**Estimation results for developing countries**

POOLED OLS

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: GINI\_INDEX | | | |  |
| Method: Panel Least Squares | | |  |  |
| Date: 12/04/20 Time: 21:17 | | |  |  |
| Sample: 2000 2017 | | |  |  |
| Periods included: 18 | | |  |  |
| Cross-sections included: 53 | | |  |  |
| Total panel (balanced) observations: 954 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 47.00364 | 1.676885 | 28.03033 | 0.0000 |
| KOFGI | 0.084901 | 0.032454 | -7.546099 | 0.0000 |
| EDUCATION\_INDEX | -23.06471 | 0.133456 | -0.538136 | 0.5906 |
| URBANIZATION\_INDEX | 0.161773 | 0.015891 | 10.18032 | 0.0000 |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.101510 | Mean dependent var | | 41.03508 |
| Adjusted R-squared | 0.098673 | S.D. dependent var | | 8.507326 |
| S.E. of regression | 8.076706 | Akaike info criterion | | 7.020029 |
| Sum squared resid | 61971.52 | Schwarz criterion | | 7.040409 |
| Log likelihood | -3344.554 | Hannan-Quinn criter. | | 7.027793 |
| F-statistic | 35.77665 | Durbin-Watson stat | | 0.049643 |
| Prob(F-statistic) | 0.000000 |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

FIXED EFFECT

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: GINI\_INDEX | | | |  |
| Method: Panel Least Squares | | |  |  |
| Date: 12/04/20 Time: 21:18 | | |  |  |
| Sample: 2000 2017 | | |  |  |
| Periods included: 18 | | |  |  |
| Cross-sections included: 53 | | |  |  |
| Total panel (balanced) observations: 954 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 52.32643 | 1.334969 | 39.19675 | 0.0000 |
| KOFGI | 0.186721 | 0.018151 | -4.777807 | 0.0000 |
| EDUCATION\_INDEX | -8.031252 | 0.034184 | -0.914238 | 0.3608 |
| URBANIZATION\_INDEX | -0.102705 | 0.030014 | -3.421876 | 0.0006 |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Effects Specification | |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Cross-section fixed (dummy variables) | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.948510 | Mean dependent var | | 41.03508 |
| Adjusted R-squared | 0.945356 | S.D. dependent var | | 8.507326 |
| S.E. of regression | 1.988680 | Akaike info criterion | | 4.269726 |
| Sum squared resid | 3551.453 | Schwarz criterion | | 4.555048 |
| Log likelihood | -1980.659 | Hannan-Quinn criter. | | 4.378416 |
| F-statistic | 300.7657 | Durbin-Watson stat | | 0.838931 |
| Prob(F-statistic) | 0.000000 |  |  |  |
|  |  |  |  |  |
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RANDOM EFFECT

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: GINI\_INDEX | | | |  |
| Method: Panel EGLS (Cross-section random effects) | | | | |
| Date: 12/04/20 Time: 21:20 | | |  |  |
| Sample: 2000 2017 | | |  |  |
| Periods included: 18 | | |  |  |
| Cross-sections included: 53 | | |  |  |
| Total panel (balanced) observations: 954 | | | |  |
| Swamy and Arora estimator of component variances | | | | |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 50.55340 | 1.665635 | 30.35083 | 0.0000 |
| KOFGI | 0.173767 | 0.017568 | -5.906652 | 0.0000 |
| EDUCATION\_INDEX | -14.47034 | 0.034162 | -1.035402 | 0.3007 |
| URBANIZATION\_INDEX | 0.053290 | 0.026942 | -1.977985 | 0.0482 |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Effects Specification | |  |  |
|  |  |  | S.D. | Rho |
|  |  |  |  |  |
|  |  |  |  |  |
| Cross-section random | | | 8.096179 | 0.9431 |
| Idiosyncratic random | | | 1.988680 | 0.0569 |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Weighted Statistics | |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.080244 | Mean dependent var | | 2.371795 |
| Adjusted R-squared | 0.077340 | S.D. dependent var | | 2.082596 |
| S.E. of regression | 2.000442 | Sum squared resid | | 3801.679 |
| F-statistic | 27.62768 | Durbin-Watson stat | | 0.785166 |
| Prob(F-statistic) | 0.000000 |  |  |  |
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|  |  |  |  |  |

**Estimation results for developed countries**

**POOLED OLS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: GINI\_INDEX | | | |  |
| Method: Panel Least Squares | | |  |  |
| Date: 12/04/20 Time: 16:48 | | |  |  |
| Sample: 2000 2017 | | |  |  |
| Periods included: 18 | | |  |  |
| Cross-sections included: 31 | | |  |  |
| Total panel (balanced) observations: 558 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 45.13256 | 2.202921 | 20.48760 | 0.0000 |
| KOF\_INDEX | -0.138418 | 0.027828 | -4.974001 | 0.0000 |
| EDU\_INDEX | -0.355791 | 0.788835 | -0.451033 | 0.6521 |
| URBAN\_INDEX | -0.025310 | 0.012981 | -1.949727 | 0.0517 |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.067244 | Mean dependent var | | 31.69142 |
| Adjusted R-squared | 0.062193 | S.D. dependent var | | 3.764070 |
| S.E. of regression | 3.645142 | Akaike info criterion | | 5.431811 |
| Sum squared resid | 7361.033 | Schwarz criterion | | 5.462810 |
| Log likelihood | -1511.475 | Hannan-Quinn criter. | | 5.443917 |
| F-statistic | 13.31291 | Durbin-Watson stat | | 0.081136 |
| Prob(F-statistic) | 0.000000 |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

**FIXED EFFECTS MODEL**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: GINI\_INDEX | | | |  |
| Method: Panel Least Squares | | |  |  |
| Date: 12/04/20 Time: 16:52 | | |  |  |
| Sample: 2000 2017 | | |  |  |
| Periods included: 18 | | |  |  |
| Cross-sections included: 31 | | |  |  |
| Total panel (balanced) observations: 558 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 29.47885 | 2.316072 | 12.72795 | 0.0000 |
| KOF\_INDEX | -0.024217 | 0.016260 | -1.489291 | 0.1370 |
| EDU\_INDEX | -0.849213 | 0.676785 | -1.254776 | 0.2101 |
| URBAN\_INDEX | 0.064191 | 0.032752 | 1.959892 | 0.0505 |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Effects Specification | |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Cross-section fixed (dummy variables) | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.933463 | Mean dependent var | | 31.69142 |
| Adjusted R-squared | 0.929272 | S.D. dependent var | | 3.764070 |
| S.E. of regression | 1.001041 | Akaike info criterion | | 2.898955 |
| Sum squared resid | 525.0920 | Schwarz criterion | | 3.162447 |
| Log likelihood | -774.8086 | Hannan-Quinn criter. | | 3.001858 |
| F-statistic | 222.7663 | Durbin-Watson stat | | 1.140869 |
| Prob(F-statistic) | 0.000000 |  |  |  |
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**RANDOM EFFECTS MODEL**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: GINI\_INDEX | | | |  |
| Method: Panel EGLS (Cross-section random effects) | | | | |
| Date: 12/04/20 Time: 16:54 | | |  |  |
| Sample: 2000 2017 | | |  |  |
| Periods included: 18 | | |  |  |
| Cross-sections included: 31 | | |  |  |
| Total panel (balanced) observations: 558 | | | |  |
| Swamy and Arora estimator of component variances | | | | |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 31.37302 | 2.169597 | 14.46030 | 0.0000 |
| KOF\_INDEX | -0.022337 | 0.015977 | -1.398074 | 0.1627 |
| EDU\_INDEX | -0.806809 | 0.665031 | -1.213190 | 0.2256 |
| URBAN\_INDEX | 0.036105 | 0.028081 | 1.285764 | 0.1991 |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Effects Specification | |  |  |
|  |  |  | S.D. | Rho |
|  |  |  |  |  |
|  |  |  |  |  |
| Cross-section random | | | 3.714516 | 0.9323 |
| Idiosyncratic random | | | 1.001041 | 0.0677 |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Weighted Statistics | |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.008315 | Mean dependent var | | 2.009004 |
| Adjusted R-squared | 0.002945 | S.D. dependent var | | 1.003735 |
| S.E. of regression | 1.002256 | Sum squared resid | | 556.5025 |
| F-statistic | 1.548344 | Durbin-Watson stat | | 1.076690 |
| Prob(F-statistic) | 0.200998 |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | Unweighted Statistics | |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | -0.032699 | Mean dependent var | | 31.69142 |
| Sum squared resid | 8149.754 | Durbin-Watson stat | | 0.073521 |
|  |  |  |  |  |
|  |  |  |  |  |