CODEBOOK for LDC: IO – Final Version. December 2004.

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Data is tsset by variables country and date.

Variable Definitions:

ACLP	Alvarez, Cheibub, Limongi & Preworski's democracy score (1/0). Updated through 1999. Dummy variable coded 1 for dictatorships and 0 for democracies. Transition years are coded as the regime that emerges in that year. For instance, there was a transition from democracy to dictatorship in Argentina in 1955. In that year, ACLP=1.
ACLPCODE	Alvarez,…Przeworski et al's country code
ACLPN	Inverse of ACLP: =1 if ACLP==0 and vice versa. Used in regressions.
AGGREGATER…	Sum of net resource flows on long-term debt (excluding IMF) plus net direct foreign investment, portfolio equity flows and official

grants (excluding technical cooperation). Net flows (or net lending or net disbursements) are disbursements minus principal repayments. Expressed as percentage of GNP.

AID_PR_GNI   Aid (% of GNI) - WDI

AID_PR_GOV   Aid (% of central government expenditures) - WDI

AREAKM2   Land area. Data set created as part of The Center for International Development's ongoing research into the role of geography in economic development (see http://www.cid.harvard.edu/cidglobal/economic.htm). They have been created between 1998 and 2000. Please reference CID if you use this data in a publication.

AVNEWTAR   Mean of NEWTAR by country
"bysort date: egen avnewtar=mean(newtar)"

AVSW   Mean of DOPEN_WACZ2 by country.
"bysort date: egen avsw=mean(dopen_wacz2)"

BPC1   Balance of payments crisis. 1 if reserves (INTREMI) <30 days. WDI.

CIVLIB   Freedom House civil liberties index.

CLOSEDYR   count of years closed generated by BTSCS

COUNTRY   179 Developing countries.

COWCODE   Correlates of war country code.

CPI2   Consumer Price Index   WDI?

CPVOTES   Five-year averages of popular vote totals for the Communist Parties of France, Great Britain, Italy, Japan and the U.S. Used by and received from Quinn, who took from Mackie and Rose 1991. Quinn supplemented with data from *Keesings' Contemporary Archives*.

CTYLABEL   Country name.

CURRCR   =1 if D1XRATE6>10741|D1XRATE<-10123, otherwise 0.

D1POLITY	Change in REGIME (POLITYIV_UPDATE2) over previous period.
D1XRATE	Change in XRATE6 over previous period.
DATE	1970-2002
DEPEND	Average number of dependents per family (WDI)
DICT_G	See Geddes for more information on coding: http://www.uvm.edu/~cbeer/geddes/app.pdf Numerical values represent the following types of dictatorship:

0	Democracy
1	single-party
2	Personal
3	Military
4	sp/pers
5	pers/mil
6	sp/mil
7	sp/pers/mil

Note that the 0 democracy indicator was coded based on ACLP where Geddes had no entry. Where Geddes had missing data and ACLP coded as an autocracy, I chose to code as mixed autocratic regimes (=7) [Stata code: replace dict_g=7 if dict_g==. & aclpn==0]. Where ACLP and Geddes disagree on autocracy/democracy status, the Geddes coding was maintained.

DICT_NOTES	Notes on regime, for instance name of dictator for personal dictatorships, or whether elections were "free and fair" for single-party dictatorships.
DICT_TYPE_NUM	See Geddes for more information on coding: http://www.uvm.edu/~cbeer/geddes/app.pdf
DICTATOR1	=8 if DICT_G==0, =7 if DICT_G==1, =6 if DICT_G==6, =5 if DICT_G==3, =4 if DICT_G==4, =3 if DICT_G==5, =2 if DICT_G==7, =1 if DICT_G==2
DOPEN_WACZ2	OPENNESS. Wacziarg & Horn's update of the Sachs-Warner openness variable. See their documentation for where it disagrees with original index.
ECRIS2	economic crisis =1 if country's inflation rate was more than 40% and it increased by more than 25% from the year before, or per capita GDP fell by more than 15% from the previous year

ELF	"ETHNIC": Index of ethnolinguistic fractionalization, by decade. See Easterly and Levine.
ENGFRAC	Fraction of the population speaking English. Easterly and Levine.
EURFRAC	Fraction of population speaking one of the major languages of Western Europe: English, French, German, Portuguese, or Spanish. Easterly and Levine.
FDIGNP	Net change in foreign investment in the reporting country, defined as investment that is made to acquire a lasting management interest (usually of 10 percent of voting stock) in an enterprise operating in a country other than that of the investor, the investor's purpose being an effective voice in the management of the enterprise. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. Expressed as percentage of GNP. WDI
FIRSTYR	Dummy variable =1 if YRSOFFICE<2, 0 otherwise. From DPI.
FIVEOP	Mean value of Quinn's index of financial openness for the U.S., U.K., Germany, France and Japan. See Quinn 1997 for complete description of how index compiled.
FIVECAP	Same as above, but only for the capital account component of Quinn's index.
FIVECUR	Same as above, but only for the current account component of Quinn's index.
FIXED	Dummy for fixed exchange rate regime. =1 if xrate=1 or 2, fixed=0 if xrate =3, 4, 5, 6. Levy-Yeyati, Eduardo, and Federico Sturznegger. 2002." Classifying Exchange Rate Regimes: Deeds vs Words." Manuscript at http://www.utdt.edu/~ely/papers.html.
FLOATING	Dummy for floating exchange rate regime. =1 if xrate=5, =0 if xrate not equal to 5 and not missing. From Levy-Yeyati & Sturznegger.
FREEDOM	Coded from 1 to 3 with 1=Free. Source: Freedom House
GATT	Dummy for whether country in GATT and WTO in year. WTO.
GATT_WTO	Dummy for whether country in GATT or WTO in year. WTO.

GATT_WTO_NEW	Dummy for whether country joined GATT or WTO that year. Does not code states that did not exist at time. WTO>
GDP_95d	GDP (constant 1995 US$) WDI
GNP_pc_95d	GNP per capita (constant 1995 US$) WDI
GDP_pc_ppp	GDP per capita, PPP (current international $) WDI
GINI_KUG	Regression extension of GINI from Deininger and Squire (1996).
GINIE3	Feng and Kugler's augmented gini, interpolated from regressions.
GNI_PC_PPP	GNI per capita, PPP (current international $) WDI
GNP_95d	GNP (constant 1995 US$) WDI
GNP_gr	GNP growth (annual %) WDI
GNP_pc_95d	GNP per capita (constant 1995 US$) WDI
GNP_pc_gr	GNP per capita growth (annual %) WDI
GOVTEXPGDP	General government final consumption expenditure (general government consumption) includes all government current expenditures for purchases of goods and services (including compensation of employees). It also includes most expenditures on national defense and security, but excludes government military expenditures that are part of government capital formation. Expressed as percentage of GDP. WDI.
INFL	inflation rate, WDI
INTRESMI	Gross international reserves measured as months of imports (WDI)
KRAAYCRISIS	Currency crisis dummy by Aart Kraay, used by Eichengreen and Rose in their paper. Kraay writes: "I first identify all episodes in which the one-month depreciation rate (i.e. the increase in the nominal exchange rate) exceeds 10%, which is roughly two standard deviations above the mean depreciation rate for the entire sample. In order for these large depreciations to be meaningfully considered successful speculative attacks, it is necessary that the exchange rate be relatively fixed prior to the depreciation itself. Accordingly, for each observation I construct the average over the previous twelve months of the absolute value of percentage changes in the nominal exchange rate. I then eliminate all large

depreciation episodes for which this average exceeded 2.5%, or about one half of one standard deviation from the mean for the entire sample. I define these events as successful speculative attacks. Finally, in order to avoid "double-counting prolonged crises in which the nominal exchange rate depreciates sharply for several months, I further eliminate successful attacks that were preceded by successful attacks in any of the prior twelve months."

L1ACLPN	ACLPN lagged one period.
L1AGGFLOWS	AGGREGATER lagged one period.
L1AID_GOV	AID_PR_GOV lagged one period.
L1AVNEWTAR	AVNEWTAR lagged one period.
L1AVSW	AVSW lagged one period.
L1BPC1	BPC1 lagged one period.
L1CIVLIB	CIVLIB lagged one period.
L1CPI2	CPI lagged one period
L1CPVOTE	CPVOTE lagged one period.
L1CURRCR	CURRCR lagged one period.
L1D1XRATE6	Change in XRATE over previous period.
L1DCPI	DCPI_U lagged one period.
L1DEBT	Debt gov lagged one period
L1DICTATOR1	DICTATOR1 lagged one period.
L1ECRIS2	ECRIS2 lagged one period.
L1FDI	FDIGNP lagged one period.
L1FIRSTYR	FIRSTTYR lagged one period
L1FIVEOP	FIVEOP lagged one period.
L1GATT	GATT lagged one period.

L1GATT_NEW	GATT_WTO_NEW lagged one period.
L1GDP_GR	GDP_GR lagged one period.
L1GDP_PC	GDP_PC lagged one period.
L1GNP_GR	GNP_GR lagged one period.
L1GNP_PC_GR	GNP_PC_GR lagged one period.
L1LNPOP	LNPOP lagged one period.
L1MILIT	MILIT lagged one period.
L1MILIT2	MILIT2 lagged one period.
L1OFFICE	YRSOFFICE lagged one period.
L1PARTY~2000	PARTYAGE2000 lagged one period.
L1PERS	PERS lagged one period.
L1PERS2	PERS2 lagged one period.
L1POLD	=0 if L1POLITY<6, =1 if L1POLITY>=6. lagged one period.
L1POLITY	REGIME (POLITYIV_UPDATE2) score lagged one period.
L1PORTFOLIO	PORTFOLIO~P lagged one period.
L1PTYAGE	PARTYAGE lagged one period.
L1SIGNED	SIGNED lagged one period.
L1SP	SP lagged one period.
L1SP2	SP2 lagged one period.
L1SSCH	SYR15SM lagged one period.
L1SSCHL	SYRSM lagged one period.
L1TAR_IM97	TAR_IM97 lagged one period.
L1UNDER	UNDER lagged one period.

L1USHEG	USHEG lagged one period.
L1USHEG_GNP	USHEG_GNP lagged one period
L1UU	UU lagged one period.
L1WTO_RD1	WTO_round1 lagged one period.
L1WTO_RD2	WTO_round2 lagged one period.
L2BPC1	BPC1 lagged two periods.
L2CPVOTE	CPVOTE lagged two periods.
L2ECRIS2	ECRIS2 lagged two periods.
L2POLITY	POLITY score lagged two periods.
L2PTYAGE	PARTYAGE lagged two periods.
L2SIGNED	SIGNED lagged two periods.
L2SSCH	SYR15SM lagged two periods.
L2SSCHL	SYRSM lagged two periods.
L3BPC1	BPC1 lagged three periods.
L3ECRIS2	ECRIS2 lagged three periods.
L3POLITY	POLITY score lagged three periods.
L3SIGNED	SIGNED lagged three periods.
LIFEEXPTOT	Life expectancy at birth, total (years). Definition: Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life. Source: WDI
LNPOP	Logarithm of population from WDI POP
LPCSM	Percentage of "primary school complete" in the population aged 25 or above (smoothed=five year periods filled in). Source: Barro-Lee
LPC15	Percentage of "primary school complete" in the population aged 15 or above. Source: Barro-Lee

LSC15	Percentage of "secondary school complete" in the population aged 15 and above. Source: Barro-Lee
LSC	Percentage of "secondary school complete" in the population aged 25 and above. Source: Barro-Lee
LSC15SM	Percentage of "secondary school complete" in the population aged 15 and above (smoothed) Source: Barro-Lee
LSCSM	Percentage of "secondary school complete" in the population aged 15 and above (smoothed). Source: Barro-Lee
MILIT	Dummy variable =1 if DICT_TYPE_NUM==3, otherwise 0. Geddes.
MILIT2	Dummy variable =1 if DICT_TYPE_NUM==3|==4|==5|==6|==7, otherwise 0.
MINERALEXP~L	Mineral exports (oil, lead, silver, nickel, tin, zinc) as reported by partner countries (i.e. importing countries) as a percentage of total exports (from IMF DOTS). Note that value may exceed 100 percent in cases where – as in many developing countries – recorded exports are significantly under-reported (resulting in an artificially low denominator).
MORTINF	Mortality rate, infant (per 1,000 live births).Definition: Infant mortality rate is the number of infants dying before reaching one year of age, per 1,000 live births in a given year. Source: World Bank staff estimates using data from the United Nations and UNICEF, State of the World's Children. WDI.
NETLONGTER~P	Net flows (or net lending or net disbursements) of long-term debt are disbursements minus principal repayments. Long-term external debt is defined as debt that has an original or extended maturity of more than one year and that is owed to nonresidents and repayable in foreign currency, goods, or services. Expressed as a percentage of GDP. WDI.
NEWTAR	TARIFF. Average tariff rates from 1980 through 1999 (unweighted %). All tariff rates are based on unweighted averages for all goods in ad valorem rates, or applied rates, or MFN rates whichever data are available in a longer period. (Sources: WTO, IDB CD ROM database and Trade Policy Review -- Country Report, Various issues, 1990-2000; UNCTAD, Handbook of Trade Control Measures of Developing Countries -- Supplement, 1987

and Directory of Import Regimes, 1994; World Bank, Trade Policy Reform in Developing Countries since 1985, WB Discussion Paper #267, 1994, The Uruguay Round: Statistics on Tariffs Concessions Given and Received, 1996 and World Development Indicators, 1998-00; OECD, Indicators of Tariff and Non-Tariff Trade Barriers, 1996; IDB, Statistics and Quantitative Analysis data, 1998.). http://www1.worldbank.org/wbiep/trade/TR_Data.html

NINTRSV   Net international reserves (excludes gold, current US$) (WDI)

OILACLP   Oil producing country. Dummy variable coded 1 if the average ratio of fuel exports to total exports in 1984-86 exceeded 50%, 0 otherwise. Based on International Monetary Fund (1994b). From ACLP.

OPEN6   Openness (current prices). Souce: Penn World Tables, version 6.

PARTYAGE2000   Average Age of Parties. Source: Keefer et al. DPI. (2000)

PERS   =1 if DICT_TYPE_NUM==2, otherwise 0. Geddes.

PERS2   =1 if DICT_TYPE_NUM==2|==4|==5|==7

POLCONIII_2002   See Henisz, W. J. (2002). "The Institutional Environment for Infrastructure Investment." Industrial and Corporate Change 11(2): Forthcoming. Please cite this publication when using this variable.

POLCONV_2002   See Henisz, W. J. (2000). "The Institutional Environment for Economic Growth." Economics and Politics 12(1): 1-31. Note that the following derivation follows the same logic as POLCONIII_2002 but also includes two additional veto points (the judiciary and sub_federal entities).

POLITYIV_UPDATE2   REGIME. The POLITY score is computed by subtracting the Polity IV AUTOC score from the DEMOC score; the resulting unified polity scale ranges from +10 (strongly democratic) to -10 (strongly autocratic). Source: ftp://isere.colorado.edu/pub/datasets/p4/p4vksg.asc

POP_WB   Population from WDI.

PORTFOLIOE~P   Portfolio equity flows – the sum of country funds, depository receipts (American or global), and direct purchases of shares by foreign investors. Expressed as percentage of GNP. WDI.

PRIGHTS2	Gastil index of political rights. See Political Risk Indicators—datavine.
PRISCHO	Primary school gross enrollment ratio. See SECSCHO below for details. WB-WDI.
PYR15	Average years of primary schooling in the population aged 15 or above. Source: Barro-Lee
PYR15SM	Average years of primary schooling in the population aged 15 or above (smoothed). Source: Barro-Lee
PYRSM	Average years of primary schooling in the population aged 25 or above (smoothed). Source: Barro-Lee
RPC1	Relative political capacity measure. Actual Government Revenue/Predicted Government Revenue [predicted revenue is calculated using this regression equation: Tax/GDP = $\beta 0$ + $\beta 1$ (time) + $\beta 2$ (Mining/GDP) + $\beta 3$ (Agriculture/GDP) + $\beta 4$ (Exports/GDP) + ϵ ; Yi Feng, Jacek Kugler and Paul J. Zak, "The Politics of Fertility and Economic Development," International Studies Quarterly (2000) 44, 667-693]
RPC13	Same as RPC 1, but uses RGDPCH, mining, exports and health as predictors.
SCHOOL	Percentage of the population that has at least a primary education. See Barro Lee.
SCHOOLSM	Percentage of the population that has at least a primary education (smoothed) See Barro Lee.
SIGNED	Dummy variable coded 1 for the years an IMF agreement of any type was signed, 0 otherwise. Vreeland.
SIGNED2	Dummy variable code 1 for the years a second (concurrent) IMF agreement of any type was signed, 0 otherwise. Source: Vreeland.
SP	=1 if DICT_TYPE==1, otherwise 0. Geddes.
SP2	=1 if DICT_TYPE_NUM==1	==4|==6|==7, otherwise 0.
SYR	Average years of secondary schooling in the total population.
SYR15	Average years of secondary schooling in the population aged 15 or above. Source: Barro-Lee

SYR15SM	Average years of secondary schooling in the population aged 15 or above (smoothed). Source: Barro-Lee
SYRSM	Average years of secondary schooling in the population aged 15 or above (smoothed). Source: Barro-Lee
TAR_IM97	tariff revenues as percent of imports. WDI.
TRADE	Imports & exports of goods and services as % GDP (WDI)]
TROPICAL	Dummy for whether country is tropical. Easterly and Levine.
TYR	Average years of schooling in the total population. Source: Barro-Lee.
TYR15	Average years of schooling in the population aged 15 or above. Source: Barro-Lee.
TYR15SM	Average years of schooling in the population aged 15 or above (smoothed). Source: Barro-Lee.
TYRSM	Average years of schooling in the population aged 25 or above (smoothed). Source: Barro-Lee.
UNDER	Dummy variable coded 1 for the years there was an IMF agreement in force, 0 otherwise. Source: Vreeland.
UNDER2	Dummy variable coded 1 for the years there was a second IMF agreement in force, 0 otherwise. Vreeland.
URB_POP_PR	Percent of population that is urban (WDI)
US_W_IM_IFS	U.S. imports divided by world imports. Source: IFS
US_W_EX_IFS	U.S. exports divided by world exports. Source: IFS
USDEF	US GDP deflator (WDI)
USHEG	US exports and imports as a percent of world exports and imports (WDI)
USHEG_EXP	US exports as a percent of world exports (WDI)
USHEG_GNP	US GNP as a percent of world GNP (WDI)

USHEG_IM	US imports as a percent of world imports (WDI)
UU	Dummy variable coded 1 if UNDER or UNDER2 is coded 1, and 0 otherwise. (Participation in IMF program.) Vreeland.
WBCODE	World Bank Country codes
WTO_round1	Dummy variable = 1 if WTO/GATT round is occurring, otherwise 0
WTO_round2	Dummy variable = 1 if GATT/WTO round began that year, otherwise 0
XRATE6	EXCHANGE RATE. WDI
YEAR	Count variable coded 1970=1, 1971=2 etc.
YR70	Dummy variable coded 1 if date==197*
YR80	Dummy variable coded 1 if date==198*
YR90	Dummy variable coded 1 if date==199*
YRSOFFC2000	How many years has the chief executive been in office? Source: Keefer et al. DPI (2000 version)
YRSOFFICE	How many years has the chief executive been in office? Source: Keefer et al. DPI