

**Supplementary file for “Economic Narratives and the Legitimacy of  
Foreign Direct Investments”**

**Table S1. Description of variables**

Variable	Definition	Descriptives	Expected relationship
Greengoba (DV1)	Thinking about these two types of investment separately, do you think it is rather a good or a bad thing for the UK economy if foreign companies build new companies here? (Q25)  1: very good thing; 2: rather good thing; 3: neither good nor bad thing; 4: rather bad thing; 5: very bad thing	Number of respondents per category:  1=194; 2=296; 3=145; 4=18; 5=7.  Missing observations: 6	NA
Magoba (DV2)	Keeping in mind this distinction and thinking about the two types of investments described above separately, do you think it is rather a good or a bad thing for the UK economy if foreign companies buy up already existing local companies? (Q26)  1 = very good thing; 2 = rather good thing; 3 = neither good nor bad thing; 4 = rather bad thing; 5 = very bad thing	Number of respondents per category:  1=52; 2=120; 3=251; 4=184; 5=48.  Missing observations: 11	NA
Socialization	Categorical variable indicating prime period of political-economic socialization based on year of birth (see text for further explanations): 0=born after 1975; 1=born between 1960 and 1975; 2=born before 1960	Number of respondents per category:  0=189; 1=176; 2=301.  Missing observations: 0	Positive: older generations more hostile towards IFDI due to exposure to economic statism narrative
Education	What is the highest degree of education that you have completed so far?  1=GCSE; 2=A-Levels; 3=Undergraduate (Bachelor's degree or Graduate certificate or diploma); 4=Postgraduate (Postgraduate certificate ore diploma, Master's degree or Doctorate)	Number of respondents per category:  1=208; 2=162; 3=180; 4=94.  Missing observations: 22	Negative: more educated less hostile towards globalization (eg. Hiscox and Hainmueller)

Household income	<p>How much is the combined total annual gross income before tax of all members of your household together?</p> <p>2=less than £15,000; 3=between £15,000 and £25,000; 4=between £25,000 and £35,000; 5=between £35,000 and £45,000; 6=between £45,000 and £65,000; 7=between £65,000 and £85,000; 8=more than £85,000</p>	<p>Number of respondents per category:</p> <p>2=92; 3=129; 4=117; 5=122; 6=63; 7=53; 8=39.</p> <p>Missing observations: 51</p>	<p>Negative: wealthier people more in favour of globalization (eg. Rodrik and Mayda; Pandya)</p>
Skills	<p>More specifically, which of the following occupational classification categories best describes your current or most recent job?</p> <p>27 categories transfomed into skill-levels according to ONS guidelines:</p> <p>2=low-skilled; 3=medium-skilled; 4=high-skilled</p>	<p>Number of respondents per category:</p> <p>2=281; 3=189; 4=159.</p> <p>Missing observations: 37</p>	<p>Negative: more skilled people more in favour of globalization (eg. Rodrik and Mayda; Pandya)</p>
MNC employee	<p>Have you ore one of your immediate family members ever been employed by a foreign multinational company operating in the UK.</p> <p>1=Yes, 0=No</p>	<p>Number of respondents per category:</p> <p>1=148; 0=506.</p> <p>Missing observations: 12</p>	<p>Negative: people benefiting from presence of MNCs less likely to be hostile towards them</p>
Political ideology	<p>Adapted from Q11, Which political party did you support at the 2015 UK General Election?</p> <p>1=Left (SNP, Greens, Plaid Cymru, Sinn Fein, SDLP); 2=Centre-left (Labour); 3=Centre-right (LibDems, Ulster); 4=Right (Conservatives, DUP); 5=Populist right (UKIP)</p>	<p>Number of respondents per category:</p> <p>1=47; 2=166; 3=47; 4=229; 5=75.</p> <p>Missing observations: 102</p>	<p>Supporters of centrist parties less hostile than at extremes</p>
Brexit support	<p>Adapted from Q12, Which side did you support in the referendum vote on Britain's membership of the EU held on 23 June 2016?</p> <p>1=Leave; 0=Remain or 'Neither of the two'</p>	<p>Number of respondents per category:</p> <p>1=333, 0=324.</p>	<p>Positive: supporters of Brexit more likely to be hostile towards MNCs</p>

		Missing observations: 9	
Local identity	Adapted from Q14, Which of the following best describes your national identity? 1=subnational (English, Scottish, Northern Irish or Welsh), 0=British	Number of respondents per category: 1=263; 0=373. Missing observations: 30	Positive: more local identity associated with stronger feelings of nationalism
Nationalism index	Aggregate score of answers to questions 15, 16 and 17: How much do you agree or disagree with the following statements? Q15: "I would rather be a citizen of my country than of any other country in the world." Q16: "In the United Kingdom, our people are not perfect, but our culture is superior to others." Q17: "The world would be a better place if people from other countries were more like the British" Aggregate index ranges from 1=least nationalistic (strongly disagree with all three statements) to 13=most nationalistic (strongly agree with all statements)	Mean: 8.18 (std dev = 2.67) Median=8 Missing observations: 7	
Female	Dummy variable; 1=female gender	Number of respondents per category: 1=328; 0=338. Missing observations: 0	Positive: 'curious case of female protectionism' (Burgoon and Hiscox; Mutz and Mansfield)
Economic statism index	Aggregate score of answers to questions 29, 30 and 31: How much do you agree or disagree with the following statements?	Mean: 9.15 (std dev 2.11) Median: 9	Positive: people with statist economic views

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Q29: "To guarantee the long-term prosperity of our nation, we cannot just rely on the international economy. Our government has to think in national terms and defend our economic sovereignty."

Missing observations: 12

more likely to be  
opposed to IFDI

Q30: "For the good of the national economy, it is essential to have strong domestic companies that are owned by UK nationals."

Q31: "Foreign companies cannot be trusted to act in our national interest."

Aggregate index ranges from 1=least statist (strongly disagree with all three statements) to 13=most statist (strongly agree with all statements)

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**Table S2. Correlation Matrix**

	<b>Gre</b>	<b>M&amp;A</b>	<b>Soc</b>	<b>Edu</b>	<b>Inc</b>	<b>Ski</b>	<b>MNC</b>	<b>Ideo</b>	<b>Bre</b>	<b>Iden</b>	<b>Nat</b>	<b>Fem</b>	<b>Sta</b>
<b>Greenfield</b>		0.28	-0.02	-0.08	-0.11	-0.04	-0.09	0.02	0.13	0.12	0.02	0.19	0.14
<b>M&amp;A</b>	0.28		0.15	-0.01	-0.14	-0.12	-0.06	0.07	0.17	0.07	-0.04	0.07	0.38
<b>Socialization</b>	-0.02	0.15		-0.07	0.3	-0.04	-0.01	0.14	0.01	0.12	0.26	-0.15	0.23
<b>Education</b>	-0.08	-0.01	-0.07		0.25	0.43	0.18	-0.01	-0.16	-0.01	-0.19	-0.13	-0.06
<b>Income</b>	-0.11	-0.14	0.3	0.25		0.29	0.2	0.06	-0.14	-0.01	-0.04	-0.11	-0.13
<b>Skills</b>	-0.04	-0.12	-0.04	0.43	0.29		0.16	0	-0.06	-0.04	-0.06	-0.21	-0.06
<b>MNC</b>	-0.09	-0.06	-0.01	0.18	0.2	0.16		-0.01	-0.07	0.02	-0.06	-0.18	0.06
<b>Ideology</b>	0.02	0.07	0.14	-0.01	0.06	0	-0.01		0.35	0.03	0.31	-0.09	0.25
<b>Brexit</b>	0.13	0.17	0.01	-0.16	-0.14	-0.06	-0.07	0.35		0.13	0.33	0.05	0.23
<b>Identity</b>	0.12	0.07	0.12	-0.01	-0.01	-0.04	0.02	0.03	0.13		0.01	-0.02	0.11
<b>Nationalism</b>	0.02	-0.04	0.26	-0.19	-0.04	-0.06	-0.06	0.31	0.33	0.01		-0.08	0.26
<b>Female</b>	0.19	0.07	-0.15	-0.13	-0.11	-0.21	-0.18	-0.09	0.05	-0.02	-0.08		-0.07
<b>Statism</b>	0.14	0.38	0.23	-0.06	-0.13	-0.06	0.06	0.25	0.23	0.11	0.26	-0.07	

## Sensitivity analysis for causal mediation analysis

The performed sensitivity analysis follows the procedures described in Imai et al. (2011: 774-779). In essence, the analysis simulates the effect of omitted pre-treatment confounders under various scenarios in which the sequential ignorability assumption is violated to different degrees in terms of a correlation between the error terms of the mediation and outcome models, denoted  $\rho$ , that is not taken into account in the main analyses.

Because ordered outcome models cannot be handled by current version of the associated R package, the dependent variable of the outcome model has to be transformed into a binary dummy variable where 1 indicates that a respondent considers M&A IFDI to be a 'rather bad' or 'very bad thing' to perform the analyses.

The results are presented in Figure S1. The two figures on top illustrate the  $\rho$  plot under control and treatment condition. The dashed line shows the ACME when the sequential ignorability assumption holds; the solid line illustrates the ACME under various degrees of unobserved correlations between the mediator and outcome model. The grey zones indicate the 95% confidence intervals. The two figures below translate these same relationships to a  $R^2$  framework, indicating the ACME under various levels of explanatory power of unobserved pre-treatment confounders.

Note that these analyses do not assess the validity of the results against an objective benchmark, but their sensitivity to a possible violation of the sequential ignorability assumption. The results show that we can be 95% confident that there is evidence of

causal mediation through statist economic beliefs holds as long as  $\rho$  is smaller than 0.35.

**Figure S1. Sensitivity analysis for causal mediation**

