

TABLE 2.8 Relationship between Changes in Black Income Inequality and Municipal Budget Spending

	Avg % budget spent 2003–2006	Consistent underspending
Percent change in black inequality	–0.03** (0.01)	0.14** (0.06)
% of pop in informal (2001)	–0.42 (0.52)	0.13* (0.07)
Log staff (2003)	–2.04 (4.02)	0.03 (0.07)
Years of MM experience (2003)	–0.23 (0.38)	–0.01 (0.05)
% HH black (2001)	–0.36 (0.32)	0.01 (0.13)
Log HH (2001)	7.36* (4.29)	–0.01 (0.05)
ANC vote % (2000)	0.42* (0.25)	–0.00 (0.09)
	N = 147	N = 147

Notes: * $p < 0.10$, ** $p < 0.05$. Standard errors in parentheses. Province fixed effects included. OLS in first column, logistic regression in the second. The dependent variable in first column is the percentage of the budget spent, averaged over 2003–2006. The dependent variable in the last column is a binary variable indicating whether the municipality underspent in each of those years. That column presents changes in the predicted probabilities of being a consistent underspender associated with a one-standard-deviation change in the independent variables, holding others at their means. Municipalities missing values dropped.