A Online Appendix A: Formal model and extended theoretical discussion

This Appendix presents a formal exposition and extended theoretical discussion of the argument made in the paper. I first model the economy, before modeling the decisions of the political ruler, who is motivated both by personal consumption and staying in power. Thereafter, I show how these decisions, related to restricting certain types of information flows, affect technological change in the model economy. Some parts of the text, for instance on the empirical implications derived from the model, will closely resemble that found in the paper.

A.1 A formal model

I model the economy with an adjusted neo-classical production function (Mankiw, Romer and Weil 1992): $Y = F(TL, K, H)$, where Y is output, T technology level, L labor, K physical capital, and H human capital. F is increasing, but concave, in all inputs and technology level. To specify, I use a Cobb-Douglass function:

$$Y = F(K, L, H, T) = K^{\alpha} H^{\beta} (TL)^{1-\alpha-\beta}. \tag{1}$$

Technology is considered endogenous. However, this model does not analyze firms' incentives to generate novel technology as do contributions from "new growth theory" (e.g., Romer 1990). Generation of cutting-edge technology in increasing-returns-to-scale sectors is mostly relevant for large and rich countries. For the vast majority of countries the global technological frontier is largely exogenous, and diffusion (and local adaptation) of international technology is more important (e.g., Romer 1993). Thus, one may focus on technology diffusion when modeling cross-country differences in technology-induced economic growth.

Domestic technological change is considered a function of how many new techniques national economic actors adopt, denoted A_t. More specifically, the rate of change in technology is $\frac{\dot{T}}{T} = \omega(A_t)$. The number of techniques developed each year globally (A_t^*) is treated as exogenous. In accordance with the discussion above, domestic information flows, i, determine the degree to which a country utilizes new, globally developed ideas to generate technological change. i comes in two pure types, politically (i_p) and economically (i_e) relevant information. However, there is also non-pure information (i_{ep}) of both economic and political relevance. Only i_e and i_{ep} affect technological change. Hence, A_t is a function of A_t^*, i_e and i_{ep}. I normalize so that $0 \leq i_e + i_{ep} \leq 1$, with 0 indicating restriction of all economically relevant information flows and 1 indicating free flow of economic information.

I assume $A_t = (i_e + i_{ep})A_t^*$.[17] Hence,

$$\frac{\dot{T}}{T} = \omega((i_e + i_{ep})A_t^*). \tag{2}$$

Taking logarithms and differentiating Equation 1, and inserting for $\frac{\dot{T}}{T}$, yields

$$\frac{\dot{Y}}{Y} = (1-\alpha-\beta)\omega((i_e + i_{ep})A_t^*) + \alpha\frac{\dot{K}}{K} + \beta\frac{\dot{H}}{H} + (1-\alpha-\beta)\frac{\dot{L}}{L} \tag{3}$$

Equation 3 shows that GDP growth rates depend on growth rates of physical capital, human capital and labor, changes in the global technological frontier, and domestic information flows. If countries are in their steady states (see Barro and Sala-i-Martin 2004), income in countries with free information flows will grow with the global technology frontier. Elsewhere, steady-state growth will be weighted down with the degree of information flow-restrictions. A country where little information is allowed, such as North Korea, will thus have very low long-run growth rates.

Importantly, restrictions on information flows are endogenous to political decision-making. To simplify, I consider a ruler, D, in a two-period model. For the time being, we can think of D as a dictator (and assume that all information flows are allowed in democracies).[18] D maximizes a utility function dependent on personal consumption, c, and political survival probability in the second period, q. $U(c, q)$ is increasing and concave in both arguments. D receives a fixed share, λ, of Y, and therefore, *ceteris paribus*, wants to increase the economy's size to increase personal consumption. D's consumption is

$$c_t = \lambda Y_t = \lambda K_t^{\alpha} H_t^{\beta} (T_t L_t)^{1-\alpha-\beta} \tag{4}$$

To analyze how D's utility depends on the consumption growth rate, I assume an exogenously given Y_0, and thus c_0, in period 0. Hence:

$$\Delta c = c_t - c_0 = \lambda K_t^{\alpha} H_t^{\beta} (T_t L_t)^{1-\alpha-\beta} - \lambda K_0^{\alpha} H_0^{\beta} (T_0 L_0)^{1-\alpha-\beta} \tag{5}$$

To focus on technological change, I set $K_t = K_0$, $H_t = H_0$, $L_t = L_0$, so that Δc is only a function of changes in T. Holding λ constant and using Equation 3, D's consumption

[17] As discussed in the paper, this rests on the assumption – which can certainly be debated – that there are no other technological convergence mechanisms at play. However, technological change in a country may also depend on the gap between the technology in the country and the global technology frontier for various reasons, possibly even that a larger technology gap making it easier for D to discern political and economic information. The assumption made in the current set-up leads to a simpler model, but it is also vital for the below-derived implication that autocracies have *permanently* lower (long-run) rates of technological change. Making the alternative assumption leads to the implication that autocracies only have lower medium-term growth rates. I would like to thank an attentive anonymous reviewer for making this point.

[18] The assumption can be weakened to democratic rulers being less able to restrict information than dictators, but this unnecessarily complicates the model. I discuss and evaluate this assumption below.

growth rate $\frac{\Delta c}{c_0}$, denoted g_c, is

$$g_c = (1 - \alpha - \beta)\omega((i_e + i_{ep})A_t^*) \tag{6}$$

Information flows are affected by policies related to restrictions on freedoms of speech, media, association and travel. These are the actual policies set by a dictator, but I model their consequences, information flows, as choice variables to simplify. Although some governments are more capable than others (see below), it is generally difficult to screen each act of communication, travel and meeting; governments therefore establish general rules. Hence, information activities are banned under uncertainty of their contents; as a result, civil liberties restrictions may not only reduce political communication, but also economically relevant communication. This is captured by $i_{ep} > 0$.

D sets policy $(i_e; i_p; i_{ep})$ in the first period, and has a probability q of keeping power in the second. Before the revelation of whether D loses power or not, D receives income and consumes. I initially consider the situation when D consumes the same amount independently of whether he loses power or not; as discussed below, D has even stronger incentives to mitigate information flows if he anticipates being unable to consume when losing power. Importantly, D's survival probability q is endogenous. More specifically, q decreases in i_p and i_{ep}, but is unaffected by i_e. One way to model the relationship between q and i_p and i_{ep} could be an opposition consisting of several individuals. The probability of overthrowing D, $(1-q)$, depends on coordination; as collective action problems are solved and opposition members coordinate, $(1 - q)$ increases. The ability to coordinate in turn depends on the opposition's opportunities to use communication tools, assemble without harassment, gain access to media, and travel freely. Thus, civil liberties restrictions that reduce i_p and i_{ep} impairs the opposition's coordination abilities and thus $(1 - q)$.[19] To simplify, I model the information flows–survival probability relationship as the reduced-form

$$q = (1 - (\gamma i_p + \eta i_{ep})) \tag{7}$$

Here, $\gamma > 0$, $\eta > 0$ and $0 \leq \gamma i_p + \eta i_{ep} \leq 1$; survival probability varies between 1, when no political and mixed political-economic information is allowed, and 0, resulting from high levels of such information flows. When inserting Equations 6 and 7 in D's transformed utility function, $U(g_c, q)$, one obtains:

$$U(g_c, q) = U((1 - \alpha - \beta)\omega((i_e + i_{ep})A_t^*), (1 - (\gamma i_p + \eta i_{ep}))) \tag{8}$$

[19]Using Freedom House's Civil Liberties (CL) index and data on general strikes and riots from Banks (2008), I find that civil liberties protection correlates with such regime-threatening collective action in dictatorships, as coded by Cheibub, Gandhi and Vreeland (2010). Also OLS PCSE models controlling for ln GDP per capita (p.c.), GDP p.c. growth, ln population and decade dummies show significant(1%) relations between CL and numbers of strikes or riots in dictatorships. Likewise, logit models show significant (1%) relations between CL and probabilities of at least one strike or riot occurring.

From Equation 8 it follows that D minimizes i_p and maximizes i_e:

$$\frac{\partial U}{\partial i_p} = -\gamma \frac{\partial U}{\partial q} < 0 \tag{9}$$

$$\frac{\partial U}{\partial i_e} = \frac{\partial U}{\partial g_c} \cdot (1 - \alpha - \beta) A_t^* \omega'(A_t) > 0 \tag{10}$$

Hence, D cracks down on all information flows that are politically dangerous but irrelevant for economic efficiency, and opens up for information that improves efficiency but is irrelevant for survival. The interesting trade-off relates to i_{ep}. D, on the one hand, wants to allow i_{ep} because it increases efficiency and thus consumption growth. On the other, D wants to restrict i_{ep} because it threatens political survival. The first-order condition is:

$$\frac{\partial U}{\partial i_{ep}} = \frac{\partial U}{\partial g_c} \cdot (1 - \alpha - \beta) A_t^* \omega'(A_t) - \eta \frac{\partial U}{\partial q} = 0 \Rightarrow \frac{\partial U}{\partial g_c} \cdot (1 - \alpha - \beta) A_t^* \omega'(A_t) = \eta \frac{\partial U}{\partial q} \tag{11}$$

Equation 11 shows that in optimum, D balances the increase in marginal utility from increased consumption against the expected marginal utility-decrease from reduced survival probability. Hence, some i_{ep} is restricted due to political-survival motives. But, such restrictions not only stifle political opposition, they also reduce technological dynamism.

From this, we expect countries with better protection of civil liberties to have more rapid technological change. A second expectation follows from the highly systematic differences in protection of civil liberties in democracies (high) and autocracies (low) (see Møller and Skaaning 2013): Democracies should observe more rapid technological change. To some extent, also democratic incumbents may have incentives like those of D; restricting independent and critical media outlets, for instance, may enhance also the survival probability of democratic incumbents. However, given stronger institutionalized checks on democratic leaders, and many voters likely disapproving of civil liberties restrictions, democratic incumbents should be more constrained and less tempted to take actions that, in the model's terms, reduce i_{ep}. Indeed, country-years scored non-democratic by Cheibub, Gandhi and Vreeland (2010) average 0.29 on the (reversed and normalized) CL index from Freedom House (3363 observations; 1972–2008), whereas democracies average 0.80 (2899 observations). 1013 democratic and 0 non-democratic observations score 1. The correlation between CL and the Polity Index (PI) (Marshall and Jaggers 2002) is also high (.85), and in a recent systematic study Møller and Skaaning (2013) find that democracies provide far stronger protection of the freedoms of speech and association. In sum, when combined with the (well-founded) assumption that democracies have superior protection of civil liberties, the model above implies that dictatorships experience slower technological change than democracies.

The model also points to potential differences between autocracies. First, dictators expecting reduced consumption after losing power will restrict civil liberties more harshly, and thus further reduce technological change, as their expected utility derived from en-

hancing growth drops and staying in office becomes *relatively* more important. In such situations, the dictator is no longer fully certain to capture the benefits of enhancing technological change, since the full increase in personal consumption stemming from higher income ($C_t = \lambda Y_t$) is now only available with a probability $q < 1$ rather than 1 as in the original set-up. The drawbacks of allowing mixed information (i_{ep}), from D's point of view, now comes not only from a lower probability of surviving in office directly reducing D's utility, but also from the lower survival probability reducing *expected* consumption. Second, some autocracies may be better at absorbing, interpreting and handling information than others. Importantly, autocracies with higher bureaucratic quality (b) may be better at implementing policies that enable the separation of politically and economically relevant information. For example, a high-quality bureaucracy, such as the Chinese, may fine-tune internet policies so that only politically problematic webpages are blocked. In contrast, autocratic regimes presiding over lower-quality bureaucracies may have few options but establishing prohibitive internet-access costs or selectively granting access to identifiable regime supporters. Hence, the model above can be expanded by asserting that $i_{ep} = i_{ep}(b)$, where $i'_{ep}(b) < 0$ (indicating that $i'_e(b) > 0$ and $i'_p(b) > 0$); increasing bureaucratic capacity mitigates the share of information considered as "mixed", and increases the share identified as "pure" (political *or* economic). Consequentially, since D *only* retards technological change through disallowing mixed information, the expected positive effect of democracy on technological change should decrease in bureaucratic quality.

References

Banks, Arthur S. 2008. *Cross-National Time-Series Data Archive. Users Manual.* Binghamton, New York.

Barro, Robert J. and Xavier Sala-i Martin. 2004. *Economic Growth.* Cambridge, MA.: The MIT Press.

Cheibub, José Antonio, Jennifer Gandhi and James Vreeland. 2010. "Democracy and dictatorship revisited." *Public Choice* 143:67–101.

Mankiw, Gregory N., David Romer and David N. Weil. 1992. "A Contribution to the Empirics of Economic Growth." *Quarterly Journal of Economics* 107(2):407–437.

Marshall, Monthy G. and Keith Jaggers. 2002. "Polity IV Project – Dataset Users' Manual." College Park: Program Center for International Development and Conflict Management, University of Maryland. Manual.

Møller, Jørgen and Svend-Erik Skaaning. 2013. "Autocracies, democracies, and the violation of civil liberties." *Democratization* 20(1):82–106.

Romer, Paul. 1990. "Endogenous Technological Change." *Journal of Political Economy* 98(5):71–102.

Romer, Paul. 1993. "Idea Gaps and Object Gaps in Economic Development." *Journal of Monetary Economics* 32(3):543–573.

B Online Appendix B: Data, operationalizations, imputation model and robustness tests

B.1 Data material and operationalizations

Afghanistan 1964-2000	Albania 1914-2003[1990-1995]	Algeria 1962-2003[1962-1995]
Angola 1975-2003[1975-1995]	Argentina 1870-2003[1895-1995]	Armenia 1991-2003[1991-1995]
Australia 1901-2003[1901-1995]	Austria 1820-2003[1880-1995]	Azerbaijan 1991-2003[1991-1995]
Bahrain 1971-2003	Bangladesh 1972-2003[1972-1995]	Belarus 1991-2003[1991-1995]
Belgium 1830-2003[1846-1995]	Benin 1960-2003[1960-1995]	Bolivia 1945-2003[1950-1995]
Bosnia 1992-1994	Botswana 1966-2003[1966-1995]	Brazil 1824-2003[1872-1995]
Bulgaria 1879-2003[1934-1995]	Burkina Faso 1960-2003[1960-1995]	Burma 1948-2003[1948-1995]
Burundi 1962-2003[1962-1995]	Cambodia 1953-2003[1988-1995]	Cameroon 1960-2003[1960-1995]
Canada 1867-2003[1871-1995]	Cape Verde 1975-2003	Centr. Afr. Rep. 1960-2003[1960-1995]
Chad 1960-2003[1960-1995]	Chile 1820-2003[1895-1995]	China 1862-2003[1933-1995]
Colombia 1900-2003[1917-1995]	Comoros 1975-2003	Congo Rep. 1960-2003[1960-1995]
Costa Rica 1920-2003[1951-1995]	Cote d'Ivoire 1960-2003[1960-1995]	Croatia 1991-2003
Cuba 1929-2003	Czech Rep. 1993-2003	Czechoslovakia 1918-1992[1921-1992]
Denmark 1849-2003[1870-1995]	Djibouti 1977-2003	Dominican Rep. 1950-2003[1950-1995]
Ecuador 1939-2003[1950-1995]	Egypt 1922-2003[1922-1995]	El Salvador 1920-2003[1950-1995]
Eq. Guniea 1968-2003	Estonia 1991-2003[1991-1995]	Ethiopia 1950-2003[1950-1995]
Finland 1917-2003[1917-1995]	France 1820-2003[1850-1995]	Gabon 1960-2003[1960-1995]
Gambia 1965-2003[1965-1995]	Georgia 1991-2003[1991-1995]	Germany 1868-2003[1880-1995]
Ghana 1960-2003[1960-1995]	Greece 1827-2003[1910-1995]	Guatemala 1920-2003[1950-1995]
Guinea 1958-2003[1960-1995]	Guinea-Bissau 1974-2003[1974-1995]	Haiti 1945-2003[1950-1995]
Honduras 1920-2003[1930-1995]	Hungary 1870-2003[1890-1995]	India 1950-2003[1950-1995]
Indonesia 1945-2003[1951-1995]	Iran 1906-2003[1956-1995]	Iraq 1924-2002[1950-1995]
Ireland 1921-2003[1926-1995]	Israel 1950-2003[1950-1995]	Italy 1861-2003[1861-1995]
Jamaica 1959-2003[1959-1995]	Japan 1858-2003[1890-1995]	Jordan 1946-2003[1960-1995]
Kazakhstan 1991-2003[1991-1995]	Kenya 1963-2003[1963-1995]	Kuwait 1963-2003[1980-1995]
Kyrgyz Rep. 1991-2003[1991-1995]	Laos 1954-2003[1980-1995]	Latvia 1991-2003[1991-1995]
Lebanon 1943-2003	Lesotho 1966-2003[1966-1995]	Liberia 1950-2003[1960-1995]
Libya 1951-2003[1960-1995]	Lithuania 1991-2003[1991-1995]	Macedonia 1991-2003
Madagascar 1960-2003[1960-1995]	Malawi 1964-2003[1964-1995]	Malaysia 1957-2003[1960-1995]
Mali 1960-2003[1960-1995]	Mauritania 1960-2003[1960-1995]	Mauritius 1968-2003[1968-1995]
Mexico 1822-2003[1895-1995]	Moldova 1991-2003[1991-1995]	Mongolia 1950-2003
Morocco 1956-2003[1956-1995]	Mozambique 1975-2003[1975-1995]	Namibia 1990-2003[1990-1995]
Nepal 1846-2003[1960-1995]	Netherlands 1820-2003[1849-1995]	New Zealand 1857-2003[1911-1995]
Nicaragua 1920-2003[1950-1995]	Niger 1960-2003[1960-1995]	Nigeria 1960-2003[1960-1995]
N. Korea 1948-2003	Norway 1820-2003[1855-1995]	Oman 1957-2003[1970-1995]
Pakistan 1950-2003[1951-1995]	Panama 1945-2003[1950-1995]	Paraguay 1939-2003[1939-1995]
Peru 1896-2003[1908-1995]	Philippines 1935-2003[1939-1995]	Poland 1918-2003[1931-1995]
Portugal 1820-2003[1849-1995]	Quatar 1971-2003	Romania 1870-2003[1930-1995]
Russia 1992-2003[1992-1995]	Rwanda 1961-2003[1961-1995]	Saudi Arabia 1950-2003[1960-1995]
Senegal 1960-2003[1970-1995]	Serbia 1990-2003	Sierra Leone 1961-2003[1961-1995]
Singapore 1959-2003[1965-1995]	Slovakia 1993-2003[1993-1995]	Slovenia 1991-2003
Somalia 1960-2003[1960-1990]	S. Africa 1910-2003[1946-1995]	S. Korea 1948-2003[1948-1995]
Spain 1820-2003[1857-1995]	Sri Lanka 1948-2003[1948-1995]	Sudan 1956-2003[1970-1995]
Swaziland 1968-2003	Sweden 1820-2003[1860-1995]	Switzerland 1848-2003[1888-1995]
Syria 1944-2003[1953-1995]	Taiwan 1949-2003[1949-1995]	Tajikistan 1991-2003[1991-1995]
Tanzania 1961-2003[1961-1995]	Thailand 1933-2003[1937-1995]	Togo 1960-2003[1960-1995]
Trinidad Tobago 1962-1995[1962-1995]	Tunisia 1959-2003[1959-1995]	Turkey 1876-2003[1935-1995]
Turkmenistan 1991-2003[1991-1995]	Uganda 1962-2003[1962-1995]	Ukraine 1991-2003[1991-1995]
UAE 1971-2003[1980-1995]	UK 1837-2003[1832-1995]	USSR 1922-1991
US 1820-2003[1870-1995]	Uruguay 1870-2003[1940-1995]	Uzbekistan 1991-2003[1991-1995]
Venezuela 1830-2003[1936-1995]	Vietnam 1976-2003[1980-1995]	Yemen 1990-2003[1990-1995]
Yugoslavia 1917-1984[1920-1995]	Zambia 1964-2003[1964-1995]	Zaire 1960-2003[1960-1995]
Zimbabwe 1970-2003[1970-1995]		

Table B.1: Data material for samples in Model I in Table 1 (in brackets) and Model II in Table 4. Years are for independent variables $(t-5)$. The first and last years of observation are reported; some countries have interrupted time series, like Germany from 1945-1989.

Below I briefly discuss the more important operational variables used in the empirical analyses of the paper and the data sources which they draw from.

Total Factor Productivity (TFP) data – for both levels and growth rates – are taken from Baier, Dwyer and Tamura (2006), and the details of the data are presented quite extensively in Baier, Dwyer and Tamura (2002). TFP growth is calculated as a residual, when economic growth stemming from changes in factor inputs like physical capital, human capital and labor are subtracted from total economic growth (see Barro and Sala-i-Martin 2004). Baier, Dwyer and Tamura (2006) draw on a number of different sources in order to estimate the different inputs, and subsequently calculate TFP (see Baier, Dwyer and Tamura 2002, pp. 24–26). Among other sources, they use data from Barro and Lee (1993) on education, and they also draw on various measures from the Penn World Tables, the World Development Indicators and from Maddison's data (see below) for their calculations. However, their main sources are the data collected in Mitchell (1998*a*,*b*,*c*). Baier, Dwyer and Tamura (2006) calculate TFP using income per worker rather than per person, and assume Hicks-neutral technology and a capital share of 1/3. When it comes to the operationalization of human capital in the Baier, Dwyer and Tamura (2006) dataset, the "measure of human capital per worker in each country reflects both average education and average number of years employed" (Baier, Dwyer and Tamura 2006, p. 29). The authors use a similar computation as that in Barro and Lee (1993). To be concrete, the specification of human capital per worker, H is given by $H = H_0 exp(\phi_P P + \phi_I I + \phi_S S + \lambda_1 Ex + \lambda_2 Ex^2$, "where H is human capital, H_0 is the level of human capital with no schooling or experience; ϕ_p, ϕ_i, and ϕ_s are parameters on years of primary, intermediate, and secondary plus higher education; and λ_1 and λ_2 are parameters on years of work experience and experience squared" (Baier, Dwyer and Tamura 2006, p. 31). The physical capital stocks are calculated using the perpetual inventory method (Baier, Dwyer and Tamura 2006, p. 29), assuming an annual capital depreciation rate of 7%. TFP levels are estimated with uneven intervals by Baier, Dwyer and Tamura (2006), approximately averaging a data point every tenth year; I therefore interpolate the time series, assuming constant TFP growth rates within periods. I discuss reliability issues related to estimating production data for the GDP data from Maddison (2006) below, and most of that discussion is relevant also for the data for the early years from the Baier, Dwyer and Tamura (2006) dataset.

The ArCo index is from Archibugi and Coco (2004). This comprehensive index – which aims at capturing different factors established by the innovation literature to affect technological capabilities – consists of three components; a technology creation index, a technology infrastructure index, and a human skills index. See Archibugi and Coco (2004) for the various subcomponents underlying the three components, and for a discussion on the aggregation rules. For the interested, Archibugi and Coco (2005) also present relevant methodological discussions concerning this index. The ArCo index only has values for the years 1990 and 2000, and ranges from 0 to 1.

GDP per capita data – for both levels and growth rates – are taken from Maddison (2006). A large number of sources and procedures have been used to estimate the GDP data (see Maddison 2006, pp. 169–228), which are PPP-adjusted (US 1990$) (see also Maddison 2007, 2010). The GDP data thus take into account differing local price levels, which are estimated based on a specific basket of goods and services. As for the TFP data, the measurement error is likely larger for years early in the time series, since there was no national accounting system in place, and the data used to estimate GDP for the early years are of varying quality. For some particular countries, GDP is also quite difficult to estimate precisely in recent times because of lack of reliable data; examples are the Soviet Union prior to 1991 and present-day North Korea. The most problematic aspect of the Maddison data, however, is the fact that some "core countries" – where historical data are more abundant – are used as benchmark countries for other countries, most often close neighbors and mostly for the early years. This means that the growth rate in a country A, which has an abundance of data, will sometimes by construction be correlated with the growth rate in country B, which has less data available for estimating GDP. This may lead to difficulties in finding actual effects of democracy on growth, if A is a democracy and B a dictatorship, as the measured growth rates diverge less than the actual. If a fast-growing democracy is used as a benchmark for (actually) slow-growing democracies, and a slow-growing dictatorship is used as a benchmark for fast-growing dictatorships, there will be a bias upwards for the positive growth effect of democracy. Nevertheless, there are no indications that this is generally the case. Although there are obvious (and arguably inescapable) issues with the reliability of the data, "[f]or the epoch of capitalist economic growth back to 1820, quantitative economic historians have made great progress in measuring growth performance ... There is still a need to fill gaps and crosscheck existing estimates, but the broad contours of world development in this period are not under serious challenge" (Maddison 2007, p. 294).

Ln population is also based on data from Maddison (2006), and the same caveats apply as for the GDP data regarding reliability and the time dimension.

The Ethnic Fractionalization Index is taken from Alesina et al. (2003). This index varies between 0 and 1, and can be interpreted to measure the probability that two randomly drawn individuals from a country's population belong to the same group. The index is computed as one minus the Herfindahl index of ethnic group shares (Alesina et al. 2003, pp. 158–159); $Fractionalization_j = 1 - \Sigma s_{ij}^2$, where s_{ij} is group i's share of the population in country j. The index from Alesina et al. (2003) is similar to the historically more utilized ELF index from the 1964 *Atlas Narodov Mira*, but Alesina et al.'s index has data also for relatively young countries. In order to avoid listwise deletion of cases, I assigned 1985-scores from the structurally similar ELF index for the few countries not scored by Alesina et al. (2003), such as Czechoslovakia and the USSR.

Ln (regime duration + 1) is calculated from regime duration data taken from the Polity

IV dataset. Regime duration is recorded as number of years since the regime was first established. A regime change is recorded by Polity if a country experiences a three-point movement or more on the Polity Index (PI), in three years or less, or if it experiences the end of a transition period "defined by the lack of stable political institutions" (Marshall and Jaggers 2002, p. 16). When a regime change or regime breakdown is followed by a transition period or a "no regime" period, the regime duration variable in Polity takes the value 0.

The region dummies are based on the author's own coding, and the dummies included in the regression models are (1) Eastern Europe and the (former) Soviet Union (countries), (2) Africa south of the Sahara, (3) Asia excluding the Middle East and Soviet countries, (4) Middle East and North Africa, and (5) Latin America, including the Caribbean. The reference category in the regression models is thus comprised of Western European countries and the US, Canada, Australia and New Zealand.

The colonizer dummies are based on the author's own coding, and the dummies included in the regression models are (1) British (including American), (2) French, (3) Spanish, (4) Portuguese, and (5) Belgian. A country is scored a 1 on maximum one dummy, and this gives rise to classification problems; some countries have had several colonizers in temporal order, or alternatively have had its territory split between different colonial rulers. Since the dummies aim at capturing historical sources of influence on existing institutional structures, countries are generally scored a 1 on the colonizer with the longer rule. Yet, if time periods are about equal, the latest colonizer is used as a basis for the coding. Hence, Togo, for example, is scored as French and not as German, and Rwanda as Belgian and not as German. When it comes to countries that were geographically split between different colonizers, the relative sizes of territories are used as the criterion. Hence, Cameroon is for instance classified as French and not British.

The plurality religion dummies are based on the author's own coding, and the dummies included in the regression models are (1) Catholic, (2) Orthodox, (3) Protestant, (4) Sunni, (5) Shia, (6) Hindu, (7) Buddhist (including Taoist and Confucian), and indigenous religion. A score of 1 is given on the dummy which represents a country's plurality religion (the religion with the largest group of followers in a country). The coding is based on data for religious group composition from the World Book of Facts 2007.

For the instrument-dummy *WAVE*, country-years where the reigning regime, according to Polity IV data, originated in $\langle \leftarrow, 1827]$, $[1922, 1942]$, $[1958, 1975]$ or $[1998, \rightarrow \rangle$ are coded as 1, and remaining country-years that are coded as non-missing by Polity are coded as 0. *WAVE* is presented and discussed in Knutsen (2011).

I describe how the Polity Index is constructed in the paper, and provide additional information here. Table B.2 displays how the sub-components of Polity is aggregated into the *Democ* and *Autoc* indices (different ways of aggregating the Polity Index have been suggested; see, e.g., Goertz 2005; Vreeland 2008). In turn, the Polity Index is calculated as $PolityIndex = Democ - Autoc$.

Democ
Competitiveness of Executive Recruitment (XRCOMP):
(3) Election +2
(2) Transitional +1
Openness of Executive Recruitment (XROPEN):
only if XRCOMP is Election (3) or Transitional (2)
(3) Dual/election +1
(4) Election +1
Constraint on Chief Executive (XCONST):
(7) Executive parity or subordination +4
(6) Intermediate category +3
(5) Substantial limitations +2
(4) Intermediate category +1
Competitiveness of Political Participation (PARCOMP):
(5) Competitive +3
(4) Transitional +2
(3) Factional +1

Autoc
Competitiveness of Executive Recruitment (XRCOMP):
(1) Selection +2
Openness of Executive Recruitment (XROPEN):
only if XRCOMP is coded Selection (1)
(1) Closed +1
(2) Dual/designation +1
Constraints on Chief Executive (XCONST):
(1) Unlimited authority +3
(2) Intermediate category +2
(3) Slight to moderate limitations +1
Regulation of participation (PARREG):
(4) Restricted +2
(3) Sectarian +1
Competitiveness of Participation (PARCOMP):
(1) Repressed +2
(2) Suppressed +1

Table B.2: The coding of Polity's Democ and Autoc indexes, taken from Marshall and Jaggers (2002, 14–15). The final Polity Index is calculated as $PolityIndex = Democ - Autoc$.

As discussed in the paper, the Polity Index captures various aspects of the competitiveness of elite selection and participation in its scoring of regimes (Munck and Verkuilen 2002), but also weighs checks on the chief executive quite heavily in its scoring (see, e.g.,

Gleditsch and Ward 1997). Still, the Polity Index has been criticized for problems associated with not properly incorporating the extensiveness of the franchise in its scoring (Gates et al. 2006), and it also, in practice, requires hereditary succession for autocracies to receive a "perfect" -10 score (but, having a constitutional monarchy where the King or Queen has no real political power, such as in current-day Scandinavia or UK does not subtract from the Polity score). To illustrate, the Nazi regime in Germany is scored -9 throughout the period from 1933–1945, whereas the current Saudi monarchy is scored -10, as shown in the time series plots below.

The time series plots on the Polity scores also illustrate the various other points made; for instance, the German and West-German (coded as separate units) plots show how the increased competitiveness and participation, as well as stronger checks on executive power, for the post-WWII West German (and later German) regime leads to a dramatic increase in Polity scores from the Nazi regime. Further, the Norwegian time series plot illustrates the above-noted issues with tapping extensiveness of the franchise. It shows that Norway received a perfect 10-score in 1905 when universal male suffrage was adopted (and, for instance, the election system changed from indirect to direct), although female suffrage was only instituted in 1913. Further, the Norwegian time series plot also reveals that checks on the executive matters for overall scores, as the strengthened power of the Parliament in controlling policy making and the government (the King and his cabinet) in the 1880s results in an increased score in 1884, an important year for the introduction of Parliamentarism in Norway. Finally, I include a time series plot for Argentina – a country that has vacillated between different autocratic regimes (e.g. under various military juntas), mixed regimes, and fairly democratic regimes (e.g. after the regime change following the loss in the Falklands War). This plot displays the ability of Polity to pick up smaller and larger movements to and from democracy over time, and its ability to differentiate "mixed regimes" from those that are harshly autocratic (such as Saudi Arabia) or very democratic (such as current-day Germany).

In sum, while the Polity Index has its validity issues, it scores three of the core components of democracy, namely contestation, participation, and checks on the executive, allows for more finely distinguishing regimes according to degrees of democracy, and, importantly for this paper, includes an extensive time series. Further, the Polity Index correlates highly with other widely used democracy indices with shorter time series, such as the dichotomous ACLP/DD measure (.84; 8000 obs) and the Freedom House Index (.90; 5662 obs).

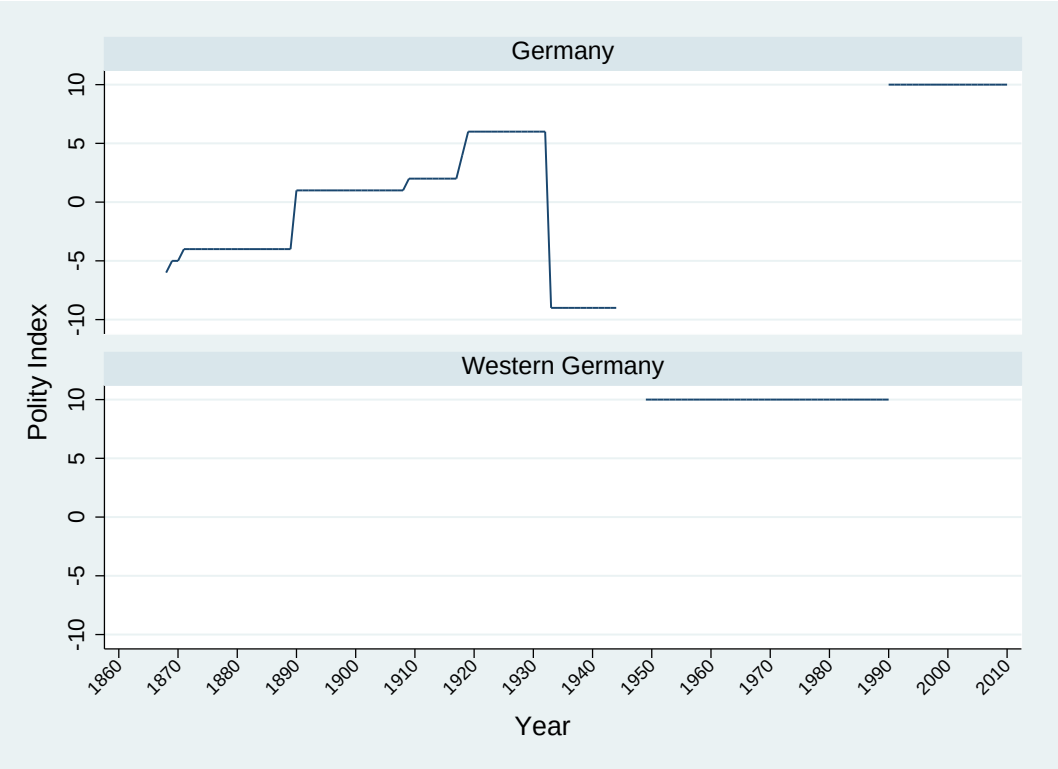

Figure B.1: Time-series plots for Polity Index scores for Germany and West Germany.

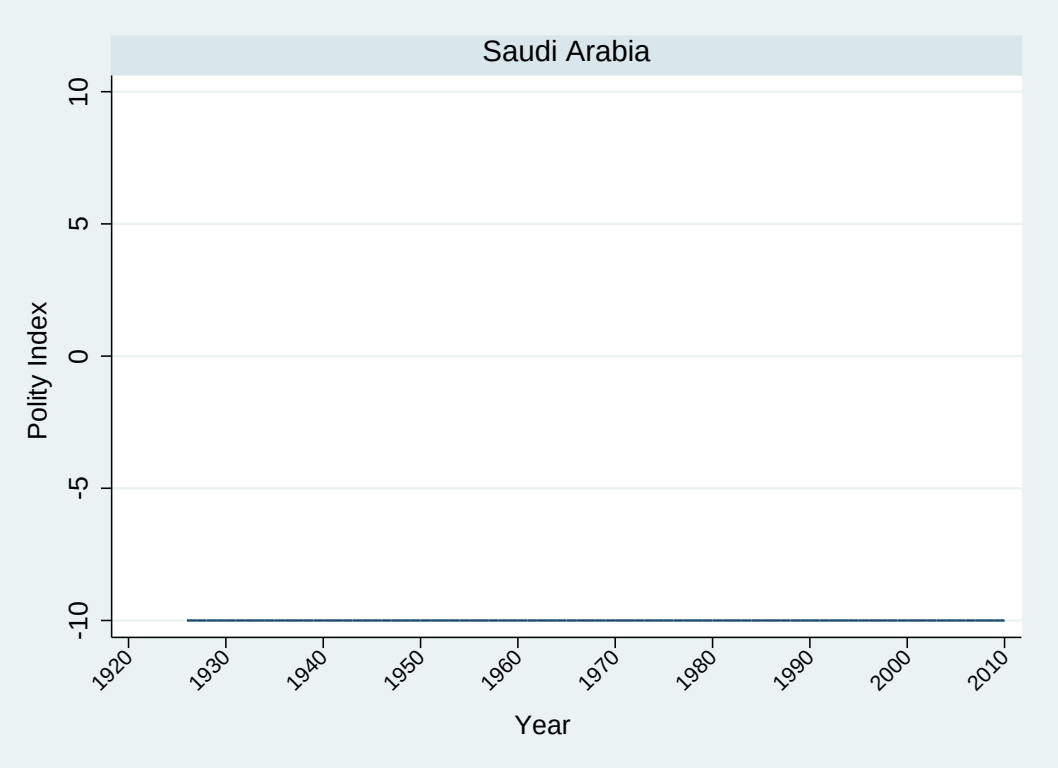

Figure B.2: Time-series plot for Polity Index scores for Saudi Arabia.

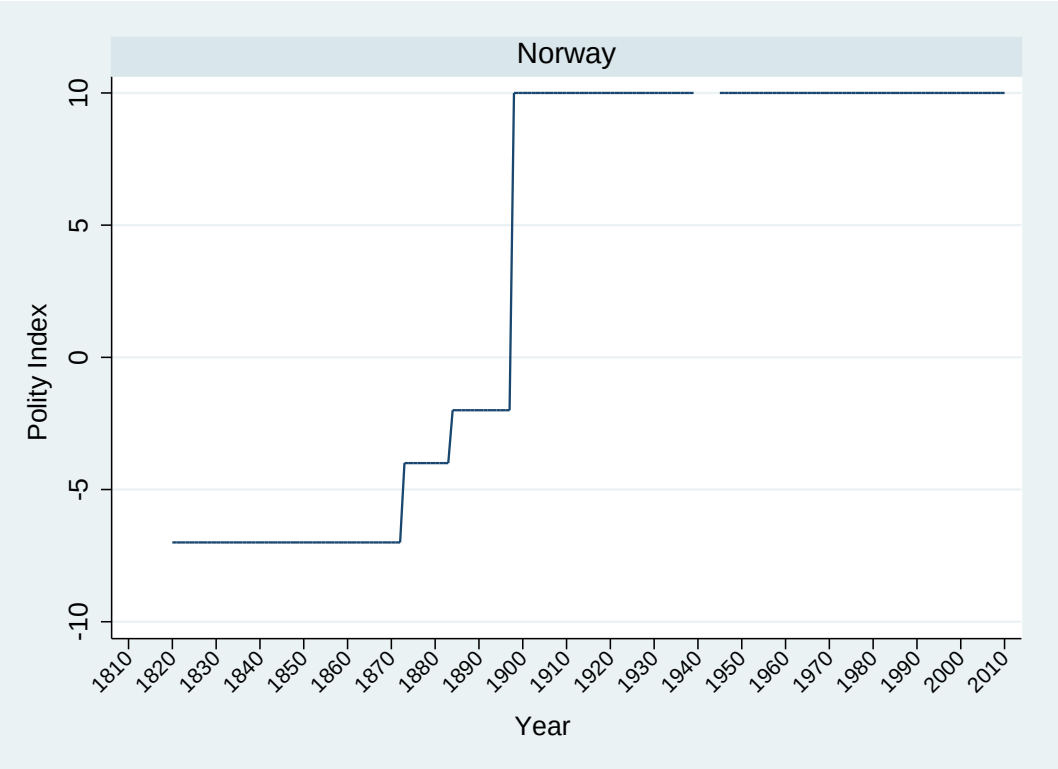

Figure B.3: Time-series plot for Polity Index scores for Norway.

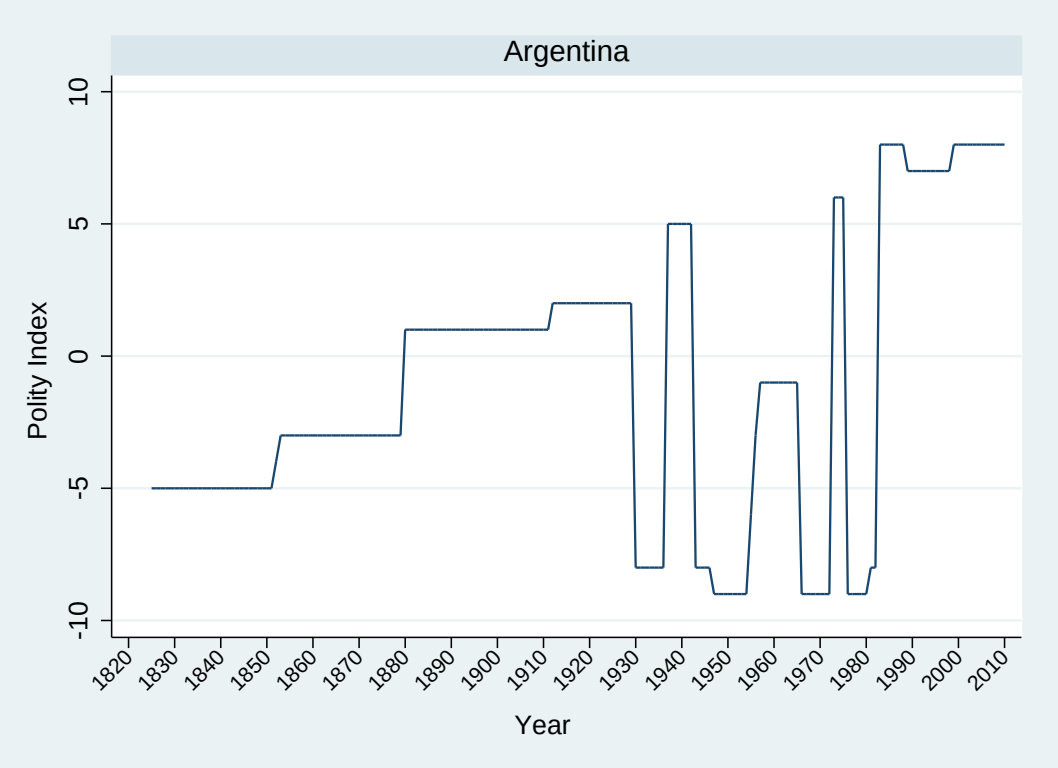

Figure B.4: Time-series plot for Polity Index scores for Argentina.

B.2 Imputation model

As noted in the paper, I use the Amelia II software (Honaker and King 2010) – which accounts for the cross-section–time-series structure of the data – when conducting multiple imputation. The imputation model used for computing the five datasets applied second-order polynomial time trends, which were interacted with cross-section units to allow for country-specific trends. I added extra variables to the imputation model to increase predictive power. The imputation model includes the variables in Model I in Table 1; different lags and leads of log TFP and TFP growth; log GDP per capita and GDP per capita growth (including different lags and leads); dummies for plurality religion and former colonizer; log oil income and oil income growth; PILAG; WAVE; log regime duration; Freedom House Index; latitude; absolute latitude; fraction English speakers; fraction speaking other major European languages; and, the (log) Frankel-Romer index. Since there are no TFP observations in subsequent years for any country, I had to include the interpolated TFP data used above as basis for the imputation. I set minimum and maximum values as bounds for fractions and indexes, and the empirically observed minimum and maximum for unrestricted variables. I excluded observations before 1820, the first year of data from Maddison, and observations without PI scores, so to not generate estimates based on country-years for countries before they ever existed.

I assessed the imputation model's validity by investigating how well it predicts existing data. I utilized the 9258 (actual) observations entering Model IV in Table 4, and randomly generated missing values for approximately 20 percent of *actual* scores on (log) TFP level and growth; (log) GDP per capita level and growth; log population; and, ethnic fractionalization. I re-ran the imputation model, and then assessed how predicted values (on the randomly generated missing data) corresponded with actual values. Actual and predicted values on the TFP and GDP variables correlate strongly; for example, the correlation is .83 for TFP growth and .97 for Ln TFP. The model does not predict population (.70 correlation) and ethnic fractionalization (.55) equally well. But, there is strong correspondence between regression models only using actual data and models using both actual and predicted data. For TFP growth, the PCSE and FE models using predicted data yield somewhat stronger results for PI, and 2SLS models with predicted data yield somewhat weaker results. However, the differences are small; for example, the FE model using only actual data yields a PI coefficient of 0.041 (t-value: 6.29), whereas the model including predicted data yields 0.044 (t-value: 6.59). Similar tests of the economic growth models show even smaller differences. Hence, the imputation model performs quite well.

B.3 Results from robustness tests in Section III.1.

	Baseline b/(t)	Add col./rel. b/(t)	Add lat./FR b/(t)	Year dummies b/(t)	Add GDP p.c. b/(t)	Drop GTF b/(t)	Drop POP b/(t)	Post-1945 b/(t)	Post-1960 b/(t)
Polity Index	0.034***	0.028***	0.032***	0.032***	0.030***	0.033***	0.033***	0.026**	0.022*
	(3.84)	(3.27)	(3.70)	(4.15)	(3.27)	(3.82)	(3.79)	(2.50)	(1.85)
Ln TFP	-1.828***	-1.778***	-2.067***	-1.963***		-1.825***	-1.829***	-1.850***	-1.372*
	(-3.08)	(-2.97)	(-3.97)	(-6.01)		(-3.07)	(-3.08)	(-2.66)	(-1.75)
Ln population	-0.170**	-0.112	-0.416***	-0.087	-0.099	-0.174**		-0.102	-0.203**
	(-2.07)	(-1.31)	(-3.20)	(-0.90)	(-1.31)	(-2.09)		(-1.17)	(-1.97)
Gl.tech.fr.gr.	-0.022	-0.023	-0.010	0.048	-0.014		-0.022	-0.036	-0.077
	(-0.37)	(-0.39)	(-0.18)	(0.37)	(-0.25)		(-0.37)	(-0.41)	(-0.53)
Ethnic fract.	-0.589	-0.355	0.029	-0.391	-1.500***	-0.594	-0.552	-1.460**	-1.291*
	(-1.22)	(-0.71)	(0.06)	(-0.72)	(-3.36)	(-1.21)	(-1.14)	(-2.55)	(-1.94)
E.Eur.–Sov.	-2.970***	-1.862***	-0.929*	-3.065***	-0.413	-2.975***	-2.963***	-3.033***	-3.513***
	(-4.61)	(-3.33)	(-1.67)	(-6.11)	(-1.01)	(-4.61)	(-4.96)	(-4.19)	(-4.37)
S.S. Africa	-2.489***	-1.739***	-1.979***	-2.670***	-0.768	-2.484***	-2.408***	-2.323***	-2.598***
	(-4.26)	(-2.71)	(-3.55)	(-5.36)	(-1.29)	(-4.24)	(-4.20)	(-3.48)	(-3.37)
Asia	-1.308***	-1.503*	-0.559	-1.711***	-0.163	-1.315**	-1.539***	-1.362**	-1.253**
	(-2.58)	(-1.85)	(-1.15)	(-4.26)	(-0.38)	(-2.57)	(-3.08)	(-2.35)	(-1.97)
Mid.E.–N.Afr.	-0.228	0.875	0.039	-0.441	-0.358	-0.223	-0.308	-0.171	-1.090**
	(-0.53)	(1.19)	(0.09)	(-1.01)	(-0.66)	(-0.51)	(-0.68)	(-0.38)	(-2.31)
Latin America	-0.991**	-1.892**	-0.546	-1.201***	-0.459	-0.995**	-0.872*	-1.279**	-1.614**
	(-2.10)	(-2.22)	(-1.15)	(-3.97)	(-0.90)	(-2.09)	(-1.73)	(-2.07)	(-2.22)
British col.		0.291							
		(0.84)							
French col.		0.596*							
		(1.90)							
Portug. col.		-0.574							
		(-0.65)							
Spanish col.		0.626							
		(0.80)							
Belgian col.		-1.879***							
		(-2.74)							
Sunni		-1.197							
		(-1.24)							
Shia		-1.759							
		(-1.53)							
Catholic		0.669							
		(0.58)							
Protestant		0.143							
		(0.14)							
Orthodox		-2.314**							
		(-2.14)							
Hindu		-0.510							
		(-0.46)							
Buddhist+		0.608							
		(0.57)							
Indigenous		-1.510							
		(-1.43)							
Abs. latitude			0.040***						
			(3.24)						
Ln Fr.-Romer			-0.502**						
			(-2.40)						
Ln GDP p.c.					-0.054				
					(-0.21)				
Decade dummies	Y	Y	Y		Y	Y	Y	Y	Y
Year dummies				Y					
N	6877	6877	6734	6877	6927	6878	6885	4877	4087
Countries	138	138	118	138	138	138	138	138	138

Table B.3: Robustness tests. Regressions with TFP growth (in percent) as dependent variable. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. T-values in parentheses. Independent variables are lagged with 5 years. Constants, decade- and year dummies are omitted. All models are OLS PCSE regressions, where standard errors adjust for AR(1) autocorrelation within panels, contemporaneous correlation and heteroskedastic panels . The longest time series are 1837–2000 (for dependent variable), but see top row for models drawing on shorter time series.

	Year dummies b/(t)	Use Ln GDP p.c. b/(t)	Drop GTF b/(t)	Drop POP b/(t)	Post-1945 sample b/(t)	Post-1960 sample b/(t)
Polity Index	0.036***	0.038***	0.039***	0.043***	0.040***	0.038***
	(5.47)	(5.69)	(5.96)	(6.39)	(4.45)	(3.67)
Ln TFP	-3.174***		-3.194***	-2.448***	-3.908***	-3.697***
	(-19.60)		(-20.14)	(-15.72)	(-18.11)	(-14.03)
Ln population	-2.463***	-2.100***	-2.534***		-4.059***	-5.296***
	(-16.12)	(-14.58)	(-17.27)		(-16.30)	(-16.34)
Global tech. fr. gr.	-0.479	-0.123*		-0.094	-0.143	0.178
	(-0.24)	(-1.88)		(-1.43)	(-1.59)	(1.27)
Ln GDP p.c.		-1.014***				
		(-8.69)				
Decade dummies		Y	Y	Y	Y	Y
Year dummies	Y					
N	6877	6927	6878	6885	4877	4087
Countries	138	138	138	138	138	138

Table B.4: Robustness tests. Fixed effects regressions with TFP growth (in percent) as dependent variable. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. T-values in parentheses. Independent variables are lagged with 5 years. Constants, decade-, year- and country dummies are omitted. The longest time series are 1837–2000 (for dependent variable), but see top row for models drawing on shorter time series.

B.4 Results from Section III.2.

	I (PCSE)		II (PCSE)		III (FE)		IV (RE2SLS)		V (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.027***	(3.04)	0.021**	(2.40)	0.046***	(7.02)	0.040***	(2.80)	0.035**	(2.40)
Log TFP	-2.157***	(-3.69)	-2.298***	(-4.07)	-4.568***	(-28.43)	-3.235***	(-20.27)	-3.983***	(-23.02)
Log population	-0.159*	(-1.92)	-0.155*	(-1.68)	-2.809***	(-19.21)	-0.896***	(-9.82)	-2.514***	(-16.71)
Gl.tech.fr.gr.	-0.019	(-0.31)	-0.019	(-0.32)	-0.055	(-0.88)	-0.075	(-1.16)	-0.073	(-1.16)
Ethnic fract.	-0.554	(-1.03)	-0.199	(-0.40)			-1.458**	(-2.17)		
E.Eur-Soviet	-3.563***	(-4.66)	-2.682***	(-4.36)			-1.843***	(-2.72)		
Africa	-2.720***	(-4.69)	-2.103***	(-3.14)			-4.290***	(-7.34)		
Asia	-1.506***	(-3.18)	-2.104**	(-2.56)			-1.695***	(-3.27)		
M.E.-N.A.	-0.502	(-1.08)	0.751	(0.99)			-0.632	(-1.13)		
Latin Am.	-1.084**	(-2.30)	-2.659***	(-3.24)			-2.389***	(-4.91)		
1840s	-0.102	(-0.28)	-0.162	(-0.44)	-0.593	(-0.66)	-0.187	(-0.15)	-0.306	(-0.25)
1850s	-0.050	(-0.11)	-0.120	(-0.26)	-1.112	(-1.40)	-0.581	(-0.48)	-0.739	(-0.63)
1860s	0.220	(0.43)	0.161	(0.31)	-0.761	(-0.98)	-0.295	(-0.25)	-0.339	(-0.29)
1870s	0.398	(0.73)	0.351	(0.64)	-0.955	(-1.24)	-0.337	(-0.28)	-0.512	(-0.44)
1880s	0.546	(0.97)	0.521	(0.92)	-0.354	(-0.46)	-0.000	(-0.00)	0.012	(0.01)
1890s	0.669	(1.15)	0.681	(1.17)	-0.157	(-0.21)	0.057	(0.05)	0.198	(0.17)
1900s	0.815	(1.38)	0.884	(1.50)	-0.130	(-0.17)	-0.190	(-0.16)	0.129	(0.11)
1910s	0.823	(1.39)	0.960	(1.62)	0.526	(0.69)	0.343	(0.29)	0.831	(0.72)
1920s	1.107*	(1.86)	1.267**	(2.13)	1.232	(1.62)	0.951	(0.80)	1.592	(1.37)
1930s	1.427**	(2.39)	1.598***	(2.68)	1.938**	(2.54)	1.240	(1.05)	2.138*	(1.84)
1940s	1.895***	(3.17)	2.088***	(3.51)	3.311***	(4.24)	2.364**	(1.98)	3.414***	(2.92)
1950s	2.084***	(3.44)	2.341***	(3.89)	4.586***	(6.01)	3.319***	(2.80)	4.651***	(4.01)
1960s	1.839***	(2.97)	2.157***	(3.50)	5.218***	(6.76)	3.203***	(2.70)	4.940***	(4.23)
1970s	1.450**	(2.33)	1.763***	(2.85)	4.660***	(6.01)	2.097*	(1.77)	4.185***	(3.58)
1980s	1.110*	(1.77)	1.425**	(2.29)	4.553***	(5.82)	2.013*	(1.69)	4.367***	(3.71)
1990s	0.787	(1.23)	1.129*	(1.78)	4.495***	(5.64)	1.879	(1.56)	4.436***	(3.73)
British			0.265	(0.84)						
French			0.639**	(1.97)						
Portuguese			1.002	(1.19)						
Spanish			0.940	(1.31)						
Belgian			-2.316***	(-3.19)						
Sunni			-2.371**	(-2.25)						
Shia			-2.896**	(-2.36)						
Catholic			-0.172	(-0.14)						
Protestant			-0.880	(-0.78)						
Orthodox			-3.234***	(-2.70)						
Hindu			-1.372	(-1.21)						
Buddhist+			0.030	(0.03)						
Indigenous			-3.243***	(-2.68)						
Constant	12.884***	(4.47)	13.982***	(4.12)	63.908***	(24.22)	30.099***	(14.08)	56.850***	(19.66)
N	6603		6603		6603		5595		5595	

Table B.5: Results from OLS PCSE, FE and panel data 2SLS models with 7-year lags on independent variables and TFP growth as dependent variable. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (FE)		IV (RE2SLS)		V (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Civil liberties	-0.154***	(-3.38)	-0.159***	(-3.47)	-0.113*	(-1.91)	-0.345*	(-1.70)	-0.038	(-0.20)
Log TFP	-1.945***	(-3.34)	-2.034***	(-3.41)	-6.734***	(-16.05)	-3.813***	(-11.11)	-6.164***	(-13.64)
Log population	0.046	(0.86)	0.053	(0.84)	-5.542***	(-10.14)	-0.303**	(-2.01)	-4.781***	(-7.95)
Gl.tech.fr.gr.	-0.190	(-1.12)	-0.177	(-1.02)	0.119	(0.58)	-0.067	(-0.34)	0.130	(0.66)
Ethnic fract.	-3.098***	(-4.30)	-2.181***	(-3.36)			-2.754***	(-2.92)		
E.Eur-Soviet	-3.227***	(-3.72)	-1.972***	(-2.75)			-1.765	(-1.50)		
Africa	-1.100*	(-1.65)	-0.866	(-1.21)			-3.413***	(-3.20)		
Asia	-0.957**	(-2.26)	-1.012	(-1.54)			-2.136**	(-2.28)		
M.E.-N.A.	-1.289***	(-3.31)	-0.187	(-0.39)			-0.311	(-0.29)		
Latin Am.	-1.638**	(-2.04)	-3.244***	(-4.04)			-2.713***	(-3.50)		
1970s	11.172***	(3.28)	.	.	-0.425	(-1.43)	0.349	(1.19)	-0.582*	(-1.90)
1980s	10.959***	(3.24)	-0.225	(-1.00)	-0.053	(-0.24)	0.283	(1.26)	-0.073	(-0.33)
1990s	10.770***	(3.15)	-0.401	(-1.39)	.	.	.	.	.	.
British			-0.133	(-1.07)						
French			0.815***	(2.96)						
Portuguese			1.327**	(2.17)						
Spanish			1.111*	(1.73)						
Belgian			-2.238**	(-2.56)						
Sunni			-2.476***	(-3.97)						
Shia			-3.276***	(-2.73)						
Catholic			-0.621	(-0.86)						
Protestant			-1.096**	(-2.44)						
Orthodox			-3.310***	(-4.50)						
Hindu			-1.521***	(-3.40)						
Buddhist+			-0.634	(-1.63)						
Indigenous			-3.739***	(-4.50)						
Constant	.	.	12.380***	(3.27)	121.958***	(12.29)	26.946***	(7.88)	107.285***	(9.69)
N	2492		2492		2492		2190		2190	

Table B.6: Results from OLS PCSE, FE and panel data 2SLS models with 7-year lags on independent variables and TFP growth as dependent variable. The Civil Liberties (CL) index from Freedom House is used as measure of regime type; note that lower scores on CL implies stronger protection of civil liberties. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Western countries					Non-western countries				
	Ia (PCSE)	IIa (PCSE)	IIIa (FE)	IVa (RE2SLS)	Va (FE2SLS)	Ib (PCSE)	IIb (PCSE)	IIIb (FE)	IVb (RE2SLS)	Vb (FE2SLS)
	b/(t)	b/(t)	b/(t)	b/(t)	b/(t)	b/(t)	b/(t)	b/(t)	b/(t)	b/(t)
Polity	0.046***	0.043***	0.032***	0.029***	0.011	0.033***	0.028***	0.058***	0.033	0.032
	(4.08)	(3.82)	(4.25)	(3.11)	(0.99)	(3.17)	(2.89)	(6.30)	(1.21)	(1.12)
Ln TFP	-3.672***	-3.811***	-3.880***	-2.101***	-3.465***	-1.669***	-1.472**	-3.439***	-1.711***	-2.692***
	(-7.41)	(-7.32)	(-18.57)	(-13.40)	(-15.85)	(-2.61)	(-2.19)	(-15.65)	(-7.98)	(-10.58)
Ln population	0.111	0.126	-1.502***	0.030	-1.094***	-0.212**	-0.064	-3.282***	-0.546***	-2.942***
	(1.13)	(1.31)	(-7.69)	(1.06)	(-5.42)	(-2.22)	(-0.65)	(-13.19)	(-4.50)	(-10.60)
Global Frontier TFP growth	0.055	0.055	-0.176***	-0.126*	-0.112*	-0.073	-0.070	-0.015	0.019	0.016
	(0.96)	(0.96)	(-2.71)	(-1.92)	(-1.76)	(-0.87)	(-0.84)	(-0.16)	(0.18)	(0.15)
Ethnic Fractionalization	0.698	0.572		0.275*		-0.917	-0.020		-2.513***	
	(1.43)	(0.89)		(1.70)		(-1.51)	(-0.04)		(-3.10)	
Africa						0.330	-0.369		-1.690**	
						(0.57)	(-0.65)		(-2.35)	
Asia						1.343**	0.008		-0.453	
						(2.43)	(0.01)		(-0.63)	
M.E.–N.A.						2.333***	2.161**		-0.153	
						(3.19)	(2.56)		(-0.20)	
Latin America						1.509**	-0.445		-1.259*	
						(2.56)	(-0.47)		(-1.75)	
British		0.260					0.399			
		(0.68)					(0.87)			
French		0.000					0.634*			
		(.)					(1.68)			
Portuguese		0.000					-0.636			
		(.)					(-0.66)			
Spanish		0.000					0.122			
		(.)					(0.14)			
Belgian		0.000					-1.997**			
		(.)					(-2.44)			
Sunni		0.000					-1.270			
		(.)					(-1.30)			
Shia		0.000					-1.980			
		(.)					(-1.61)			
Catholic		0.000					0.966			
		(.)					(0.79)			
Protestant		0.144					-0.537			
		(0.68)					(-0.56)			
Orthodox		-0.437					-3.274***			
		(-0.99)					(-2.97)			
Hindu		0.000					-0.726			
		(.)					(-0.66)			
Buddhist+		0.000					0.368			
		(.)					(0.35)			
Indigeneous		0.000					-1.425			
		(.)					(-1.33)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	2367	2367	2367	2262	2262	4510	4510	4510	3564	3564

Table B.7: Split-sample test, for Western (Models Ia–Va; Western Europe, North America, Australia and New Zealand) and Non-western (Models Ib–Vb; all other countries) countries, on OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable. Decade dummies and constant are omitted from the table. Eastern Europe and (ex-)Soviet is reference category for the region dummies in the Non-western sample. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Democratic countries					Non-democratic countries				
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (FE) b/(t)	IVa (RE2SLS) b/(t)	Va (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (FE) b/(t)	IVb (RE2SLS) b/(t)	Vb (FE2SLS) b/(t)
Polity	0.083***	0.066***	0.089***	-0.172***	-0.110*	-0.027	-0.030	0.108***	0.200***	0.223***
	(4.82)	(3.67)	(5.16)	(-2.86)	(-1.92)	(-0.96)	(-1.08)	(4.36)	(3.01)	(3.36)
Ln TFP	-0.948**	-1.216**	-3.496***	-2.680***	-3.541***	-1.581***	-1.333***	-4.195***	-2.660***	-3.421***
	(-2.00)	(-2.40)	(-16.74)	(-12.91)	(-16.36)	(-3.86)	(-2.71)	(-16.81)	(-10.46)	(-11.66)
Ln population	0.183**	0.190**	-2.326***	-0.626***	-1.933***	-0.056	-0.147	-3.037***	-0.793***	-2.839***
	(1.99)	(2.09)	(-12.88)	(-4.90)	(-10.70)	(-0.58)	(-1.46)	(-10.75)	(-5.35)	(-8.80)
Global frontier TFP growth	0.014	0.023	-0.153**	-0.105	-0.093	-0.065	-0.060	-0.010	-0.014	-0.013
	(0.22)	(0.37)	(-2.20)	(-1.49)	(-1.38)	(-0.74)	(-0.71)	(-0.10)	(-0.13)	(-0.12)
Ethnic Fractionalization	-1.284**	-0.759*		-2.610***		-0.897	-0.295		-1.230	
	(-2.48)	(-1.69)		(-2.62)		(-1.40)	(-0.49)		(-1.28)	
E.Eur–Soviet	-1.357**	-1.162*		-2.226**		-0.473	-0.652*		-1.418	
	(-2.32)	(-1.95)		(-2.44)		(-1.04)	(-1.68)		(-1.48)	
Africa	-1.410***	-0.539		-5.668***		0.000	-0.944**		0.000	
	(-3.43)	(-0.85)		(-6.46)		(.)	(-2.10)		(.)	
Asia	-0.663*	-1.534**		-3.011***		0.000	0.000		0.000	
	(-1.70)	(-2.06)		(-3.90)		(.)	(.)		(.)	
M.E.–N.A.	0.516	0.935		-0.807		0.000	0.000		0.000	
	(1.19)	(1.32)		(-0.74)		(.)	(.)		(.)	
Latin America	-0.142	-1.033*		-2.788***		0.000	0.000		0.000	
	(-0.47)	(-1.96)		(-4.15)		(.)	(.)		(.)	
British		0.006					0.196			
		(0.02)					(0.37)			
French		0.267					0.369			
		(0.47)					(0.84)			
Portuguese		-0.442					-0.268			
		(-0.83)					(-0.33)			
Spanish		0.356					-0.970**			
		(0.60)					(-2.33)			
Belgian		-3.295***					-2.101***			
		(-3.44)					(-3.16)			
Sunni		-0.910					-0.295			
		(-1.13)					(-0.32)			
Shia		-1.744**					0.000			
		(-2.29)					(.)			
Catholic		0.532					1.340			
		(0.53)					(1.15)			
Protestant		-0.251					0.379			
		(-0.25)					(0.41)			
Orthodox		-1.817					0.863			
		(-1.50)					(0.87)			
Hindu		-0.927					-1.019			
		(-0.84)					(-0.78)			
Buddhist+		1.303					1.115			
		(1.43)					(1.08)			
Indigeneous		-4.341***					-0.956			
		(-4.47)					(-1.12)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	3414	3414	3414	2989	2989	3463	3463	3463	2837	2837

Table B.8: Split-sample test, for observations with above ("Democratic"; Models Ia–Va) and below or equal to ("Non-democratic"; Models Ib–Vb) median score on Polity (-1) in the full-sample version of Model I. OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable. Decade dummies and constant are omitted from the table. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Technologically advanced countries					Technologically non-advanced countries				
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (FE) b/(t)	IVa (RE2SLS) b/(t)	Va (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (FE) b/(t)	IVb (RE2SLS) b/(t)	Vb (FE2SLS) b/(t)
Polity	0.064***	0.047***	0.056***	0.008	-0.020	0.042***	0.034***	0.044***	0.061**	0.058**
	(5.81)	(4.37)	(5.63)	(0.40)	(-0.96)	(4.08)	(3.46)	(4.70)	(2.40)	(2.21)
Ln TFP	-2.813***	-3.130***	-3.268***	-2.030***	-3.029***	-1.125*	-1.424**	-3.529***	-2.129***	-2.438***
	(-4.12)	(-4.09)	(-12.48)	(-8.10)	(-11.17)	(-1.76)	(-2.24)	(-13.85)	(-8.13)	(-8.46)
Ln population	-0.203*	-0.120	-3.813***	-0.949***	-3.696***	0.050	0.155	-1.269***	0.209	-0.466
	(-1.74)	(-1.17)	(-19.24)	(-9.03)	(-18.43)	(0.46)	(1.31)	(-4.04)	(1.40)	(-1.33)
Global frontier TFP growth	0.003	-0.001	-0.092	-0.080	-0.049	-0.053	-0.053	-0.011	-0.042	-0.021
	(0.04)	(-0.01)	(-1.06)	(-0.89)	(-0.57)	(-0.80)	(-0.82)	(-0.13)	(-0.45)	(-0.23)
Ethnic Fractionalization	-0.626	0.308		-1.600**		-2.259***	-1.329**		-2.606***	
	(-1.09)	(0.50)		(-2.29)		(-3.40)	(-2.52)		(-2.71)	
E.Eur–Soviet	-1.477*	-1.744**		-1.399		-0.893**	-0.572		-1.323	
	(-1.70)	(-2.18)		(-1.42)		(-2.08)	(-1.24)		(-1.54)	
Africa	-1.929***	-1.703***		-3.319***		0.000	0.000		0.000	
	(-3.62)	(-3.52)		(-5.11)		(.)	(.)		(.)	
Asia	-0.398	-2.607**		-0.222		0.000	0.000		0.000	
	(-0.83)	(-2.18)		(-0.39)		(.)	(.)		(.)	
M.E.–N.A.	0.028	1.514		-1.183**		0.000	-6.751		0.000	
	(0.06)	(1.28)		(-2.21)		(.)	(-1.60)		(.)	
Latin America	-1.092***	-0.079		-2.329***		0.000	0.000		0.000	
	(-2.72)	(-0.03)		(-5.12)		(.)	(.)		(.)	
British		0.279					0.088			
		(0.86)					(0.21)			
French		-0.420					0.529			
		(-0.72)					(1.00)			
Portuguese		-1.919					0.136			
		(-0.74)					(0.13)			
Spanish		-1.331					0.110			
		(-0.61)					(0.17)			
Belgian		0.000					-2.060***			
		(.)					(-2.59)			
Sunni		-0.818					2.697			
		(-0.79)					(0.78)			
Shia		-1.279					0.000			
		(-1.16)					(.)			
Catholic		1.125					4.313			
		(0.78)					(1.26)			
Protestant		1.086					4.646			
		(0.78)					(1.38)			
Orthodox		0.398					2.006			
		(0.29)					(0.55)			
Hindu		1.182					2.561			
		(0.80)					(0.74)			
Buddhist+		4.403***					3.036			
		(3.29)					(0.91)			
Indigeneous		1.300					1.507			
		(0.71)					(0.44)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	3439	3439	3439	3095	3095	3439	3439	3439	2732	2732

Table B.9: Split-sample test, for observations with above ("Technologically advanced"; Models Ia–Va) and below or equal to ("Technologically non-advanced"; Models Ib–Vb) median score on Log of Total Factor Productivity (4.874393) in the full-sample version of Model I. OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable. Decade dummies and constant are omitted from the table. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Rich countries					Poor countries				
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (FE) b/(t)	IVa (RE2SLS) b/(t)	Va (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (FE) b/(t)	IVb (RE2SLS) b/(t)	Vb (FE2SLS) b/(t)
Polity	0.044***	0.037***	0.039***	-0.002	-0.005	0.024**	0.020*	0.042***	0.058**	0.059**
	(4.06)	(3.30)	(4.17)	(-0.09)	(-0.26)	(1.97)	(1.72)	(4.39)	(2.09)	(1.98)
Ln TFP	-2.070***	-3.087***	-3.533***	-2.019***	-3.085***	-1.592***	-1.774***	-3.468***	-1.915***	-1.732***
	(-3.87)	(-6.31)	(-15.87)	(-10.11)	(-13.49)	(-4.95)	(-5.11)	(-12.07)	(-6.58)	(-4.98)
Ln population	-0.142*	-0.341***	-3.291***	-0.617***	-2.983***	-0.033	-0.062	-2.621***	-0.098	-2.008***
	(-1.94)	(-2.83)	(-15.31)	(-6.25)	(-13.57)	(-0.39)	(-0.67)	(-7.30)	(-0.72)	(-4.89)
Global frontier TFP growth	-0.004	0.021	-0.094	-0.026	-0.005	-0.086	-0.095	-0.054	-0.074	-0.067
	(-0.06)	(0.51)	(-1.07)	(-0.29)	(-0.06)	(-1.17)	(-1.33)	(-0.61)	(-0.81)	(-0.74)
Ethnic Fractionalization	-2.518***	-1.966**		-2.853***		-0.563	-0.061		-1.113	
	(-4.67)	(-2.41)		(-4.38)		(-1.02)	(-0.12)		(-1.35)	
E.Eur–Soviet	-2.551***	-1.453**		-1.226**		-0.784	-1.174***		-0.487	
	(-3.22)	(-2.42)		(-2.12)		(-1.50)	(-2.61)		(-0.56)	
Africa	1.025**	1.341		-0.662		0.000	0.000		0.000	
	(2.21)	(1.50)		(-0.95)		(.)	(.)		(.)	
Asia	-0.628	8.802***		-0.403		0.000	0.000		0.000	
	(-1.28)	(8.12)		(-0.79)		(.)	(.)		(.)	
M.E.–N.A.	0.240	10.753***		-1.311***		0.000	0.000		0.000	
	(0.58)	(8.59)		(-2.78)		(.)	(.)		(.)	
Latin America	-0.557*	-4.146***		-1.966***		0.000	0.000		0.000	
	(-1.74)	(-2.91)		(-4.80)		(.)	(.)		(.)	
British		0.615					-0.586			
		(1.41)					(-1.50)			
French		-2.801***					-0.164			
		(-3.10)					(-0.35)			
Portuguese		3.815**					-0.467			
		(2.32)					(-0.70)			
Spanish		2.816*					-0.602			
		(1.92)					(-1.64)			
Belgian		0.000					-2.266***			
		(.)					(-3.48)			
Sunni		0.255					8.567***			
		(0.23)					(3.37)			
Shia		-0.459					7.526**			
		(-0.52)					(2.46)			
Catholic		10.710***					9.661***			
		(7.12)					(3.85)			
Protestant		9.744***					8.857***			
		(6.45)					(3.75)			
Orthodox		10.171***					8.382***			
		(5.95)					(3.31)			
Hindu		7.273***					7.915***			
		(3.82)					(3.04)			
Buddhist+		0.782					8.708***			
		(0.59)					(3.57)			
Indigeneous		10.625***					7.512***			
		(5.99)					(3.08)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	3516	3516	3516	3261	3261	3362	3362	3362	2566	2566

Table B.10: Split-sample test, for observations with above ("Rich"; Models Ia–Va) and below or equal to ("Poor"; Models Ib–Vb) median score on GDP per capita (2620.388 USD) in the full-sample version of Model I. OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable. Decade dummies and constant are omitted from the table. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (FE)		IV (RE2SLS)		V (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.062***	(3.34)	0.068***	(3.38)	0.047	(1.63)	0.065***	(2.81)	0.057	(1.42)
Log TFP	-1.842***	(-5.26)	-1.827***	(-5.17)	-5.129***	(-9.63)	-1.992***	(-6.85)	-5.077***	(-9.52)
Gl.tech.fr.gr.	0.094	(0.60)	0.125	(0.80)	0.097	(0.57)	0.131	(0.76)	0.133	(0.77)
Log popul.	-0.036	(-0.44)	-0.051	(-0.61)	-3.072***	(-5.88)	-0.062	(-0.68)	-3.013***	(-5.75)
Ethnic fract.	-1.173**	(-2.38)	-0.907	(-1.62)			-1.337**	(-2.47)		
E.Eur-Soviet	-0.272	(-0.49)	-0.331	(-0.66)			-0.327	(-0.54)		
Africa	-1.423***	(-2.66)	-1.357*	(-1.94)			-1.470**	(-2.56)		
Asia	-0.890**	(-2.04)	-1.347	(-1.56)			-0.852*	(-1.77)		
M.E.-N.A.	0.112	(0.24)	0.025	(0.03)			0.158	(0.30)		
Latin Am.	-0.646**	(-2.18)	-1.738*	(-1.85)			-0.716*	(-1.86)		
1850s	0.311	(0.41)	0.356	(0.46)	-6.428***	(-3.76)	0.200	(0.14)	-6.111***	(-3.44)
1860s	-0.146	(-0.24)	-0.132	(-0.22)	-6.240***	(-4.79)	-0.215	(-0.22)	-5.972***	(-4.37)
1870s	-0.073	(-0.11)	0.016	(0.02)	-6.025***	(-4.27)	-0.133	(-0.12)	-5.776***	(-3.93)
1880s	0.341	(0.61)	0.319	(0.57)	-6.372***	(-5.18)	0.195	(0.23)	-6.125***	(-4.77)
1890s	0.456	(0.83)	0.508	(0.91)	-5.430***	(-4.87)	0.394	(0.51)	-5.146***	(-4.41)
1900s	0.656	(1.32)	0.618	(1.24)	-5.132***	(-5.07)	0.537	(0.82)	-4.900***	(-4.67)
1910s	0.700	(1.37)	0.673	(1.31)	-4.673***	(-4.90)	0.572	(0.90)	-4.479***	(-4.57)
1920s	-0.096	(-0.20)	-0.140	(-0.30)	-5.100***	(-5.96)	-0.237	(-0.43)	-4.933***	(-5.67)
1930s	1.404***	(2.91)	1.426***	(2.96)	-3.353***	(-4.07)	1.294**	(2.32)	-3.179***	(-3.82)
1940s	0.903*	(1.87)	0.899*	(1.87)	-2.883***	(-3.85)	0.838	(1.60)	-2.757***	(-3.60)
1950s	1.836***	(3.65)	1.805***	(3.59)	-1.818**	(-2.49)	1.679***	(3.19)	-1.804**	(-2.41)
1960s	2.217***	(5.28)	2.170***	(5.19)	-0.567	(-0.95)	2.129***	(4.91)	-0.518	(-0.85)
1970s	2.665***	(7.13)	2.672***	(7.18)	0.961**	(2.03)	2.700***	(7.28)	1.085**	(2.25)
1980s	1.291***	(3.58)	1.334***	(3.76)	0.688*	(1.80)	1.316***	(4.00)	0.729*	(1.84)
1990s	0.322	(0.90)	0.344	(0.98)	0.110	(0.33)	0.351	(1.08)	0.154	(0.44)
British			-0.190	(-0.66)						
French			0.626	(1.30)						
Portuguese			1.627	(1.59)						
Spanish			0.911	(0.97)						
Belgian			-0.653	(-0.71)						
Sunni			-1.385	(-1.15)						
Shia			-1.371	(-0.89)						
Catholic			-1.136	(-0.84)						
Protestant			-1.335	(-0.98)						
Orthodox			-1.247	(-0.85)						
Hindu			-1.566	(-1.08)						
Buddhist+			-0.477	(-0.34)						
Indigenous			-2.787*	(-1.91)						
Constant	9.418***	(4.18)	10.766***	(4.05)	75.460***	(7.73)	10.661***	(4.77)	74.145***	(7.56)
N	635		635		635		630		630	

Table B.11: Results from OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable. The data material used for these models do not include interpolated data; descriptions on how averages for the time periods are calculated are presented in the text. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	b	(t)	b	(t)	b	(t)	b	(t)
Polity (yr 2000)	0.002	(1.64)						
Polity (avg 1985-2000)			0.003*	(1.67)				
Civ. lib. (yr 2000)					-0.012**	(-2.40)		
Civ. lib. (avg 1985-2000)							-0.020***	(-2.87)
Log GDP p.c.	0.112***	(13.28)	0.113***	(11.4)5	0.106***	(11.66)	0.105***	(10.15)
Log population	0.005	(1.11)	0.003	(0.51)	0.006	(1.29)	0.004	(0.91)
Ethnic fract.	-0.005	(-0.19)	-0.021	(-0.67)	-0.005	(-0.18)	-0.017	(-0.58)
E.Eur-Soviet	-0.078***	(-3.26)	-0.069*	(-1.85)	-0.072***	(-2.98)	-0.050	(-1.33)
Africa	-0.160***	(-5.04)	-0.132***	(-3.62)	-0.160***	(-5.09)	-0.119***	(-3.47)
Asia	-0.137***	(-5.21)	-0.113***	(-3.87)	-0.130***	(-4.91)	-0.095***	(-3.20)
M.E.-N.A.	-0.141***	(-5.07)	-0.114***	(-3.41)	-0.125***	(-4.48)	-0.084**	(-2.62)
Latin Am.	-0.146***	(-5.90)	-0.136***	(-5.13)	-0.143***	(-5.82)	-0.122***	(-4.72)
Constant	-0.553***	(-4.64)	-0.525***	-(3.91)	-0.462***	(-3.69)	-0.419***	(-3.02)
Sigma-Constant	0.067***	(17.20)	0.069***	(15.62)	0.067***	(17.26)	0.067***	(15.88)
N	148		122		149		126	

Table B.12: Results from cross-section Tobit models, with ArCo index measured in year 2000 as dependent variable. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I		II		III		IV		V		VI	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
CL	-0.032	(-0.91)	-0.076**	(-2.35)								
FSP					0.149**	(2.14)	0.145**	(2.19)				
ERI									0.032	(1.61)	0.036**	(1.99)
Log TFP	-1.585***	(-5.06)	-0.580***	(-2.74)	-0.797**	(-2.47)	-0.368	(-1.52)	-0.820**	(-2.51)	-0.313	(-1.43)
Log popul.	-1.627***	(-3.77)	0.031	(0.28)	0.245	(0.48)	0.110	(0.84)	-0.353	(-0.70)	0.190	(1.45)
Gl.tech.fr.gr.	0.041	(0.42)	-0.026	(-0.27)	-0.061	(-0.59)	-0.047	(-0.46)	-0.017	(-0.16)	-0.037	(-0.36)
1970s	-0.143	(-0.90)	0.048	(0.33)								
1980s	-0.016	(-0.15)	0.090	(0.86)	0.043	(0.38)	0.034	(0.31)				
1990s									-0.012	(-0.11)	-0.054	(-0.50)
Lag dep. var.	0.722***	(52.41)	0.792***	(65.55)	0.798***	(49.45)	0.852***	(60.33)	0.792***	(49.66)	0.845***	(60.66)
Constant	33.865***	(4.36)	2.339	(1.03)	-0.495	(-0.05)	-0.307	(-0.12)	9.281	(1.01)	-1.928	(-0.80)
N	2507		2764		1683		1825		1669		1814	
Countries	138		138		138		138		138		138	
Sargan test p	.132		.368		.964		.996		.840		.950	

Table B.13: Results from dynamic panel data models with TFP growth as dependent variable, including one lag on the dependent variable as regressor. Models I, III and V are Arellano-Bond models, whereas Models II, IV and VI are system-GMM models. CL: Civil Liberties index from Freedom House (note that lower values indicate better protection of civil liberties). FSP: Freedom of Speech measure from CIRI. ERI: Empowerment Rights Index from CIRI. CL, FSP and ERI are entered as endogenous, and all independent variables are lagged by 5 years. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (FE)		IV (RE2SLS)		V (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.025*	(1.72)	0.025*	(1.81)	0.087***	(5.92)	-0.087	(-1.60)	-0.094	(-1.60)
Leader punished	-0.038	(-0.33)	-0.050	(-0.43)	-0.480***	(-3.94)	-0.779***	(-5.12)	-0.814***	(-5.14)
Log TFP	-1.395***	(-4.68)	-1.425***	(-4.65)	-3.224***	(-10.94)	-1.543***	(-5.74)	-2.148***	(-6.56)
Log population	-0.109	(-1.40)	-0.231***	(-2.65)	-2.531***	(-8.19)	-0.433***	(-3.06)	-1.846***	(-5.30)
Gl.tech.fr.gr.	-0.085	(-0.86)	-0.079	(-0.81)	-0.130	(-1.21)	-0.062	(-0.56)	-0.075	(-0.68)
Ethnic fract.	0.052	(0.11)	0.362	(0.93)			-1.719*	(-1.92)		
E.Eur-Soviet	-1.092**	(-2.15)	-0.975**	(-2.45)			-0.113	(-0.13)		
Africa	-1.672***	(-4.66)	-0.599	(-1.23)			-1.574*	(-1.79)		
Asia	-0.549*	(-1.78)	0.965	(1.58)			-0.224	(-0.32)		
M.E.-N.A.	0.661	(1.22)	2.007**	(2.49)			0.186	(0.23)		
Latin Am.	-0.179	(-0.67)	0.249	(0.27)			-0.451	(-0.64)		
1870s	8.742***	(4.30)	-0.666*	(-1.74)	.	.	1.470**	(2.50)	-1.656*	(-1.88)
1880s	8.752***	(4.35)	-0.667*	(-1.74)	0.848*	(1.72)	2.080***	(3.87)	-0.874	(-1.05)
1890s	8.746***	(4.38)	-0.658**	(-1.98)	1.471***	(3.11)	2.338***	(5.25)	-0.355	(-0.48)
1900s	8.962***	(4.47)	-0.367	(-1.14)	1.151**	(2.40)	1.870***	(4.11)	-0.639	(-0.88)
1910s	9.389***	(4.67)	0.114	(0.40)	1.833***	(3.66)	2.563***	(5.44)	0.227	(0.31)
1920s	9.197***	(4.52)	.	.	3.139***	(5.86)	2.487***	(6.31)	0.449	(0.78)
1930s	9.011***	(4.51)	-0.297	(-0.97)	3.000***	(5.32)	2.174***	(6.54)	0.472	(0.98)
1940s	9.287***	(4.63)	-0.032	(-0.09)	3.428***	(5.26)	2.091***	(6.30)	0.572	(1.29)
1950s	9.730***	(4.72)	0.460	(1.29)	5.086***	(8.25)	3.563***	(11.84)	2.337***	(6.01)
1960s	9.740***	(4.68)	0.541*	(1.66)	5.725***	(8.40)	3.540***	(13.41)	2.670***	(8.45)
1970s	8.788***	(4.16)	-0.364	(-1.06)	5.348***	(7.45)	1.756***	(5.71)	1.246***	(3.99)
1980s	7.954***	(3.78)	-1.157***	(-3.13)	4.673***	(6.11)	1.032***	(3.91)	0.790***	(2.99)
1990s	7.152***	(3.29)	-1.865***	(-3.82)	3.079***	(3.75)	.	.	.	.
British			-0.786**	(-2.29)						
French			-0.496	(-1.47)						
Portuguese			-0.851	(-0.87)						
Spanish			-1.372	(-1.50)						
Belgian			-3.011***	(-3.13)						
Sunni			10.403***	(5.07)						
Shia			8.575***	(3.81)						
Catholic			12.019***	(5.78)						
Protestant			11.190***	(5.50)						
Orthodox			10.144***	(4.49)						
Hindu			7.404***	(3.52)						
Buddhist+			10.010***	(4.89)						
Indigenous			9.938***	(4.50)						
Constant	.	.	.	.	51.970***	(10.27)	13.150***	(4.38)	38.783***	(5.96)
N	2763		2763		2763		2321		2321	

Table B.14: Results from OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable: Tests on the relation between post-office fate (punishment) and TFP growth in dictatorships. Only countries with $PI < 6$ included in sample. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (FE)		IV (RE2SLS)		V (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Civil liberties	-0.217***	(-3.13)	-0.128*	(-1.85)	0.068	(1.00)	-0.595**	(-2.11)	-0.418	(-1.38)
Civ.lib.*Buer.qual.	0.091***	(2.74)	0.069*	(1.88)	0.004	(0.16)	0.112**	(2.39)	0.083	(1.54)
Log TFP	-1.716**	(-2.20)	-1.462	(-1.45)	-1.268**	(-2.40)	-1.773***	(-3.44)	-1.614***	(-2.64)
Log population	-0.111	(-1.20)	-0.202***	(-2.70)	-0.463	(-0.57)	-0.031	(-0.13)	-0.995	(-1.03)
Gl.tech.fr.gr.	-0.013	(-0.12)	0.023	(0.20)	-0.027	(-0.18)	-0.089	(-0.57)	-0.030	(-0.19)
Ethnic fract.	-3.849***	(-7.29)	-2.404***	(-5.32)			-4.359***	(-2.75)		
E.Eur-Soviet	-0.514	(-1.10)	-0.311	(-0.45)			1.101	(0.72)		
Africa	-2.096***	(-3.05)	-3.230***	(-4.60)			-0.749	(-0.53)		
Asia	-1.260***	(-2.58)	-3.004***	(-2.89)			-0.568	(-0.45)		
M.E.-N.A.	-2.354***	(-7.33)	-3.123***	(-4.87)			-0.366	(-0.27)		
Latin Am.	-1.244**	(-2.07)	-4.779***	(-4.63)			-0.864	(-0.79)		
1980s	0.029	(0.26)	-0.022	(-0.18)	.	.	0.037	(0.20)	-0.087	(-0.47)
1990s	.	.	.	.	0.162	(0.96)	.	.	.	.
British			0.115	(0.28)						
French			1.640***	(3.39)						
Portuguese			2.056**	(2.34)						
Spanish			3.292**	(1.97)						
Belgian			3.738***	(2.62)						
Sunni			-4.189***	(-9.92)						
Shia			-7.092***	(-3.60)						
Catholic			-3.759***	(-6.11)						
Protestant			-3.904***	(-6.89)						
Orthodox			-6.002***	(-5.42)						
Hindu			-2.051***	(-3.35)						
Buddhist+			-1.715***	(-3.36)						
Indigenous			-8.387***	(-6.02)						
Constant	12.537***	(2.79)	16.302***	(3.08)	12.315	(0.85)	12.229**	(2.34)	24.315	(1.35)
N	1285		1285		1285		1228		1228	

Table B.15: Results from OLS PCSE, FE and panel data 2SLS models with 5-year lags on independent variables and TFP growth as dependent variable: Investigating potential interaction between Civil Liberties index (Freedom House) and Bureaucratic Quality Index (ICRG) on TFP growth; note that lower scores on CL implies stronger protection of civil liberties. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (PCSE)		IV (PCSE)	
	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.040*	(1.92)	0.039*	(1.83)	0.019	(0.88)	0.032	(1.47)
Economic freedom index	0.746***	(4.62)						
Regul. cred.-labor-busin.					0.497***	(3.65)		
Log TFP	-1.202***	(-2.72)	-0.452	(-1.17)	-0.842**	(-2.15)	-0.445	(-1.19)
Log population	0.132	(1.33)	0.021	(0.21)	0.079	(0.80)	0.002	(0.02)
Gl.tech.fr.gr.	-0.455	(-1.61)	-0.053	(-0.19)	-0.267	(-0.95)	-0.111	(-0.39)
Ethnic fract.	-3.426***	(-6.22)	-3.475***	(-6.14)	-3.518***	(-6.30)	-3.581***	(-6.27)
E.Eur-Soviet	1.411*	(1.85)	0.330	(0.42)	1.191	(1.60)	0.500	(0.68)
Africa	0.410	(0.74)	-0.309	(-0.54)	-0.498	(-0.89)	-0.399	(-0.70)
Asia	0.186	(0.48)	0.220	(0.55)	-0.081	(-0.20)	0.135	(0.33)
M.E.-N.A.	0.838*	(1.69)	-0.385	(-0.93)	-0.066	(-0.15)	-0.458	(-1.03)
Latin Am.	-0.492	(-1.30)	-1.125***	(-3.13)	-0.976***	(-2.66)	-0.950**	(-2.52)
1980s	-0.789***	(-2.80)	-0.756***	(-2.60)	-0.821***	(-2.75)	-0.745**	(-2.46)
1990s	-0.962***	(-2.93)	-0.742**	(-2.26)	-0.762**	(-2.22)	-0.693**	(-2.00)
Constant	0.846	(0.30)	3.320	(1.15)	1.887	(0.68)	3.687	(1.31)
N	512		512		496		496	

Table B.16: Results from OLS PCSE models with 5-year lags on independent variables and TFP growth as dependent variable: Testing whether the estimated effect of Polity Index on TFP growth is altered when controlling for measures of barriers to entry in markets. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE) b/(t)	II (PCSE) b/(t)	III (FE) b/(t)	IV (RE2SLS) b/(t)	V (FE2SLS) b/(t)	VI (PCSE) b/(t)	VII (PCSE) b/(t)	VIII (FE) b/(t)	IX (RE2SLS) b/(t)	X (FE2SLS) b/(t)
Polity	0.034***	0.029***	0.039***	0.029**	0.026*	0.032***	0.029***	0.039***	0.026*	0.025*
	(3.92)	(3.48)	(6.02)	(2.00)	(1.79)	(3.82)	(3.42)	(5.94)	(1.76)	(1.73)
Years schooling	0.017	-0.055	-0.030	0.015	-0.023					
	(0.20)	(-0.66)	(-0.76)	(0.36)	(-0.52)					
Human cap. ind.						0.133	-0.033	0.026	0.241**	0.029
						(0.69)	(-0.17)	(0.28)	(2.52)	(0.28)
Ln TFP	-1.812***	-1.685***	-3.196***	-1.966***	-2.557***	-1.846***	-1.697***	-3.197***	-1.977***	-2.550***
	(-3.08)	(-2.87)	(-20.15)	(-12.66)	(-15.02)	(-3.13)	(-2.88)	(-20.13)	(-12.75)	(-15.02)
Ln population	-0.168**	-0.098	-2.521***	-0.732***	-2.239***	-0.175**	-0.111	-2.530***	-0.725***	-2.244***
	(-2.08)	(-1.21)	(-17.10)	(-8.25)	(-14.82)	(-2.17)	(-1.36)	(-17.22)	(-8.19)	(-14.90)
Gl.tech.fr.gr.	-0.023	-0.021	-0.082	-0.051	-0.047	-0.025	-0.022	-0.083	-0.052	-0.047
	(-0.38)	(-0.36)	(-1.28)	(-0.78)	(-0.72)	(-0.41)	(-0.38)	(-1.29)	(-0.79)	(-0.72)
Ethnic fract.	-0.621	-0.421		-1.871***		-0.591	-0.435		-1.777***	
	(-1.30)	(-0.86)		(-2.89)		(-1.22)	(-0.88)		(-2.75)	
E.Eur.-Soviet	-2.913***	-1.720***		-0.776		-2.950***	-1.787***		-0.744	
	(-4.42)	(-2.98)		(-1.19)		(-4.45)	(-3.08)		(-1.15)	
Africa	-2.379***	-1.849***		-2.934***		-2.199***	-1.700***		-2.440***	
	(-4.21)	(-2.96)		(-4.97)		(-3.84)	(-2.78)		(-4.10)	
Asia	-1.251***	-1.556**		-0.989*		-1.144**	-1.427*		-0.688	
	(-2.59)	(-2.10)		(-1.93)		(-2.35)	(-1.95)		(-1.34)	
M.E.-N.A.	-0.171	0.768		-0.832		-0.039	0.822		-0.487	
	(-0.36)	(1.03)		(-1.52)		(-0.08)	(1.10)		(-0.88)	
Latin America	-0.948**	-1.971**		-1.936***		-0.841*	-1.858**		-1.660***	
	(-1.99)	(-2.34)		(-4.07)		(-1.80)	(-2.23)		(-3.46)	
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Colon. dummies	N	Y	N	N	N	N	Y	N	N	N
Plur. rel. dummies	N	Y	N	N	N	N	Y	N	N	N
Country dummies	N	N	Y	N	Y	N	N	Y	N	Y
N	6877	6877	6877	5826	5826	6877	6877	6877	5826	5826
Countries	138	138	138	119	119	138	138	138	119	119

Table B.17: Results from OLS PCSE models with 5-year lags on independent variables and TFP growth as dependent variable: Testing whether the estimated effect of Polity Index on TFP growth is altered when controlling for measures of human capital from Baier, Dwyer and Tamura (2006). *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

Dependent variable	I (PCSE) GDP p.c. growth		II (PCSE) Polity	
	b	(t)	b	(t)
GDP p.c. growth	0.265***	(11.73)	-0.007**	(-2.46)
Polity	0.034***	(3.23)	0.965***	(200.93)
Constant	1.252***	(9.14)	0.097***	(2.79)
N	9874		10008	

Table B.18: Granger tests; dependent variables measured in t, and independent variables measured in $t-1$. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Drop POP b/(t)	Drop RDU b/(t)	Add Relig./Colon. b/(t)	Add GTF b/(t)	Year dummies b/(t)	Post-45 sample b/(t)	Post-59 sample b/(t)	Fixed eff. b/(t)	Random eff. b/(t)	RE2SLS b/(t)
Polity Index	0.037***	0.040***	0.037***	0.038***	0.033**	0.036**	0.038**	0.022	0.032**	0.092***
	(2.78)	(3.02)	(2.72)	(2.71)	(2.55)	(2.49)	(2.47)	(1.45)	(2.27)	(2.82)
Ln GDP p.c.	-0.556***	-0.568***	-0.781***	-0.592***	-0.505***	-0.443*	-0.470*	-3.185***	-1.596***	-1.216***
	(-2.65)	(-2.84)	(-3.50)	(-2.71)	(-3.21)	(-1.82)	(-1.74)	(-13.87)	(-9.21)	(-6.11)
Ln population		-0.008	-0.039	-0.014	-0.016	-0.040	-0.038	-1.543***	-0.357***	-0.299***
		(-0.14)	(-0.66)	(-0.23)	(-0.28)	(-0.59)	(-0.49)	(-5.50)	(-3.58)	(-2.97)
Ln regime duration	-0.032		-0.014	-0.034	-0.045	-0.063	-0.082	0.054	0.020	0.068
	(-0.47)		(-0.21)	(-0.47)	(-0.73)	(-0.73)	(-0.78)	(0.83)	(0.33)	(0.96)
Ethnic fract. index	-0.966***	-1.045***	-0.525	-0.982**	-0.947***	-1.527***	-2.203***		-1.378**	-0.864
	(-2.69)	(-2.85)	(-1.29)	(-2.54)	(-2.73)	(-3.69)	(-4.60)		(-2.06)	(-1.33)
E.Eur.–Soviet	0.839**	0.920**	0.478	0.681*	0.845**	0.939**	1.016*		0.458	0.219
	(2.13)	(2.39)	(0.99)	(1.66)	(2.54)	(1.99)	(1.84)		(0.76)	(0.29)
S.S. Africa	-1.894***	-1.820***	-1.965***	-2.077***	-1.832***	-1.721***	-1.481**		-4.559***	-2.849***
	(-4.12)	(-3.92)	(-3.58)	(-4.35)	(-4.16)	(-2.95)	(-2.32)		(-6.31)	(-3.83)
Asia	0.171	0.118	-1.067	0.084	0.248	0.305	0.619		-1.447**	0.141
	(0.40)	(0.27)	(-1.36)	(0.18)	(0.64)	(0.49)	(0.94)		(-2.29)	(0.23)
Mid.East–N.Afr.	-0.168	-0.108	0.362	-0.265	-0.159	-0.281	-0.228		-1.634***	-0.068
	(-0.43)	(-0.28)	(0.70)	(-0.67)	(-0.44)	(-0.65)	(-0.47)		(-2.58)	(-0.10)
Latin America	-0.672**	-0.632**	-3.293***	-0.782***	-0.666***	-1.195***	-1.002**		-2.242***	-1.419***
	(-2.39)	(-2.29)	(-5.67)	(-2.74)	(-2.74)	(-2.88)	(-2.06)		(-3.89)	(-2.59)
Gl.tech.fr.gr				-0.049						
				(-0.17)						
Decade dummies	Y	Y	Y	Y		Y	Y	Y	Y	Y
Year dummies					Y					
Colonizer dummies			Y							
Plurality religion dummies			Y							
N	9258	9315	9258	8756	9258	6752	5806	9258	9258	7673
Countries	157	157	157	157	157	157	157	157	157	132

Table B.19: Robustness tests; regressions with GDP per capita growth (in percent) as dependent variable. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. T-values in parentheses. Independent variables are lagged with 5 years. Constants and decade-, year-, colonizer-, plurality religion-, and country dummies are omitted. If nothing else is noted in top row, models are OLS PCSE regressions. Standard errors adjust for AR(1) autocorrelation within panels, contemporaneous correlation and heteroskedastic panels in the PCSE models. The 2SLS models utilize the instruments for democracy suggested by Helliwell (1994) (PILAG) and Knutsen (2011) (WAVE). The longest time series are 1825–2008 (for dependent variable); but see top row for specification of shorter samples for two models.

	Western countries						Non-Western countries					
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (PCSE) b/(t)	IVa (FE) b/(t)	Va (FE2SLS) b/(t)	VIa (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (PCSE) b/(t)	IVb (FE) b/(t)	Vb (FE2SLS) b/(t)	VIb (FE2SLS) b/(t)
Polity	0.059*	0.024	0.058*	0.041	0.103**	0.035	0.031**	0.025*	0.030**	0.017	0.153**	0.231***
	(1.96)	(0.98)	(1.91)	(1.61)	(2.50)	(1.00)	(2.04)	(1.76)	(2.02)	(0.88)	(2.14)	(3.44)
Ln GDP p.c.	-1.832***	-1.088***	-1.963***	-3.566***	-3.991***	-3.280***	-0.429*	-0.352	-0.686***	-3.231***	-3.454***	-2.972***
	(-4.03)	(-2.87)	(-4.03)	(-6.59)	(-6.71)	(-6.10)	(-1.84)	(-1.59)	(-2.74)	(-12.13)	(-10.09)	(-9.90)
Ln Popul.	0.023	-0.020	0.059	-0.982*	-1.171**	-0.359	-0.031	-0.027	-0.048	-1.988***	-1.902***	-1.374***
	(0.27)	(-0.24)	(0.64)	(-1.80)	(-1.98)	(-0.78)	(-0.42)	(-0.40)	(-0.67)	(-4.35)	(-3.67)	(-3.54)
Ln Reg. Dur.	-0.042	-0.097	-0.044	-0.126	-0.091	-0.229**	-0.042	-0.026	-0.009	0.137*	0.293**	0.312***
	(-0.39)	(-1.00)	(-0.41)	(-1.17)	(-0.79)	(-2.20)	(-0.49)	(-0.34)	(-0.11)	(1.66)	(2.48)	(3.05)
Ethn. Frac.	0.413	0.546	0.937				-1.142**	-1.092***	-0.372			
	(0.79)	(1.08)	(1.14)				(-2.55)	(-2.64)	(-0.81)			
Africa							-2.463***	-1.983***	-2.707***			
							(-5.40)	(-4.81)	(-3.97)			
Asia							-0.499	-0.199	-1.680*			
							(-0.94)	(-0.44)	(-1.96)			
M.E.–N.A.							-0.936**	-0.609	-0.438			
							(-2.10)	(-1.53)	(-0.62)			
Latin Amer.							-1.591***	-0.905***	-4.134***			
							(-4.32)	(-2.66)	(-5.53)			
British			-0.159						0.131			
			(-0.49)						(0.33)			
French			0.000						-0.372			
			(.)						(-1.02)			
Portuguese			0.000						2.122***			
			(.)						(4.29)			
Spanish			0.000						2.256***			
			(.)						(3.76)			
Belgian			0.000						-0.533			
			(.)						(-0.54)			
Sunni			0.000						-0.945			
			(.)						(-1.50)			
Shia			0.000						-2.144**			
			(.)						(-2.50)			
Catholic			0.000						-0.289			
			(.)						(-0.33)			
Protestant			0.341						-0.442			
			(1.00)						(-0.68)			
Orthodox			0.432						-0.896			
			(0.38)						(-0.97)			
Hindu			0.000						-0.347			
			(.)						(-0.42)			
Buddhist+			0.000						1.095			
			(.)						(1.30)			
Indigeneous			0.000						-2.288***			
			(.)						(-3.32)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	2763	3067	2763	2763	2612	2839	6495	7429	6495	6495	5061	5799

Table B.20: Split-sample test, for Western (Models Ia–VIa; Western Europe, North America, Australia and New Zealand) and Non-western (Models Ib–VIb; all other countries) countries on OLS PCSE, FE and FE2SLS models with 5-year lags on independent variables and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. Decade dummies and constant are omitted from the table. Eastern Europe and (ex-)Soviet is reference category for the region dummies in the Non-western sample. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Democratic countries						Non-democratic countries					
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (PCSE) b/(t)	IVa (FE) b/(t)	Va (FE2SLS) b/(t)	VIa (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (PCSE) b/(t)	IVb (FE) b/(t)	Vb (FE2SLS) b/(t)	VIb (FE2SLS) b/(t)
Polity	-0.007	-0.029	-0.011	0.007	0.128	0.030	0.016	-0.003	0.031	0.052	0.152	0.150
	(-0.14)	(-0.63)	(-0.24)	(0.15)	(0.81)	(0.22)	(0.40)	(-0.10)	(0.75)	(1.05)	(0.77)	(0.95)
Ln GDP p.c.	-0.406*	-0.222	-0.491**	-2.741***	-2.673***	-2.284***	-0.619**	-0.615**	-0.983***	-3.884***	-3.812***	-2.871***
	(-1.94)	(-1.13)	(-2.11)	(-7.92)	(-6.69)	(-6.16)	(-2.41)	(-2.46)	(-3.52)	(-10.86)	(-8.67)	(-8.10)
Ln popul.	-0.053	-0.075	-0.077	-0.975***	-1.409***	-1.159***	-0.001	0.006	-0.040	-2.133***	-1.987***	-1.189**
	(-0.70)	(-1.02)	(-0.91)	(-2.65)	(-3.42)	(-3.37)	(-0.01)	(0.08)	(-0.44)	(-3.53)	(-2.71)	(-2.29)
Ln reg. dur.	-0.019	-0.025	-0.042	-0.015	0.013	-0.127	-0.062	-0.073	-0.002	0.175	0.302	0.164
	(-0.21)	(-0.28)	(-0.44)	(-0.15)	(0.10)	(-1.18)	(-0.63)	(-0.89)	(-0.02)	(1.62)	(1.38)	(1.06)
Ethn. Frac.	-0.878*	-0.724	-0.461				-0.899*	-0.733	-0.611			
	(-1.73)	(-1.49)	(-0.76)				(-1.67)	(-1.48)	(-1.05)			
E.Eur–Sov.	1.903***	1.634***	1.490**				0.521	-0.245	0.342			
	(2.90)	(2.64)	(2.25)				(0.84)	(-0.58)	(0.40)			
Africa	-1.646**	-1.397**	-1.770**				-2.023***	-2.545***	-1.901**			
	(-2.45)	(-2.21)	(-2.20)				(-2.76)	(-4.31)	(-2.44)			
Asia	0.206	0.376	-1.040				-0.099	-0.917	-0.310			
	(0.44)	(0.80)	(-1.14)				(-0.12)	(-1.63)	(-0.28)			
M.E.–N.A.	-0.015	0.223	0.172				-0.385	-0.899**	0.639			
	(-0.03)	(0.37)	(0.18)				(-0.67)	(-2.08)	(0.87)			
Latin Amer.	-0.713*	-0.592*	-1.429**				-0.851	-0.920**	-4.155***			
	(-1.94)	(-1.67)	(-2.20)				(-1.53)	(-2.52)	(-5.05)			
British			0.064						-0.228			
			(0.21)						(-0.38)			
French			0.053						-0.564			
			(0.06)						(-1.38)			
Portuguese			1.263*						2.491***			
			(1.74)						(3.98)			
Spanish			0.632						3.004***			
			(1.04)						(3.92)			
Belgian			3.261***						-1.236			
			(4.77)						(-1.21)			
Sunni			-0.962						12.782***			
			(-1.10)						(4.54)			
Shia			-1.521						10.646***			
			(-1.09)						(3.75)			
Catholic			-0.586						13.785***			
			(-0.54)						(4.68)			
Protestant			-0.582						13.263***			
			(-0.54)						(4.50)			
Orthodox			0.325						13.508***			
			(0.24)						(4.50)			
Hindu			1.009						11.406***			
			(0.91)						(4.05)			
Buddhist+			1.087						13.805***			
			(1.09)						(4.37)			
Indigeneous			-2.440**						11.485***			
			(-2.04)						(4.08)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	4345	4597	4345	4345	3744	3921	4913	5899	4913	4913	3929	4717

Table B.21: Split-sample test, for observations with above ("Democratic"; Models Ia–VIa) and below or equal to ("Non-democratic"; Models Ib–VIb) median score on Polity (-1) in the full-sample version of Model I. OLS PCSE, FE and FE2SLS models with 5-year lags on independent variables and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. Decade dummies and constant are omitted from the table. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Technologically advanced countries						Technologically non-advanced countries					
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (PCSE) b/(t)	IVa (FE) b/(t)	Va (FE2SLS) b/(t)	VIa (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (PCSE) b/(t)	IVb (FE) b/(t)	Vb (FE2SLS) b/(t)	VIb (FE2SLS) b/(t)
Polity	0.040**	0.035**	0.030*	-0.015	0.030	0.020	0.043	0.027	0.051*	0.052**	0.219***	0.221***
	(2.34)	(2.21)	(1.74)	(-0.69)	(0.60)	(0.52)	(1.64)	(1.07)	(1.84)	(2.08)	(2.67)	(2.78)
Ln GDP p.c.	-0.748***	-0.632***	-1.110***	-3.728***	-3.598***	-2.679***	-0.464	-0.238	-0.588*	-3.649***	-4.090***	-4.270***
	(-2.75)	(-2.58)	(-3.86)	(-12.63)	(-10.29)	(-9.36)	(-1.37)	(-0.73)	(-1.65)	(-7.08)	(-6.53)	(-6.95)
Ln popul.	0.003	-0.048	0.040	-1.614***	-1.897***	-0.996***	-0.071	-0.032	-0.094	-0.629	-0.065	0.057
	(0.04)	(-0.80)	(0.60)	(-4.68)	(-4.92)	(-3.57)	(-0.61)	(-0.29)	(-0.68)	(-0.79)	(-0.07)	(0.07)
Ln reg. dur.	0.012	0.010	-0.006	0.068	0.094	0.055	-0.029	-0.088	0.023	0.112	0.370**	0.256*
	(0.13)	(0.13)	(-0.06)	(0.77)	(0.95)	(0.67)	(-0.29)	(-0.89)	(0.22)	(1.07)	(2.51)	(1.85)
Ethn. frac.	-0.761*	-0.553	-0.767*				-1.260**	-1.162*	-0.670			
	(-1.86)	(-1.49)	(-1.71)				(-1.97)	(-1.88)	(-1.12)			
E.Eur–Sov.	1.076*	0.257	1.041*				1.260***	0.649	0.550			
	(1.89)	(0.55)	(1.77)				(2.58)	(1.41)	(0.86)			
Africa	-2.090***	-2.187***	-2.156***				-1.301	-1.413*	-2.000*			
	(-4.08)	(-4.58)	(-3.88)				(-1.55)	(-1.69)	(-1.88)			
Asia	-0.253	-0.736	-1.144				0.718	0.507	-0.658			
	(-0.46)	(-1.51)	(-1.19)				(1.02)	(0.73)	(-0.57)			
M.E.–N.A.	-0.183	-0.394	1.269**				-1.261	-1.374*	-0.962			
	(-0.38)	(-0.89)	(2.10)				(-1.61)	(-1.69)	(-1.04)			
Latin Amer.	-0.643*	-0.637**	-4.559***				-1.250**	-1.201**	-2.658***			
	(-1.86)	(-2.08)	(-4.60)				(-2.46)	(-2.33)	(-3.39)			
British			0.402						-0.287			
			(1.27)						(-0.69)			
French			-1.403***						0.176			
			(-3.34)						(0.30)			
Portuguese			3.389***						1.792***			
			(4.20)						(2.70)			
Spanish			3.342***						0.657			
			(3.39)						(0.91)			
Belgian			-1.432						-0.197			
			(-1.15)						(-0.17)			
Sunni			-0.843						10.954***			
			(-1.36)						(3.10)			
Shia			-2.402***						3.939			
			(-2.82)						(0.72)			
Catholic			0.671						11.070***			
			(0.88)						(3.08)			
Protestant			0.136						11.273***			
			(0.18)						(3.15)			
Orthodox			-0.045						11.689***			
			(-0.05)						(3.12)			
Hindu			1.112						10.917***			
			(1.06)						(3.07)			
Buddhist+			1.454						12.750***			
			(1.55)						(3.46)			
Indigeneous			-0.400						9.081**			
			(-0.53)						(2.53)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	5583	6638	5583	5583	4777	5580	3675	3858	3675	3675	2896	3058

Table B.22: Split-sample test, for observations with above ("Technologicaly advanced"; Models Ia–VIa) and below or equal to ("Technologicaly non-advanced"; Models Ib–VIb) median score on Ln TFP (4.876754) in the full-sample version of Model I. OLS PCSE, FE and FE2SLS models with 5-year lags on independent variables and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. Decade dummies and constant are omitted from the table. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	Rich countries						Poor countries					
	Ia (PCSE) b/(t)	IIa (PCSE) b/(t)	IIIa (PCSE) b/(t)	IVa (FE) b/(t)	Va (FE2SLS) b/(t)	VIa (FE2SLS) b/(t)	Ib (PCSE) b/(t)	IIb (PCSE) b/(t)	IIIb (PCSE) b/(t)	IVb (FE) b/(t)	Vb (FE2SLS) b/(t)	VIb (FE2SLS) b/(t)
Polity	0.045**	0.042**	0.034	0.020	0.026	0.021	0.027	0.026	0.024	0.017	0.160*	0.168*
	(2.22)	(2.27)	(1.56)	(0.90)	(0.55)	(0.54)	(1.36)	(1.35)	(1.23)	(0.72)	(1.72)	(1.84)
Ln GDP p.c.	-1.466***	-1.103***	-1.798***	-5.021***	-4.533***	-2.753***	-0.136	-0.117	-0.386	-1.869***	-1.880***	-1.870***
	(-3.90)	(-3.33)	(-4.29)	(-13.06)	(-10.17)	(-8.41)	(-0.52)	(-0.45)	(-1.37)	(-3.85)	(-3.10)	(-3.16)
Ln popul.	-0.091	-0.085	-0.087	-2.173***	-2.303***	-0.627**	-0.090	-0.096	-0.101	-2.859***	-3.332***	-3.683***
	(-1.09)	(-1.10)	(-1.00)	(-5.11)	(-5.01)	(-2.10)	(-1.07)	(-1.16)	(-1.11)	(-3.60)	(-3.28)	(-3.79)
Ln reg. dur.	-0.059	-0.046	-0.049	0.181*	0.128	-0.011	-0.016	-0.030	0.049	0.067	0.299**	0.284**
	(-0.51)	(-0.48)	(-0.41)	(1.88)	(1.17)	(-0.13)	(-0.19)	(-0.35)	(0.57)	(0.70)	(2.08)	(2.02)
Ethn. fract.	-0.545	-0.458	-0.354				-0.624	-0.622	-0.140			
	(-0.96)	(-0.90)	(-0.53)				(-1.32)	(-1.34)	(-0.30)			
E.Eur–Sov.	0.080	-0.180	-0.383				0.704	0.140	-0.196			
	(0.16)	(-0.43)	(-0.67)				(1.13)	(0.24)	(-0.19)			
Africa	-1.656**	-1.227*	-2.674***				-1.678***	-1.817***	-1.579*			
	(-2.23)	(-1.83)	(-3.72)				(-2.80)	(-3.08)	(-1.95)			
Asia	1.175*	0.207	-3.235				0.405	0.300	0.187			
	(1.74)	(0.34)	(-1.26)				(0.77)	(0.57)	(0.18)			
M.E.–N.A.	-1.568***	-1.302**	-4.329*				1.573**	1.391**	2.335**			
	(-2.75)	(-2.55)	(-1.93)				(2.45)	(2.15)	(2.56)			
Latin Amer.	-1.356***	-1.041***	-4.694***				-0.727*	-0.738*	-3.091***			
	(-2.89)	(-2.65)	(-4.25)				(-1.81)	(-1.88)	(-4.35)			
British			0.306						-0.028			
			(0.84)						(-0.07)			
French			-0.441						-0.427			
			(-0.81)						(-1.02)			
Portugese			3.343**						1.912***			
			(2.54)						(3.48)			
Spanish			3.084***						2.272***			
			(2.70)						(3.25)			
Belgian			0.000						-0.392			
			(.)						(-0.41)			
Sunni			-1.950***						2.137			
			(-2.92)						(1.56)			
Shia			-3.428***						0.000			
			(-3.13)						(.)			
Catholic			-4.471**						2.854*			
			(-2.01)						(1.86)			
Protestant			-4.659**						2.478			
			(-2.07)						(1.64)			
Orthodox			-5.108**						4.371**			
			(-2.43)						(2.26)			
Hindu			-1.364						1.568			
			(-0.57)						(1.12)			
Buddhist+			0.027						3.181**			
			(0.03)						(2.12)			
Indigeneous			-7.024**						0.821			
			(-2.56)						(0.61)			
Decade dummies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	4629	5779	4629	4629	4129	5020	4629	4717	4629	4629	3544	3618

Table B.23: Split-sample test, for observations with above ("Rich"; Models Ia–VIa) and below or equal to ("Poor"; Models Ib–VIb) median score on GDP per capita (2443.528 USD) in the full-sample version of Model I. OLS PCSE, FE and FE2SLS models with 5-year lags on independent variables and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. Decade dummies and constant are omitted from the table. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (PCSE)		IV (FE)		V (FE2SLS)		VI (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.041***	(3.20)	0.036***	(2.97)	0.041***	(3.09)	0.013	(0.84)	0.120***	(3.07)	0.092***	(2.78)
Log GDP p.c.	-0.614***	(-2.79)	-0.522**	(-2.54)	-0.860***	(-3.66)	-3.383***	(-15.15)	-3.558***	(-13.47)	-2.944***	(-12.90)
Log popul.	0.010	(0.18)	0.002	(0.05)	-0.007	(-0.13)	-1.750***	(-6.38)	-1.673***	(-5.69)	-0.980***	(-4.08)
Log regime dur.	-0.016	(-0.24)	-0.051	(-0.86)	-0.007	(-0.10)	0.058	(0.90)	0.078	(1.01)	0.019	(0.28)
Ethnic fract.	-0.995***	(-2.85)	-0.808**	(-2.54)	-0.519	(-1.28)						
E.Eur-Soviet	0.380	(0.85)	-0.033	(-0.09)	0.191	(0.34)						
Africa	-1.996***	(-4.10)	-2.078***	(-4.50)	-2.034***	(-3.56)						
Asia	-0.004	(-0.01)	-0.266	(-0.66)	-1.414*	(-1.78)						
M.E.-N.A.	-0.212	(-0.56)	-0.459	(-1.32)	0.290	(0.57)						
Latin Am.	-0.752***	(-2.62)	-0.730***	(-2.86)	-3.198***	(-5.49)						
1820s	-3.995***	(-3.24)	-4.212***	(-4.44)	-4.514***	(-3.60)	-15.578***	(-11.75)	-13.287***	(-7.88)	-11.381***	(-9.36)
1830s	-3.725***	(-3.28)	-3.862***	(-4.16)	-4.239***	(-3.66)	-15.019***	(-12.34)	-12.905***	(-9.54)	-10.913***	(-10.47)
1840s	-2.997***	(-2.79)	-3.422***	(-3.78)	-3.497***	(-3.19)	-13.553***	(-12.02)	-11.593***	(-9.25)	-10.167***	(-10.79)
1850s	-3.142***	(-3.15)	-3.550***	(-4.08)	-3.681***	(-3.60)	-13.172***	(-13.16)	-11.448***	(-10.02)	-10.090***	(-11.30)
1860s	-2.875***	(-2.97)	-3.138***	(-3.63)	-3.400***	(-3.45)	-12.354***	(-13.13)	-10.533***	(-9.79)	-9.439***	(-11.16)
1870s	-3.405***	(-3.75)	-3.266***	(-3.91)	-3.916***	(-4.24)	-12.579***	(-14.54)	-11.057***	(-11.33)	-9.123***	(-11.50)
1880s	-3.225***	(-3.58)	-3.115***	(-3.75)	-3.716***	(-4.06)	-11.979***	(-14.53)	-10.588***	(-11.59)	-8.642***	(-11.71)
1890s	-2.866***	(-3.20)	-2.841***	(-3.45)	-3.328***	(-3.67)	-11.034***	(-14.00)	-9.712***	(-11.22)	-7.956***	(-11.40)
1900s	-2.186**	(-2.53)	-2.409***	(-3.00)	-2.607***	(-2.99)	-10.018***	(-13.59)	-8.838***	(-10.92)	-7.180***	(-10.96)
1910s	-3.159***	(-3.67)	-3.676***	(-4.71)	-3.546***	(-4.08)	-10.448***	(-15.03)	-9.399***	(-12.47)	-8.295***	(-13.45)
1920s	-3.467***	(-4.14)	-3.411***	(-4.35)	-3.836***	(-4.54)	-9.732***	(-15.66)	-8.765***	(-12.66)	-7.291***	(-12.51)
1930s	-1.778**	(-2.17)	-2.035***	(-2.61)	-2.137***	(-2.58)	-7.718***	(-13.22)	-6.566***	(-9.98)	-5.638***	(-10.17)
1940s	-1.450*	(-1.81)	-1.728**	(-2.35)	-1.761**	(-2.19)	-6.973***	(-12.47)	-5.722***	(-9.11)	-4.934***	(-9.46)
1950s	-0.992	(-1.44)	-0.981	(-1.45)	-1.190*	(-1.72)	-5.582***	(-11.98)	-4.224***	(-7.92)	-3.288***	(-6.99)
1960s	-0.600	(-1.00)	-0.621	(-1.05)	-0.633	(-1.05)	-3.485***	(-9.20)	-2.618***	(-5.73)	-1.929***	(-4.71)
1970s	-1.584***	(-2.66)	-1.613***	(-2.75)	-1.601***	(-2.70)	-3.797***	(-11.75)	-2.572***	(-6.41)	-2.214***	(-6.05)
1980s	-2.971***	(-5.03)	-2.985***	(-5.12)	-2.984***	(-5.08)	-4.495***	(-15.73)	-3.421***	(-10.26)	-3.204***	(-10.36)
1990s	-1.868***	(-3.12)	-1.873***	(-3.16)	-1.876***	(-3.15)	-2.869***	(-11.49)	-2.198***	(-8.22)	-2.063***	(-8.10)
British					0.027	(0.11)						
French					-0.366	(-1.20)						
Portuguese					1.901***	(4.18)						
Spanish					2.095***	(3.70)						
Belgian					-0.997	(-1.14)						
Sunni					-1.171*	(-1.86)						
Shia					-1.754**	(-2.02)						
Catholic					-0.331	(-0.44)						
Protestant					-0.539	(-0.78)						
Orthodox					-0.614	(-0.59)						
Hindu					-0.334	(-0.40)						
Buddhist+					1.357*	(1.66)						
Indigenous					-2.417***	(-3.49)						
Constant	9.243***	(4.13)	8.751***	(4.20)	12.186***	(5.03)	61.550***	(11.63)	61.091***	(10.64)	44.701***	(9.77)
N	9576		10799		9576		9576		7940		8893	

Table B.24: Results from OLS PCSE, FE and FE2SLS models with 3-year lags and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (PCSE)		IV (FE)		V (FE2SLS)		VI (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.046***	(3.33)	0.038***	(2.97)	0.046***	(3.25)	0.043***	(2.73)	0.122***	(3.10)	0.079**	(2.33)
Log GDP p.c.	-0.506**	(-2.35)	-0.455**	(-2.28)	-0.715***	(-3.09)	-2.998***	(-12.56)	-3.061***	(-10.69)	-2.538***	(-10.26)
Log popul.	0.024	(0.38)	0.010	(0.17)	-0.003	(-0.05)	-1.011***	(-3.49)	-0.947***	(-3.04)	-0.594**	(-2.33)
Log regime dur.	0.021	(0.29)	0.005	(0.09)	0.039	(0.57)	0.140**	(2.14)	0.239***	(3.03)	0.143**	(2.08)
Ethnic fract.	-0.899**	(-2.16)	-0.705*	(-1.90)	-0.532	(-1.22)						
E.Eur-Soviet	0.896**	(2.06)	0.210	(0.58)	0.591	(1.11)						
Africa	-1.645***	(-3.35)	-1.869***	(-4.09)	-1.745***	(-3.01)						
Asia	0.283	(0.62)	-0.127	(-0.31)	-0.968	(-1.27)						
M.E.-N.A.	-0.048	(-0.12)	-0.259	(-0.73)	0.419	(0.81)						
Latin Am.	-0.590**	(-2.06)	-0.614**	(-2.47)	-3.114***	(-5.23)						
1820s	-3.147**	(-2.04)	-3.470***	(-3.06)	-3.585**	(-2.29)	-11.676***	(-8.52)	-10.096***	(-5.86)	-9.314***	(-7.34)
1830s	-2.705*	(-1.91)	-3.180***	(-2.87)	-3.137**	(-2.18)	-10.941***	(-8.66)	-9.300***	(-6.63)	-8.664***	(-7.88)
1840s	-2.435*	(-1.82)	-2.916***	(-2.68)	-2.852**	(-2.10)	-10.184***	(-8.66)	-8.714***	(-6.67)	-8.350***	(-8.34)
1850s	-2.319*	(-1.91)	-2.900***	(-2.75)	-2.762**	(-2.24)	-9.714***	(-9.21)	-8.393***	(-7.01)	-8.155***	(-8.55)
1860s	-2.333**	(-1.99)	-2.724***	(-2.60)	-2.767**	(-2.32)	-9.274***	(-9.34)	-7.963***	(-7.05)	-7.663***	(-8.45)
1870s	-2.497**	(-2.28)	-2.556**	(-2.51)	-2.952***	(-2.66)	-9.252***	(-10.02)	-8.168***	(-7.88)	-7.303***	(-8.52)
1880s	-2.678**	(-2.45)	-2.690***	(-2.65)	-3.114***	(-2.82)	-9.075***	(-10.28)	-8.092***	(-8.29)	-7.095***	(-8.83)
1890s	-2.007*	(-1.85)	-2.107**	(-2.08)	-2.426**	(-2.21)	-8.017***	(-9.48)	-7.095***	(-7.64)	-6.243***	(-8.16)
1900s	-2.462**	(-2.30)	-2.949***	(-2.96)	-2.841***	(-2.63)	-8.200***	(-10.29)	-7.381***	(-8.44)	-6.790***	(-9.38)
1910s	-1.686	(-1.58)	-1.999**	(-2.05)	-2.034*	(-1.89)	-6.740***	(-8.93)	-6.000***	(-7.32)	-5.494***	(-7.99)
1920s	-2.480**	(-2.36)	-2.628***	(-2.70)	-2.828***	(-2.67)	-7.107***	(-10.39)	-6.375***	(-8.39)	-5.673***	(-8.66)
1930s	-2.197**	(-2.12)	-2.789***	(-2.90)	-2.528**	(-2.43)	-6.472***	(-9.85)	-5.605***	(-7.63)	-5.435***	(-8.67)
1940s	0.017	(0.02)	-0.050	(-0.05)	-0.287	(-0.28)	-3.757***	(-6.03)	-2.992***	(-4.32)	-2.682***	(-4.50)
1950s	-0.509	(-0.55)	-0.501	(-0.56)	-0.674	(-0.73)	-3.451***	(-6.41)	-2.480***	(-4.09)	-2.060***	(-3.75)
1960s	-0.071	(-0.08)	-0.123	(-0.15)	-0.088	(-0.10)	-2.023***	(-4.38)	-1.564***	(-2.91)	-1.282***	(-2.58)
1970s	-2.245***	(-2.66)	-2.282***	(-2.78)	-2.254***	(-2.68)	-3.404***	(-8.16)	-2.618***	(-5.35)	-2.577***	(-5.60)
1980s	-1.970**	(-2.34)	-2.022**	(-2.47)	-2.003**	(-2.39)	-2.808***	(-7.22)	-2.372***	(-5.45)	-2.378***	(-5.72)
1990s	-0.577	(-0.71)	-0.594	(-0.75)	-0.590	(-0.73)	-1.023***	(-2.82)	-1.008***	(-2.59)	-0.979***	(-2.59)
British					0.136	(0.50)						
French					-0.358	(-1.10)						
Portuguese					2.208***	(4.52)						
Spanish					2.264***	(3.87)						
Belgian					-0.573	(-0.63)						
Sunni					-0.589	(-0.93)						
Shia					-1.739**	(-2.00)						
Catholic					-0.024	(-0.03)						
Protestant					-0.228	(-0.32)						
Orthodox					0.022	(0.02)						
Hindu					-0.278	(-0.32)						
Buddhist+					1.464*	(1.77)						
Indigenous					-1.854***	(-2.70)						
Constant	7.409***	(3.43)	7.410***	(3.69)	9.815***	(4.18)	45.007***	(8.11)	43.979***	(7.25)	34.233***	(7.09)
N	8945		10193		8945		8945		7416		8386	

Table B.25: Results from OLS PCSE, FE and FE2SLS models with 7-year lags and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

	I (PCSE)		II (PCSE)		III (PCSE)		IV (FE)		V (FE2SLS)		VI (FE2SLS)	
	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)	b	(t)
Polity	0.035**	(2.40)	0.026*	(1.89)	0.036**	(2.46)	0.022	(1.32)	0.059	(1.51)	0.046	(1.35)
Log GDP p.c.	-0.446**	(-2.03)	-0.390*	(-1.93)	-0.653***	(-2.77)	-2.822***	(-11.19)	-2.170***	(-7.13)	-1.858***	(-7.11)
Log popul.	0.077	(1.19)	0.056	(0.94)	0.062	(0.98)	-0.489	(-1.62)	-0.726**	(-2.24)	-0.517*	(-1.94)
Log regime dur.	-0.054	(-0.74)	-0.058	(-0.91)	-0.030	(-0.43)	0.073	(1.10)	-0.017	(-0.21)	-0.061	(-0.88)
Ethnic fract.	-0.859*	(-1.96)	-0.712*	(-1.83)	-0.512	(-1.09)						
E.Eur-Soviet	0.805*	(1.68)	0.074	(0.20)	0.574	(0.99)						
Africa	-1.639***	(-3.20)	-1.868***	(-3.96)	-1.716***	(-2.77)						
Asia	0.178	(0.38)	-0.219	(-0.53)	-0.796	(-0.99)						
M.E.-N.A.	-0.120	(-0.29)	-0.400	(-1.11)	0.333	(0.60)						
Latin Am.	-0.551*	(-1.86)	-0.605**	(-2.35)	-3.289***	(-4.85)						
1820s	.	.	.	.	.	.	.	.	-7.973***	(-4.76)	-7.323***	(-6.05)
1830s	0.816	(0.48)	0.476	(0.44)	0.813	(0.47)	0.819	(0.68)	-7.106***	(-5.28)	-6.720***	(-6.51)
1840s	0.914	(0.55)	0.727	(0.69)	0.925	(0.56)	1.409	(1.22)	-6.576***	(-5.28)	-6.448***	(-6.94)
1850s	0.714	(0.46)	0.583	(0.57)	0.718	(0.46)	1.586	(1.46)	-6.541***	(-5.79)	-6.369***	(-7.26)
1860s	0.440	(0.29)	0.767	(0.74)	0.459	(0.30)	1.799*	(1.67)	-6.262***	(-5.90)	-5.863***	(-7.08)
1870s	1.094	(0.73)	1.240	(1.22)	1.107	(0.74)	2.577**	(2.51)	-5.877***	(-6.10)	-5.311***	(-6.84)
1880s	1.029	(0.69)	1.223	(1.19)	1.053	(0.70)	2.834***	(2.72)	-5.676***	(-6.30)	-5.041***	(-7.01)
1890s	1.156	(0.77)	1.333	(1.30)	1.197	(0.80)	3.294***	(3.13)	-5.298***	(-6.23)	-4.694***	(-6.93)
1900s	0.200	(0.13)	0.113	(0.11)	0.276	(0.18)	2.699**	(2.57)	-5.956***	(-7.52)	-5.608***	(-8.87)
1910s	2.925*	(1.95)	2.779***	(2.76)	3.017**	(2.01)	5.741***	(5.38)	-3.088***	(-4.21)	-2.892***	(-4.88)
1920s	0.870	(0.58)	1.036	(1.02)	0.973	(0.65)	4.248***	(3.96)	-4.580***	(-6.88)	-4.190***	(-7.57)
1930s	1.574	(1.05)	1.443	(1.42)	1.678	(1.12)	5.427***	(4.99)	-3.384***	(-5.36)	-3.432***	(-6.62)
1940s	2.519*	(1.71)	2.829***	(2.88)	2.683*	(1.81)	6.720***	(6.05)	-2.368***	(-4.07)	-1.969***	(-4.09)
1950s	3.200**	(2.24)	3.459***	(3.64)	3.475**	(2.43)	8.231***	(7.26)	-0.810*	(-1.68)	-0.512	(-1.20)
1960s	2.652*	(1.89)	2.953***	(3.22)	3.065**	(2.16)	8.409***	(7.07)	-0.933**	(-2.35)	-0.716**	(-1.98)
1970s	0.718	(0.51)	0.983	(1.06)	1.144	(0.80)	7.132***	(5.72)	-2.305***	(-6.83)	-2.232***	(-7.08)
1980s	1.526	(1.08)	1.795*	(1.92)	1.924	(1.34)	8.217***	(6.37)	-1.502***	(-5.51)	-1.488***	(-5.72)
1990s	3.021**	(2.13)	3.335***	(3.56)	3.418**	(2.38)	10.058***	(7.55)	.	.	.	.
British					0.072	(0.26)						
French					-0.250	(-0.71)						
Portuguese					2.397***	(4.25)						
Spanish					2.571***	(3.86)						
Belgian					-0.659	(-0.68)						
Sunni					-0.604	(-0.91)						
Shia					-1.846**	(-1.96)						
Catholic					-0.147	(-0.18)						
Protestant					-0.233	(-0.31)						
Orthodox					-0.102	(-0.10)						
Hindu					-0.670	(-0.70)						
Buddhist+					1.023	(1.12)						
Indigenous					-1.992***	(-2.78)						
Constant	3.030	(1.40)	2.791	(1.57)	4.841**	(2.12)	24.529***	(4.93)	33.083***	(5.29)	27.201***	(5.51)
N	8477		9735		8477		8477		7037		8008	

Table B.26: Results from OLS PCSE, FE and FE2SLS models with 10-year lags and GDP per capita growth as dependent variable. Models II and VI include observations with interpolated GDP per capita and population data. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

Number of matches	1		3		5		10	
	ATE	(z)	ATE	(z)	ATE	(z)	ATE	(z)
Democracy if $PI \geq 6$	0.686*	(1.95)	0.585***	(2.59)	0.730***	(3.27)	0.652***	(3.38)
Observations	9258		9258		9258		9258	
Democracy if $PI \geq 0$	0.737**	(2.17)	0.528**	(2.43)	0.886***	(2.70)	0.670***	(2.82)
Observations	9258		9258		9258		9258	

Table B.27: Results from nearest-neighbor matching models with GDP per capita growth as dependent variable. ATE stands for Average Treatment Effect. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$

References

Alesina, Alberto, Sule Osler, Nouriel Roubini and Phillip Swagel. 1996. "Political instability and economic growth." *Journal of Economic Growth* 1(2):189–211.

Archibugi, Daniel and Alberto Coco. 2004. "A new indicator of technological capabilities for developed and developing countries (ArCo)." *World Development* 32(4):629–654.

Archibugi, Daniel and Alberto Coco. 2005. "Measuring technological capabilities at the country level: A survey and a menu for choice." *Research Policy* 34(2):175–194.

Baier, Scott L., Gerald P. Dwyer and Robert Tamura. 2002. "How Important Are Capital and Total Factor Productivity for Economi Growth?" Federal Reserve Bank of Atlanta. Working Paper 2002-2a.

Baier, Scott L., Gerald P. Dwyer and Robert Tamura. 2006. "How Important are Capital and Total Factor Productivity for Economic Growth?" *Economic Inquiry* 44(1):23–49.

Barro, Robert J. and Jong-Wha Lee. 1993. "International Comparisons of Educational Attainment." *Journal of Monetary Economics* 32(3):363–394.

Barro, Robert J. and Xavier Sala-i Martin. 2004. *Economic Growth*. Cambridge, MA.: The MIT Press.

Gates, Scott, Håvard Hegre, Mark P. Jones and Håvard Strand. 2006. "Institutional Inconsistency and Political Instability: Polity Duration, 1800–2000." *American Journal of Political Science* 50(4):893–908.

Gleditsch, Kristian and Michael Ward. 1997. "Double Take: A Reexamination of Democracy and Autocracy in Modern Politics." *Journal of Conflict Resolution* 41(3):361–383.

Goertz, Gary. 2005. *Social Science Concepts: A User's Guide*. Princeton: Princeton University Press.

Helliwell, John F. 1994. "Empirical Linkages between Democracy and Economic Growth." *British Journal of Political Science* 24(2):225–248.

Honaker, James and Gary King. 2010. "What to Do about Missing Values in Time-Series Cross-Section Data." *American Journal of Political Science* 54(2):561–581.

Knutsen, Carl Henrik. 2011. "Democracy, Dictatorship and Protection of Property Rights." *Journal of Development Studies* 47(1):164–182.

Maddison, Angus. 2006. *The World Economy*. Paris: OECD Publishing.

Maddison, Angus. 2007. *Contours of the World Economy, 1-2030 AD.* Oxford: Oxford University Press.

Maddison, Angus. 2010. "Explanatory Background Note on Historical Statistics." Background paper.

Mitchell, B. R. 1998*a*. *International Historical Statistics: Africa, Asia & Oceania*. 4 ed. London: Macmillan.

Mitchell, B. R. 1998*b*. *International Historical Statistics: Europe 1750-1993*. 4 ed. London: Macmillan.

Mitchell, B. R. 1998*c*. *International Historical Statistics: The Americas 1750-1993*. 4 ed.

London: Macmillan.

Munck, Gerardo L. and Jay Verkuilen. 2002. "Conceptualizing and Measuring Democracy: Evaluating Alternative Indices." *Comparative Political Studies* 35(1):5–34.

Vreeland, James Raymond. 2008. "The Effect of Political Regime on Civil War: Unpacking Anocracy." *Journal of Conflict Resolution* 52(3): 401–425.