

Table 1: Summary Statistics, Large Sample

Statistic	N	Mean	St. Dev.	Min	Max
Year	6,782	1,996.677	12.254	1,975	2,017
log GDP per capita	6,159	7.756	1.624	4.175	11.689
GDP Growth Rate	6,102	3.638	6.511	-64.047	149.973
Debt to GDP Ratio	2,755	51.595	33.692	1.600	289.845
Change in Debt to GDP Ratio	2,572	0.656	10.619	-169.543	94.091
Budget Deficit	2,172	-2.404	6.731	-131.000	43.700
Polity	6,163	0.580	0.363	0.000	1.000
Freedom House	6,549	0.524	0.337	0.000	1.000
Unified Democracy Score	5,861	0.063	0.977	-2.039	2.263
State Failure	6,244	0.022	0.145	0	1
Parliamentary Representation	6,635	0.312	0.463	0	1
Control All Houses	5,552	0.572	0.495	0	1
Legislative Index of Election Competitiveness	6,631	0.758	0.346	0.000	1.000
Plurality Representation	5,085	0.545	0.496	0.000	1.000

Table 2: Summary Statistics, Small Sample

Statistic	N	Mean	St. Dev.	Min	Max
Year	1,219	1,996.695	11.534	1,975	2,015
log GDP per capita	1,201	9.692	0.906	7.005	11.689
GDP Growth Rate	1,214	2.589	3.485	-21.258	26.264
Debt to GDP Ratio	1,086	60.589	34.552	4.638	219.274
Change in Debt to GDP Ratio	1,053	1.431	6.242	-43.868	56.314
Deficit	1,104	-2.856	4.353	-32.129	18.696
Polity	1,137	0.984	0.040	0.650	1.000
Freedom House	1,195	0.957	0.081	0.250	1.000
Unified Democracy Score	1,117	1.481	0.434	-0.087	2.263
State Failure	1,137	0.000	0.000	0	0
Parliamentary System	1,218	0.844	0.363	0	1
Control All Houses	1,205	0.243	0.429	0	1
Legislative Index of Electoral Competitiveness	1,213	6.981	0.276	1.000	7.000
Plurality Representation	1,210	0.275	0.447	0	1
EU Member	1,219	0.505	0.500	0	1
Capital Account Openness	1,101	0.745	0.316	0.000	1.000
Openness Trade	1,185	87.266	55.607	15.478	374.148
Population 15 to 64	1,158	0.665	0.020	0.582	0.721
Populatio > 65	1,158	0.142	0.026	0.079	0.251

Table 3: Fixed Effects Results Regressing Economic Growth on Polity Measure of Democracy

Large Sample, 1975-2017					
	OLS	Annual GDP Growth Fixed Effects			
	(1)	(2)	(3)	(4)	(5)
Previous GDP Growth	0.380*** (0.048)	0.317*** (0.051)	0.302*** (0.053)	0.345*** (0.034)	0.326*** (0.034)
Polity Score	-0.617** (0.277)	1.123*** (0.393)	0.839* (0.438)	0.751* (0.426)	0.880** (0.430)
log GDP per capita				-0.101 (0.297)	-0.325 (0.312)
State Failure					-7.581*** (1.843)
Constant	2.642*** (0.299)				-7.629*** (1.830)
Country dummy?	No	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes
Observations	5,574	5,574	5,574	5,495	5,486
R ²	0.150	0.104	0.093	0.118	0.134
Adjusted R ²	0.150	0.078	0.060	0.085	0.104

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is annual GDP growth rate. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 4: Fixed Effects Results Regressing Economic Growth on Freedom House Measure of Democracy

Large Sample, 1975-2017					
	OLS	Annual GDP Growth Fixed Effects			
	(1)	(2)	(3)	(4)	(5)
Previous GDP Growth	0.368*** (0.055)	0.303*** (0.057)	0.290*** (0.059)	0.327*** (0.038)	0.311*** (0.038)
Freedom House Score	-0.609* (0.362)	1.815*** (0.663)	1.533** (0.672)	1.441** (0.654)	1.038* (0.587)
log GDP per capita				-0.388 (0.300)	-0.599* (0.317)
State Failure					-6.825*** (1.905)
Constant	2.675*** (0.366)				-6.948*** (2.010)
Country dummy?	No	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes
Observations	5,750	5,750	5,750	5,673	5,444
R ²	0.141	0.097	0.087	0.109	0.124
Adjusted R ²	0.140	0.070	0.054	0.076	0.091

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is annual GDP growth rate. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 5: Fixed Effects Results Regressing Debt Accumulation on Polity Measure of Democracy

	Large Sample, 1975-2017					
	OLS			Change in Debt-GDP Ratio from Last Year		
	(1)	(2)	(3)	(4)	(5)	(6)
Polity Score	1.141 (0.905)	9.534* (5.034)	6.910 (4.838)	7.373 (5.156)	7.590 (4.723)	-6.242 (19.326)
log GDP per capita				0.156 (2.020)	0.332 (1.853)	0.885 (1.714)
State Failure					26.442* (14.153)	26.275* (14.838)
Constant	-0.337 (0.814)					
Country dummy?	No	Yes	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes	Yes
Observations	2,264	2,264	2,264	2,262	2,262	2,259
R ²	0.001	0.006	0.003	0.003	0.034	0.023
Adjusted R ²	0.0004	-0.054	-0.078	-0.078	-0.046	-0.057

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is the change in debt-GDP ratio from last year. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 6: Fixed Effects Results Regressing Debt Accumulation on Freedom House Measure of Democracy

	Large Sample, 1975-2017					
	OLS			Change in Debt-GDP Ratio from Last Year		
	(1)	(2)	(3)	(4)	(5)	(6)
	Fixed Effects			IV		
Freedom House Score	1.033 (0.634)	4.735 (4.471)	4.223 (4.289)	3.124 (4.374)	4.837 (4.303)	-8.766 (27.047)
log GDP per capita				0.534 (1.843)	0.518 (1.821)	0.911 (1.697)
State Failure					26.485* (14.369)	25.385* (13.731)
Constant	-0.111 (0.542)					
Country dummy?	No	Yes	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes	Yes
Observations	2,491	2,491	2,491	2,379	2,249	2,246
R ²	0.001	0.001	0.001	0.001	0.031	0.024
Adjusted R ²	0.0005	-0.057	-0.076	-0.080	-0.050	-0.057

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is the change in debt-GDP ratio from last year. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 7: Fixed Effects Results Regressing Budget Deficit on Polity Measure of Democracy

Large Sample, 1975-2017					
	OLS	Annual Budget Deficit			
		Fixed Effects			IV
	(1)	(2)	(3)	(4)	(5)
Polity Score	-3.607** (1.707)	-4.783 (5.520)	-5.798 (4.926)	-5.034** (2.494)	-5.447** (2.649)
log GDP per capita				2.559*** (0.751)	2.553*** (0.742)
State Failure					1.995** (0.860)
					-2.395 (1.921)
Constant	0.629 (1.530)				
Country dummy?	No	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes
Observations	1,934	1,934	1,934	1,927	1,925
R ²	0.020	0.003	0.005	0.019	0.022
Adjusted R ²	0.019	-0.057	-0.080	-0.066	-0.063

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is government annual budget deficit. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 8: Fixed Effects Results Regressing Budget Deficit on Freedom House Measure of Democracy

Large Sample, 1975-2017					
	OLS (1)	Annual Budget Deficit Fixed Effects			
		(2)	(3)	(4)	(5)
Freedom House Score	-0.333 (1.504)	7.257** (3.169)	4.135 (3.248)	-0.999 (2.789)	-1.496 (2.818)
log GDP per capita				2.285*** (0.741)	2.164*** (0.734)
State Failure					1.997** (0.886)
Constant	-2.119* (1.261)			-2.480 (1.932)	-2.165 (2.108)
Country dummy?	No	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes
Observations	2,090	2,090	2,090	1,972	1,907
R ²	0.0002	0.007	0.002	0.013	0.013
Adjusted R ²	-0.0003	-0.050	-0.077	-0.070	-0.073

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is government annual budget deficit. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 9: Fixed Effects Results on Political Institutions, Large Sample

Large Sample, 1975-2017									
	Annual GDP Growth			Change in Debt-GDP Ratio			Annual Budget Deficit		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Parliamentary System	-0.057 (0.190)	0.010 (0.195)	0.100 (0.435)	0.429 (0.338)	0.904** (0.374)	3.903*** (1.254)	-1.221* (0.716)	-0.973 (0.766)	-2.254 (1.535)
Plurality Representation	0.001 (0.232)	-0.014 (0.225)	-0.493 (0.425)	0.328 (0.463)	0.421 (0.462)	1.538 (1.945)	0.612 (0.679)	0.678 (0.661)	0.922 (1.103)
Control All Houses	0.042 (0.206)	0.034 (0.200)	-0.452** (0.225)	-0.343 (0.486)	-0.280 (0.477)	-1.094 (0.908)	-0.169 (0.592)	-0.303 (0.586)	-0.174 (0.430)
log GDP per capita	-0.250*** (0.060)	-0.281*** (0.061)	-0.854 (0.780)	0.417** (0.186)	0.411** (0.163)	0.290 (1.307)	0.432 (0.339)	0.382 (0.350)	1.386* (0.776)
State Failure	-5.343*** (1.243)	-5.531*** (1.123)	-5.940*** (1.326)	11.886 (7.807)	12.064 (7.919)	23.687* (12.455)	-0.164 (0.887)	-0.398 (0.882)	-0.319 (0.528)
Constant	4.318*** (0.524)			-3.396** (1.689)			-5.836** (2.788)		
Previous GDP Growth?	Yes	Yes	Yes	No	No	No	No	No	No
Year dummy?	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Country dummy?	No	No	No	No	No	No	No	No	Yes
Observations	4,172	4,172	4,172	2,054	2,054	2,054	1,745	1,745	1,745
R ²	0.192	0.195	0.109	0.014	0.017	0.025	0.016	0.014	0.012
Adjusted R ²	0.191	0.186	0.067	0.011	-0.006	-0.058	0.014	-0.013	-0.076

*p<0.1; **p<0.05; ***p<0.01

Note: Cross-sectional OLS regression in column 1, 4, and 7. Fixed effects OLS regressions in the other columns. Robust standard errors clustered by country are reported in parentheses. Year dummies are included in regressions 2-3, 5-6, and 8-9, and country dummies are included in regressions 3, 6, and 9. Dependent variables are annual GDP growth rate, change in debt-GDP ratio, and annual budget deficit. Regression 1-3 include lagged GDP growth rate as endogenous variable. Covariates are added in all regressions. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 10: Fixed Effects Results on Political Institutions, Small Sample

Small Sample, 1975-2015									
	Annual GDP Growth			Change in Debt-GDP Ratio			Annual Budget Deficit		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Parliamentary System	-0.009 (0.205)	-0.127 (0.213)	0.507 (0.713)	0.128 (0.364)	0.498 (0.439)	1.314** (0.609)	0.246 (1.139)	0.207 (1.170)	-2.984** (1.331)
Plurality Representation	0.342*** (0.125)	0.411*** (0.112)	-0.399** (0.185)	0.426 (0.667)	0.099 (0.699)	2.129** (1.066)	-1.381 (1.388)	-1.264 (1.415)	2.057*** (0.669)
Control All Houses	-0.335** (0.135)	-0.395*** (0.119)	-0.316** (0.161)	-0.706 (0.717)	-0.284 (0.600)	-0.848 (0.655)	-0.689 (0.635)	-0.998* (0.565)	-0.282 (0.570)
EU Member	-0.207 (0.161)	-0.132 (0.120)	-0.197 (0.236)	0.872 (0.638)	0.600 (0.519)	-0.225 (0.781)	-3.201*** (1.232)	-3.009** (1.174)	-1.493** (0.611)
log GDP per capita	-0.627*** (0.121)	-0.357** (0.148)	-0.853* (0.484)	0.351 (0.425)	-0.135 (0.581)	-1.611 (1.338)	1.169 (0.813)	1.563* (0.917)	2.933** (1.322)
State Failure	0.773** (0.318)	0.237 (0.345)	-0.085 (0.364)	-1.008 (1.055)	0.199 (1.269)	-0.132 (2.142)	2.589* (1.372)	1.984 (1.571)	1.905 (1.417)
Capital Account Openness	0.008*** (0.002)	0.008*** (0.003)	0.027*** (0.005)	-0.017** (0.007)	-0.020*** (0.007)	-0.046** (0.020)	0.010 (0.013)	0.008 (0.014)	0.018 (0.023)
Openness Trade	-2.001 (3.945)	-2.478 (3.467)	7.131 (6.951)	9.741 (13.652)	17.509 (14.130)	46.058 (32.572)	-19.131 (22.625)	-18.688 (23.852)	-5.495 (22.479)
Population 15-64	-10.435*** (2.875)	-6.522** (2.996)	-3.184 (4.516)	12.745 (14.883)	-0.592 (19.415)	10.664 (28.947)	2.098 (20.456)	7.417 (25.206)	-35.983 (27.211)
Population >65	9.340*** (2.739)			-8.831 (8.547)			-2.654 (12.104)		
Previous GDP Growth?	Yes	Yes	Yes	No	No	No	No	No	No
Year dummy?	Yes	Yes	Yes	No	No	No	No	No	No
Country dummy?	No	No	No	No	No	No	No	No	No
Observations	934	934	934	888	888	888	929	929	929
R ²	0.254	0.270	0.193	0.021	0.022	0.024	0.188	0.216	0.110
Adjusted R ²	0.246	0.230	0.121	0.011	-0.033	-0.068	0.180	0.174	0.030

*p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1, 4, and 7. Fixed effects OLS regressions in the other columns. Robust standard errors clustered by country are reported in parentheses. Year dummies are included in regressions 2-3, 5-6, and 8-9, and country dummies are included in regressions 3, 6, and 9. Dependent variables are annual GDP growth rate, change in debt-GDP ratio, and annual budget deficit. Regression 1-3 include lagged GDP growth rate as endogenous variable. Covariates are added in all regressions. Base sample is an unbalanced panel, 1975 to 2015. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 11: Fixed Effects Results on Political Institutions, including Interaction Terms

Large Sample, 1975-2017									
	Annual GDP Growth			Change in Debt-GDP Ratio			Annual Budget Deficit		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Parliamentary System	1.118* (0.626)	1.244** (0.589)	0.486 (1.039)	3.052* (1.732)	3.226** (1.586)	12.259*** (3.189)	-2.002 (3.818)	-2.218 (3.830)	-5.601* (3.219)
Plurality Representation	-0.513 (0.650)	-0.563 (0.635)	-0.922 (0.618)	-2.437* (1.475)	-2.018 (1.484)	-6.045* (3.195)	2.893 (2.225)	2.988 (2.198)	4.151 (3.231)
Control All Houses	0.340 (0.626)	0.418 (0.610)	-1.058** (0.458)	0.731 (1.285)	0.680 (1.310)	0.637 (2.061)	1.269 (1.556)	1.252 (1.493)	2.433 (2.947)
DEM*Parliamentary System	-1.345** (0.634)	-1.400** (0.605)	-0.740 (0.989)	-2.956 (1.851)	-2.622 (1.673)	-8.618*** (2.834)	0.938 (3.901)	1.360 (3.936)	3.079 (2.596)
DEM*Plurality Representation	0.680 (0.625)	0.715 (0.615)	0.753 (0.615)	3.204** (1.459)	2.823* (1.462)	9.144*** (3.230)	-2.738 (2.290)	-2.752 (2.246)	-3.411 (3.083)
DEM*Control All Houses	-0.415 (0.665)	-0.553 (0.655)	0.814* (0.463)	-1.328 (1.395)	-1.190 (1.427)	-2.054 (2.315)	-1.971 (1.609)	-2.086 (1.540)	-2.832 (3.098)
log GDP per capita	-0.245*** (0.059)	-0.269*** (0.059)	-0.684 (0.825)	0.407** (0.177)	0.402*** (0.154)	0.316 (1.268)	0.632** (0.305)	0.575* (0.317)	2.062** (1.019)
State Failure	-5.423*** (1.420)	-5.614*** (1.312)	-5.923*** (1.396)	13.409* (7.445)	13.415* (7.575)	27.202** (11.855)	-1.488 (1.962)	-1.683 (1.916)	-2.301 (1.905)
Constant	4.349*** (0.509)			-3.116* (1.612)			-7.749*** (2.424)		
Previous GDP Growth?	Yes	Yes	Yes	No	No	No	No	No	No
Year dummy?	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Country dummy?	No	No	Yes	No	No	Yes	No	No	Yes
Observations	4,172	4,172	4,172	2,054	2,054	2,054	1,745	1,745	1,745
R ²	0.194	0.197	0.112	0.018	0.020	0.035	0.055	0.056	0.033
Adjusted R ²	0.192	0.188	0.070	0.014	-0.004	-0.049	0.050	0.028	-0.055

*p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1, 4, and 7. Fixed effects OLS regressions in the other columns. Robust standard errors clustered by country are reported in parentheses. Year dummies are included in regressions 2-3, 5-6, and 8-9, and country dummies are included in regressions 3, 6, and 9. Dependent variables are annual GDP growth rate, change in debt-GDP ratio, and annual budget deficit. Regression 1-3 include lagged GDP growth rate as endogenous variable. Covariates are added in all regressions. Base sample is an unbalanced panel, 1975 to 2015. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 12: Fixed Effects Results Regressing Economic Growth on Unified Democracy Scores

	Large Sample, 1975-2017					
	OLS			Annual GDP Growth Fixed Effects		IV
	(1)	(2)	(3)	(4)	(5)	(6)
Previous GDP Growth	0.362*** (0.056)	0.291*** (0.058)	0.277*** (0.060)	0.314*** (0.039)	0.296*** (0.039)	0.282*** (0.040)
Unified Democracy Scores	-0.270** (0.110)	0.739*** (0.227)	0.548** (0.235)	0.514** (0.230)	0.513** (0.227)	0.409 (0.856)
log GDP per capita				-0.262 (0.296)	-0.486 (0.337)	-0.311 (0.342)
State Failure					-7.568*** (2.141)	-7.619*** (2.149)
Constant	2.436*** (0.239)					
Country dummy?	No	Yes	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes	Yes
Observations	5,223	5,223	5,223	5,143	4,951	4,938
R ²	0.138	0.090	0.080	0.100	0.117	0.111
Adjusted R ²	0.138	0.060	0.043	0.063	0.080	0.075

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is annual GDP growth rate. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 13: Fixed Effects Results on Political Institutions, with Interaction Term from Freedom House

Large Sample, 1975-2017								
	Annual GDP Growth			Change in Debt-GDP Ratio		Annual Budget Deficit		
	(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)
Parliamentary System	0.458 (0.294)	0.438 (0.296)	-0.241 (0.577)	0.884 (0.738)	1.000 (0.713)	-1.334 (1.296)	-1.286 (1.300)	-2.029 (2.479)
Plurality Representation	-0.266 (0.332)	-0.285 (0.321)	-0.457 (0.431)	-0.022 (0.798)	0.014 (0.782)	1.918* (0.985)	2.103** (0.970)	2.963** (1.431)
Control All Houses	0.082 (0.296)	0.094 (0.288)	-0.920*** (0.290)	-0.469 (0.737)	-0.396 (0.669)	1.043 (0.953)	1.153 (0.913)	-1.107 (1.051)
DEM*Parliamentary System	-0.979*** (0.352)	-0.876** (0.369)	0.454 (0.547)	-0.753 (0.922)	-0.195 (0.848)	0.309 (1.552)	0.198 (1.609)	-0.338 (1.929)
DEM*Plurality Representation	0.501 (0.340)	0.527 (0.332)	-0.543 (0.468)	0.598 (0.949)	0.726 (0.898)	-1.944 (1.236)	-2.102* (1.214)	-2.202* (1.259)
DEM*Control All Houses	-0.255 (0.368)	-0.323 (0.371)	0.957** (0.374)	0.172 (0.986)	0.197 (0.932)	-2.088* (1.148)	-2.445** (1.085)	1.022 (1.138)
log GDP per capita	-0.194*** (0.073)	-0.220*** (0.078)	-0.886 (0.801)	0.420** (0.205)	0.352** (0.179)	0.789** (0.332)	0.801** (0.367)	1.534* (0.823)
State Failure	-5.364*** (1.291)	-5.499*** (1.169)	-6.034*** (1.294)	12.049 (7.768)	12.153 (7.864)	-0.373 (0.979)	-0.369 (0.977)	-0.312 (0.534)
Constant	4.043*** (0.601)			-3.295* (1.837)		-9.283*** (2.693)		
Previous GDP Growth?	Yes	Yes	Yes	No	No	No	No	No
Year dummy?	No	Yes	Yes	No	Yes	No	Yes	Yes
Country dummy?	No	No	Yes	No	No	No	No	Yes
Observations	4,107	4,107	4,107	2,037	2,037	1,727	1,727	1,727
R ²	0.196	0.199	0.113	0.014	0.017	0.047	0.053	0.013
Adjusted R ²	0.194	0.190	0.070	0.010	-0.007	0.042	0.025	-0.076

*p<0.1; **p<0.05; ***p<0.01

Note: Cross-sectional OLS regression in column 1, 4, and 7. Fixed effects OLS regressions in the other columns. Robust standard errors clustered by country are reported in parentheses. Year dummies are included in regressions 2-3, 5-6, and 8-9, and country dummies are included in regressions 3, 6, and 9. Dependent variables are annual GDP growth rate, change in debt-GDP ratio, and annual budget deficit. Regression 1-3 include lagged GDP growth rate as endogenous variable. Covariates are added in all regressions. Base sample is an unbalanced panel, 1975 to 2015. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 14: Fixed Effects Results Regressing Debt Accumulation on Unified Democracy Scores

	Large Sample, 1975-2017					
	Change in Debt-GDP Ratio from Last Year					
	Fixed Effects					IV
OLS	(1)	(2)	(3)	(4)	(5)	(6)
Unified Democracy Scores	0.953*** (0.289)	2.245* (1.338)	1.955 (1.383)	2.071 (1.525)	1.650 (1.326)	-13.207 (12.059)
log GDP per capita				-1.238 (2.494)	-0.834 (2.370)	0.827 (2.190)
State Failure					34.835* (17.805)	35.636* (19.428)
Constant	-0.479 (0.401)					
Country dummy?	No	Yes	Yes	Yes	Yes	Yes
Year dummy?	No	No	Yes	Yes	Yes	Yes
Observations	1,909	1,909	1,909	1,909	1,802	1,801
R ²	0.006	0.002	0.001	0.002	0.046	0.014
Adjusted R ²	0.005	-0.075	-0.098	-0.098	-0.053	-0.088

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is the change in debt-GDP ratio from last year. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.

Table 15: Fixed Effects Results Regressing Budget Deficit on Unified Democracy Scores

	Large Sample, 1975-2017					
	OLS	Annual Budget Deficit Fixed Effects				IV
		(1)	(2)	(3)	(4)	(5)
Unified Democracy Scores	-1.062** (0.525)	0.347 (0.839)	-0.369 (0.885)	-1.595* (0.819)	-1.558* (0.818)	1.227 (3.193)
log GDP per capita				3.276*** (0.885)	2.990*** (0.838)	2.165 (1.467)
State Failure					-3.830 (2.524)	-3.700 (2.879)
Constant	-1.021* (0.553)					
Country dummy?	No	Yes	Yes	Yes	Yes	Yes
Year dummy?	No	No	No	No	No	No
Observations	1,551	1,551	1,551	1,550	1,494	1,494
R ²	0.028	0.0004	0.0004	0.031	0.031	0.011
Adjusted R ²	0.028	-0.078	-0.107	-0.074	-0.077	-0.099

Note: *p<0.1; **p<0.05; ***p<0.01

Cross-sectional OLS regression in column 1. Fixed effects OLS regressions in columns 2 to 5, and IV regression with legislative election competitiveness as instrument in column 6. Robust standard errors clustered by country are reported in parentheses. Country dummies are included in regressions 2 to 6, and year dummies are included in regressions 3 to 6. Dependent variable is government annual budget deficit. Covariates are added in regressions 4 through 6. Base sample is an unbalanced panel, 1975 to 2017. For detailed data definitions and sources, see table for descriptive statistics and Appendix Table 1.