^i_{odt}, \tag{1}$$

with

$$V^i_{odt} = \alpha_i w_{dt} + \gamma_i A_{dt} - \kappa_i C_{odt}.$$

$w_{dt}$ denotes expected earnings in destination $d$, $A_{dt}$ summarizes non-political amenities, and $C_{odt}$ is the moving cost from $o$ to $d$ at time $t$. Let $\theta_i = (\alpha_i, \gamma_i, \tau_i, \kappa_i)$ capture worker $i$'s sensitivity to wages, amenities, political misalignment, and moving costs, respectively. $\theta_i$ has a distribution $f(\theta)$. $\varepsilon^i_{odt}$ is idiosyncratic taste shock for destination $d$ at time $t$. $\varepsilon^i_{odt} \sim$ i.i.d. Type I extreme value shock. The function $\phi_i(P_{o,t}, P_{d,t})$ captures the ideological cost of moving to a politically misaligned state:

$$\phi(P_{ot}, P_{dt}) = \begin{cases} 0 & \text{if } P_{ot} = P_{dt} \quad \text{(politically aligned)}, \\ \tau_i & \text{if } P_{ot} \neq P_{dt} \quad \text{(politically misaligned)}, \end{cases}$$

where $\tau_i \geq 0$ represents the disutility from political misalignment. Worker $i$ generates ideology costs probably due to the conflicts of policies and identity-based discomfort when residing in a politically misaligned environment. Changes in political alignment therefore alter relocation incentives by changing the expected policy frictions faced by workers.

Given the Type I extreme assumption of $\varepsilon^i_{odt}$, conditional on $\theta_i = (\alpha_i, \gamma_i, \tau_i, \kappa_i)$, the probability that worker $i$ in origin state $o$ chooses destination state $d$ is

$$P^i_{odt} = \Pr(\text{choose } d \mid oit) = \frac{\exp\big(V^i_{odt} - \phi(P_{ot}, P_{dt})\big)}{\sum_{j \in \mathcal{D}} \exp\Big(V^i_{ojt} - \phi(P_{ot}, P_{jt})\Big)}, \tag{2}$$

where $j$ indexes all possible destination states in the choice set $\mathcal{D}$, including $j = o$, the option to

stay.

*Choice Probabilities*

At the individual level, the effect of political misalignment on the choice probability is

$$\frac{\partial P^i_{odt}}{\partial \mathbb{I}(P_{ot} \neq P_{dt})} = -\tau_i \, P^i_{odt} \left(1 - P^i_{odt}\right). \tag{3}$$

Let $f(\theta_i)$ denote the population distribution of the taste parameters. The aggregate choice probability for a randomly drawn worker in origin state $o$ is

$$P_{odt} = \int P^i_{odt} \, f(\theta_i) \, d\theta_i, \tag{4}$$

and observed job-to-job flows satisfy

$$F_{odt} = N_{ot} P_{odt}, \tag{5}$$

where $N_{ot}$ denotes employment in origin state $o$ at time $t$.

Differentiating the aggregate probability, we have

$$\frac{\partial P_{odt}}{\partial \mathbb{I}(P_{ot} \neq P_{dt})} = \int \frac{\partial P^i_{odt}}{\partial \mathbb{I}(P_{ot} \neq P_{dt})} \, f(\theta_i) \, d\theta_i = -\int \tau_i \, P^i_{odt} \left(1 - P^i_{odt}\right) \, f(\theta_i) \, d\theta_i < 0. \tag{6}$$

Because $\tau_i \geq 0$ for most workers and $0 < P_{odt} < 1$, the aggregate effect of political misalignment on interstate transitions is non-positive. The political ideology of a destination state $d$ at time *t+1* is a function of the stayers and the net inflow of movers:

$$\bar{I}_{d,t+1} = \frac{N_{dt} \bar{I}_{dt} + \sum_{x \in Inflow_{dt}} I_x - \sum_{z \in Outflow_{dt}} I_z}{N_{d,t+1}} \tag{7}$$

$$P_{d,t+1} = \mathcal{G}\big(\bar{I}_{d,t+1}\big)$$

where $x \in \text{Inflow}_{dt}$ and $z \in \text{Outflow}_{dt}$ denote the sets of individuals migrating into and out of state $d$ between $t$ and $t+1$, respectively. $\bar{I}_{dt}$ denotes the average ideological orientation of residents in state $d$ at time $t$, $P_{dt}$ denotes the realized political outcome, and $\mathcal{G}(\cdot)$ maps ideological composition to political outcomes. This implies that when individuals sort across states based on political alignment, inflow and outflow are not ideologically neutral. Politically misaligned movers are less likely to enter, while aligned individuals are more likely to stay. This process gives rise to a feedback loop: changes in $P_{d,t+1}$ alter the political alignment faced by subsequent movers, which further discourage interstate job flows. As a result, the negative effects of political misalignment on interstate job flows accumulate over time and expand the political ideology divergence across states. Through the mapping $\mathcal{G}(\cdot)$, ideological sorting translates into political polarization and policy divergence, reinforcing partisanship and reducing cross-state convergence.

The theoretical framework generates testable predictions:

P1: *Misalignment effect. Political misalignment reduces migration probability:* $\frac{\partial P_{odt}}{\partial \mathbb{I}(P_{ot} \neq P_{dt})} \leq 0$, *implying lower job flows among politically misaligned states.*

P2: *Symmetry effect. If Democrats and Republicans supporters face similar political costs when moving to misaligned states, the effects should be symmetric.*

To empirically test these predictions, I exploit quarterly interstate job-to-job flows data from the U.S. Census. While the model is framed at the individual level, it nests within a standard discrete choice framework. Under the assumption that idiosyncratic location preferences follow a Type I extreme value distribution, aggregated job-to-job flows can be expressed in a log-linear form. This empirical design allows me to test whether political ideology-based frictions create barriers to interstate job-to-job reallocation with macro-level data.

# III. Data and Methodology

## *A. Interstate job-to-job flows*

I obtain data on interstate job-to-job flows from the U.S. Census Longitudinal Employer-Household Dynamics (LEHD) database. The LEHD database provides quarterly interstate job flows data that covers approximately 95% of private sector employment from 2001-2024. To isolate voluntary job transitions, I focus on interstate job-to-job flows without separation. This approach captures workers who move directly from employment in one state to employment in another, ensuring that observed moves primarily reflect job transition choices rather than involuntary displacement or layoffs. The sample includes all 50 U.S. states plus the District of Columbia, creating 2,550 potential origin-destination combinations.[4] The final dataset consists of quarterly observations for each state-pair combination, with 222,824 observations from 2001 to 2024.

The primary dependent variable is the natural logarithm of quarterly job-to-job flows from an origin state to a destination state. The database also provides detailed job-to-job flows data for different age groups, gender, and race that allows for heterogeneous tests. I also examine interstate job-to-job flows of stable employment, which captures workers who possess stable employment in both origin and destination states and move without separation. Additionally, I analyze interstate job-to-job flows with short separations (brief unemployment spells between two jobs) to ensure that the main results are not driven by the specific definition of job-to-job transitions. Summary statistics for the key variables are presented in Table 1.

## *B. Election data*

I obtain state-level presidential election data from Ballotpedia. The sample period covers 6 U.S. presidential elections, i.e., 2004, 2008, 2012, 2016, 2020, and 2024. I classify each state as either Democratic-leaning or Republican-leaning based on the party of the winning candidate in the most

[4]Since I focus on interstate job-to-job flows, job moves within states are excluded from the analysis.

recent presidential election. To capture the intensity of political partisanship between two states, I construct a continuous measure of political distance, the absolute difference in the Democratic vote share between origin and destination states in the most recent presidential election. This variable ranges from values near zero to 0.689.

### *C. Regression specifications*

The main OLS regression specification is

$$\begin{aligned} Ln(job\ flow)_{o\to dt} = \beta toMisaligned_{o\to d,last\ election} + \mu RtoR_{o\to d,last\ election} \\ + \bar{\gamma}\bar{X}_{odt} + \alpha_o + \zeta_d + \rho_t + \epsilon_{o\to dt}, \end{aligned} \tag{8}$$

where $o$ and $d$ represent origin and destination states and $t$ denotes year-quarter. The dependent variable, $Ln(job\ flow)_{o\to d,t}$, is the natural logarithm of one plus interstate job flows from origin state $o$ and destination state $d$ in quarter $t$. The key independent variable, $toMisaligned$, is an indicator that equals one if different presidential candidates won the origin and destination states in the most recent election, and zero otherwise. In alternative specifications, $toMisaligned$ is replaced by $BtoR$ and $RtoB$, which are the dummies for job flows from blue to red states and from red to blue states, respectively.[5] Blue and red states are determined by the most recent presidential election. The vector $\bar{X}_{odt}$ includes control variables for the differences of personal income growth rates, unemployment rates, state-level economic policy uncertainty index (EPU) as proxies for economic condition, geographical distance, monthly average wage, and Zillow House Value Index (HVI) between destination state $d$ and origin state $o$ to proxy for moving cost. All continuous variables are winsorized at the 1st and 99th percentiles. The standard errors are clustered at both the origin-destination pair and year-quarter levels. The model includes origin state fixed effects ($\alpha_o$), destination state fixed effects ($\zeta_d$), and year–quarter fixed effects ($\rho_t$). The specification omits origin-destination pair fixed effects, since absorbing pair-level variation would remove much of the cross-state political variation the identification strategy exploits. However, the close-election design in subsection III.D possibly includes pair fixed effects without this issue, because identification there comes from a within-pair change in alignment status over time.

### *D. Close presidential elections*

To strengthen causal inference, I exploit close presidential elections within a margin of 3% as a source of plausibly exogenous variation in political alignment. Although presidential elections are anticipated, close elections provide plausibly exogenous variation in political outcomes, as narrow margins of victory are unlikely to be systematically correlated with underlying job market trends or economic fundamentals that affect interstate job-to-job flows. Consequently, a close-election

[5] Flows between two Democratic-leaning states (BtoB) are the omitted reference category, so all coefficients are interpreted relative to Blue-to-Blue flows. The results remain qualitatively similar if RtoR is used as the omitted category.

partisan flip provides plausibly exogenous variation in the future political environment, allowing me to identify the effect of political misalignment on interstate job-to-job flows.

I compare changes in interstate job flows before and after close elections that result in partisan flips with contemporaneous changes among control state pairs that experience no change in political alignment. The analysis is conducted at the directional state-pair level, with each observation measuring job flows from an origin state to a destination state. Each treated pair consists of one state that experiences a partisan flip in a close election and another swing state that does not flip in that election. The two states are politically aligned before the election. Because these pairs are aligned before the election, the partisan flip induces a discrete change in political alignment, such that treated pairs transition from alignment to misalignment following the close election. Since the job flows are directional, the sample includes flows in both directions between the two states.

To construct a comparable control group, I restrict the comparison states to swing states observed during the sample period. I define swing states based on states that experienced both Democratic and Republican presidential victories during the sample period from 2000 to 2020. Control pairs are formed by other swing-state pairs that are politically aligned prior to the election and remain aligned both in the close election and in the election before the close election. Thus, treated and control pairs share the same pre-election alignment, but only treated pairs experience a flip-induced transition from political alignment to misalignment.

For instance, Joe Biden narrowly won Georgia in the 2020 presidential election by a margin of 0.24%, despite Georgia voting Republican in the previous presidential election. This partisan flip generates political misalignment between Georgia and previously aligned Republican-voting swing states, including Florida, Iowa, Indiana, North Carolina, and Ohio. Accordingly, state pairs between Georgia and each of these states are classified as treated pairs, while state pairs formed among Florida, Iowa, Indiana, North Carolina, and Ohio are the control pairs for the 2020 close election in Georgia. Figure 1 illustrates the identification strategy using the 2020 Georgia close election as an example.

The final sample includes 16 close-election events with margins within 3% (see Panel A of Table 3). The empirical analysis examines directional interstate job-to-job flows between states that were politically aligned before an election. This approach captures how the loss of prior political alignment affects interstate job-to-job flows from an origin state to a destination state that were previously aligned, when one experiences a partisan flip in a close election and the other does not. To preserve clean identification, I exclude state pairs that both experience partisan flips in the same election, avoiding contamination from simultaneous treatment effects.

I employ a stacked difference-in-differences framework. I examine directional interstate job-to-job flows over a 24-quarter window, eleven quarters before and twelve quarters after the elections. The difference-in-differences regression on close elections is specified as

$$\begin{aligned} Ln(job\ flow)_{o\to d,t} = \beta Post_t \times Treated_{o\to d} + \bar{\gamma}\bar{X}_{o,d,t} \\ + \alpha_{o,j} + \zeta_{d,j} + \rho_t + \epsilon_{o\to d,j}, \end{aligned} \tag{9}$$

where $j$ represents a election event that covers eleven quarters before and twelve quarters after elections. The dependent variable is the natural logarithm of one plus the directional interstate job-to-job flow from origin state $o$ to destination state $d$. The estimation includes origin state-election fixed effects ($\alpha_{o,j}$), destination state-election fixed effects ($\zeta_{d,j}$), and year–quarter fixed effects ($\rho_t$).

# IV. Results

## *A. Main results*

I examine the impact of political ideology misalignment on interstate job-to-job flows. The results are presented in Table 2. The dependent variable is the natural logarithm of job flows (without separation) from an origin state to a destination state. The main specification includes origin state, destination state, and year–quarter fixed effects, along with a set of controls for economic conditions and geographic differences between state pairs.

Panel A Column (1) shows the OLS regression results without controls. The result shows that interstate job-to-job flows are reduced when origin and destination states are politically misaligned. The magnitude of the coefficient of *toMisaligned* is -0.46, which is statistically significant at a 1% level. The estimation in Column (2) includes control variables including differences in personal income growth rates, unemployment rates, economic policy uncertainty index from Baker, Davis and Levy (2022) (EPU), geographic distance, the difference of monthly average wage, and Zillow HVI index between states, along with the fixed effects as in Column (1). After controlling for these economic and geographic factors, political misalignment continues to significantly reduce interstate job-to-job flows by 12.0% quarterly with a T-statistic of -7.35.[6] The coefficient of *RtoR*, is positive and significant at a 1% level, suggesting that political alignment between two red states increases interstate job-to-job flows. As expected, the coefficients of the difference in personal income growth rate, monthly wage (destination state minus origin state) are positive, while the coefficients of the difference of unemployment rate and Zillow HVI and geographical distance are negative.

In Column (3), I specifically examine the effects of blue-to-red (BtoR) and red-to-blue (RtoB) states misalignment on interstate job flows. Both coefficients are negative and significant at a 1% level, with magnitudes of -0.123 and -0.133 respectively. The difference of the coefficients magnitudes of BtoR and RtoB are not statistically significant, suggesting that political misalignment creates symmetric frictions among blue and red states. To address potential concerns about electoral uncertainty, Column (4) excludes the election years from the sample. To isolate political effects from major economic disruptions, I exclude the Global Financial Crisis and pandemic years (2008, 2009, 2020) in Column (5). The results remain robust across these specifications.[7]

[6] The magnitude of the coefficient of toMisaligned is -0.128, converting to exp(-0.128)-1 that equals -12.0%. All percentage effects reported are calculated as exp($\beta$) - 1, where $\beta$ is the regression coefficient, given the dependent variable format log(1+job-to-job flows).

[7] In the main sample, 1,360 of the 222,824 state-pair-quarter observations, which is approximately 0.6% of the sample, have zero interstate job flows. To ensure that the treatment of these zero-flow observations does not drive

Panel A uses binary measures of political misalignment between origin and destination states. In Panel B, I employ two continuous measures of political partisanship between two states. I first construct political distance as the absolute difference in the Democratic presidential vote shares of the two states. The result is reported in Column (1). Consistent with the baseline results, a one-percentage-point increase in political distance is associated with a 1.59% decrease in quarterly interstate job-to-job flows. The coefficient is statistically significant at the 1% level. In Column (2), I use an alternative measure based on the State Democracy Index (SDI), which captures the extent to which a state's electoral institutions are free, fair, and accessible and its residents have equal opportunities to influence policy outcomes through elections.[8] SDI distance is defined as the absolute difference between the origin and destination states' index values. A one-unit increase in SDI distance is associated with a 3.4% decrease in quarterly interstate job-to-job flows, and the coefficient is statistically significant at the 1% level. Overall, these results suggest that partisan misalignment generates frictions in interstate job-to-job flows.

### *B. Close presidential elections*

#### B.1. Baseline difference-in-differences estimation

I employ the stacked difference-in-difference regressions, which covers eleven quarters before and twelve quarters after the election and the election quarter. The results are presented in Panel B of Table 3. Columns (1) and (2) present the baseline results using both from and to a flipped close election state. The coefficient of the interaction term is -0.049 with a T-statistic of -2.62, which translates to an 4.8% decline in quarterly interstate job-to-job flows. Columns (3) and (4) focus on job flows into flipped close election states from previous politically aligned states. The estimated effects are larger in magnitude, ranging from 5.16% to 5.92%, and remain statistically significant. In contrast, Columns (5) and (6) examine job flows originating from flipped close election states to previous politically aligned states. The estimated coefficients are smaller in magnitude and statistically insignificant. It suggests no meaningful change in outflows from flipped states following close-election partisan flips.

This suggests that the overall decline in interstate job flows is driven primarily by reduced inflows from previously aligned states into states experiencing a partisan flip following a close election. The asymmetric response is consistent with the possibility that political misalignment affects destination choice more strongly than incumbent residents' decisions to leave. Potential migrants can avoid a newly misaligned destination by delaying relocation or choosing among alternative destinations, whereas incumbent residents face higher costs of adjustment because relocating requires changing jobs and housing. Thus, the results indicate that political misalignment reduces the flipped state's attractiveness to prospective migrants.

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the results, I re-estimate the baseline specifications in **??** using Poisson pseudo-maximum likelihood (PPML), with the count of interstate job flows as the dependent variable. The results are robust but not reported in the paper.

[8]The State Democracy Index data are available at `https://democracypolicylab.berkeley.edu/state-democracy-index/`.

Applying the close-election difference-in-differences estimate (-4.8%) to observed quarterly interstate job-to-job flows among politically misaligned state-pairs implies approximately 46,354 foregone interstate job-to-job moves per year, equivalent to 1.9% of total interstate flows in the sample. Using the inflow-specific estimate as an upper bound, there are roughly 58,056 foregone moves, or 2.4% of total flows. These calculations are illustrative rather than structural, which extrapolate effects identified using close-election flips to the broader misaligned state-pairs and abstract from general-equilibrium adjustment. Nonetheless, it indicates that partisan misalignment is an economically non-trivial friction on the cross-state reallocation of human capital and may partially account for the well-documented secular decline in U.S. internal migration.

To alleviate the concern that a single flip event drives the results, I check the robustness of the estimates to excluding each of the sixteen flip events. In untabulated results, the close-election estimate remains negative and significant at the 1% level across all sixteen exclusions.

### B.2. Dynamic difference-in-differences estimation

Table 4 presents dynamic difference-in-differences estimates of the effect of partisan misalignment following close-election state flips on interstate job-to-job flows. Across all specifications, the pre-treatment coefficients are economically small and statistically insignificant. In Column (1), the coefficients for t-4 and before, t-3, and t-2 are close to zero and insignificant. Similar patterns appear in Columns (2) and (3) where I separate inflows to and outflows from flipped close election state. In addition, the joint pre-trend F-tests are insignificant in Columns (1) and (2), providing evidence consistent with the parallel trends assumption and suggesting that treated and control state pairs followed similar trends before the partisan flip. While when estimating inflows separately in Column (3), the F-test of pre-trend is slightly significant at a 10% level.

The post-election dynamics show that the negative effects emerge gradually rather than immediately after the election. In Column (1), which examines overall interstate job flows, the coefficients become increasingly negative after the election, with statistically significant declines beginning around the third quarter after the election. The estimates indicate that interstate job flows decline by approximately 5.5% and 5.9% the third and fifth quarters following the election. The magnitude of the coefficients suggests persistent reductions in interstate labor mobility following partisan misalignment induced by close-election flips.

Columns (2) and (3) decompose the effects into flows to flipped states and flows from flipped states, respectively. The results indicate that the overall decline is primarily driven by reduced inflows into flipped states. In Column (2), the coefficients become substantially negative after the election and are economically larger than those in the aggregate specification. The estimates imply that inflows into flipped states decline by approximately 7.3% at t+3, 8.6% at t+4, and 8.9% at t+5. These coefficients are statistically significant and suggest that workers in previously aligned states become less willing to relocate to states that experience partisan flips and lead to newly formed political misalignment.

In contrast, Column (3) shows little evidence of significant changes in outflows from flipped

states. Although several coefficients are negative, they are small in magnitude and statistically insignificant throughout the post-election periods. This asymmetry suggests that the reduction in interstate job flows is not driven by residents leaving flipped states, but by a decline in inflows from other states.

Overall, the dynamic estimates indicate that partisan misalignment generated by close-election flips produces persistent reductions in interstate labor mobility, primarily through reduced migration into flipped states from previous politically aligned states. One possible interpretation is that workers gradually update their perceptions of long-term policy alignment after partisan shifts.

### B.3. Non-flipping close election experiment

A concern is that the observed effects are driven by political misalignment rather than electoral uncertainty or other factors associated with close elections. In this subsection, I conduct a test using close elections with a margin of 3% that did not result in the winning candidate's party flip from the previous election in treated states. If the negative impact of political misalignment from flipping close elections is due to close election or uncertainty from close election, we should also observe the negative effect on interstate job flows involving non-flipped close election states.

In this test, treated state pairs are constructed using non-flipped close elections, while control pairs are defined analogously to the main specification. Panel A of Table 5 lists close presidential elections that did not have partisan flips from the previous elections during the sample period. Following the approach in subsection III.D, the falsification test examines a 24-quarter window including eleven quarters before and twelve quarters after the elections.

Panel B of Table 5 shows the baseline and dynamic regression estimates. In Column (1), the *Post*× *Treated* coefficients are consistently small and statistically insignificant. The results in Column (2) with control variables remain consistent. Column (3) reports the dynamic regression results. The coefficients are generally small and mostly insignificant, with no evidence of pre-trends. The joint pre-trend F-tests are insignificant. The falsification test results corroborate that the observed reductions in interstate job-to-job flows in the close election analysis in Table 3. It reflects that the declined interstate job-to-job flows are unlikely to be driven by election uncertainty or other confounding factors associated with close elections.

## *C. Policy misalignment vs ideology misalignment: evidence from gubernatorial elections*

The results in the above sections establish that partisan misalignment reduces interstate job flows. Workers may avoid misaligned states because they expect to live under uncongenial policies, or because they incur an identity cost from residing under a misaligned partisan ideology. Gubernatorial elections provide a way to potentially separate these channels. Governors and state legislatures largely determine the state policies a mover would actually live under, such as taxation, abortion access, gun regulation, and labor law. If the policy channel drives the friction, misalignment in state government should matter similarly as presidential elections.

Table 6 implements this test by including misalignment measures from both presidential and gubernatorial elections in the same specification. The results are one-sided. Presidential misalignment remains large and statistically significant across all specifications, with magnitudes essentially unchanged from the baseline, while gubernatorial misalignment is uniformly small and indistinguishable from zero. The pattern holds for directional flows (Column (3)), and when excluding election years (Column (4)) or the financial crisis and pandemic years (Column (5)). These results are difficult to reconcile with a policy-avoidance mechanism.

### *D. Abortion legality*

To further investigate the mechanism, I examine whether political misalignment still affects reproductive-aged women's interstate job-to-job flows among two abortion law aligned states. I expect that reproductive-aged women, who are more sensitive to the abortion regulation. The state-level abortion regulation has become increasingly polarized along partisan lines, especially after the Supreme Court overturned *Roe v. Wade* in 2022. I define abortion legality as permitting abortion on request before 12 weeks of gestation. I restrict the sample to state pairs with aligned abortion laws and examine whether political misalignment continues to affect interstate job-to-job flows among reproductive-age females.

Table 7 presents the results. In Column (1), the dependent variable is the natural logarithm of interstate job-to-job flows among females aged from 25 to 34. Even when states are aligned in abortion regulations, political misalignment is still associated with a 7.4% reduction in interstate job-to-job flows among reproductive-aged females. The coefficient is significant at a 5% level. In Column (2), the dependent variable is the share of interstate job-to-job flows among reproductive-aged females relative to all interstate job-to-job flows of female workers. When states are aligned in abortion regulations but differ in political ideology, the share of interstate job flows among females aged from 25 to 34 decreases by 0.45%. The coefficient is statistically significant at the 1% level. This finding implies that the decline in interstate labor mobility is not solely driven by abortion law, but more broadly reflects state-level partisan and ideological frictions.

### *E. Ideological Sorting and Deepening*

If political misalignment generates disutility from residing in ideologically incongruent environments, workers should not simply reduce mobility to misaligned destination. They may be more likely to move to destinations that are more closely aligned with their origin state's political orientation. In this section, I examine whether interstate job flows exhibit ideological deepening, defined as interstate job flows toward states that are more strongly aligned with the origin state's political ideology. I measure ideological deepening using two proxies. First, *Deepening* captures whether the destination state is more strongly oriented in the same partisan direction as the origin state. For two Democratic-leaning states, is defined as ($Democratic\ Voting\ Share_{Dest} - Democratic\ Voting\ Share_{Orig}$); for two Republican-leaning states, it is defined as ($Democratic\ Voting\ Share_{Orig} - Democratic\ Voting\ Share_{Dest}$). Thus, a positive value indicates that the destination is more

strongly aligned with the origin state's political orientation. For politically misaligned state pairs, *Deepening* is assigned a value of $-1$. Second, *Deepening_dummy* equals one if the destination state is more ideologically aligned with the origin state than the worker's current state, and zero otherwise.

The results are reported in Table 8. Columns (1) and (2) show that the coefficients on *deepening* and *deepening˙dummy* are both positive and statistically significant. These findings indicate that job flows are significantly higher toward destinations that share the origin state's political orientation but are more strongly oriented in the same partisan direction, consistent with workers sorting geographically along political lines.

Next, I examine whether this tendency becomes stronger when partisan conflict intensifies. Columns (3) and (4) interact ideological deepening with the partisan conflict index ($lnPCI$). The interaction terms are positive and statistically significant, indicating that political ideology becomes stronger as partisan conflict intensifies. During periods of heightened partisan conflict, job flows are increasingly directed toward states that are more strongly aligned with the origin state's political orientation. Taken together, the evidence is consistent with political polarization reinforcing geographic ideological clustering: as polarization intensifies, workers increasingly sort into more ideologically aligned states,potentially deepening political partisanship across regions.

### *F. Sub-period analysis*

Baker et al. (2020) suggest that political polarization has been increasing in recent years. In this section, I examine the impact of political misalignment on interstate job-to-job flows during two sub-periods: 2001-2011 and 2012-2024. The results are reported in Table 9. In the earlier period (2001-2011), political misalignment reduced interstate job-to-job flows by 5.8% in Column (1). The coefficient is statistically significant at a 1% level. The directional effects in Column (2) are consistent, i.e., blue-to-red job flows and red-to-blue job flows show modestly negative effects.

In contrast, Columns (4) and (5) suggest strengthened effects in 2012-2024. The later period shows substantially larger magnitudes and the coefficient is statistically significant at a 1% level. Political misalignment reduces interstate job flows by 17.55%. Most strikingly, both blue-to-red flows and red-to-blue flows show significant declines compared to the earlier period. The coefficients of BtoR and RtoB are statistically significant at a 1% level. Blue to red job flows decrease by 16.6% and red to blue job flows decrease by 18.5%. The difference in the coefficients of BtoR and RtoB is still not statistically significant. Panel B reports the p-values for the differences in coefficients across the two sub-periods. The results indicate that the coefficients differ significantly between the two periods.

This sub-period analysis suggests that political partisanship as a friction in interstate job flows has intensified substantially since 2012. The dramatic increase in magnitudes, indicates that political ideology has become an increasingly important factor in workers' job transition decisions.

### G. *Heterogeneous effects*

Table 10 examines heterogeneous effects of political misalignment across different demographic groups to understand which group is most sensitive in their mobility decisions. Panel A presents the heterogeneous effects of race, gender, and education. Comparing male and female, the effects are stronger among male workers, who experience an 12.5% decline in job flows between politically misaligned states in Column (1). In contrast, female workers show a smaller but significant 7.6% reduction in Column (2). The p-value of coefficient difference for male and female is 0.03. Race differences are also pronounced. White workers experience a larger reduction in interstate job flows (13.0%) compared to African American workers (7.1%) in Columns (3)-(4). This pattern suggests that White workers may be more sensitive to the political misalignment when making interstate job transition decisions. The p-value of coefficient difference for White and African American workers is 0.02.

Next, I explore heterogeneity by education level. Workers with a bachelor's degree or above experience a 9.33% reduction in interstate job flows due to political misalignment, while workers without a bachelor's degree experience a 10.77% reduction (Columns (5)–(6)). However, the p-value for the difference between the two groups is 0.515, indicating that the difference is not statistically significant.

The analysis across age cohorts in Panel B.1 reveals that the effect of political misalignment on interstate job transition decisions decreases with age. Workers aged from 25 to 34 show the largest response to political misalignment, with an 12.4% reduction in job flows as shown in Column (1). This effect is smaller for workers aged from 35 to 44 in Column (2), which is 10.5% reduction and is smallest for workers aged from 45 to 54 (6.2% reduction in Column (3)). Even though younger workers typically face fewer family constraints, the negative effects are stronger among young people in interstate job transitions to politically misaligned destination states. The coefficients of $toMisaligned$ are statistically significant at a 1% level in all three groups. The p-values of the coefficient differences reported in Panel B.2 indicate that the difference between the age groups 25–34 and 35–44 is not statistically significant. However, the coefficient for the age group 45–54 is significantly different from those for the age groups of 25–34 and 35–44.

I exploit the heterogeneity across industries in Panel C. The results indicate that political misalignment most strongly discourages job transitions in technology, information service, education, and finance sectors, where the estimated coefficients range from –0.103 to –0.071, all significant at the 1 % level. Notably, these high-tech sectors also exhibit high work-from-home (WFH) intensity that may facilitate cross-state matching. Thus, the strong effects in WFH-intensive industries arise despite the greater geographic flexibility afforded by remote work, reinforcing the interpretation that political misalignment meaningfully affects interstate job flows. Next, I find that the effect is modest for health care and the coefficient is significant at a 5% level. In contrast, the effects are weaker in manufacturing and statistically insignificant for construction where location decisions are driven more by physical capital.

These heterogeneous effects highlight that political frictions in interstate job-to-job flows are not

evenly distributed across the population. The strongest responses occur among young, male, and White workers are often those with the higher mobility and fewer family constraints (Koşar et al., 2022; Molloy et al., 2011). Political partisanship particularly constrains the interstate mobility of workers who would otherwise be most likely to move for economic opportunities, potentially exacerbating the efficient allocation of labor.

## *H. Robustness checks*

### H.1. The party of the president

Table A1 examines whether the effects of political misalignment on interstate job flows vary depending on the party of the sitting president. The key independent variables are the interaction terms between political misalignment measures and a dummy variable of Democratic presidential period. In Column (1), the interaction term *toMisaligned*×*Democratic* president has a coefficient of 0.003, which is statistically insignificant. This suggests that the effects of political misalignment are not significantly different under Democratic versus Republican presidencies. The analysis of directional flows in Column (2) provides corroborating evidence. The interactions with Democratic presidencies are small and insignificant for both directions (-0.006 and -0.012, respectively), indicating that cross-partisan flows are not differentially affected by presidential party control. Notably, the coefficient on *RtoR*×*Democratic* president is large and significant (0.089), suggesting that interstate job-to-job flows among Republican-leaning states are actually higher during Democratic presidencies. This pattern reflects heightened mobility among workers originating from Republican-leaning states seeking to relocate to politically aligned states when the opposing party holds the presidency.

The overall pattern suggests that workers appear to respond to political misalignment in similar ways regardless of which party holds the presidency. This persistence suggests that the frictions in interstate job transitions are unlikely a temporary phenomenon tied to specific party of presidency.

### H.2. The effects of neighboring states

A natural question is whether political frictions in interstate job flows diminish with geographic proximity, for example, among neighboring states that mobility costs are lower. To assess this possibility, I examine the interaction effects of political misalignment and states that share physical borders in Table A2. Although neighboring states exhibit substantially higher job flows overall, the interaction terms are generally small and statistically insignificant. Thus, there is little evidence that geographic proximity attenuates the effect of political misalignment. Political frictions persist even between adjacent states, suggesting that partisan barriers affect both short- and long-distance interstate job transitions.

### H.3. Robustness checks of close-election event study

In Table 3, I examine the effect of political partisanship on interstate job flows using close presidential elections. In the test, the sample is restricted to swing states in elections during 2000 to 2024, AZ, CO, FL, GA, IA, IN, MI, NC, NH, NM, NV, OH, VA, and WI, to ensure comparability across treated and control pairs. However, this practice may limit the sample size and exclude other states that have never flipped in presidential elections during the sample period. Therefore, in this robustness check, I expand the sample to include the states as long as it remains political aligned with the flipped close election states during the selected flipped close elections. That is, a state-pair is treated if it includes a close-election flipping state and other states with which it is politically aligned prior to the close election, such that the pair becomes misaligned following the close elections. Control pairs consist of state-pairs formed by other states that are aligned prior to the election but do not experience a partisan flip in that election and therefore remain aligned throughout the event.

The results are reported in Table A3 Panel A. Column (1) presents the baseline difference-in-differences regression results without control variables. After the flipped close elections, the interstate job flows among the newly formed politically misaligned states decrease. The coefficient corresponds to a 6.39% reduction and it is statistically significant at a 1% level. Column (2) reports the results with controls. The coefficient is statistically significant at a 1% level and it suggests a reduction of 6.11% in interstate job-to-job flows.

Next, I conduct a placebo test by assigning the treatment to placebo election years that occur two years before the actual presidential elections. The research design follows that of Table 2. The results are reported in Panel B of Table A3. Columns (1) and (2) use the same estimation window as the baseline analysis, spanning 11 quarters before and 12 quarters after the placebo elections. Because the placebo election years are relatively close to the actual elections, Columns (3) and (4) employ a narrower estimation window of 7 quarters before and 7 quarters after the placebo elections to minimize potential contamination from the true election events. Across all specifications, I find no evidence that interstate job flows decline following the placebo elections. The insignificant coefficients suggest that the baseline results are unlikely to be driven by pre-existing trends or spurious timing effects unrelated to actual partisan flips in close elections.

Overall, the results suggest that political misalignment generated by flipped close elections has a negative and persistent effect on interstate job-to-job flows, and the findings are robust across specifications.

### H.4. Other types of job flows

Table A4 presents robustness checks using three other types of interstate job-to-job flows: job flows of stable employment (workers with stable employment in both states in Columns (1)-(3)), job flows with separations (including brief unemployment spells in Columns (4)-(6)), and job flows of stable employment with separations (in Columns (7)-(9)). Across all specifications, political misalignment consistently reduces interstate job flows. Using the continuous measures of political

distance and SDI distance produces consistent results across all job-to-job flows definitions. These results demonstrate that impact of political frictions is robust across different types of interstate job-to-job flows.

### H.5. Fixed effects

Table A5 presents robustness checks with origin state×year-quarter and destination state×year-quarter fixed effects and year-quarter fixed effects. Including state×year-quarter fixed effects controls for time-varying, state-specific factors that could potentially confound the relationship between political alignment and job flows. Under this specification, political misalignment effects persist and exhibit a larger magnitude. Column (1) shows that political misalignment reduces interstate job flows by 13.8%, which is significant at a 1% level. Column (2) shows that the coefficient of political distance is negative significant at the 1% level. A 1% increase in political distance reduces interstate job-to-job flows by 1.73%. Column (3) suggests a consistent pattern that SDI distance is negatively associated with interstate job-to-job flows. A one unit increase in SDI distance is associated with 4.4% decrease in interstate job-to-job flows and the coefficient is statistically significant at a 1% level. Taken together, these findings provide consistent and robust evidence after controlling for state×time fixed effects.

### H.6. Additional controls

Table A6 presents robustness checks with additional controls. Panel A controls for total job outflows from origin states and total job inflows to destination states, to ensure that the political misalignment effects are not driven by overall job market dynamics or state-specific economic conditions that might correlate with political misalignment. Total job outflows control for the overall propensity of workers to leave the origin state, while total job inflows control for the general attractiveness of the destination state. I also control for neighbor state dummy. Despite these additional controls, political misalignment continues to significantly reduce interstate job flows.

Column (1) shows a 13.2% reduction that is significant at the 1% level, while the directional analysis in Column (2) reveals similar effects for blue-to-red flows (-12.8%) and red-to-blue flows (-13.6%), both coefficients significant at a 1% level. The regression with the continuous political distance measure in Column (3) indicates that a 1 % in political distance reduces job flows by approximately 1.54% with a 1% level statistical significance. Column (4) employs the continuous measure of SDI distance and suggests that one unit increase in SDI distance between origin and destination states is associated with 2.3% decrease in interstate job-to-job flows. The coefficient of SDI distance is statistically significant at a 5% level.The coefficients on the control variables exhibit expected patterns: both total job outflows and total job inflows are positively associated with interstate job-to-job flows, confirming that states with more active job markets generate more interstate job flows.

The regressions in Panel B additionally control for the difference in the GDP growth rate and regional price parities between the destination and origin states. The state-level quarterly GDP

data is available from 2005Q1, so the sample period for these regressions is restricted to 2005 and onward. Column (1) shows that political misalignment reduces interstate job flows by 18.1%, which is significant at the 1% level. The directional analysis in Column (2) suggests similar effects for blue-to-red flows (-17.4%) and red-to-blue flows (-18.6%). In Columns (3) and (4), I use the continuous measures of political distance and SDI distance. The results are consistent, indicating that larger political distance or SDI distance is negatively associated with interstate job-to-job flows. The coefficient on the GDP growth rate difference is positive and significant at the 10% level, confirming that states with stronger economic growth relative to origin states attract more interstate job flows. These results demonstrate that political partisanship effects on interstate labor mobility persist even after controlling for neighbor dummy, the job market dynamics, and the economic performance differences between two states.

# V. Conclusion

This paper provides evidence that political partisanship imposes significant frictions on interstate job-to-job flows in the United States. Using close presidential elections as a quasi-experiment, I find that interstate job flows decline substantially when prior political alignment between states breaks unexpectedly. The effects are particularly pronounced among male, white, and younger individuals, and are amplified in politically polarized states. The temporal patterns indicate that these frictions were modest between 2001 and 2011 but intensified from 2012 to 2024. Overall, the results suggest that reduced interstate mobility can further contribute to the geographic clustering of politically similar populations, which further discourages interstate job flows.

The findings have important implications for policymakers concerned with geographical job flow efficiency, regional economic disparity, and growing costs of political polarization in the United States. In traditional economic theory, labor mobility is a key adjustment mechanism that allows workers to move from declining areas to those experiencing growth. However, political frictions appear to impede this process. Future research could explore how these frictions contribute to regional disparities in economic opportunity and welfare.

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Figure 1: **Identification Strategy: Example from the 2020 Georgia Close Election**

This figure illustrates the identification strategy using the 2020 Georgia close presidential election as an example. The empirical analysis is based on a stacked difference-in-differences design that stacks all 16 close presidential elections resulting in partisan flips. Georgia's narrow partisan flip from Republican to Democratic created new political misalignment between Georgia and previously aligned Republican swing states (Florida, Iowa, Indiana, North Carolina, and Ohio), forming the treated state pairs. Control pairs are formed among swing states that remained politically aligned with one another throughout the event window. The difference-in-differences design compares changes in interstate job-to-job flows between the treated and control state pairs before and after the election.

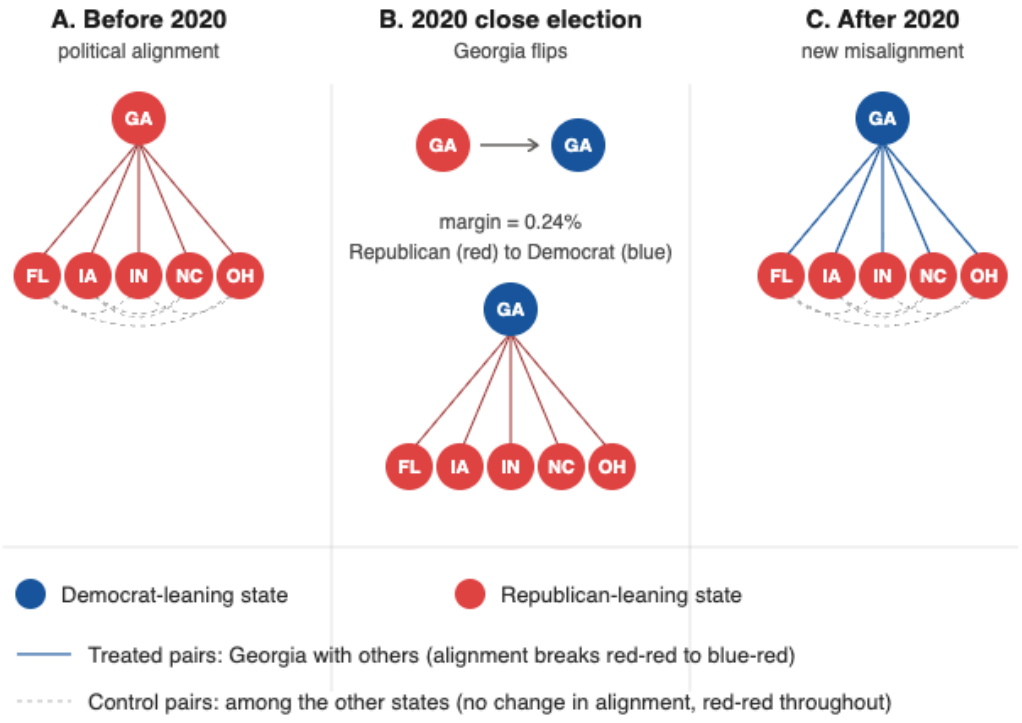


Table 1: Summary Statistics

This table reports the summary statistics of the key variables. All continuous variables are winsorized at the 1st and 99th percentiles.

| Variables | N | Mean | STD | P25 | Median | P75 |
|---|---|---|---|---|---|---|
| Job flows | 222,824 | 255 | 629 | 21 | 63 | 196 |
| toMisaligned | 222,824 | 0.50 | 0.50 | 0 | 0 | 1 |
| RtoR | 222,824 | 0.28 | 0.45 | 0 | 0 | 1 |
| BtoR | 222,824 | 0.25 | 0.43 | 0 | 0 | 0 |
| RtoB | 222,824 | 0.25 | 0.43 | 0 | 0 | 0 |
| toMisaligned (gubernatorial elections) | 216,041 | 0.50 | 0.50 | 0 | 0 | 1 |
| Job flows (stable employment) | 219,446 | 150 | 385 | 11 | 34 | 113 |
| Job flows with separation | 221,996 | 401 | 941 | 36 | 105 | 319 |
| Job flows with separation (stable employment) | 218,537 | 222 | 547 | 18 | 54 | 174 |
| Job flows white | 222,721 | 196 | 460 | 17 | 50 | 154 |
| Job flows African American | 204,883 | 39 | 135 | 1 | 6 | 23 |
| Job flows male | 222,207 | 152 | 371 | 12 | 39 | 119 |
| Job flows female | 221,985 | 104 | 263 | 8 | 24 | 78 |
| Job flows bachelor | 222,115 | 59 | 165 | 5 | 14 | 46 |
| Job flows nonbachelor | 222,115 | 197 | 477 | 16 | 49 | 150 |
| Job flows (age 25 to 34) | 220,930 | 85 | 209 | 7 | 21 | 67 |
| Job flows (age 35 to 44) | 218,605 | 54 | 139 | 4 | 13 | 41 |
| Job flows (age 45 to 54) | 216,412 | 39 | 97 | 3 | 10 | 29 |
| Political distance | 222,824 | 0.12 | 0.10 | 0.05 | 0.10 | 0.17 |
| SDI distance | 213,396 | 1.07 | 0.82 | 0 | 1 | 2 |
| Deepening | 222,824 | -0.50 | 0.51 | -1 | -0.38 | 0.00 |
| Deepening_dummy | 222,824 | 0.25 | 0.43 | 0 | 0 | 1 |
| Job flow % of 25-34 female among all female job flows | 213,985 | 32.89 | 17.11 | 25.00 | 32.49 | 40.00 |
| Personal income growth rate | 222,824 | 0 | 1.27 | -0.60 | 0 | 0.60 |
| Unemployment rate | 222,824 | 0 | 1.80 | -1.13 | 0 | 1.13 |
| EPU | 215,860 | 0 | 0.71 | -0.45 | 0 | 0.45 |
| Geographical distance | 208,925 | 7.27 | 0.77 | 6.82 | 7.36 | 7.80 |
| Polarization | 222,824 | 0.17 | 0.14 | 0.08 | 0.16 | 0.24 |
| Neighbor | 222,824 | 0.09 | 0.28 | 0 | 0 | 0 |
| GDP Growth | 169,986 | 0.00 | 0.01 | -0.01 | 0 | 0.01 |
| Monthly wage | 221,996 | 0 | 0.22 | -0.14 | 0 | 0.14 |
| HVI | 217,691 | 0 | 0.51 | -0.35 | 0 | 0.35 |
| RPP | 132,684 | 0 | 0.10 | -0.07 | 0 | 0.07 |
| Total job outflows | 222,824 | 9.10 | 0.85 | 8.55 | 9.18 | 9.73 |
| Total job inflows | 222,824 | 9.10 | 0.84 | 8.57 | 9.16 | 9.74 |
| Close elections (3%) with party flipping | | | | | | |
| Post | 11,524 | 0.50 | 0.50 | 0 | 1 | 1 |
| Treated | 11,524 | 0.29 | 0.45 | 0 | 0 | 1 |

Table 2: Political Alignment and Job Flows

This table examines the effect of political partisanship on interstate job flows in the U.S. The dependent variable is the natural log of job flows from origin state to destination state (including D.C.). The key independent variable, *toMisaligned*, is a dummy variable that equals 1 when the candidates from different party won origin and destination states in the most recent presidential election, and 0 otherwise. The other variables of interest are BtoR, RtoB, and political distance. BtoR is a dummy variable that equals 1 if origin state is a blue state and destination state is a red state in the most recent presidential election, and 0 otherwise. RtoB represents the reverse. Flows between two Democratic-leaning states (BtoB) are the omitted reference category, so all coefficients are interpreted relative to Blue-to-Blue flows. The results remain qualitatively similar if RtoR is used as the omitted category. To check the robustness of the results, Panel A Columns (4) excludes the election years from the sample, and Column (5) excludes the Global Financial Crisis and pandemic years (2008, 2009, 2020). Panel B employs continuous measures of political ideology disparity between states. Column (1) uses political distance, which is constructed the absolute difference in the percentage of Democratic votes between origin and destination states in the most recent presidential election. Column (2) employs state democracy index distance, which is defined as the absolute difference in origin and destination states' state democracy index (SDI). Detailed definition of the variables are reported in the Appendix. The control variables are the differences of personal income growth rate, unemployment rate, state-level EPU index (the value of destination state minus that of origin state), the natural log of the geographical distance, the difference of monthly average wage and House Value Index (HVI) between destination and origin states. All continuous variables are winsorized at the 1st and 99th percentiles. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are reported in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Binary misalignment variable

| | (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|---|
| toMisaligned | -0.460*** | -0.128*** | | -0.131*** | -0.131*** |
| | (-12.71) | (-7.35) | | (-7.38) | (-7.36) |
| BtoR | | | -0.123*** | | |
| | | | (-6.48) | | |
| RtoB | | | -0.133*** | | |
| | | | (-7.05) | | |
| RtoR | -0.008 | 0.028** | 0.028** | 0.025* | 0.026* |
| | (-0.33) | (2.02) | (2.02) | (1.76) | (1.72) |
| Personal income growth rate | | 0.008*** | 0.008*** | 0.005** | 0.006*** |
| | | (4.04) | (4.03) | (2.58) | (2.97) |
| Unemployment rate | | -0.021*** | -0.021*** | -0.021*** | -0.022*** |
| | | (-9.63) | (-9.58) | (-8.59) | (-9.07) |
| EPU | | 0.001 | 0.001 | 0.001 | 0.001 |
| | | (0.62) | (0.55) | (0.30) | (0.58) |
| Geographical distance | | -1.302*** | -1.302*** | -1.300*** | -1.303*** |
| | | (-48.83) | (-48.83) | (-48.58) | (-48.69) |
| Monthly wage | | 0.115* | 0.112* | 0.097 | 0.101 |
| | | (1.85) | (1.80) | (1.47) | (1.62) |
| HVI | | -0.044* | -0.044* | -0.035 | -0.051** |
| | | (-1.82) | (-1.78) | (-1.35) | (-2.09) |
| Constant | 4.450*** | 13.825*** | 13.825*** | 13.821*** | 13.861*** |
| | (136.38) | (69.72) | (69.72) | (69.53) | (69.76) |
| Observations | 222,824 | 197,463 | 197,463 | 153,985 | 170,419 |
| R-squared | 0.639 | 0.889 | 0.889 | 0.889 | 0.889 |
| Orig State FE | Yes | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes | Yes |
| Cluster at orig-dest | Yes | Yes | Yes | Yes | Yes |

Panel B: Continuous misalignment variable

| | (1) | (2) |
|---|---|---|
| Political distance | -1.587*** | |
| | (-11.98) | |
| State democracy index distance | | -0.034*** |
| | | (-3.09) |
| Personal income growth rate | 0.008*** | 0.008*** |
| | (4.02) | (4.01) |
| Unemployment rate | -0.021*** | -0.021*** |
| | (-9.65) | (-9.62) |
| EPU | 0.001 | 0.001 |
| | (0.62) | (0.43) |
| Geographical distance | -1.287*** | -1.328*** |
| | (-48.09) | (-49.36) |
| Monthly wage | 0.115* | 0.123** |
| | (1.86) | (2.23) |
| HVI | -0.044* | -0.036 |
| | (-1.87) | (-1.44) |
| Constant | 13.845*** | 14.037*** |
| | (70.44) | (69.93) |
| Orig State FE | Yes | Yes |
| Dest State FE | Yes | Yes |
| Year-quarter FE | Yes | Yes |
| Cluster at orig-dest | Yes | Yes |

Table 3: Close Presidential Elections

This table examines the effect of political partisanship on interstate job flows using close presidential elections. This design captures how workers from previously aligned states respond when their preferred party loses a close election in a destination (origin) state. I employ a stacked difference-in-differences specification. The dependent variable is the natural log of job flows from origin to destination states. The key independent variable is *Post*×*Treated*, where ***Post*** equals 1 for the twelve quarters following a close election and 0 for the election quarter and the eleven quarters preceding it. A state-pair is ***treated*** if it includes a close-election flipping state and other swing states with which it is politically aligned prior to the election, such that the pair becomes misaligned following the close elections. The sample is restricted to swing states, AZ, CO, FL, GA, IA, IN, MI, NC, NH, NM, NV, OH, VA, and WI, to ensure comparability across treated and control pairs. Control pairs consist of state-pairs formed by the swing states that are aligned prior to the election but do not experience a partisan flip in that election and therefore remain aligned throughout the event. Panel A reports these close election events with a 3% margin. Panels B and C present the baseline and dynamic difference-in-differences regression results. I further decompose the analysis by distinguishing job flows involving flipped states on either side of the pair, as well as flows into flipped states from previously aligned states and flows out of flipped states to previously aligned states. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination origin-destination-pair level. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Close presidential elections (3% margin)

| STATE | Year | D_rate | R_rate | Winner | STATE | Year | D_rate | R_rate | Winner |
|---|---|---|---|---|---|---|---|---|---|
| IA | 2004 | 0.492 | 0.499 | REPUBLICAN | NM | 2004 | 0.490 | 0.498 | REPUBLICAN |
| NH | 2004 | 0.502 | 0.488 | DEMOCRAT | FL | 2008 | 0.510 | 0.482 | DEMOCRAT |
| IN | 2008 | 0.499 | 0.489 | DEMOCRAT | NC | 2008 | 0.497 | 0.494 | DEMOCRAT |
| NC | 2012 | 0.484 | 0.504 | REPUBLICAN | FL | 2016 | 0.478 | 0.490 | REPUBLICAN |
| MI | 2016 | 0.473 | 0.475 | REPUBLICAN | PA | 2016 | 0.479 | 0.486 | REPUBLICAN |
| WI | 2016 | 0.465 | 0.472 | REPUBLICAN | AZ | 2020 | 0.494 | 0.491 | DEMOCRAT |
| GA | 2020 | 0.495 | 0.492 | DEMOCRAT | MI | 2020 | 0.506 | 0.478 | DEMOCRAT |
| PA | 2020 | 0.500 | 0.488 | DEMOCRAT | WI | 2020 | 0.494 | 0.488 | DEMOCRAT |

Panel B: The baseline difference-in-difference regressions

| VARIABLES | (1) | (2) | (3) | (4) | (5) | (6) |
|---|---|---|---|---|---|---|
| | From and to flipped states | | To flipped only | | From flipped only | |
| Post × Treated | -0.047*** | -0.049*** | -0.053** | -0.061*** | -0.039 | -0.039 |
| | (-2.73) | (-2.62) | (-2.37) | (-2.62) | (-1.56) | (-1.32) |
| Post | 0.145*** | 0.146*** | 0.145*** | 0.146*** | 0.145*** | 0.146*** |
| | (12.86) | (12.03) | (12.84) | (11.93) | (12.84) | (12.05) |
| Personal income growth rate | | 0.004 | | 0.006 | | 0.004 |
| | | (0.85) | | (1.20) | | (0.81) |
| Unemployment rate | | -0.009 | | -0.017*** | | -0.005 |
| | | (-1.56) | | (-2.75) | | (-0.76) |
| EPU | | 0.005 | | 0.001 | | 0.006 |
| | | (0.49) | | (0.12) | | (0.56) |
| Monthly wage | | -0.272 | | -0.286 | | -0.272 |
| | | (-0.72) | | (-0.70) | | (-0.68) |
| HVI | | -0.108 | | -0.189* | | -0.036 |
| | | (-1.05) | | (-1.75) | | (-0.32) |
| Constant | 5.262*** | 5.274*** | 5.252*** | 5.257*** | 5.258*** | 5.262*** |
| | (1,165.95) | (1,051.70) | (1,054.38) | (962.89) | (1,018.45) | (918.81) |
| Observations | 11,524 | 10,426 | 9,854 | 9,033 | 9,854 | 9,033 |
| R-squared | 0.966 | 0.968 | 0.967 | 0.969 | 0.967 | 0.969 |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Orig State*Election FE | Yes | Yes | Yes | Yes | Yes | Yes |
| Dest State*Election FE | Yes | Yes | Yes | Yes | Yes | Yes |
| Orig-dest pair FE | Yes | Yes | Yes | Yes | Yes | Yes |
| Cluster at Orig-dest pair | Yes | Yes | Yes | Yes | Yes | Yes |

Table 4: Close Presidential Elections – dynamic effects

This table examines the effect of political partisanship on interstate job flows using close presidential elections. This design captures how workers from previously aligned states respond when their preferred party loses a close election in a destination (origin) state. I employ a stacked difference-in-differences specification. The dependent variable is the natural log of job flows from origin to destination states. The key independent variable is *Post*×*Treated*, where ***Post*** equals 1 for the twelve quarters following a close election and 0 for the election quarter and the eleven quarters preceding it. The empirical design follows Table 3. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination origin-destination-pair level. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| VARIABLES | (1)<br>From and to | (2)<br>To | (3)<br>From |
|---|---|---|---|
| Election (t-4) &before ×Treated | 0.025 | 0.019 | 0.033 |
| | (0.93) | (0.52) | (1.07) |
| Election (t-3)×Treated | -0.016 | 0.001 | -0.031 |
| | (-0.47) | (0.02) | (-0.70) |
| Election (t-2)×Treated | 0.011 | 0.021 | 0.003 |
| | (0.34) | (0.52) | (0.08) |
| Election (t)×Treated | -0.047 | -0.041 | -0.050 |
| | (-1.65) | (-1.18) | (-1.36) |
| Election (t+1)×Treated | -0.041 | -0.049 | -0.028 |
| | (-1.65) | (-1.47) | (-0.84) |
| Election (t+2)×Treated | -0.023 | 0.001 | -0.042 |
| | (-0.72) | (0.02) | (-1.02) |
| Election (t+3)×Treated | -0.055** | -0.073** | -0.034 |
| | (-2.14) | (-2.19) | (-0.87) |
| Election (t+4)×Treated | -0.047 | -0.086* | -0.006 |
| | (-1.43) | (-1.90) | (-0.13) |
| Election (t+5)×Treated | -0.059* | -0.089** | -0.029 |
| | (-1.91) | (-2.03) | (-0.69) |
| Election (t+6) & after ×Treated | -0.037 | -0.048 | -0.026 |
| | (-1.64) | (-1.54) | (-0.76) |
| Personal income growth rate | 0.004 | 0.006 | 0.004 |
| | (1.05) | (1.45) | (1.04) |
| Unemployment rate | -0.009 | -0.015** | -0.008 |
| | (-1.48) | (-2.27) | (-1.14) |
| EPU | 0.005 | 0.002 | 0.005 |
| | (0.52) | (0.20) | (0.53) |
| Monthly wage | -0.272 | -0.247 | -0.334 |
| | (-0.97) | (-0.79) | (-1.11) |
| HVI | -0.108 | -0.181* | -0.044 |
| | (-1.06) | (-1.69) | (-0.39) |
| Constant | 5.502*** | 5.486*** | 5.490*** |
| | (457.07) | (403.89) | (424.53) |
| Observations | 10,426 | 9,033 | 9,033 |
| R-squared | 0.975 | 0.976 | 0.975 |
| F-stats of joint pre-trend | 0.237 | 0.865 | 0.082 |
| Orig State*Election FE | Yes | Yes | Yes |
| Dest State*Election FE | Yes | Yes | Yes |
| Orig-dest pair FE | Yes | Yes | Yes |
| Cluster at Orig-dest pair | Yes | Yes | Yes |

Table 5: Close Presidential Election Event Study Falsification Test

This table presents a falsification test using close elections (≤3% margin) that did not result in winning party switches. For example, in 2016 election in New Hampshire, Clinton won the state with 46.83% of the vote, while Trump lost with 46.46%, a 0.37% margin. In the 2012 election in New Hampshire, Democratic candidate Obama won the state. Although the 2016 election of New Hampshire was a close election by definition, there is no winning party switched. Therefore, no significant effects should be observed in interstate job flows between New Hampshire and other previously aligned states following the close election if our identification strategy of the winning party flipped close elections is valid. Panel A reports these events. A state-pair is ***treated*** if it includes a close-election non-flipping state and other swing states with which it is politically aligned prior to the election, such that the pair is still politically aligned following the close elections. Panel B reports the dynamic results. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) level. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Close elections (no winning party flipping)

| STATE | Year | D_rate | R_rate | Winner | STATE | Year | D_rate | R_rate | Winner |
|---|---|---|---|---|---|---|---|---|---|
| FL | 2012 | 0.500 | 0.491 | DEMOCRAT | ME | 2016 | 0.463 | 0.435 | DEMOCRAT |
| MN | 2016 | 0.464 | 0.449 | DEMOCRAT | MO | 2008 | 0.493 | 0.494 | REPUBLICAN |
| MT | 2008 | 0.473 | 0.495 | REPUBLICAN | NC | 2020 | 0.486 | 0.499 | REPUBLICAN |
| NH | 2016 | 0.468 | 0.465 | DEMOCRAT | NV | 2004 | 0.479 | 0.505 | REPUBLICAN |
| NV | 2016 | 0.479 | 0.455 | DEMOCRAT | NV | 2020 | 0.501 | 0.477 | DEMOCRAT |
| OH | 2004 | 0.487 | 0.508 | REPUBLICAN | OH | 2012 | 0.507 | 0.477 | DEMOCRAT |
| PA | 2004 | 0.509 | 0.484 | DEMOCRAT | WI | 2004 | 0.497 | 0.493 | DEMOCRAT |

Panel B: The difference-in-difference regressions

| VARIABLES | (1) | (2) | (3) |
|---|---|---|---|
| Post × Treated | 0.006 | 0.005 | |
| | (0.30) | (0.23) | |
| Election (t-4) &before ×Treated | | | 0.008 |
| | | | (0.30) |
| Election (t-3)×Treated | | | -0.001 |
| | | | (-0.04) |
| Election (t-2)×Treated | | | -0.025 |
| | | | (-0.66) |
| Election (t)×Treated | | | -0.003 |
| | | | (-0.10) |
| Election (t+1)×Treated | | | -0.026 |
| | | | (-0.73) |
| Election (t+2)×Treated | | | 0.033 |
| | | | (0.94) |
| Election (t+3)×Treated | | | 0.001 |
| | | | (0.02) |
| Election (t+4)×Treated | | | 0.041 |
| | | | (1.10) |
| Election (t+5)×Treated | | | -0.028 |
| | | | (-0.78) |
| Election (t+6) & after ×Treated | | | 0.009 |
| | | | (0.36) |
| Constant | 5.046*** | 5.054*** | 5.313*** |
| | (726.81) | (690.70) | (322.75) |
| Observations | 8,124 | 7,280 | 7,280 |
| R-squared | 0.962 | 0.965 | 0.972 |
| F-stats of joint pre-trend | | | 0.830 |
| Controls | No | Yes | Yes |
| Orig State*Election FE | Yes | Yes | Yes |
| Dest State*Election FE | Yes | Yes | Yes |
| Orig-dest pair FE | Yes | Yes | Yes |
| Cluster at orig-dest pair | Yes | Yes | Yes |

Table 6: Misaligned State Governor

This table examines the effect of political partisanship on interstate job flows in the U.S. The dependent variable is the natural log of employment flows from origin to destination states. I additionally control for the misalignment between the state governors of origin and destination states (toMisaligned (state)). Detailed definition of the variables are reported in the appendix. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| VARIABLES | (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|---|
| toMisaligned (presidential elections) | -0.451*** | -0.126*** | | -0.127*** | -0.128*** |
| | (-12.35) | (-7.07) | | (-7.02) | (-7.04) |
| BtoR | | | -0.121*** | | |
| | | | (-6.27) | | |
| RtoB | | | -0.130*** | | |
| | | | (-6.78) | | |
| toMisaligned (state governor) | -0.030 | -0.008 | -0.008 | -0.010 | -0.012 |
| | (-1.54) | (-0.89) | (-0.89) | (-1.13) | (-1.31) |
| RtoR | -0.017 | 0.025* | 0.025* | 0.023 | 0.023 |
| | (-0.66) | (1.76) | (1.76) | (1.55) | (1.48) |
| Personal income growth rate | | 0.008*** | 0.008*** | 0.006** | 0.006*** |
| | | (4.18) | (4.17) | (2.64) | (2.98) |
| Unemployment rate | | -0.022*** | -0.021*** | -0.021*** | -0.023*** |
| | | (-9.09) | (-9.05) | (-8.52) | (-9.00) |
| EPU | | 0.001 | 0.001 | 0.000 | 0.001 |
| | | (0.54) | (0.47) | (0.20) | (0.45) |
| Geographical distance | | -1.310*** | -1.310*** | -1.309*** | -1.311*** |
| | | (-48.76) | (-48.76) | (-48.56) | (-48.65) |
| Monthly wage | | 0.115* | 0.113* | 0.098 | 0.101 |
| | | (1.78) | (1.73) | (1.44) | (1.57) |
| HVI | | -0.040 | -0.039 | -0.030 | -0.047* |
| | | (-1.63) | (-1.59) | (-1.17) | (-1.95) |
| Constant | 4.463*** | 13.883*** | 13.883*** | 13.884*** | 13.924*** |
| | (128.59) | (69.47) | (69.47) | (69.30) | (69.62) |
| Observations | 216,041 | 191,554 | 191,554 | 148,844 | 164,894 |
| R-squared | 0.637 | 0.888 | 0.888 | 0.889 | 0.889 |
| Orig State FE | Yes | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes | Yes |
| Cluster at orig-dest | Yes | Yes | Yes | Yes | Yes |
| state-pair and year-quarter | | | | | |

Table 7: Abortion Law

This table examines the effect of political misalignment on interstates job flows in the U.S. among aligned abortion legality state pairs. The dependent variable in Columns (1) and (2) is the natural logarithm of job flows of female aged between 25-34 and the percentage of job flows of female aged between 25 to 34 years old among all female job flows from origin state to destination state. Abortion legality is defined as permitting abortion on request before 12 weeks of gestation. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Restricted to abortion legality aligned state pairs

| VARIABLES | (1)<br>Log(Job flow 25-34 female) | (2)<br>25-34 female job flow%<br>among all female |
|---|---|---|
| toMisaligned | -0.077** | -0.445*** |
| | (-2.39) | (-2.68) |
| Personal income growth rate | 0.007*** | 0.066 |
| | (5.07) | (1.62) |
| Unemployment rate | -0.021*** | 0.017 |
| | (-8.74) | (0.32) |
| EPU | 0.004 | 0.166* |
| | (1.37) | (1.96) |
| Geographical distance | -1.051*** | 2.755*** |
| | (-32.62) | (22.27) |
| Monthly wage | 0.099* | 1.678 |
| | (1.67) | (1.37) |
| HVI | -0.012 | 0.864 |
| | (-0.44) | (1.46) |
| Constant | 10.157*** | 14.043*** |
| | (42.19) | (15.62) |
| Observations | 100,814 | 100,070 |
| R-squared | 0.812 | 0.077 |
| Orig State FE | Yes | Yes |
| Dest State FE | Yes | Yes |
| Year-quarter FE | Yes | Yes |
| Cluster at orig-dest<br>state-pair and year-quarter | Yes | Yes |

Table 8: Ideological Deepening and Interstate Job Flows

This table examines whether interstate job flows are directed toward states that are more deeply aligned with the origin state's political ideology. The dependent variable is the natural log of job flows from origin state to destination state (including D.C.). Columns (1)-(2) report the OLS estimates. Deepening is defined as (*democratic voting share*$_{Dest}$-*democratic voting share*$_{0rig}$) if both states are blue, and (*democratic voting share*$_{Orig}$-*democratic voting share*$_{Dest}$) if both states are red, and deepening equals -1 if two states are misaligned. Deepening dummy equals one if the destination state is ideologically aligned with the origin state and exhibits a stronger partisan leaning (i.e., a higher vote share for the dominant party) than the origin state. Columns (3)–(4) interact Deepening with the log of the partisan conflict index (LnPCI) to examine whether ideological sorting intensifies during periods of greater partisan conflict. Detailed definition of the variables are reported in the appendix. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| VARIABLES | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Deepening | 0.140*** | | -0.313** | |
| | (9.49) | | (-2.51) | |
| Deepening dummy | | 0.112*** | | -0.205 |
| | | (6.61) | | (-1.45) |
| Deepening × lnPCI | | | 0.094*** | |
| | | | (3.61) | |
| Deepening dummy × lnPCI | | | | 0.066** |
| | | | | (2.21) |
| Personal income growth rate | 0.008*** | 0.008*** | 0.008*** | 0.008*** |
| | (4.07) | (4.12) | (4.08) | (4.15) |
| Unemployment rate | -0.022*** | -0.022*** | -0.022*** | -0.022*** |
| | (-9.64) | (-9.83) | (-9.67) | (-9.86) |
| EPU | 0.001 | 0.001 | 0.001 | 0.001 |
| | (0.62) | (0.48) | (0.64) | (0.48) |
| Geographical distance | -1.303*** | -1.317*** | -1.303*** | -1.317*** |
| | (-48.84) | (-49.25) | (-48.81) | (-49.24) |
| Monthly wage | 0.104* | 0.083 | 0.106* | 0.087 |
| | (1.67) | (1.33) | (1.70) | (1.39) |
| HVI | -0.042* | -0.038 | -0.044* | -0.044* |
| | (-1.71) | (-1.54) | (-1.80) | (-1.76) |
| Constant | 13.841*** | 13.848*** | 13.842*** | 13.848*** |
| | (69.75) | (69.15) | (69.70) | (69.14) |
| Observations | 197,463 | 197,463 | 197,463 | 197,463 |
| R-squared | 0.889 | 0.888 | 0.889 | 0.888 |
| Orig State FE | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes |
| Cluster at orig-dest state-pair and year-quarter | Yes | Yes | Yes | Yes |

Table 9: Sub-period Analysis

This table examines the effect of political partisanship on interstates job flows in the U.S during two subperiods, i.e., 2001-2011 and 2012-2024. The dependent variable is the natural log of employment flows from origin to destination states. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Sub-period analysis

| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| VARIABLES | 2001-2011 | | 2012-2024 | |
| toMisaligned | -0.060*** | | -0.193*** | |
| | (-3.30) | | (-11.04) | |
| BtoR | | -0.053** | | -0.182*** |
| | | (-2.35) | | (-9.28) |
| RtoB | | -0.066*** | | -0.205*** |
| | | (-3.34) | | (-10.62) |
| RtoR | 0.100*** | 0.100*** | -0.054*** | -0.054*** |
| | (7.04) | (7.04) | (-3.35) | (-3.35) |
| Personal income growth rate | 0.007** | 0.007** | 0.005* | 0.005* |
| | (2.50) | (2.50) | (1.97) | (1.94) |
| Unemployment rate | -0.024*** | -0.023*** | -0.016*** | -0.016*** |
| | (-5.42) | (-5.43) | (-8.05) | (-8.15) |
| EPU | 0.002 | 0.002 | 0.001 | 0.000 |
| | (0.58) | (0.53) | (0.32) | (0.15) |
| Geographical distance | -1.319*** | -1.319*** | -1.291*** | -1.291*** |
| | (-47.31) | (-47.31) | (-47.56) | (-47.56) |
| Monthly wage | 0.243** | 0.243** | 0.010 | 0.004 |
| | (2.62) | (2.63) | (0.14) | (0.06) |
| HVI | -0.113*** | -0.115*** | -0.053 | -0.049 |
| | (-2.83) | (-2.94) | (-1.42) | (-1.30) |
| Constant | 13.830*** | 13.830*** | 13.837*** | 13.837*** |
| | (67.25) | (67.25) | (68.24) | (68.24) |
| Observations | 82,792 | 82,792 | 114,671 | 114,671 |
| R-squared | 0.894 | 0.894 | 0.888 | 0.888 |
| Orig State FE | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes |
| Cluster at orig-dest state-pair and year-quarter | Yes | Yes | Yes | Yes |

Panel B: P-value of subsample coefficient difference in two sub-periods

| Variables | toMisaligned | B to R | R to B |
|---|---|---|---|
| Coefficient difference | 0.000 | 0.000 | 0.000 |

Table 10: Heterogeneous Effects

This table examines the heterogeneous effect of political partisanship on interstates job flows in the U.S. Panel A presents the results on education, race, gender, and education. Panels B and C report the results on different age groups and industries. The dependent variable is the natural log of employment flows from origin to destination states. Detailed definition of the variables are reported in the appendix. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Race, gender, and education

| VARIABLES | (1) Male | (2) Female | (3) African American | (4) White | (5) Bachelor or above | (6) No Bachelor |
|---|---|---|---|---|---|---|
| toMisaligned | -0.133*** | -0.079*** | -0.074*** | -0.139*** | -0.098*** | -0.114*** |
| | (-7.53) | (-4.59) | (-3.75) | (-7.97) | (-6.03) | (-6.35) |
| RtoR | 0.033** | 0.039*** | 0.021 | 0.026* | 0.052*** | 0.025* |
| | (2.23) | (3.11) | (1.26) | (1.81) | (4.34) | (1.69) |
| Personal income growth rate | 0.009*** | 0.005** | 0.006*** | 0.008*** | 0.008*** | 0.008*** |
| | (4.86) | (2.60) | (3.50) | (3.91) | (5.15) | (3.76) |
| Unemployment rate | -0.021*** | -0.022*** | -0.015*** | -0.023*** | -0.020*** | -0.021*** |
| | (-8.93) | (-10.05) | (-5.85) | (-9.59) | (-10.94) | (-9.12) |
| EPU | 0.001 | 0.002 | 0.003 | 0.001 | 0.004* | 0.001 |
| | (0.56) | (0.72) | (0.93) | (0.32) | (1.72) | (0.39) |
| Geographical distance | -1.298*** | -1.263*** | -1.044*** | -1.317*** | -1.094*** | -1.337*** |
| | (-49.64) | (-46.89) | (-41.90) | (-48.89) | (-46.17) | (-49.38) |
| Monthly wage | 0.078 | 0.170*** | 0.363*** | 0.086 | 0.021 | 0.136** |
| | (1.21) | (2.90) | (4.74) | (1.37) | (0.39) | (2.09) |
| HVI | -0.041* | -0.045* | -0.024 | -0.063** | -0.026 | -0.047* |
| | (-1.68) | (-1.88) | (-0.85) | (-2.49) | (-1.19) | (-1.83) |
| Constant | 13.294*** | 12.622*** | 9.797*** | 13.694*** | 10.902*** | 13.819*** |
| | (68.38) | (62.95) | (52.95) | (68.37) | (61.69) | (68.72) |
| Observations | 197,074 | 196,919 | 184,233 | 197,401 | 197,065 | 196,512 |
| R-squared | 0.880 | 0.868 | 0.809 | 0.879 | 0.870 | 0.882 |
| P-value of coef difference | 0.033 | | 0.016 | | 0.515 | |
| Orig State FE | Yes | Yes | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes | Yes | Yes |
| Cluster at orig-dest state-pair and year-quarter | Yes | Yes | Yes | Yes | Yes | Yes |

Panel B.1: Age groups

| VARIABLES | (1)<br>25-34 | (2)<br>35-44 | (3)<br>45-54 |
|---|---|---|---|
| toMisaligned | -0.132*** | -0.111*** | -0.064*** |
| | (-7.45) | (-6.24) | (-3.69) |
| RtoR | 0.031** | 0.015 | 0.032** |
| | (2.18) | (1.06) | (2.30) |
| Observations | 196,131 | 194,368 | 192,725 |
| R-squared | 0.859 | 0.843 | 0.826 |
| Controls | Yes | Yes | Yes |
| Orig State FE | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes |

Panel B.2: P-value of coefficient difference

| Sub-groups | 25-34 and 35-44 | 35-44 and 45-54 | 25-34 and 45-54 |
|---|---|---|---|
| P-value | 0.394 | 0.059 | 0.006 |

Panel C: Industries

| VARIABLES | (1)<br>Technology | (2)<br>Information Service | (3)<br>Finance | (4)<br>Education | (5)<br>Health Care | (6)<br>Manufacture | (7)<br>Construction |
|---|---|---|---|---|---|---|---|
| toMisaligned | -0.093*** | -0.092*** | -0.071*** | -0.103*** | -0.051** | -0.039* | 0.012 |
| | (-4.94) | (-4.39) | (-3.25) | (-4.78) | (-2.62) | (-1.85) | (0.45) |
| RtoR | 0.049*** | 0.039* | 0.022 | -0.013 | -0.014 | 0.027* | 0.177*** |
| | (2.69) | (1.98) | (0.99) | (-0.40) | (-0.72) | (1.67) | (4.82) |
| Observations | 159,710 | 110,596 | 139,342 | 154,774 | 176,872 | 145,886 | 160,876 |
| R-squared | 0.715 | 0.502 | 0.437 | 0.655 | 0.706 | 0.613 | 0.663 |
| Orig State FE | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

# Appendix A.

Table A1: President Party

This table examines the effect of political partisanship on interstates job flows in the U.S. The dependent variable is the natural log of employment flows from origin to destination states. The control variables follow Table 2. Detailed definition of the variables are reported in the appendix. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| VARIABLES | (1) | (2) |
|---|---|---|
| toMisaligned | -0.132*** | |
| | (-6.18) | |
| toMisaligned×Democratic president | 0.003 | |
| | (0.20) | |
| BtoR | | -0.122*** |
| | | (-5.01) |
| BtoR×Democratic president | | -0.006 |
| | | (-0.32) |
| RtoB | | -0.141*** |
| | | (-6.13) |
| RtoB×Democratic president | | 0.012 |
| | | (0.71) |
| RtoR | -0.012 | -0.012 |
| | (-0.72) | (-0.72) |
| RtoR×Democratic president | 0.089*** | 0.089*** |
| | (4.87) | (4.87) |
| Personal income growth rate | 0.008*** | 0.008*** |
| | (4.04) | (4.02) |
| Unemployment rate | -0.021*** | -0.022*** |
| | (-9.62) | (-9.46) |
| EPU | 0.001 | 0.001 |
| | (0.63) | (0.63) |
| Geographical distance | -1.302*** | -1.302*** |
| | (-48.75) | (-48.75) |
| Monthly wage | 0.115* | 0.109* |
| | (1.85) | (1.75) |
| HVI | -0.044* | -0.042* |
| | (-1.82) | (-1.71) |
| Constant | 13.823*** | 13.823*** |
| | (69.72) | (69.72) |
| Observations | 197,463 | 197,463 |
| R-squared | 0.889 | 0.889 |
| Orig State FE | Yes | Yes |
| Dest State FE | Yes | Yes |
| Year-quarter FE | Yes | Yes |
| Cluster at orig-dest state-pair and year-quarter | Yes | Yes |

Table A2: Neighboring States

This table examines the interaction effect of political partisanship and neighboring states on interstates job flows in the U.S. The dependent variable is the natural log of employment flows from origin to destination states. The control variables follow Table 2. Detailed definition of the variables are reported in the appendix. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| VARIABLES | (1) | (2) |
|---|---|---|
| toMisaligned | -0.139*** | |
| | (-8.40) | |
| toMisaligned × Neighbor | 0.054 | |
| | (0.43) | |
| BtoR | | -0.134*** |
| | | (-6.60) |
| BtoR × Neighbor | | 0.055 |
| | | (0.36) |
| RtoB | | -0.144*** |
| | | (-7.09) |
| RtoB × Neighbor | | 0.053 |
| | | (0.34) |
| RtoR | 0.001 | 0.001 |
| | (0.05) | (0.05) |
| RtoR × Neighbor | 0.193 | 0.193 |
| | (1.51) | (1.51) |
| Neighbor | 0.956*** | 0.956*** |
| | (8.52) | (8.52) |
| Personal income growth rate | 0.008*** | 0.008*** |
| | (3.95) | (3.94) |
| Unemployment rate | -0.021*** | -0.021*** |
| | (-9.52) | (-9.45) |
| EPU | 0.001 | 0.001 |
| | (0.59) | (0.52) |
| Geographical distance | -1.018*** | -1.018*** |
| | (-43.48) | (-43.48) |
| Monthly wage | 0.115* | 0.112* |
| | (1.81) | (1.76) |
| HVI | -0.044* | -0.044* |
| | (-1.81) | (-1.78) |
| Constant | 11.673*** | 11.673*** |
| | (67.23) | (67.23) |
| Observations | 197,463 | 197,463 |
| R-squared | 0.911 | 0.911 |
| Orig State FE | Yes | Yes |
| Dest State FE | Yes | Yes |
| Year-quarter FE | Yes | Yes |
| Cluster at orig-dest state-pair and year-quarter | Yes | Yes |

Table A3: Robustness Check of Close Presidential Elections

This table presents the robustness checks of the baseline difference-in-differences regression results. In Panel A, I expand beyond swing states and include all states that do not experience a partisan flip in a given election as counter parties. A state-pair is ***treated*** if it includes a close-election flipping state and other states with which it is politically aligned prior to the election, such that the pair becomes misaligned following the close elections. Control pairs consist of state-pairs formed by other states that are aligned prior to the election but do not experience a partisan flip in that election and therefore remain aligned throughout the event. In Panel B, I create a placebo treatment year that is two years before the elections. The estimation window of Columns (1) - (2) is (-11,12), while in Columns (3) - (4), the estimation window is shortened to (-7,7) to avoid the confounding effects with real election years. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination origin-destination-pair level. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Robustness to Alternative Control Group Construction

| VARIABLES | (1) | (2) |
|---|---|---|
| Post × Treated | -0.066*** | -0.063*** |
| | (-7.18) | (-6.23) |
| Post | 0.117*** | 0.106*** |
| | (41.71) | (36.35) |
| Personal income growth rate | | 0.004*** |
| | | (3.42) |
| Unemployment rate | | -0.016*** |
| | | (-6.03) |
| EPU | | -0.003 |
| | | (-0.87) |
| Monthly wage | | 0.004 |
| | | (0.05) |
| HVI | | -0.147*** |
| | | (-4.31) |
| Constant | 4.444*** | 4.547*** |
| | (3,121.42) | (2,984.26) |
| Observations | 76,210 | 69,104 |
| R-squared | 0.956 | 0.960 |
| Orig State*Election FE | Yes | Yes |
| Dest State*Election FE | Yes | Yes |
| Orig-dest pair FE | Yes | Yes |
| Cluster at Orig-dest pair | Yes | Yes |

Panel B: Robustness to placebo treatment year

| VARIABLES | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| Post × Treated | 0.003 | 0.008 | -0.017 | -0.004 |
| | (0.18) | (0.55) | (-1.11) | (-0.22) |
| Post | 0.042*** | 0.041*** | 0.053*** | 0.046*** |
| | (4.57) | (4.50) | (5.40) | (4.49) |
| Personal income growth rate | | 0.003 | | 0.000 |
| | | (0.85) | | (0.03) |
| Unemployment rate | | -0.010 | | -0.013 |
| | | (-1.44) | | (-1.50) |
| EPU | | 0.008 | | 0.003 |
| | | (0.94) | | (0.38) |
| Monthly wage | | -0.205 | | -0.342 |
| | | (-0.64) | | (-0.85) |
| HVI | | 0.008 | | 0.018 |
| | | (0.08) | | (0.22) |
| Constant | 5.261*** | 5.276*** | 5.238*** | 5.256*** |
| | (1,374.21) | (1,283.42) | (1,477.95) | (1,363.33) |
| Observations | 7,526 | 6,392 | 4,932 | 4,176 |
| R-squared | 0.961 | 0.963 | 0.964 | 0.967 |
| Orig State*Election FE | Yes | Yes | Yes | Yes |
| Dest State*Election FE | Yes | Yes | Yes | Yes |
| Orig-dest pair FE | Yes | Yes | Yes | Yes |
| Cluster at Orig-dest pair | Yes | Yes | Yes | Yes |

Table A4: Stable Jobs and Jobs with Separations

This table examines the effect of political partisanship on interstate job flows in the U.S. The dependent variable is the natural log of employment flows from origin to destination states. Detailed definition of the variables are reported in the appendix. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|---|
| VARIABLES | | J2J (stable) | | | J2J with separation | | | J2J with separation (stable) | |
| toMisaligned | -0.127*** | | | -0.122*** | | | -0.124*** | | |
| | (-7.16) | | | (-7.21) | | | (-7.28) | | |
| Political distance | | -1.554*** | | | -1.573*** | | | -1.548*** | |
| | | (-11.33) | | | (-12.41) | | | (-11.78) | |
| State democracy | | | -0.038*** | | | -0.032*** | | | -0.036*** |
| index distance | | | (-3.37) | | | (-2.98) | | | (-3.29) |
| RtoR | 0.021 | | | 0.035*** | | | 0.025* | | |
| | (1.58) | | | (2.67) | | | (1.97) | | |
| Personal income | 0.010*** | 0.010*** | 0.010*** | 0.008*** | 0.008*** | 0.009*** | 0.010*** | 0.010*** | 0.010*** |
| growth rate | (5.84) | (5.80) | (5.64) | (4.56) | (4.53) | (4.46) | (5.85) | (5.81) | (5.55) |
| Unemployment rate | -0.027*** | -0.027*** | -0.026*** | -0.021*** | -0.021*** | -0.020*** | -0.028*** | -0.028*** | -0.028*** |
| | (-11.83) | (-11.85) | (-12.25) | (-9.01) | (-9.04) | (-9.00) | (-11.02) | (-11.02) | (-11.35) |
| EPU | 0.006** | 0.006** | 0.006** | 0.005** | 0.005** | 0.005** | 0.006*** | 0.006*** | 0.007*** |
| | (2.46) | (2.46) | (2.53) | (2.22) | (2.23) | (2.19) | (2.92) | (2.91) | (3.20) |
| Geographical distance | -1.292*** | -1.276*** | -1.317*** | -1.263*** | -1.247*** | -1.287*** | -1.255*** | -1.240*** | -1.279*** |
| | (-47.77) | (-47.03) | (-48.15) | (-48.44) | (-47.76) | (-48.92) | (-47.06) | (-46.37) | (-47.36) |
| Monthly wage | 0.173*** | 0.173*** | 0.179*** | -0.006 | -0.007 | 0.007 | 0.088 | 0.088 | 0.096** |
| | (2.98) | (2.99) | (3.60) | (-0.11) | (-0.11) | (0.14) | (1.53) | (1.54) | (1.99) |
| HVI | -0.053** | -0.053** | -0.044* | -0.061*** | -0.061*** | -0.052** | -0.077*** | -0.077*** | -0.068*** |
| | (-2.18) | (-2.24) | (-1.76) | (-2.66) | (-2.73) | (-2.15) | (-3.18) | (-3.26) | (-2.71) |
| Constant | 13.177*** | 13.192*** | 13.388*** | 14.357*** | 14.379*** | 14.556*** | 13.639*** | 13.656*** | 13.837*** |
| | (65.52) | (66.15) | (65.56) | (74.07) | (74.97) | (74.18) | (68.76) | (69.51) | (68.64) |
| Observations | 195,112 | 195,112 | 188,197 | 197,463 | 197,463 | 188,383 | 194,556 | 194,556 | 187,729 |
| R-squared | 0.878 | 0.880 | 0.879 | 0.897 | 0.900 | 0.897 | 0.889 | 0.891 | 0.889 |
| Orig State FE | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Cluster at orig-dest | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| state-pair and year-quarter | | | | | | | | | |

Table A5: Robustness Checks: Alternative Fixed Effects

This table examines the effect of political partisanship on interstate job flows in the U.S. The dependent variable is the natural log of employment flows from origin to destination states. The control variables follow Table 2. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

| VARIABLES | (1) | (2) | (3) |
|---|---|---|---|
| toMisaligned | -0.149*** | | |
| | (-9.69) | | |
| Political distance | | -1.725*** | |
| | | (-11.87) | |
| State democracy index distance | | | -0.045*** |
| | | | (-3.26) |
| Personal income growth rate | 0.000 | 0.000 | 0.001 |
| | (0.18) | (0.15) | (0.73) |
| Unemployment rate | 0.005 | 0.005 | 0.006 |
| | (0.20) | (0.21) | (0.25) |
| EPU | 0.009 | 0.009 | -0.014 |
| | (0.21) | (0.24) | (-0.42) |
| Geographical distance | -1.301*** | -1.283*** | -1.326*** |
| | (-48.73) | (-47.88) | (-49.18) |
| Montly wage | -0.075 | -0.074 | 0.039 |
| | (-0.11) | (-0.12) | (0.06) |
| HVI | 0.116 | 0.116 | 0.235 |
| | (0.42) | (0.48) | (0.74) |
| Constant | 13.834*** | 13.837*** | 14.034*** |
| | (69.69) | (70.46) | (69.87) |
| Observations | 197,463 | 197,463 | 188,383 |
| R-squared | 0.899 | 0.902 | 0.900 |
| Year-quarter FE | Yes | Yes | Yes |
| Orig State*YQ FE | Yes | Yes | Yes |
| Dest State*YQ FE | Yes | Yes | Yes |

Table A6: Robustness Checks: Additional Controls

This table examines the effect of political partisanship on interstate job flows in the U.S. I additionally control for neighboring states dummy, the total job outflows from origin states, and the total job inflows to destination states in the same quarter in Columns (1) to (3). Columns (4) to (6) additionally control for the difference in the quarterly GDP growth rate and regional price parities between the destination and origin states. The state-level quarterly GDP data is available until 2005Q1. Therefore, the sample period of the regressions reported in Columns (4) to (6) is 2005 to 2024. The other control variables follow Table 2. The dependent variable is the natural log of employment flows from origin to destination states. All continuous variables are winsorized at the 1st and 99th percentiles and standardized. The regressions control for fixed effects as indicated. Standard errors are clustered at the origin state and destination state pair (orig-dest) and year-quarter levels. The sample period is 2001–2024. $T$-statistics are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Control for total job outflows and inflows

| VARIABLES | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| toMisaligned | -0.142*** | | | |
| | (-9.32) | | | |
| BtoR | | -0.137*** | | |
| | | (-8.31) | | |
| RtoB | | -0.146*** | | |
| | | (-8.76) | | |
| Political distance | | | -1.538*** | |
| | | | (-13.79) | |
| State democracy | | | | -0.023** |
| index distance | | | | (-2.35) |
| RtoR | 0.001 | 0.001 | | |
| | (0.09) | (0.09) | | |
| Personal income growth rate | 0.003** | 0.003** | 0.003** | 0.003** |
| | (2.48) | (2.48) | (2.54) | (2.55) |
| Unemployment rate | -0.010*** | -0.010*** | -0.011*** | -0.010*** |
| | (-6.35) | (-6.24) | (-6.48) | (-5.95) |
| EPU | -0.000 | -0.000 | -0.000 | -0.001 |
| | (-0.05) | (-0.17) | (-0.02) | (-0.45) |
| Geographical distance | -1.011*** | -1.011*** | -0.996*** | -1.020*** |
| | (-41.28) | (-41.28) | (-41.32) | (-44.93) |
| Monthly wage | 0.034 | 0.031 | 0.036 | 0.031 |
| | (0.66) | (0.61) | (0.72) | (0.82) |
| HVI | -0.042** | -0.041** | -0.042** | -0.034* |
| | (-2.24) | (-2.22) | (-2.29) | (-1.82) |
| Neighbor | 1.065*** | 1.065*** | 1.066*** | 1.078*** |
| | (18.05) | (18.05) | (18.26) | (18.86) |
| Total job outflows | 0.523*** | 0.523*** | 0.505*** | 0.532*** |
| | (15.44) | (15.45) | (14.61) | (15.38) |
| Total job inflows | 0.658*** | 0.658*** | 0.636*** | 0.667*** |
| | (21.37) | (21.36) | (20.61) | (21.80) |
| Constant | 0.811 | 0.811 | 1.177** | 0.698 |
| | (1.63) | (1.64) | (2.37) | (1.40) |
| Observations | 197,463 | 197,463 | 197,463 | 188,383 |
| R-squared | 0.916 | 0.916 | 0.918 | 0.917 |
| Orig State FE | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes |
| Cluster at orig-dest | Yes | Yes | Yes | Yes |

Panel B: Additional controls

| VARIABLES | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| toMisaligned | -0.200*** | | | |
| | (-11.09) | | | |
| BtoR | | -0.191*** | | |
| | | (-9.46) | | |
| RtoB | | -0.210*** | | |
| | | (-10.54) | | |
| Political distance | | | -1.991*** | |
| | | | (-14.56) | |
| State democracy | | | | -0.025** |
| index distance | | | | (-2.10) |
| RtoR | -0.014 | -0.014 | | |
| | (-0.84) | (-0.85) | | |
| Personal income growth rate | 0.000 | 0.000 | 0.000 | 0.000 |
| | (0.18) | (0.16) | (0.23) | (0.42) |
| Unemployment rate | -0.007*** | -0.007*** | -0.008*** | -0.006*** |
| | (-4.65) | (-4.60) | (-4.74) | (-4.23) |
| EPU | -0.000 | -0.000 | 0.000 | -0.001 |
| | (-0.21) | (-0.59) | (0.01) | (-1.15) |
| Geographical distance | -0.992*** | -0.992*** | -0.972*** | -0.995*** |
| | (-33.42) | (-33.42) | (-33.99) | (-37.59) |
| Monthly wage | 0.001 | -0.002 | 0.004 | -0.005 |
| | (0.02) | (-0.02) | (0.07) | (-0.15) |
| HVI | -0.052** | -0.051** | -0.049** | -0.037* |
| | (-2.48) | (-2.40) | (-2.35) | (-1.75) |
| Neighbor | 1.112*** | 1.112*** | 1.115*** | 1.132*** |
| | (16.76) | (16.76) | (17.00) | (17.98) |
| Total job outflows | 0.717*** | 0.717*** | 0.694*** | 0.733*** |
| from origin states | (15.94) | (15.90) | (15.65) | (15.32) |
| Total job inflows | 0.838*** | 0.839*** | 0.798*** | 0.841*** |
| to destination states | (23.29) | (23.30) | (22.39) | (22.86) |
| GDP | 0.170* | 0.172* | 0.199* | 0.152* |
| | (1.69) | (1.73) | (1.78) | (1.94) |
| RPP | 0.065 | 0.064 | 0.052 | 0.033 |
| | (0.86) | (0.86) | (0.66) | (0.44) |
| Constant | -2.817*** | -2.814*** | -2.225*** | -2.999*** |
| | (-3.93) | (-3.92) | (-3.18) | (-4.01) |
| Observations | 114,419 | 114,419 | 114,419 | 107,561 |
| R-squared | 0.913 | 0.913 | 0.917 | 0.914 |
| Orig State FE | Yes | Yes | Yes | Yes |
| Dest State FE | Yes | Yes | Yes | Yes |
| Year-quarter FE | Yes | Yes | Yes | Yes |
| Cluster at orig-dest | Yes | Yes | Yes | Yes |
| state-pair and year-quarter | | | | |

# Appendix B. Variable definitions

| Variables | Definitions | Sources |
|---|---|---|
| Job flows | The natural log of job flows from origin state to destination state (including D.C.). | U.S. Census |
| Job flows (stable employment) | The natural log of job flows (stable employment) from origin state to destination state. | As above |
| Job flows with separations | The natural log of job flows (with separation spell between jobs) from origin state to destination state. | As above |
| Job flows with separations (stable employment) | The natural log of job flows (stable employment with separation spell between jobs) from origin state to destination state. | As above |
| Total job outflows | The natural log of total job outflows from origin state. | As above |
| Total job inflows | The natural log of total job inflows to destination state. | As above |
| toMisaligned | A dummy variable that equals 1 when origin and destination states voted for different presidential candidates in the most recent election, and 0 otherwise. | Ballotpedia |
| RtoR | A dummy variable that equals 1 if origin and destination states are red states in the most recent presidential election, and 0, otherwise. | As above |
| BtoR | A dummy variable that equal 1 if origin state is a blue state and destination state is a red state in the most recent presidential election, and 0 otherwise. | As above |
| RtoB | A dummy variable that equals 1 if origin state is a red state and destination state is a blue state in the most recent presidential election, and 0 otherwise. | As above |
| Post | A dummy variable that equals 1 for the twelve quarters following a close election and 0 for the election quarter and the eleven quarters preceding it. | |
| Treated | The states that satisfy two criteria (1) the most recent presidential election margin was within 3%, and (2) the election winner's party switched from the previous election. | |
| Political distance | The absolute difference in the percentage of Democratic votes between the origin and destination states in the most recent presidential election. | As above |

*Continued on the next page*

| Variables | Definition | |
|---|---|---|
| SDI distance | The absolute difference between the origin and destination states' index values. | UC Berkeley Democracy Policy Lab |
| toMisaligned (state governor) | A dummy variable that equals 1 when origin and destination states voted for different party in their most recent gubernatorial elections and 0, otherwise. | As above |
| Deepening | (*democratic voting share*$_{Dest}$-*democratic voting share*$_{0rig}$) if both states are blue, and (*democratic voting share*$_{Orig}$-*democratic voting share*$_{Dest}$) if both states are red, and equals -1 if two states are misaligned. | |
| Deepening dummy | A dummy variable that equal 1 if the destination state is ideologically aligned with the origin state and exhibits a stronger partisan leaning than the origin state and 0, otherwise. | As above |
| LnPCI | The natural log of partisan conflicts index. | Fed of Philadelphia |
| 25-34 female job flow% | The percentage of job flows of female aged between 25 to 34 years old among all female job flows from the origin state to the destination state. | U.S. Census |
| Personal income growth rate | The difference of personal income growth rate between destination state and origin state. | U.S. Census |
| Unemployment rate | The difference of unemployment between destination state and origin state. | As above |
| EPU | The difference of the state-level EPU between destination and origin states. | Baker et al. (2022) |
| Geographical distance | The geographical distance between the capitals of destination and origin states. | Bureau of Transportation Statistics |
| Monthly wage | The difference of the natural logarithm of monthly average wage between destination and origin states. | U.S. Census |
| HVI | The difference of the natural logarithm of Zillow House Value Index between destination and origin states. | Zillow |
| Neighbor dummy | A dummy variable that equals 1 when origin and destination states share border and 0, otherwise. | Google Map |
| GDP Growth | The difference of GDP growth between destination state and origin state (available from 2005 onward). | U.S. Census |
| RPP | The difference of regional price parities between destination state and origin state (available from 2008 to 2023). | BEA |