DATA CODES AND DOCUMENTATION

The Globalization of Liberalization: Policy Diffusion in the International Political Economy

Beth Simmons
Government Department
Harvard University
bsimmons@latte.harvard.edu

Zachary Elkins
Department of Political Science
University of Illinois
zelkins@uiuc.edu

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1 Overview

This document describes the data from Simmons and Elkins, "Globalization of Liberalization: Policy Diffusion in the International Political Economy" (*American Political Science Review*, 2004). The construction of the variables, the unit of analysis, and sample are described in more depth in the article. This documentation accompanies the six data files described below.

2 Data files

The data is divided into six Stata 7.0 datafiles, one for each dependent variable used in Simmons and Elkins (2004). Datafiles are named according to the dependent variable (capital account, current account, or exchange rate) and the direction of the dependent variable (liberal or restrictive). See the first row of Table 2 for the filenames. The data are country-years in spell format, as described in Simmons and Elkins (2004). For example, the file used to analyze liberalizations in the capital account (libcap.dta) contains only those country years for which a country maintains a restrictive capital account as well as the liberal year that punctuates the end of the restrictive spell.

3 Variables

Table 2 summarizes the variables used in Simmons and Elkins (2004). The analysis makes use of a set of spatial-lag variables (the dependent variable lagged according to various network "distances") as well as a set of variables measuring different characteristics of the country. To ease identification, Table 1 specifies the naming convention for the spatial variables used in the analysis. Section 4 (below) presents descriptive statistics and data sources for each variable.

Table 1 Naming Convention for Spatial Lag Variables

Element	*Character Placement*	*Example: cclbcap*
Network Weight (W)	1-2	cc (capital competitors)
Direction of Dependent Variable (Liberal or Restrictive)	3-4	lb (liberal)
Dependent Variable	5-7	cap (capital account)

Table 2 Data files and Variables, summarized

Mechanism or Concept	*Explanatory Variable*	*Transitions to Liberal Policies*			*Transitions to Restrictive Policies*		
		Capital Account	*Exchange Rate*	*Current Account*	*Capital Account*	*Exchange Rate*	*Current Account*
DATAFILE		**libcap.dta**	**libexr.dta**	**libcur.dta**	**rescap.dta**	**resexr.dta**	**rescur.dta**
Altered Payoffs							
Competition	Policies of Capital Competitors	cclbcap	cclbexr	cclbcur	ccrscap	ccrsexr	ccrscur
	Policies of Trade Competitors	tclbcap	tclbexr	tclbcur	tcrscap	tcrsexr	tcrscur
Global Norms	Mean Global Policy	mnlbcap	mnlbexr	mnlbcur	mnrscap	mnrsexr	mnrscur
New Information							
Learning From Success	Policies of High Growth Countries	hglbcap	hglbexr	hglbcur	hgrscap	hgrsexr	hgrscur
Communication Networks	Policies of Trade Partners	tplbcap	tplbexr	tplbcur	tprscap	tprsexr	tprscur
	Policies of BIT Partners	btlbcap	btlbexr	btlbcur	btrscap	btrsexr	btrscur
	Policies of PTA Partners	ptlbcap	ptlbexr	ptlbcur	ptrscap	ptrsexr	ptrscur
Cultural Similarity	Policies of Religion Partners	rllbcap	rllbexr	rllbcur	rlrscap	rlrsexr	rlrscur
	Policies of Colonial Partners	cllbcap	cllbexr	cllbcur	clrscap	clrsexr	clrscur
	Policies of Language Partners	lglbcap	lglbexr	lglbcur	lgrscap	lgrsexr	lgrscur
Control Mechanisms							
Economic Conditions	Current Accounts/GDP (t-2)	cagdp2	cagdp2	cagdp2	cagdp2	cagdp2	cagdp2
	GDP Growth	chgdp	chgdp	chgdp	chgdp	chgdp	chgdp
	GDP per Capita	gdppcap	gdpcap	gdpcap	gdpcap	gdpcap	gdpcap
	Interest Rates	usint	usint	usint	usint	usint	usint
	Currency Crisis (t-1)	crisis	crisis	crisis	crisis	crisis	crisis
Political Conditions	Degree of Openness	openness	openness	openness	openness	openness	openness
	Democracy	democ	democ	democ	democ	democ	democ
	Nationalist Executive	execnat	execnat	execnat	execnat	execnat	execnat
	Central Bank Independence	cbi	cbi	cbi	cbi	cbi	cbi
	Common Law Legal Tradition	comlaw	comlaw	comlaw	comlaw	comlaw	comlaw
External Political Pressures	Use of IMF Credits	useimfcr	useimfcr	useimfcr	useimfcr	useimfcr	useimfcr
	Foreign Aid (% Capital Accumulation)	odapcap	odapcap	odapcap	odapcap	odapcap	odapcap
Geography	Policies of Border Countries	bdlbcap	bdlbexr	bdlbcur	bdrscap	bdrsexr	bdrscur
	Policies of Neighbors	nblbcap	nblbexr	nblbcur	nbrscap	nbrsexr	nbrscur

4 Variable Codes and Sources

This section lists detailed summary information for the variables included in the LIBCAP.DTA file. The variables in the other five files parallel those in this list. Each file includes the same set of variables, with two basic differences. First, the spatial lags differ according to dependent variable in question. Second, the samples differ across the five files, as explained above. Nevertheless, the summary statistics presented for the LIBCAP.DTA file are similar to those in the other five files and the notes on sources are equivalent.

```
-------------------------------------------------------------------------------------------
                Dataset:  libcap.dta
             Last saved:  27 Mar 2004 10:03

                  Label:  Simmons and Elkins, APSR 2004
    Number of variables:  30
  Number of observations:  3,280
                   Size:  426,400 bytes ignoring labels, etc.

_dta:
  1.  Data employed in Simmons and Elkins's 'Globalization of Liberalization: Policy Diffusion
      in the International Political Economy' (American Political Science Review, 2004). See
      the file simmons_elkins_APSR2004_documentation.pdf for more information.

-------------------------------------------------------------------------------------------
imfname                                                                 IMF Country Name
-------------------------------------------------------------------------------------------

                 type:  string (str22)

        unique values:  125                      missing "":  423/3280

             examples:  "Botswana"
                        "Ghana"
                        "Madagascar"
                        "Senegal"

              warning:  variable has embedded blanks

-------------------------------------------------------------------------------------------
imfcode                                                                 IMF Country Code
-------------------------------------------------------------------------------------------

                 type:  numeric (int)

                range:  [112,974]                    units:  1
        unique values:  159                      missing .:  0/3280

                 mean:   506.807
            std. dev:   228.849

          percentiles:        10%       25%       50%       75%       90%
                              181       288       558       678       746
```

```
-------------------------------------------------------------------------------------------------
year                                                                                       Year
-------------------------------------------------------------------------------------------------

                  type:  numeric (int)

                 range:  [1967,1996]                 units:  1
         unique values:  30                       missing .:  0/3280

                  mean:   1982.79
             std. dev:   8.52344

           percentiles:        10%       25%       50%       75%       90%
                              1971      1976      1983      1990      1994

-------------------------------------------------------------------------------------------------
cap                                                                        Capital Account Policy
-------------------------------------------------------------------------------------------------

                  type:  numeric (byte)

                 range:  [0,1]                       units:  1
         unique values:  2                        missing .:  0/3280

            tabulation:  Freq.  Value
                         3227  0
                           53  1

cap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues

-------------------------------------------------------------------------------------------------
mer                                                                      Exchange Rate Policy
-------------------------------------------------------------------------------------------------

                  type:  numeric (byte)

                 range:  [0,1]                       units:  1
         unique values:  2                        missing .:  115/3280

            tabulation:  Freq.  Value
                          963  0
                         2202  1
                          115  .

mer:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues

-------------------------------------------------------------------------------------------------
cur                                                                      Current Account Policy
-------------------------------------------------------------------------------------------------

                  type:  numeric (byte)

                 range:  [0,1]                       units:  1
         unique values:  2                        missing .:  78/3280

            tabulation:  Freq.  Value
                         2164  0
                         1038  1
                           78  .

cur:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues
```

```
-------------------------------------------------------------------------------------------------
chgdp                                                                             GDP Growth
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [-50.599998,81.887756]       units:  1.000e-10
         unique values:  2982                     missing .:  0/3280

                  mean:   3.50948
             std. dev:   6.86865

           percentiles:        10%       25%       50%       75%       90%
                            -2.8483   .993068   3.75703   6.37643   9.57838

chgdp:
  1.  World Bank. STARs Database

-------------------------------------------------------------------------------------------------
openness                                                                  Degree of Openness
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [.04437957,4.0262914]        units:  1.000e-09
         unique values:  2828                     missing .:  0/3280

                  mean:   .743403
             std. dev:   .461211

           percentiles:        10%       25%       50%       75%       90%
                             .29622   .450819   .647128     .8837   1.27145

openness:
  1.  Penn World Tables, http://www.bized.ac.uk/dataserv/penndata/pennhome.htm;
  2.  World Bank. STARs Database;
  3.  International Monetary Fund. International Financial Statistics

-------------------------------------------------------------------------------------------------
cagdp2                                                          Current Accounts/GDP (t-2)
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [-77.322701,53.233807]       units:  1.000e-21
         unique values:  2707                     missing .:  156/3280

                  mean:   -4.3942
             std. dev:   9.00263

           percentiles:        10%       25%       50%       75%       90%
                           -12.4308  -6.83431  -3.41228  -.687847   2.55851

cagdp2:
  1.  World Bank. STARs Database
```

```
-------------------------------------------------------------------------------------------------
democ                                                                                 Democracy
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-07
         unique values:  41                       missing .:  0/3280

                  mean:   3.66104
             std. dev:   3.99087

           percentiles:        10%       25%       50%       75%       90%
                                 0         0       2.5         8        10

democ:
  1.  Marshall, Jaggers, and Gurr. Polity IV

-------------------------------------------------------------------------------------------------
usint                                                                           Interest Rates
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [3.02,14.08]                 units:  1.000e-07
         unique values:  33                       missing .:  0/3280

                  mean:   6.72632
             std. dev:    2.5185

           percentiles:        10%       25%       50%       75%       90%
                              4.07      5.04      5.97      7.87     10.72

usint:
  1.  International Monetary Fund. International Financial Statistics

-------------------------------------------------------------------------------------------------
imfcred                                                                   Use of IMF Credits
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)
                 label:  imf

                 range:  [0,1]                        units:  1
         unique values:  2                        missing .:  0/3280

            tabulation:  Freq.   Numeric  Label
                          703         0  No use of IMF credits
                         2577         1  Use of IMF credits

imfcred:
  1.  World Bank, World Development Indicators, http://devdata.worldbank.org/dataonline/
```

```
-------------------------------------------------------------------------------------------------
tplbcap                                                          Policies of Trade Partners
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-07
         unique values:  69                       missing .:  0/3280

                  mean:   5.24847
             std. dev:   2.18505

           percentiles:        10%       25%       50%       75%       90%
                               2.5         4   5.45455   6.66667         8

tplbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  International Monetary Fund, Direction of Trade Statistics

-------------------------------------------------------------------------------------------------
bdlbcap                                                        Policies of Border Countries
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-08
         unique values:  45                       missing .:  0/3280

                  mean:   1.33342
             std. dev:   2.14318

           percentiles:        10%       25%       50%       75%       90%
                                 0         0         0   1.62545   3.33333

bdlbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues

-------------------------------------------------------------------------------------------------
lglbcap                                                        Policies of Language Partners
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-08
         unique values:  148                      missing .:  0/3280

                  mean:    3.1931
             std. dev:   1.74246

           percentiles:        10%       25%       50%       75%       90%
                              1.25   2.28621   3.07692   4.04545         5

lglbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  Alvarez, Cheibub, Limongi, and Przeworski, 1996; Political and Economic Database
      Codebook, http://www.ssc.upenn.edu/~cheibub
```

```
-------------------------------------------------------------------------------------------
cllbcap                                                        Policies of Colonial Partners
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-08
         unique values:  133                     missing .:  0/3280

                  mean:   1.79528
              std. dev:   1.37207

           percentiles:        10%       25%       50%       75%       90%
                                .4   1.11111    1.5625   2.38359   2.72727

cllbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  Alvarez, Cheibub, Limongi, and Przeworski, 1996; Political and Economic Database
      Codebook, http://www.ssc.upenn.edu/~cheibub/data/ACLP_Codebook.PDF;
  3.  various country websites

-------------------------------------------------------------------------------------------
nblbcap                                                                Policies of Neighbors
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [1.1622293,6.4749231]        units:  1.000e-07
         unique values:  2458                    missing .:  0/3280

                  mean:   2.68392
              std. dev:   .764295

           percentiles:        10%       25%       50%       75%       90%
                              1.92   2.18929   2.54369   2.97559   3.73488

nblbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues

-------------------------------------------------------------------------------------------
btlbcap                                                            Policies of BIT Partners
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-07
         unique values:  104                     missing .:  77/3280

                  mean:   5.38733
              std. dev:   2.51864

           percentiles:        10%       25%       50%       75%       90%
                            2.14286         4   5.40021   5.98519        10

btlbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  World Bank, http://www.worldbank.org/icsid/treaties/i-1.htm
```

```
-------------------------------------------------------------------------------------------
ptlbcap                                                          Policies of PTA Partners
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-08
         unique values:  124                      missing .:  0/3280

                  mean:   2.23618
             std. dev:   1.44749

           percentiles:        10%       25%       50%       75%       90%
                                 0   1.53846   2.23265         3         4

ptlbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  World Trade Organization, http://www.wto.org/english/tratop_e/region_e/region_e.htm

-------------------------------------------------------------------------------------------
cclbcap                                                  Policies of Capital Competitors
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  1.000e-07
         unique values:  54                       missing .:  0/3280

                  mean:   2.05175
             std. dev:   .858345

           percentiles:        10%       25%       50%       75%       90%
                           1.62963   1.66667   1.98473   2.16418    2.2449

cclbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  Standard and Poors. Historical Sovereign Bond Ratings

-------------------------------------------------------------------------------------------
rllbcap                                                    Policies of Religion Partners
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,8.5714283]                units:  1.000e-08
         unique values:  60                       missing .:  0/3280

                  mean:   2.11688
             std. dev:   1.11626

           percentiles:        10%       25%       50%       75%       90%
                                 0   1.59091   2.06897   2.95455   3.15789

rllbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  Countries of the World and Their Leaders Yearbook 2000;
  3.  The Europa World Year Book 1999;
  4.  Central Intelligence Agency. CIA World Factbook.
      http://www.odci.gov/cia/publications/factbook/
```

```
-------------------------------------------------------------------------------------------
tclbcap                                                    Policies of Trade Competitors
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,6.363636]                 units:  1.000e-08
         unique values:  96                       missing .:  77/3280

                  mean:    1.7666
             std. dev:   1.22731

           percentiles:        10%       25%       50%       75%       90%
                            .555556   .769231   1.61654   2.35294      3.75

tclbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  International Monetary Fund, Direction of Trade Statistics

-------------------------------------------------------------------------------------------
execnat                                                          Nationalist Executive
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,10]                       units:  10
         unique values:  2                        missing .:  705/3280

            tabulation:  Freq.  Value
                         2190  0
                          385  10
                          705  .

execnat:
  1.  Database of Political Institutions: Thorsten Beck, George Clarke, Alberto Groff, Philip
      Keefer, and Patrick Walsh, 2001. New tools in comparative political economy: The
      Database of Political Institutions. 15: 1, 165-176 (September), World Bank Economic
      Review.

-------------------------------------------------------------------------------------------
mnlbcap                                                            Mean Global Policy
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [1.8018018,3.3980582]        units:  1.000e-07
         unique values:  26                       missing .:  0/3280

                  mean:   2.25305
             std. dev:   .305546

           percentiles:        10%       25%       50%       75%       90%
                            2.01342   2.04724   2.20588   2.27642   2.83333

mnlbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues
```

```
-------------------------------------------------------------------------------------------------
odapcap                                                  Foreign Aid (% Capital Accumulation)
-------------------------------------------------------------------------------------------------

                  type:  numeric (double)

                 range:  [-23.7054,638.2576]          units:  1.000e-08
         unique values:  2860                     missing .:  0/3280

                  mean:   46.8243
             std. dev:   68.9413

           percentiles:        10%       25%       50%       75%       90%
                            2.56622    8.1804   25.1603   56.4674   105.635

odapcap:
  1.  World Bank, World Development Indicators, http://devdata.worldbank.org/dataonline/

-------------------------------------------------------------------------------------------------
crisis                                                                    Currency Crisis (t-1)
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,1]                        units:  1.000e-09
         unique values:  27                       missing .:  326/3280

                  mean:   .173053
             std. dev:   .374021

           percentiles:        10%       25%       50%       75%       90%
                                 0         0         0         0         1

crisis:
  1.  Leblang 2003

-------------------------------------------------------------------------------------------------
cbi                                                                 Central Bank Independence
-------------------------------------------------------------------------------------------------

                  type:  numeric (byte)

                 range:  [0,1]                        units:  1
         unique values:  2                        missing .:  0/3280

            tabulation:  Freq.  Value
                         2875  0
                          405  1

cbi:
  1.  McNamara and Castro 2003; Cukierman 1992

-------------------------------------------------------------------------------------------------
comlaw                                                         Common Law Legal Tradition
-------------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [0,1]                        units:  1.000e-08
         unique values:  28                       missing .:  0/3280

                  mean:   .354245
             std. dev:   .467468

           percentiles:        10%       25%       50%       75%       90%
                                 0         0         0         1         1

comlaw:
  1.  Global Development Network Growth Database, William Easterly and Hairong Yu
```

```
-------------------------------------------------------------------------------------------
gdppcap                                                                    GDP per Capita
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [.03,31.207001]              units:  1.000e-07
         unique values:  942                      missing .:  0/3280

                  mean:   2.22224
             std. dev:   3.68899

           percentiles:        10%       25%       50%       75%       90%
                            .1815       .34       .93     2.455      5.26

gdppcap:
  1.  Penn World Tables, http://www.bized.ac.uk/dataserv/penndata/pennhome.htm

-------------------------------------------------------------------------------------------
hglbcap                                                  Policies of High Growth Countries
-------------------------------------------------------------------------------------------

                  type:  numeric (float)

                 range:  [1.5384616,4.090909]         units:  1.000e-07
         unique values:  53                       missing .:  0/3280

                  mean:   2.83583
             std. dev:   .519452

           percentiles:        10%       25%       50%       75%       90%
                           2.14286    2.6087   2.76923   3.04476   3.51116

hglbcap:
  1.  International Monetary Fund, Annual Exchange Arrangements and Restrictions, analytical
      appendix, various issues;
  2.  Penn World Tables, http://www.bized.ac.uk/dataserv/penndata/pennhome.htm


-------------------------------------------------------------------------------------------
newt0                                                                           entry year
-------------------------------------------------------------------------------------------

                  type:  numeric (int)

                 range:  [1966,1995]                  units:  1
         unique values:  30                       missing .:  0/3280

                  mean:   1981.79
             std. dev:   8.52344

           percentiles:        10%       25%       50%       75%       90%
                              1970      1975      1982      1989      1993
```

5 Analysis Code

The following Stata syntax was used to prepare the data for event-history analysis:

stset year, failure(cap) time0(newt0) id(imfcode) exit(time .)