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. Exploiting close presidential elections as a quasi-natural experiment, I show that newly formed misalignment following partisan flips reduces quarterly job flows by 5.1%-5.8% between flipped states and their previously aligned counterparts. Workers also increasingly sort toward states whose political orientation more closely aligned with that of the origin state. Additional evidence suggests that this mobility friction reflects partisan identity and broader ideological differences rather than disparities in specific state policies. Overall, this study identifies political ideology as an important source of friction in interstate job-to-job flows.

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, and home state bias in shaping mobility decisions (Bartel, 1979; Stark and Bloom, 1985; Diamond, 1981; Kennan and Walker, 2011; Wilson, 2026). 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 by layoff rather than workers preference.

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 5.1%-5.8% when a narrow presidential electoral victory breaks prior political alignment between states.

Job flow 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

[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.

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.

To measure political misalignment, I collect state-level presidential election outcomes. State-level election outcomes characterize the political orientation of states rather than the partisan affiliation of individual workers. Accordingly, because the analysis uses aggregate interstate job-to-job flows, the estimates capture the overall flow response to changes in state-level political alignment, potentially combining offsetting responses among workers with different political preferences.

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 a continuous measure of 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. While the analysis relies on state-level political ideology as a proxy for aggregate political preferences in the state, individual ideology is not perfectly align with the aggregate political orientation of a state. Nevertheless, state-level ideology 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 job moves 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 within a 3% victory margin 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. My primary quasi-experimental design compares state pairs transitioning from political alignment to misalignment following a close presidential election with pairs formed by non-flipping swing states that remain aligned. To improve comparability, an alternative design restricts both treated and control pairs to states experiencing close elections in the same year. However, this restriction reduces the sample size and excludes the 2020 election due to the absence of eligible control pairs.

Using this identification strategy, I find that quarterly interstate job-to-job flows decline by 5.1%-5.8% when the close elections break previous political alignment. Consistent with the parallel trend assumption, pre-election coefficients are jointly insignificant, placebo election years produce no effect, and close elections without a partisan flip show no decline in job flows. The close election results are robust to different victory margins.

State-pair job flows aggregate moves by workers with diverse political preferences. Although close-election flips provide plausibly exogenous variation in electoral alignment between states, a narrow victory need not represent the political preferences of most residents. Instead, it may signal a change in the state's political environment to potential movers. To explore this interpretation, I distinguish flows into and out of flipping states. Inflows from previously aligned states decline by 5.1%–5.3%, while outflow effects are less robust, consistent with a decline in the flipping state's perceived attractiveness as a destination.

Additionally, I find evidence that workers sort toward states that share their origin state's political orientation and lean more strongly in the same partisan direction. In a difference-in-differences analysis of close elections that do not result in a partisan flip, job flows from those states to more strongly aligned destinations increase by 2% after the election. These patterns are consistent with interstate mobility contributing to geographic ideological clustering.

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 presiden-

tial and gubernatorial election outcomes. I find that interstate job-to-job flows are significantly affected by presidential elections misalignment, even when state governors' parties are aligned. 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 aligned abortion laws. I find that political misalignment significantly reduces interstate job-to-job flows for women aged from 25 to 34, even among state pairs aligned in their abortion regulations. Together, these findings suggest that the mobility friction associated with political misalignment cannot be fully explained by differences in specific state policies.

I further show that the negative effects of political misalignment are stronger among male, white, people with a bachelor degree, and people aged from 25 to 44. Moreover, 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). Wilson (2026) documents a substantial discontinuity in geographic mobility at state borders. Comparing similarly distant counties, the paper finds that migration rates are lower across state lines than within states. The paper attributes much of this discontinuity to home-state bias. However, the role of political preference on interstate job-to-job moves has received relatively little attention. This study joins the existing literature on labor mobility by examining whether political compatibility further shapes mobility conditional

on crossing a state border. Rather than comparing within-state and cross-state moves, I compare quarterly job-to-job flows across state pairs with different political alignments and exploit close presidential elections that change this alignment. The results highlight that workers' job transition decisions are not solely driven by financial considerations or job market fundamentals, but also associated with the political alignment of origin and destination states.

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,[2] 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 aggregate job flows are higher toward destinations that share, and lean more strongly toward, the origin state's electoral orientation, 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 describes the data and empirical methodology. Section III reports empirical evidence. Section IV concludes.

[2]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.

II. 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.[3] 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 number 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, and 2020. I classify each state as either Democratic-leaning or Republican-leaning based on the party of the winning candidate

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

in the most 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

$$\begin{aligned} Job\ flow_{o\to dt} = \beta toMisaligned_{o\to d,last\ election} + \mu RtoR_{o\to d,last\ election} \\ + \bar{\gamma}\bar{X}_{odt} + \alpha_o + \zeta_d + \rho_t + \epsilon_{o\to dt}, \end{aligned} \tag{1}$$

where o and d represent origin and destination states and t denotes year-quarter. The dependent variable, $Jobflow_{o\to d,t}$, is the number of 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.[4] 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

[4]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.

includes origin state fixed effects (α_o), destination state fixed effects (ζ_d), and year–quarter fixed effects (ρ_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 II.D can include 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 partisan flip provides plausibly exogenous variation in the future political environment, allowing me to identify the effect of political misalignment/alignment on interstate job-to-job flows.

I compare changes in interstate job flows before and after close elections that result in partisan flips with that 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. I examine both situations where the two states are politically aligned and misaligned 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.

Our estimates capture the aggregate response of directional interstate job-to-job flows to a narrow partisan flip that breaks a previously shared state election outcome. State election outcomes characterize the political environments of origin and destination states; they do not identify individual workers' partisan affiliations. Aggregate responses may therefore combine increased flows among workers who become more aligned with a destination and decreased flows among workers who become less aligned. A negative estimate establishes a decline in the total flow relative to its counterfactual, but does not separately identify these components or quantify partisan sorting. Conditional on offsetting partisan responses, the underlying reallocation across worker types may be larger than the aggregate change.

D.1. Swing states as control pairs

To construct a comparable control state pairs, I restrict the comparison state pairs to be formed by swing states observed during the sample period but not flipped in the corresponding elections. 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.

I illustrate the change using Georgia's 2020 election. 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.

D.2. Non-flipped close election states as control pairs

In subsubsection II.D.1, I construct control pairs using swing states that do not flip in the election under consideration. However, these states need not experience close elections in the same year. To improve comparability, the second quasi-experimental design restricts both treated and control pairs to states that experience close elections in the same election year. Treated pairs consist of a state that flips and a state that does not flip, with the two states politically aligned before the election but misaligned afterward. Control pairs consist of pairs of non-flipped close-election states that remain politically aligned with each other before and after the election.

For example, in 2004, New Hampshire flipped from Republican to Democratic in a close election with a victory margin of 1.4%. In the same year, Nevada and Ohio also experienced close elections, whereas the two states remained Republican. Therefore, New Hampshire–Nevada and New Hampshire–Ohio pairs are treated, while the Nevada–Ohio pair serves as a control. In 2020 elections, there are five states that experienced flipped close elections from Republican to Democratic, i.e., Arizona, Georgia, Michigan, Pennsylvania, and Wisconsin. However, North Carolina was the only state that experienced a close election without flipping. Because constructing a control pair requires two distinct non-flipped close-election states, the 2020 election does not provide any eligible control pairs and is therefore excluded from this experiment.

D.3. Empirical design

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 23-quarter window, eleven quarters before and twelve quarters after the elections. I exclude the election quarter from the estimation window. Because elections occur in early November and election-quarter flows reflect decisions made before the outcome was known. Excluding this partially treated quarter ensures that the post-period begins with the first full quarter in which the new partisan alignment is known. The difference-in-differences regression on close elections is specified as

$$\begin{aligned} Job\ flows_{o\to d,t} = \beta Post_t \times Treated_{o\to d} + \bar{\gamma}\bar{X}_{o,d,t} \\ + \xi_{o,d} + \alpha_{o,j,t} + \epsilon_{o\to d,j}, \end{aligned} \tag{2}$$

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

III. Results

A. Main results

I examine the impact of political ideology misalignment on interstate job-to-job flows. The PPML regression results are presented in Table 2. The dependent variable is the number 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.

The result in Panel A Column (1) 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 -0.10, which corresponds to a 9.69% reduction in job flows. The coefficient is statistically significant at a 1% level.[5] The control variables include 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 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 (2), 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. Misalignment between BtoR is associated with a 8.97% reduction in interstate job flows, while misalignment between RtoB is associated with a 10.4% reduction in interstate job flows. 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,

Columns (1) and (2) employ binary measures of political misalignment between origin and destination states. In Column (3), I employ a continuous measure 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. Consistent with the baseline results using binary variables, a one-percentage-point increase in political distance is associated

[5]Wilson (2021) documents a substantial discontinuity in geographic mobility at state borders, finding that migration between similarly distant counties is 58% lower across state lines after accounting for local characteristics, state policies, and political differences. Although the estimates are not directly comparable because of differences in outcomes and research designs, the comparison suggests that political incompatibility is a meaningful but modest component of the broader non-pecuniary frictions separating state labor markets.

with a 1.91% decrease in quarterly interstate job-to-job flows. The coefficient is statistically significant at the 1% level.

I check the robustness of the results in Columns (4) to (6). First, 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). To alleviate the impact of COVID-19 and the afterwards work-from-home prevalence, I exclude years after 2020 and re-estimate the regression. The results remain robust across these specifications. 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. The regression controls for origin-destination pair fixed effects, origin state and election and time fixed effects. Standard errors are clustered at the origin-destination pair level. Panel A of Table 3 report the flipped close election events during the sample period. The regression results are presented in Panel B.

Columns (1) and (2) present the difference-in-differences results using the changes in a flipped close election from alignment to misalignment. I focus on newly formed political misalignment following a close election. A treated pair includes a state that flips and a nonflipping swing state that was aligned with it before the election. Swing states are defined by the elections in the sample period. Control pairs comprise those swing states that do not flip in that election and remain politically aligned with the flipped close election states before the elections. The coefficient of the interaction term in the baseline estimation in Column (1) is -0.052 and statistically significant at a 1% level, which translates to an 5.07% decline in quarterly interstate job-to-job flows. Column (2) reports the dynamic difference-in-differences estimation results. The pre-treatment coefficients are economically small and

statistically insignificant. The coefficients of the interaction term are insignificant in quarters (t+1) and (t+2). Starting from quarter (t+3), we find a consistent and significant decline in interstate job-to-job flows until quarter (t+6). The corresponding reductions in interstate job flows are 5.64%, 12.01%, 4.97%, and 4.87%, respectively. The coefficients of the interaction terms at (t+4) is statistically significant at a 1% level and at a 5% level for (t+3), (t+5), and (t+6) & after.

In the above empirical design, the control pairs consists swing states that not flipped in the same election and therefore remain aligned with the pre-election ideology of the flipped close election states. To alleviate the concern that these state pairs are not comparable, I adopt the empirical strategy in subsubsection II.D.2, which requires control state pairs to be nonflipped close election states in the specified election. Columns (3) and (4) report the results. Treated pairs consist of a state that flips in the election and a state that does not flip but experiences close election and also shares its political alignment after the election. The result in Column (3) indicates that political misalignment causes a 5.8% reduction in quarterly interstate job flows among states that are used to be aligned before the flipped close election. The dynamic results in Column (4) suggests that interstate job flows increases by 11.8% in quarter (t+2). The coefficient is positive and significant at a 1% level. In quarter (t+3), the reduction in interstate job flows is 8.7% and the coefficient of the interaction term is statistically significant at a 1% level. The coefficients for t-4 and before, t-3, and t-2 are close to zero and insignificant. The dynamic estimates indicate that partisan misalignment generated by close-election flips produces persistent reductions in interstate labor mobility.

B.2. Directional job-to-job flows

In subsubsection III.B.1, I include job flows of both directions. Although close elections provide plausibly exogenous variation in state electoral alignment, the mechanism linking a narrow partisan flip to aggregate job flows warrants further examination. A narrowly win election need not indicate a substantial change in residents' underlying political preferences,

but its outcome may signal a change in the state's political environment to potential movers. To explore this interpretation, I separately examine flows into and out of the flipping state. A response concentrated in reduced inflows from previously aligned states would be consistent with a decline in the flipping state's perceived attractiveness as a politically misaligned destination.

The results are presented in Table 4. I find a consistent decline in job flows into flipping states from previously aligned states. Using swing-state controls in Panel A, the coefficient on $Post \times Treated$ is -0.052, corresponding to a 5.1% decline in inflows. Using nonflipping close-election states as controls in Panel B, yields a similar coefficient of -0.054, implying a 5.3% decline. Both estimates are statistically significant at the 1% level. In contrast, the outflow estimates to previously aligned states are less robust across comparison groups: the coefficient is positive and statistically insignificant with swing-state controls, but negative and significant at the 10% level with nonflipping close-election controls.

The dynamic estimates provide additional evidence on the timing of these responses. With swing-state controls, inflow declines emerge in the third quarter after the election and remain statistically significant in subsequent periods. With nonflipping close-election controls, significant inflow declines occur in the second and third quarters, while later estimates are imprecise. Neither comparison group exhibits a sustained pattern of significant post-election outflow declines. Joint tests do not reject that the pre-election coefficients are jointly zero in any specification, with p-values ranging from 0.135 to 0.322.

Taken together, the directional results provide more consistent evidence of reduced inflows to flipping close election states than of changes in outflows from flipping close election states to previously aligned states. The inflow decline is consistent with a narrow partisan flip serving as a negative signal about the destination's political environment for some potential movers from previously aligned states. However, because the data aggregate workers with diverse political preferences, these estimates do not directly identify perceptions of job movers.

C. *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, I construct *Deepening_dummy*, which equals one if the destination state is more ideologically aligned with the worker's current state, and zero otherwise. The result is reported in Column (1) of Table 5. The coefficient on *deepening_dummy* is positive and statistically significant, indicating 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.

Second, I use a difference-in-differences design based on close presidential elections with victory margins within 3% in which the state does not flip. Treated pairs consist of a close-election state and another state that shares its political alignment. Control pairs consist of the comparison states paired with one another. This design tests whether job flows toward the close-election state change relative to flows among the comparison states after the election.

First, in Column (2), I examine the interstate job flows both from and to non-flipped close election states. The coefficient is positive but remains statistically insignificant. A more precise test of the deepening effects is on the job flows from non-flipped close election states to other states that have high voting share of the aligned party. Therefore, in Column (3), I examine the job flows from non-flipped close election states to other aligned states with a higher vote share for the same party. The interaction coefficient is significant at the 1% level: following a close election without a partisan flip, flows to these more strongly

aligned destinations increase by approximately 2%. This directional result is consistent with ideological deepening.

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.

D. 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, political misalignment from presidential elections should matter less when state governors' party aligned. Table 6 implements this test by restricting the sample to state governor aligned states. Presidential misalignment remains large and statistically significant across all specifications. In Column (1), the coefficient of toMisaligned is negative and significant at a 1% level. Among state governor party aligned states, presidential misalignment is associated with 12.3% reduction in interstate job-to-job flows. Column (2) employs directional variables of blue-to-red and red-to-blue. Both coefficients are negative and significant at a 1% level. In Column (3), the coefficient of political distance is negative and statistically significant at a 1% level. A one-percentage-point increase in political distance is associated with a 2.02% decrease in quarterly interstate job-to-job flows. These results are difficult to reconcile with a policy-avoidance mechanism.

E. Abortion legality

To further investigate the policy mechanism, I examine whether among abortion law aligned states, political misalignment still affects reproductive-aged women's interstate job-to-job flows, who are likely to be 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 Columns (1) to (3), the dependent variable is the count 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 15.7% reduction in interstate job-to-job flows among reproductive-aged females. The coefficient is significant at a 5% level. The coefficients of BtoR and RtoB are negative and significant at a 5% level in Column (2). The result in Column (3) suggest that a one-percentage-point increase in political distance is associated with a 3.08% decrease in quarterly interstate job-to-job flows between abortion law aligned states among female aged 25 to 34.

In Columns (4)–(6), I use the share of interstate job-to-job flows among women aged 25–34 relative to all interstate job-to-job flows among female workers as the dependent variable. Column (4) shows that, even when states have aligned abortion regulations, political misalignment is associated with a 0.58-percentage-point decline in this share. The coefficient is statistically significant at the 1% level. In Column (5), the coefficient on BtoR is negative and significant at the 1% level, whereas the coefficient on RtoB is negative but statistically insignificant. The negative coefficient on political distance in Column (6) indicates that greater ideological distance is associated with a lower share of interstate job flows among women aged 25–34, even when abortion laws are aligned. Collectively, these findings suggest that the decline in interstate labor mobility among women of reproductive age is not

driven solely by differences in abortion laws but also reflects broader partisan and ideological frictions across states.

F. Heterogeneous effects

Table 8 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. Columns (1) - (2) report the results of the interstate job flows among male and female workers. The magnitudes of the effects are similar among the two groups. Political misalignment is associated with 9.88% and 8.97% decrease among male and female workers. Race differences is more pronounced in Columns (3)-(4). White workers experience a larger reduction in interstate job flows (8.7%) while the effects of political misalignment is not significant among African American workers. This pattern suggests that job flows among White workers exhibit a larger estimated decline associated with state-level political misalignment. Finally, I examine workers with a bachelor's degree or higher. Political misalignment is associated with a 10.95% reduction in interstate job flows for this group—the largest estimated decline among the demographic groups examined in Panel A.

The analysis across age cohorts in Panel B 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 12.19% 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 9.5% reduction and is smallest for workers aged from 45 to 54 (6.39% 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 the two younger worker groups and 5% level in the age group of 45-54.

I exploit the heterogeneity across industries in Panel C. The results indicate that political

misalignment most strongly discourages job transitions in information service and education sectors, where the estimated coefficients significant at the 1 % level. 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.

F.1. The party of the president

Table 9 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 -0.031, 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, indicating that cross-partisan flows are not differentially affected by presidential party control. Notably, the coefficient on *RtoR*×*Democratic* president is large and significant (0.081), suggesting that interstate job-to-job flows among Republican-leaning states are actually higher during Democratic presidencies. Column (3) reveals a consistent pattern that the effects of political distance are not significantly different under Democratic versus Republican presidencies. This pattern reflects higher job flows between Republican-leaning

states during Democratic presidencies.

The overall pattern suggests that interstate job flows among 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.

G. Robustness checks

G.1. Robustness checks of close-election event study

In Table 3, standard errors are clustered at origin-destination state pair level to account for serial correlation within each state pair. However, shocks may be correlated across observations sharing the same origin state or destination state. Therefore, I check the robustness of the close election switch to misaligned baseline results using two-way clustered standard errors. The result is reported in Column (1) of Table A1 Panel A. The standard error of the interaction term $Post \times Treated$ remain similar to that of Column (1) in Table 3. The coefficient is significant at a 5% level.

In the baseline estimation, I employ close presidential elections with a victory margin of 3%. In this subsection, I examine the robustness of the difference-in-differences results to different victory margin. First, I use a different set of close elections with the victory margins of 1.5% and 5% and investigate the effect of political misalignment caused by flipped close elections on interstate job flows. The results are reported in Columns (2) and (3), respectively. The results indicate that after the flipped close elections, the interstate job flows among the newly formed politically misaligned states decrease. The coefficient corresponds to a 5.26% reduction and it is statistically significant at a 5% level. Column (2) reports the results for flipped close elections with a 5% victory margin. The coefficient is statistically significant at a 1% level and it suggests a reduction of 5.45% 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 results are reported in

Panel B of Table A1. The test in Column (1) uses the same estimation window as the baseline analysis, spanning 11 quarters before and 12 quarters after the placebo elections and excluding pseudo election quarters. Because the placebo election years are relatively close to the actual elections, Columns (2) employ a narrower estimation window of 7 quarters before and 8 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.

A concern is that the observed effects are driven by electoral uncertainty or other factors associated with close elections rather than political misalignment. While the increased interstate job flows in the case of political alignment after flipped close elections should mitigate this concern. 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 state pairs. The control pairs consist of swing states that did not flip political ideology in the specific election. 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. Following the approach in subsection II.D, the falsification test examines a 23-quarter window including eleven quarters before and twelve quarters after the elections and excluding election quarters. Column (3) shows the baseline difference-in-differences regression estimates. The *Post*$\times$*Treated* coefficient is small and statistically 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.

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.

G.2. Fixed effects

Table A2 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 11.49%, which is significant at a 1% level. Column (2) suggest that blue to red states is associated with 21.65% reduction in interstate job flows.[6] Lastly, Column (3) 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 2.03%. Taken together, these findings provide consistent and robust evidence after controlling for state×time fixed effects.

G.3. Other types of job flows

Table A3 presents robustness checks using three other types of interstate job-to-job flows: job flows of stable employment without observed separatinos (workers with stable employment in both states in Column (1), job flows with separations (including brief unemployment spells in Column (2)), and job flows of stable employment with separations (in Column (3)). Across all specifications, political misalignment is consistently associated with reduced interstate job flows. These results demonstrate that impact of political frictions is robust across different types of interstate job-to-job flows.

[6]The regression fixed effects absorb RtoB and RtoR.

G.4. Additional controls

Table A4 presents robustness checks with additional controls. I 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. I also control neighbor state dummy. Despite these additional controls, political misalignment continues to significantly reduce interstate job flows.

Column (1) shows a 15.4% reduction that is significant at the 1% level, while the directional analysis in Column (2) reveals similar effects for blue-to-red flows (-14.5%) and red-to-blue flows (-16.2%), both coefficients significant at a 1% level. Including additional controls for neighboring dummy, the difference of GDP growth rate and regional price parities between the destination and origin states, the magnitudes of the coefficients do not shrink compared with the results in Table 2. The regression with the continuous political distance measure in Column (3) indicates that a 1 % in political distance reduces job flows by approximately 2.01% with a 1% level statistical significance. The results are consistent, indicating that larger political distance is negatively associated with interstate job-to-job flows. The coefficient on the GDP growth rate difference is positive and significant at the 1% 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 and the economic performance differences between two states.

G.5. Exclusion of CA, TX, and FL

There may be a concern that some large states drive the observed effects of political misalignment, such as California, Texas, or Florida, which account for a substantial share of interstate job flows. In this subsection, I perform a robustness check by excluding the three states as either destination or origin states in the sample. The results are reported

in Table A5. In Column (1), political misalignment is associated with an 11% decline in interstate job flows. The coefficient is significant at a 1% level. Column (2) shows similar reductions for both Blue-to-Red and Red-to-Blue flows, with magnitudes of 10.4% and 11.57%, respectively. Column (3) further shows that greater political distance between the origin and destination states significantly reduces job flows. Overall, these findings indicate that the negative association between political misalignment and interstate labor mobility is not driven by California, Texas, or Florida.

IV. 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. Overall, the results suggest that reduced interstate job-to-job flows among politically misaligned states.

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**

The two figures illustrates the identification strategy in subsubsection II.D.1 using the 2020 Georgia close presidential election as an example and the identification strategy in subsubsection II.D.2 using the 2004 NH and NV close elections as examples. 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.

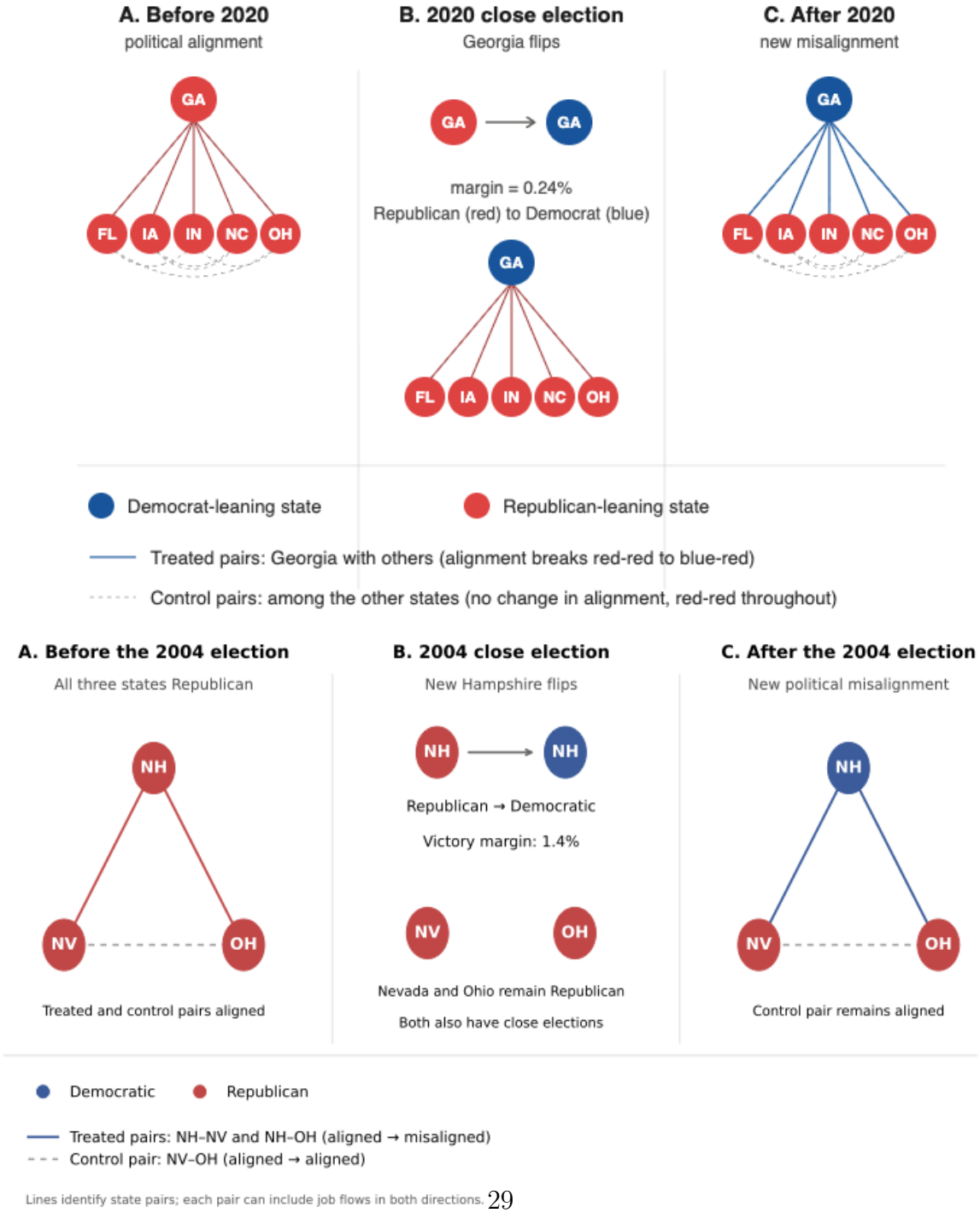


Table 1: Summary Statistics

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 (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
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

Table 2: Political Alignment and Job Flows

This table reports the PPML regressions that examine the effect of political partisanship on interstate job flows in the U.S. The dependent variable is the number 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. I also employ continuous measures of political ideology disparity between states. Column (3) 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. 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). Column (6) excludes the Pandemic years and afterwards. 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. Standard errors are reported in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

	(1)	(2)	(3)	(4)	(5)	(6)
	Main sample			drop election	drop GFC	drop 2020
	Number of Job Flows			years	years	& after
toMisaligned	-0.102***			-0.096***	-0.102***	-0.108***
	(0.031)			(0.032)	(0.032)	(0.032)
BtoR		-0.094***				
		(0.032)				
RtoB		-0.110***				
		(0.034)				
Political distance			-1.907***			
			(0.344)			
RtoR	0.007	0.007		0.008	0.002	0.036*
	(0.020)	(0.020)		(0.021)	(0.021)	(0.021)
Personal income	0.008***	0.008***	0.008***	0.006***	0.007***	0.010***
growth rate	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.018***	-0.017***	-0.018***	-0.017***	-0.017***	-0.018***
	(0.002)	(0.002)	(0.002)	(0.003)	(0.002)	(0.003)
EPU	0.004	0.003	0.004	0.004	0.004	0.005
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.003)
Geographical distance	-1.272***	-1.272***	-1.258***	-1.266***	-1.270***	-1.289***
	(0.036)	(0.036)	(0.037)	(0.036)	(0.036)	(0.036)
Monthly wage	0.095	0.089	0.095	0.086	0.089	0.210***
	(0.075)	(0.075)	(0.074)	(0.076)	(0.074)	(0.078)
HVI	-0.037	-0.037	-0.039	-0.033	-0.038	-0.059*
	(0.030)	(0.030)	(0.029)	(0.030)	(0.029)	(0.033)
Constant	14.881***	14.881***	14.921***	14.857***	14.883***	14.941***
	(0.251)	(0.251)	(0.247)	(0.250)	(0.251)	(0.250)
Observations	197,463	197,463	197,463	153,985	179,819	157,982
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 pair	Yes	Yes	Yes	Yes	Yes	Yes

Table 3: Close Presidential Elections

This table reports the PPML regression results which examine the effect of political partisanship on interstate job flows using close presidential elections. Panel A reports these close election events with a 3% margin. Panel B presents the baseline and dynamic difference-in-differences regression results. The design in Panel B captures aggregate job flows between previously aligned states respond when one state narrowly elects a presidential candidate from the other party that results in political misalignment among the state pairs. Columns (1) and (2) employ all control pairs that 1. are swing states during the sample period and 2. are not flipped in the specific election, and 3. remain aligned with the close election states before the flip. Columns (3) and (4) employ control pairs that 1. are aligned with the flipped close election states before the flip, 2. also experience close election in the same election. I employ a stacked difference-in-differences specification. The dependent variable is the number 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 eleven quarters preceding it. A state-pair is ***treated*** if it includes a close-election flipping state and other swing states in Columns (1) and (2) (or non-flipped close election states in Columns (3) and (4)) with which it is politically aligned prior to the election, such that the pair becomes misaligned following the close elections. 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. Standard errors 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%	R%	Winner	STATE	Year	D%	R%	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 difference-in-difference regressions: flipped to ideologically misaligned

VARIABLES	control pairs: swing states (1)	(2)	control pairs:non-flipped close election states (3)	(4)
Post × Treated	-0.052***		-0.060***	
	(0.020)		(0.021)	
Election (t-4) &before ×Treated		-0.000		0.016
		(0.022)		(0.080)
Election (t-3)×Treated		0.029		-0.010
		(0.032)		(0.062)
Election (t-2)×Treated		0.050		-0.010
		(0.032)		(0.060)
Election (t+1)×Treated		0.036		-0.018
		(0.038)		(0.082)
Election (t+2)×Treated		-0.003		-0.125***
		(0.027)		(0.034)
Election (t+3)×Treated		-0.058**		-0.091***
		(0.023)		(0.030)
Election (t+4)×Treated		-0.128***		0.013
		(0.041)		(0.208)
Election (t+5)×Treated		-0.051**		-0.078
		(0.025)		(0.070)
Election (t+6) & after ×Treated		-0.050**		-0.037
		(0.026)		(0.077)
Treated	0.001	-0.005		
	(0.023)	(0.031)		
Personal income growth rate	0.007**	0.008**	-0.024	-0.024
	(0.003)	(0.004)	(0.016)	(0.018)
Unemployment rate	-0.032***	-0.034***	-0.028*	-0.021
	(0.006)	(0.007)	(0.017)	(0.017)
EPU	0.032***	0.030***	0.030	0.031
	(0.008)	(0.008)	(0.028)	(0.031)
Monthly wage	-0.304	-0.331	-1.617*	-1.542*
	(0.293)	(0.296)	(0.934)	(0.932)
HVI	0.081	0.075	-0.045	-0.007
	(0.056)	(0.057)	(0.114)	(0.112)
Constant	6.848***	6.848***	6.516***	6.506***
	(0.011)	(0.011)	(0.009)	(0.052)
Observations	7,548	7,548	1,800	1,800
Joint pretrend test: p-value		0.203		0.96
Orig State*Election*Time FE	Yes	Yes	Yes	Yes
Orig-dest pair FE	Yes	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes	Yes

Table 4: Close Presidential Elections – Directional Job Flows

This table reports the PPML regression results which examine the effect of political partisanship on interstate job flows using close presidential elections. I further decompose the analysis by distinguishing the directions of job flows, i.e., job flows into flipped close election states from previously aligned states and job flows out of flipped close election states to previously aligned states. Panel A reports the results of the regressions using all control pairs that 1. are swing states during the sample period and 2. are not flipped in the specific election, and 3. remain aligned with the close election states before the flip. Panel B reports the regression results using control pairs that 1. are aligned with the flipped close election states before the flip, 2. also experience close election in the same election. The variables and research design 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: control: swing states

	To flipped states		From flipped states	
VARIABLES	(1)	(2)	(3)	(4)
Post × Treated	-0.052***		0.013	
	(0.020)		(0.025)	
Election (t-4) &before ×Treated		0.001		-0.017
		(0.022)		(0.018)
Election (t-3)×Treated		0.029		-0.003
		(0.031)		(0.025)
Election (t-2)×Treated		0.054		-0.058*
		(0.033)		(0.031)
Election (t+1)×Treated		0.037		0.008
		(0.037)		(0.022)
Election (t+2)×Treated		-0.002		-0.055*
		(0.027)		(0.029)
Election (t+3)×Treated		-0.056**		0.015
		(0.023)		(0.040)
Election (t+4)×Treated		-0.128***		-0.010
		(0.041)		(0.046)
Election (t+5)×Treated		-0.051**		0.027
		(0.025)		(0.031)
Election (t+6) & after ×Treated		-0.048*		-0.004
		(0.026)		(0.033)
Treated	-0.002	-0.009	-0.005	0.013
	(0.024)	(0.032)	(0.024)	(0.029)
Observations	5,963	5,963	5,963	5,963
Joint pretrend test: p-value		0.221		0.148
Orig State*Election*Time FE	Yes	Yes		
Dest State*Election*Time FE			Yes	Yes
Orig-dest pair FE	Yes	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes	Yes

Panel B: control: non-flipped close election states

VARIABLES	To flipped states (1)	(2)	From flipped states (3)	(4)
Post × Treated	-0.054***		-0.051*	
	(0.020)		(0.028)	
Election (t-4) &before ×Treated		0.042		0.069
		(0.069)		(0.046)
Election (t-3)×Treated		0.024		0.035
		(0.051)		(0.035)
Election (t-2)×Treated		-0.060		0.218*
		(0.047)		(0.130)
Election (t+1)×Treated		0.016		0.049
		(0.066)		(0.053)
Election (t+2)×Treated		-0.129***		0.152
		(0.031)		(0.128)
Election (t+3)×Treated		-0.065**		-0.028
		(0.031)		(0.029)
Election (t+4)×Treated		0.055		-0.033
		(0.209)		(0.057)
Election (t+5)×Treated		-0.032		-0.023
		(0.063)		(0.041)
Election (t+6) & after ×Treated		-0.010		0.005
		(0.074)		(0.039)
Observations	1,124	1,124	1,124	1,124
Joint pretrend test: p-value		0.135		0.322
Orig State*Election*Time FE	Yes	Yes		
Dest State*Election*Time FE			Yes	Yes
Orig-dest pair FE	Yes	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes	Yes

Table 5: Ideological Deepening and Interstate Job Flows

This table reports the PPML regression results which examine 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 number of job flows from origin state to destination state (including D.C.). Columns (1) report the PPML regression results using the full sample. 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. I also employ a non-flipped close elections design to study the effects of deepening alignment on interstate job flows. Column (2) report the PPML results that includes both job flows from and to non-flipped close election states from all pre-aligned states, while Column (3) particularly examine the effects of job flows from non-flipped close election states to deeply aligned 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

	(1)	(2)	(3)
	OLS	Non-flipped close elections	
	Deepening	all pre-aligned states as control	
VARIABLES	Dummy	Both from and to	Only to deeply aligned states
Deepening dummy	0.079**		
	(0.033)		
Post × Treated		0.008	0.020***
		(0.006)	(0.006)
Treated		-0.016***	-0.024***
		(0.004)	(0.005)
Personal income growth rate	0.008***	0.008***	0.009***
	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.017***	-0.017***	-0.017***
	(0.002)	(0.003)	(0.003)
EPU	0.004	0.005	0.005
	(0.004)	(0.004)	(0.004)
Geographical distance	-1.282***		
	(0.036)		
Monthly wage	0.050	0.225***	0.235***
	(0.076)	(0.083)	(0.089)
HVI	-0.025	0.349***	0.347***
	(0.029)	(0.032)	(0.034)
Constant	14.884***	6.823***	6.806***
	(0.251)	(0.000)	(0.001)
Observations	197,463	109,455	99,426
Orig State FE	Yes		
Dest State FE	Yes		
Year-quarter FE	Yes		
Orig State*Election*Time FE		Yes	Yes
Orig-dest pair FE		Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Table 6: Aligned State Governor

This table examines the effect of political partisanship on interstate job flows in the U.S. when the state governor party is aligned. The dependent variable is the number of job flows from origin to destination states. I require the party alignment between the state governors of origin and 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Restricted to state governor's party aligned state pairs

	(1)	(2)	(3)
	Number of Job Flows		
toMisaligned	-0.131***		
	(0.039)		
BtoR		-0.126***	
		(0.043)	
RtoB		-0.136***	
		(0.044)	
Political distance			-2.020***
			(0.354)
RtoR	0.002	0.002	
	(0.041)	(0.041)	
Personal income growth rate	0.009***	0.009***	0.009***
	(0.003)	(0.003)	(0.002)
Unemployment rate	-0.018***	-0.018***	-0.018***
	(0.006)	(0.006)	(0.006)
EPU	0.006	0.005	0.006
	(0.009)	(0.009)	(0.008)
Geographical distance	-1.274***	-1.274***	-1.265***
	(0.037)	(0.037)	(0.038)
Monthly wage	0.102	0.097	0.098
	(0.111)	(0.114)	(0.110)
HVI	-0.051	-0.051	-0.051
	(0.071)	(0.071)	(0.071)
Constant	14.835***	14.835***	14.900***
	(0.257)	(0.257)	(0.254)
Observations	96,304	96,304	96,304
Orig State FE	Yes	Yes	Yes
Dest State FE	Yes	Yes	Yes
Year-quarter FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

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) to (3) report the PPML regression results with the dependent variable of the number of job flows of female aged between 25-34. Columns (4) to (6) report the OLS regression results and the dependent variable is 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. Standard errors 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

	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	Job flows of female aged 25-34			Female aged 25-34 job flow% among all female		
toMisaglined	-0.171**			-0.582***		
	(0.069)			(0.207)		
BtoR		-0.167**			-0.991***	
		(0.073)			(0.238)	
RtoB		-0.175**			-0.173	
		(0.073)			(0.252)	
Political distance			-3.078***			-2.399*
			(0.556)			(1.412)
RtoR	0.075*	0.075*		-0.288	-0.288	
	(0.041)	(0.041)		(0.269)	(0.268)	
Personal income	0.006***	0.006***	0.006***	0.066	0.065	0.066
growth rate	(0.001)	(0.001)	(0.001)	(0.044)	(0.044)	(0.044)
Unemployment rate	-0.018***	-0.018***	-0.018***	0.017	0.007	0.017
	(0.004)	(0.004)	(0.004)	(0.052)	(0.052)	(0.052)
EPU	0.002	0.002	0.002	0.166*	0.178**	0.166*
	(0.006)	(0.006)	(0.006)	(0.090)	(0.090)	(0.090)
Geographical distance	-1.168***	-1.168***	-1.173***	2.754***	2.754***	2.754***
	(0.050)	(0.050)	(0.049)	(0.119)	(0.119)	(0.119)
Monthly wage	0.072	0.069	0.072	1.678	1.921	1.677
	(0.094)	(0.093)	(0.093)	(1.290)	(1.298)	(1.289)
HVI	-0.024	-0.023	-0.025	0.864*	0.800*	0.864*
	(0.049)	(0.049)	(0.052)	(0.483)	(0.484)	(0.483)
Constant	12.180***	12.180***	12.451***	14.174***	14.174***	14.142***
	(0.336)	(0.336)	(0.325)	(0.857)	(0.857)	(0.854)
Observations	100,814	100,814	100,814	100,070	100,070	100,070
R-squared				0.077	0.078	0.077
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 pair	Yes	Yes	Yes	Yes	Yes	Yes

Table 8: 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 number 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. Standard errors 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
toMisaligned	-0.104***	-0.094***	-0.048	-0.091***	-0.116***
	(0.031)	(0.031)	(0.037)	(0.031)	(0.029)
RtoR	0.011	-0.000	0.044	0.010	0.055***
	(0.020)	(0.020)	(0.032)	(0.019)	(0.021)
Personal income growth rate	0.010***	0.006***	0.005***	0.009***	0.009***
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.017***	-0.019***	-0.015***	-0.019***	-0.018***
	(0.002)	(0.003)	(0.004)	(0.002)	(0.003)
EPU	0.004	0.004	0.000	0.004	0.008**
	(0.003)	(0.004)	(0.006)	(0.003)	(0.004)
Geographical distance	-1.281***	-1.252***	-1.287***	-1.295***	-1.068***
	(0.035)	(0.037)	(0.044)	(0.035)	(0.035)
Monthly wage	0.058	0.153*	0.398***	0.057	0.028
	(0.074)	(0.080)	(0.101)	(0.070)	(0.076)
HVI	-0.030	-0.048	-0.038	-0.054**	-0.023
	(0.029)	(0.029)	(0.059)	(0.026)	(0.030)
Constant	14.405***	13.872***	13.078***	14.743***	12.143***
	(0.243)	(0.261)	(0.303)	(0.247)	(0.246)
Observations	197,074	196,919	184,233	197,401	197,065
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 pair	Yes	Yes	Yes	Yes	Yes

Panel B: Age groups

VARIABLES	(1) Age 25-34	(2) 35-44	(3) 45-54
toMisaligned	-0.130***	-0.100***	-0.066**
	(0.032)	(0.032)	(0.030)
RtoR	0.015	0.003	0.014
	(0.022)	(0.020)	(0.020)
Personal income growth rate	0.009***	0.010***	0.010***
	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.019***	-0.019***	-0.017***
	(0.003)	(0.003)	(0.002)
EPU	0.003	0.007*	0.007*
	(0.004)	(0.004)	(0.004)
Geographical distance	-1.195***	-1.261***	-1.314***
	(0.037)	(0.036)	(0.035)
Monthly wage	0.084	0.034	0.005
	(0.075)	(0.075)	(0.080)
HVI	-0.028	-0.067**	-0.044
	(0.032)	(0.031)	(0.030)
Constant	13.310***	13.259***	13.197***
	(0.254)	(0.254)	(0.248)
Observations	196,131	194,368	192,725
Orig State FE	Yes	Yes	Yes
Dest State FE	Yes	Yes	Yes
Year-quarter FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Panel C: Industries

VARIABLES	(1) Information Service	(2) Finance	(3) Education	(4) Health Care	(5) Construction
toMisaligned	-0.121***	-0.092*	-0.149***	-0.059*	-0.007
	(0.042)	(0.049)	(0.023)	(0.033)	(0.037)
RtoR	0.115***	0.106***	0.005	-0.042**	0.124***
	(0.041)	(0.041)	(0.018)	(0.017)	(0.034)
Personal income growth rate	0.005**	0.007**	0.009***	0.005***	0.012***
	(0.002)	(0.003)	(0.001)	(0.001)	(0.002)
Unemployment rate	-0.023***	-0.022***	-0.022***	-0.022***	-0.013***
	(0.005)	(0.006)	(0.002)	(0.003)	(0.004)
EPU	0.008	0.015*	0.016***	0.004	0.003
	(0.008)	(0.009)	(0.005)	(0.005)	(0.006)
Geographical distance	-0.904***	-1.047***	-0.942***	-1.400***	-1.579***
	(0.039)	(0.044)	(0.029)	(0.036)	(0.035)
Monthly wage	-0.217	-0.032	-0.133	0.163*	-0.251***
	(0.144)	(0.120)	(0.141)	(0.090)	(0.094)
HVI	-0.054	-0.017	-0.032	-0.107***	-0.007
	(0.062)	(0.067)	(0.030)	(0.035)	(0.045)
Constant	8.332***	9.692***	9.122***	12.614***	13.773***
	(0.276)	(0.298)	(0.202)	(0.252)	(0.248)
Observations	110,596	139,342	154,774	176,872	160,876
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 pair	Yes	Yes	Yes	Yes	Yes

Table 9: President Party

This table examines the effect of political partisanship on interstates job flows in the U.S. The dependent variable is the number 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

VARIABLES	(1)	(2)	(3)
	Number of Job Flows		
toMisaligned	-0.094**		
	(0.042)		
toMisaligned×Democratic president	-0.031		
	(0.035)		
BtoR		-0.087**	
		(0.043)	
BtoR×Democratic president		-0.028	
		(0.036)	
RtoB		-0.100**	
		(0.045)	
RtoB×Democratic president		-0.033	
		(0.037)	
Political distance			-1.896***
			(0.335)
Political distance×Democratic president			-0.021
			(0.077)
RtoR	-0.038*	-0.038*	
	(0.023)	(0.023)	
RtoR×Democratic president	0.081***	0.081***	
	(0.019)	(0.019)	
Personal income growth rate	0.008***	0.008***	0.008***
	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.018***	-0.018***	-0.018***
	(0.003)	(0.003)	(0.002)
EPU	0.004	0.004	0.004
	(0.004)	(0.004)	(0.004)
Geographical distance	-1.272***	-1.272***	-1.258***
	(0.036)	(0.036)	(0.037)
Monthly wage	0.095	0.089	0.095
	(0.075)	(0.076)	(0.074)
HVI	-0.037	-0.037	-0.039
	(0.030)	(0.030)	(0.029)
Constant	14.889***	14.889***	14.921***
	(0.251)	(0.251)	(0.247)
Observations	197,463	197,463	197,463
Orig State FE	Yes	Yes	Yes
Dest State FE	Yes	Yes	Yes
Year-quarter FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Appendix A.

Table A1: Robustness Check of Close Presidential Elections

This table presents the robustness checks of the baseline difference-in-differences PPML regression results. Panel A Column (1) reports the regression results using two-way clustering standard errors. Columns (2) and (3) examine different close elections with the victory margins of 1.5% and 5%, respectively. In Panel B, I continue to check the robustness of the results. I create a placebo treatment year that is two years before the elections. The estimation window of Column (1) is (-11,12), while in Column (2), the estimation window is shortened to (-7,7) to avoid the confounding effects with real election years. Column (3) examine non-flipped close elections with a margin of 3%. 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

Panel A: Robustness to S.E. two-way clustering and victory margin

	(1)	(2)	(3)
	Two-way cluster	Victory margin of flipped close elections	
VARIABLES	S.E.	1.5%	5%
Post × Treated	-0.052**	-0.055**	-0.052***
	(0.021)	(0.025)	(0.020)
Treated	0.001	0.007	0.001
	(0.034)	(0.025)	(0.023)
Personal income growth rate	0.007*	0.004	0.007**
	(0.004)	(0.004)	(0.003)
Unemployment rate	-0.032***	-0.051***	-0.031***
	(0.008)	(0.010)	(0.006)
EPU	0.032***	0.035***	0.033***
	(0.010)	(0.008)	(0.008)
Monthly wage	-0.304	-0.242	-0.307
	(0.512)	(0.305)	(0.289)
HVI	0.081	0.082	0.085
	(0.106)	(0.075)	(0.056)
Constant	6.848***	6.885***	6.839***
	(0.015)	(0.014)	(0.011)
Observations	7,548	4,946	7,640
Orig State*Election*Time FE	Yes	Yes	Yes
Orig-dest pair FE	Yes	Yes	Yes
Cluster at Orig-dest pair	No	Yes	Yes
Cluster at Origin and destination states	Yes	No	No

Panel B: Pseudo Tests

VARIABLES	(1) Pseudo election years (-11,12)	(2) Pseudo election years (-7,+8)	(3) close non-flipped elections within 3%
Post × Treated	-0.007	0.007	0.017
	(0.014)	(0.015)	(0.011)
Treated	-0.001	-0.008	0.015
	(0.025)	(0.030)	(0.010)
Personal income growth rate	0.003	-0.007	0.015***
	(0.003)	(0.005)	(0.005)
Unemployment rate	-0.036***	-0.037***	-0.040***
	(0.005)	(0.006)	(0.010)
EPU	0.050***	0.033***	0.022**
	(0.009)	(0.010)	(0.009)
Monthly wage	-0.293	-0.491	-0.521
	(0.321)	(0.355)	(0.326)
HVI	0.071	-0.003	0.085
	(0.056)	(0.070)	(0.081)
Constant	6.825***	6.827***	6.703***
	(0.012)	(0.013)	(0.004)
Observations	7,126	4,810	4,916
Orig State*Election*Time FE	Yes	Yes	Yes
Orig-dest pair FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Table A2: 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 number 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

VARIABLES	(1)	(2)	(3)
	Number of Job Flows		
toMisaligned	-0.122***		
	(0.032)		
BtoR		-0.244***	
		(0.065)	
Political distance			-2.031***
			(0.374)
Personal income growth rate	0.007**	0.007**	0.006*
	(0.003)	(0.003)	(0.003)
Unemployment rate	-0.008	-0.008	-0.007
	(0.068)	(0.068)	(0.067)
EPU	0.032	0.032	0.030
	(0.158)	(0.158)	(0.152)
Geographical distance	-1.272***	-1.272***	-1.258***
	(0.037)	(0.037)	(0.037)
Montly wage	-0.357	-0.357	-0.366
	(1.604)	(1.604)	(1.530)
HVI	0.201	0.201	0.188
	(0.643)	(0.643)	(0.622)
Constant	14.896***	14.898***	14.942***
	(0.252)	(0.252)	(0.250)
Observations	197,463	197,463	197,463
Year-quarter FE	Yes	Yes	Yes
Orig State*YQ FE	Yes	Yes	Yes
Dest State*YQ FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Table A3: 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 number 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. Standard errors are in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

	(1)	(2)	(3)
	Without observed separations	With short separation	
VARIABLES	Stable jobs	All jobs	Stable jobs
toMisaligned	-0.119***	-0.098***	-0.104***
	(0.037)	(0.029)	(0.030)
RtoR	0.014	0.013	0.012
	(0.024)	(0.019)	(0.019)
Personal income	0.010***	0.009***	0.010***
growth rate	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.023***	-0.018***	-0.023***
	(0.002)	(0.002)	(0.002)
EPU	0.009**	0.008**	0.010***
	(0.004)	(0.003)	(0.003)
Geographical distance	-1.327***	-1.198***	-1.172***
	(0.042)	(0.035)	(0.036)
Monthly wage	0.066	-0.009	-0.022
	(0.088)	(0.064)	(0.071)
HVI	-0.040	-0.052**	-0.044
	(0.030)	(0.025)	(0.028)
Constant	14.824***	15.164***	14.402***
	(0.294)	(0.245)	(0.249)
Observations	195,112	197,463	194,556
Orig State FE	Yes	Yes	Yes
Dest State FE	Yes	Yes	Yes
Year-quarter FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Table A4: 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 number 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. Standard errorsare in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

VARIABLES	(1)	(2)	(3)
	Number of Job Flows		
toMisaligned	-0.167***		
	(0.031)		
BtoR		-0.157***	
		(0.035)	
RtoB		-0.177***	
		(0.035)	
Political distance			-2.014***
			(0.357)
RtoR	-0.027	-0.027	
	(0.026)	(0.026)	
Personal income growth rate	0.003***	0.003***	0.003***
	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.012***	-0.012***	-0.012***
	(0.003)	(0.003)	(0.003)
EPU	0.001	0.001	0.001
	(0.004)	(0.004)	(0.004)
Geographical distance	-0.774***	-0.774***	-0.766***
	(0.048)	(0.048)	(0.047)
Monthly wage	0.028	0.024	0.031
	(0.091)	(0.092)	(0.090)
HVI	-0.003	-0.004	-0.005
	(0.040)	(0.039)	(0.036)
Neighbor	1.102***	1.102***	1.093***
	(0.075)	(0.075)	(0.075)
GDP	0.501***	0.500***	0.501***
	(0.119)	(0.119)	(0.119)
RPP	-0.338*	-0.335*	-0.345*
	(0.187)	(0.186)	(0.182)
Constant	10.713***	10.714***	10.813***
	(0.343)	(0.343)	(0.337)
Observations	114,419	114,419	114,419
Orig State FE	Yes	Yes	Yes
Dest State FE	Yes	Yes	Yes
Year-quarter FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Table A5: Robustness Checks: Exclude CA, TX, and FL

This table examines the effect of political partisanship on interstate job flows in the U.S. The dependent variable is the count 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 are followed Table 2 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. Standard errors are reported in parentheses. Coefficients statistically significant at the 10%, 5%, and 1% levels are denoted by *, **, and ***, respectively.

VARIABLES	(1)	(2)	(3)
	Number of Job Flows		
toMisaligned	-0.116***		
	(0.033)		
BtoR		-0.110***	
		(0.034)	
RtoB		-0.123***	
		(0.035)	
Political distance			-1.101***
			(0.399)
RtoR	-0.016	-0.016	
	(0.022)	(0.022)	
Personal income growth rate	0.006***	0.006***	0.006***
	(0.001)	(0.001)	(0.001)
Unemployment rate	-0.019***	-0.019***	-0.019***
	(0.003)	(0.003)	(0.003)
EPU	0.003	0.003	0.003
	(0.004)	(0.004)	(0.004)
Geographical distance	-1.555***	-1.555***	-1.549***
	(0.033)	(0.033)	(0.035)
Monthly wage	0.150**	0.144**	0.151**
	(0.066)	(0.068)	(0.067)
HVI	-0.018	-0.015	-0.017
	(0.039)	(0.039)	(0.039)
Constant	16.045***	16.044***	16.064***
	(0.228)	(0.228)	(0.233)
Observations	172,689	172,689	172,689
Orig State FE	Yes	Yes	Yes
Dest State FE	Yes	Yes	Yes
Year-quarter FE	Yes	Yes	Yes
Cluster at Orig-dest pair	Yes	Yes	Yes

Appendix B. Variable definitions

Variables	Definitions	Sources
Job flows	The number of job flows from origin state to destination state (including D.C.).	U.S. Census
Job flows (stable employment)	The number of job flows (stable employment) from origin state to destination state.	As above
Job flows with separations	The number of job flows (with separation spell between jobs) from origin state to destination state.	As above
Job flows with separations (stable employment)	The number of job flows (stable employment with separation spell between jobs) from origin state 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 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	
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. both states are red, and equals -1 if two states are misaligned.	As above
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