

University of Groningen

Corruption and governance around the world

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Document Version

Publisher's PDF, also known as Version of record

Publication date:

2008

[Link to publication in University of Groningen/UMCG research database](#)

Citation for published version (APA):

Seldadyo, H. (2008). *Corruption and governance around the world: An empirical investigation*. [Thesis fully internal (DIV), University of Groningen]. PrintPartners Ipskamp B.V., Enschede, The Netherlands.

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Appendix

Appendix 1

Authors	Year	Corruption Data ^a	Determinants ^b				No. of Obsv.	Data Type ^c	Year of Coverage	No. of Model	Estimator ^d
			ED	PPI	JB	GC					
Abed & Davoodi	2000	6	5	2		25-84	1, 2	94-98	8	1	
Ades & Di Tella	1999	1, 9	4	1	2	31-186	1, 2	80-90	12	1, 4	
Ali & Isse	2003	4, 6	6	2	4	57-78	1	80-90	2	1	
Alt & Lassen	2003	10	8	7	1	45	1	02	21	1	
Aslaksen	2007	4	4	4	7	49-1599	1, 2	82-97	42	1, 4, 5	
Bonaglia et al.	2001	4, 6	6	2	8	75-305	1, 2	80-00	22	1, 2	
Braun & Di Tella	2004	4, 6, 7, 5	6	1		50-1125	1, 2	80-94	22	1, 2	
Broadman & Recanatini	2001	7	5	1	2	19	1	96-99	2	1	
Broadman & Recanatini	2002	7	5	1	1	19	1	96-99	1	1	
Brown et al.	2006	7	2	10	2	162	2	96-00	1	4	
Brunetti & Weder	2003	4, 6, 7, 5	4	4	3	46-497	1, 2	82-98	23	1, 4	
Chang & Golden	2007	6, 7	2	7	2	24-39	1	96-98	10	1	
Damania et al.	2004	6, 7	5	4		50-79	1	97-98	3	1	
Fisman & Gatti	2002	1, 3, 4, 5, 6, 9	4	3	3	28-55	1	80-95	19	1, 2	
Fréchette	2006	4, 5, 6	3	2	1	947-1168	2	82-97	24	1, 2, 4	
Goldsmith	1999	6	2	2		34	1	95-96	6	1	
Gurgur & Shah	2005	6	7	6	3	30	1	90-99	3	1	
Herzfeld & Weiss	2003	4, 5, 6	2	3	5	40-1061	1, 2	82-97	5	1, 3, 2, 5	
Knack	2001	4	3			68-80	1	82-95	2	2	
Knack & Azfar	2003	1, 6, 7, 8	5	1	1	40-165	1	80-98	25	1	

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Authors	Year	Corruption		Determinants ^b			No. of Obsv.	Data Type ^c	Year of Coverage	No. of Model	Estimator ^d
		Data ^a	Data	ED	PPI	JB					
Kunicová & Rose-Ackerman	2005	7	2	13	6	54-94	1	93-01	15	3	
La Porta et al.	1999	4			9	114	1	82-95	3	1	
Laffont & N'Guessan	1999	1	4			27-30	1	90-95	3	2	
Lederman et al.	2005	4	5	8	2	364-1158	2	84-97	10	1	
Leite & Weidmann	1999	4	3	1	1	72	1	70-90	5	2	
Paldam	2001	6	2		11	85	1	98	55	1	
Paldam	2002	6	5	1	6	41-100	1	94-99	30	1, 2	
Park	2003	6	3	4	1	30-37	1	NA	2	1	
Persson et al.	2003a	4, 6, 7	4	17	1	60-640	1, 2	95-00	19	1, 3, 6, 7	
Rauch & Evan	2000	1, 4	3		3	28-35	1	81-90	5	1	
Swamy et al.	2001	6, 7	2	1	9	32-98	1	82-97	10	3	
Tavares	2003	4	4	1	6	181-200	2	NA	19	1, 2	
Treisman	2000	1, 2, 4, 6	2	2	1	31-81	1	80-98	50	3, 1	
van Rijckeghem & Wede	1997	4	3	1	3	22-33	1	82-95	6	1	
Wei	2000a	1	3	4	3	39-66	1	80-83	10	1	

^a: 1=BI, 2=Gallup, 3=GEL, 4=ICRG, 5=IMD, 6=TI, 7=WB-Kaufmann, 8=WB-CPIA, 9=WEF, 10=others; ^b: 1=Cross-section, 2=Panel

^c: ED=Economic-Demography, PI=Political Institutions, JB=Judicial-Bureaucracy, GC=Geography-Culture

^d: 1=OLS; 2=IV, 2SLS; 3=WLS; 4=Fixed Effect; 5=Random Effect; 6=Country Effect; 7=Time Effect

Appendix 2

Variable	Year	Description	Source
<i>Economic Variables:</i>			
1. GDP per capita	2000	PPP	PWT 6.2
2. Growth GDP per capita	90-00	PPP	PWT 6.2
3. Govt. Expenditure per GDP	2000	PPP	PWT 6.2
4. Investment per GDP	2000	PPP	PWT 6.2
5. Ln Population	2000		PWT 6.2
6. Population Density	2000		PWT 6.2 and CIA Factbook
7. Income Distribution			Principal Component Analysis (PCA)
7a. Gini Index	93-00	Human Development Report (HDR) 2005	
7b. The Richest 10 %	93-00	Human Development Report (HDR) 2005	
7c. The Richest 20 %	93-00	Human Development Report (HDR) 2005	
8. Debt per GDP	2000	http://www.nationmaster.com/graph-T/eco-deb_ext_gdp	
9. Aid per capita	2000	http://devdata.worldbank.org/data-query/	
10. Heritage Foundation		http://www.heritage.org/research/features/index/downloads/2007PastScores.xls	
		(the sub-indicators not included; the parallel variable—Fraser Institute and its sub-indicators—not included)	
11. Economic Integration			Principal Component Analysis (PCA)
11a. Import Share	2000	PPP	PWT 6.2
11b. Export Share	2000	PPP	PWT 6.2
11c. Trade Volume	2000	PPP	PWT 6.2
11d. FDI Inflow	2000	http://genderstats.worldbank.org/dataonline/	
12. Human Capital			Principal Component Analysis (PCA)

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Variable	Year	Description	Source
12a. Gross Enrol. (Primary School)	2000	http://devdata.worldbank.org/edstats/query/default.htm	
12b. Gross Enrol. (Secondary School)	2000	http://devdata.worldbank.org/edstats/query/default.htm	
12c. Gross Enrol. (Tertiary School)	2000	http://devdata.worldbank.org/edstats/query/default.htm	
12d. Illiteracy Rate (15 year+)	2000	http://www.uis.unesco.org/TEMPLATE/html/Exceltables/education/	
<i>Political Institutions:</i>			
13. Voice and Accountability	2000	Aggregated Index	Kaufmann (2007)
Related variables (not included in the regressions): Political Rights, Civil Liberty,			
Freedom of the Press (Freedom House), Polity Index (Polity IV Project), Democratic Accountability (ICRG),			
Freedom of Speech, Freedom of Political Participation, Religious Freedom (http://ciri.binghamton.edu/)			
14. Political Stability	2000	Aggregated Index	Kaufmann (2007)
15. Decentralization		Principal Component Analysis (PCA)	
15a. Sub-Nat. Exp. per GDP	2000	Government Financial Statistics	
15b. Sub-Nat. Rev. per GDP	2000	Government Financial Statistics	
15c. Sub-Nat. Exp. per GDP	2000	Government Financial Statistics	
15d. Sub-Nat. Exp. per Total Exp.	2000	Government Financial Statistics	
15e. Sub-Nat. Rev. per Total Rev.	2000	Government Financial Statistics	
16. District Magnitude	2000	http://siteresources.worldbank.org/INTRES/Resources/	
17. Presidentialism	2000	http://siteresources.worldbank.org/INTRES/Resources/	
18. Political Polarization	2000	http://siteresources.worldbank.org/INTRES/Resources/	
19. Political Plurality	2000	http://siteresources.worldbank.org/INTRES/Resources/	
<i>Bureaucracy and Judicial Environment:</i>			
20. Wage Bill per GDP	96-00	http://www1.worldbank.org/publicsector/civilservice/development.htm	
21. Government Effectiveness	2000	Aggregated Index	Kaufmann (2007)
22. Regulatory Quality	2000	Aggregated Index	Kaufmann (2007)

Continued on next page...

Variable	Year	Description	Source
23. Rule of Law	2000	Aggregated Index	Kaufmann (2007)
<i>Geography and Culture:</i>			
24. Budha	2005	http://www.worldchristianitydatabase.org/	
25. Hindu	2005	http://www.worldchristianitydatabase.org/	
26. Muslim	2005	http://www.worldchristianitydatabase.org/	
27. Nonreligion	2005	http://www.worldchristianitydatabase.org/	
28. Anglican	2005	http://www.worldchristianitydatabase.org/	
29. Catholic	2005	http://www.worldchristianitydatabase.org/	
30. Independent	2005	http://www.worldchristianitydatabase.org/	
31. Marginal	2005	http://www.worldchristianitydatabase.org/	
32. Orthodox	2005	http://www.worldchristianitydatabase.org/	
33. Protestant	2005	http://www.worldchristianitydatabase.org/	
34. Ethnic Diversity	0 (low) to 3 (highly diversified)		http://www.carleton.ca/cifp/rank.htm
35. Religious Diversity	0 (low) to 3 (highly diversified)		http://www.carleton.ca/cifp/rank.htm
36. Women's Roles	Principal Component Analysis (PCA)		
36a. Women's Economic Right	2000	0 (no right) to 3 (guaranteed)	http://ciri.binghamton.edu/
36b. Women's Political Right	2000	0 (no right) to 3 (guaranteed)	http://ciri.binghamton.edu/
36c. Women's Social Rights	2000	0 (no right) to 3 (guaranteed)	http://ciri.binghamton.edu/
36d. Female Labor Force	2000	http://devdata.worldbank.org/edstats/query/default.htm	
37. British Law		La Porta et.al. (1999)	
38. Socialist Law		La Porta et.al. (1999)	
39. French law		La Porta et.al. (1999)	
40. German Law		La Porta et.al. (1999)	
41. Scandinavian Law		La Porta et.al. (1999)	

Continued on next page...

Variable	Year	Description	Source
42. Absolute Latitude			https://www.cia.gov/library/publications/the-world-factbook/index.html
43. Log of Area			https://www.cia.gov/library/publications/the-world-factbook/index.html
44. Export of Fuel	2000		http://devdata.worldbank.org/data-query/
45. Export of Ores and Metal	2000		http://devdata.worldbank.org/data-query/

Appendix 3

Variable	Year	Source
<i>Economic Variables:</i>		
1. Economic Freedom	1980	Heritage Foundation (http://www.heritage.org/)
2. Export Share	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
3. FDI	1984	WDI CD-ROM
4. GDP per Capita Growth	1984-2004	WDI CD-ROM
5. Import Share	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
6. Import Non-Tariff Rate	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
7. Import Tariff Rate	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
8. Industrial Share	1984	WDI CD-ROM
9. Inflation	1984	WDI CD-ROM
10. Investment Share	1984	PWT (http://pwt.econ.upenn.edu/php_site/pwt_index.php)
11. Investment Price	1984	PWT (http://pwt.econ.upenn.edu/php_site/pwt_index.php)
12. Log Black Market Premium	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
13. Ln GDP per Capita	1984	WDI CD-ROM
14. Liquid Liabilities	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
15. Openness	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
16. Tariff Restriction	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
17. Term of Trade Shock	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
<i>Geography:</i>		
18. Distance to Economic Centers		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
19. East Asia Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)

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Variable	Year	Source
20. East Asia Religion	1970	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
21. Middle East Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
22. North Africa Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
23. Oceania Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
24. OECD Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
25. Sahara Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
26. Size of Land		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
27. South Asia Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
28. Transition Economies Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
29. Western Europe Dummy		Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
<i>Government Expenditure:</i>		
30. Expenditure on Defense	1975	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
31. Expenditure on Education	1980	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
32. Government Expenditure	1980	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
33. Public Investment	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
34. Recurring Expenditure on Education	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
<i>Human Capital:</i>		
35. Higher School Enrolment	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
36. Primary School Enrolment	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
37. Secondary School Enrolment	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
38. Years of Higher Education	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
39. Years of Primary Education	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
40. Years of Secondary Education	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
41. Total Years of Schooling	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)

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Variable	Year	Source
<i>Population:</i>		
42. Infant Mortality	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
43. Life Expectancy	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
44. Log Labor Force	1984	WDI CD-ROM
44. Population Growth	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
45. Worker Ratio	1985	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
<i>Political Variables:</i>		
46. Civil Liberty	1984	(http://www.freedomhouse.org/uploads/fiw/FIWallScores.xls)
47. Coup	1980-85	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
48. External War Involvement	1960-85	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
49. Our Governance Index	1984	ICRG-based
50. Political Instability	1980-85	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
51. Political Assassination	1980-85	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
52. Political Right	1984	Freedom House (http://www.freedomhouse.org/uploads/fiw/FIWallScores.xls)
53. Polity 2	1984	Polity (http://www.cidcm.umd.edu/polity/)
54. Revolution	1980-85	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
55. War Dummy	1960-85	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
<i>Religion and Culture:</i>		
56. Buddha Fraction	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
57. Catholic Fraction	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
58. Ethnolinguistic Fractionalization	1985	Roeder (http://weber.ucsd.edu/proeder/elf.xls)
59. Herfindal Index of Religion	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
60. Hindu Fraction	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
61. Jews Fraction	1970	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)

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Variable	Year	Source
62. Legal Origin		Shleifer (http://post.economics.harvard.edu/faculty/shleifer/data.html)
63. Moslem	1970	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
64. Non-Religion Fraction	1970	Barro-Lee (http://www.cid.harvard.edu/ciddata/ciddata.html)
65. Orthodox Fraction	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
66. Orthodox Christian Fraction	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
67. Other Religions	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)
68. Protestant Fraction	1970	Barro (http://www.economics.harvard.edu/faculty/barro/data.html)

Appendix 4

Appendix 4a. The Dimensions of Governance: Definitions (Chapter 6)

- **Voice and Accountability:** The extent to which a country's citizens are able to participate in selecting their government, and the degree of freedom of expression and of association, and the presence of free media.
 - **Political Stability and Absence of Violence:** Perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including political violence and terrorism.
 - **Government Effectiveness:** The quality of public services, the quality of the bureaucracy and its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.
 - **Regulatory Quality:** The ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.
 - **Rule of Law:** The extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, the police, and the courts, as well as the likelihood of crime and violence.
 - **Control of Corruption:** The extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.
- Source: Kaufmann et al. (2006).

Appendix 4b. Countries in Our Sample

- (1) Afghanistan, (2) Albania, (3) Algeria, (4) Angola, (5) Antigua-Barbuda, (6) Argentina, (7) Armenia, (8) Australia, (9) Austria, (10) Azerbaijan,
- (11) Bahamas, (12) Bahrain, (13) Bangladesh, (14) Barbados, (15) Belarus, (16) Belgium, (17) Belize, (18) Benin, (19) Bermuda, (20) Bhutan, (21) Bolivia, (22) Bosnia-Herzegovina, (23) Botswana, (24) Brazil, (25) Brunei, (26) Bulgaria, (27) Burkina Faso, (28) Burundi,
- (29) Cambodia, (30) Cameroon, (31) Canada, (32) Cape Verde, (33) CAR, (34) Chad, (35) Chile, (36) China, (37) Colombia, (38) Comoros, (39) Congo, Rep., (40) Congo, DR, (41) Costa Rica, (42) Croatia, (43) Cuba, (44) Cyprus, (45) Czech Republic,
- (46) Denmark, (47) Djibouti, (48) Dominica, (49) Dominican Republic,
- (50) Ecuador, (51) Egypt, (52) El Salvador, (53) Equatorial Guinea, (54) Eritrea, (55) Estonia, (56) Ethiopia,
- (57) Fiji, (58) Finland, (59) France,
- (60) Gabon, (61) Gambia, (62) Georgia, (63) Germany, (64) Ghana, (65) Greece, (66) Grenada, (67) Guatemala, (68) Guinea, (69) Guinea-Bissau, (70) Guyana,
- (71) Haiti, (72) Honduras, (73) Hong Kong, (74) Hungary,
- (75) Iceland, (76) India, (77) Indonesia, (78) Iran, (79) Iraq, (80) Ireland, (81) Israel, (82) Italy, (83) Ivory Coast,
- (84) Jamaica, (85) Japan, (86) Jordan,
- (87) Kazakhstan, (88) Kenya, (89) Kiribati, (90) Korea, DR., (91) Korea, Rep., (92) Kuwait, (93) Kyrgyzstan,

- (94) Laos, (95) Latvia, (96) Lebanon, (97) Lesotho, (98) Liberia, (99) Libya, (100) Lithuania, (101) Luxembourg,
- (102) Macao, (103) Macedonia, (104) Madagascar, (105) Malawi, (106) Malaysia, (107) Maldives, (108) Mali, (109) Malta, (110) Mauritania, (111) Mauritius, (112) Mexico, (113) Micronesia, (114) Moldova, (115) Mongolia, (116) Morocco, (117) Mozambique,
- (118) Namibia, (119) Nepal, (120) Netherlands, (121) Netherlands Antilles, (122) New Zealand, (123) Nicaragua, (124) Niger, (125) Nigeria, (126) Norway,
- (127) Oman,
- (128) Pakistan, (129) Panama, (130) Papua New Guinea, (131) Paraguay, (132) Peru, (133) Philippines, (134) Poland, (135) Portugal, (136) Puerto Rico,
- (137) Qatar,
- (138) Romania, (139) Russia, (140) Rwanda,
- (141) Samoa, (142) Sao Tome-Principe, (143) Saudi Arabia, (144) Senegal, (145) Serbia-Montenegro, (146) Seychelles, (147) Sierra Leone, (148) Singapore, (149) Slovak Republic, (150) Slovenia, (151) Solomon Islands, (152) Somalia, (153) South Africa, (154) Spain, (155) Sri Lanka, (156) St. Kitts-Nevis, (157) St. Lucia, (158) St. Vincent-The Grenadines, (159) Sudan, (160) Suriname, (161) Swaziland, (162) Sweden, (163) Switzerland, (164) Syria,
- (165) Taiwan, (166) Tajikistan, (167) Tanzania, (168) Thailand, (169) Togo, (170) Tonga, (171) Trinidad-Tobago, (172) Tunisia, (173) Turkey, (174) Turkmenistan,
- (175) Uganda, (176) Ukraine, (177) UAE, (178) UK, (179) USA, (180) Uruguay, (181) Uzbekistan,

- (182) Vanuatu, (183) Venezuela, (184) Vietnam,
- (185) Yemen,
- (186) Zambia, (187) Zimbabwe.