Errata Corrige for “The Economic Effects of Constitutions”
By T. Persson and G. Tabellini

The panel data used to produce some tables in Chapters 3 and 8 of our book contained some mistakes, that we discovered after the book went to press. In this document we reproduce the relevant tables, obtained with the corrected data. All inferences discussed in the book remain valid, although the point estimates of some coefficients are now slightly different. The table numbers are the same as in our book. The final version of the database (with the corrected data used to produce these tables) is the one posted on our website.

Table 3.2
Size of government and its determinants: Panel estimates

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Note: Standard errors in parentheses. R^2 refers to within-R^2.

*significant at 10%; ** significant at 5%; *** significant at 1%
Table 3.4  
Government surpluses and their determinants: Cross-sectional and panel estimates

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Country effects: Yes  Yes  
Year effects: No  No  
Sample: Full  Democratic  |YGAP|<5  
Observations: 1659  1268  
Number of ctrycd: 58  58  
R-squared: 0.57  0.52

Note: Robust standard errors in parentheses. “Adjusted R^2” in panel regression (columns 3-4) refers to within- R^2.
*significant at 10%; ** significant at 5%; *** significant at 1%

The remaining columns of this Table are as printed in the book.
Table 8.1
Unobserved common events and size of government

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Estimation          | $NLS\ FE$ | $NLS\ FE$ | $NLS\ FE$ | $OLS\ FE$ |
Obs.                | 1433      | 1400      | 1400      | 1400      |
Adj. R2             | 0.90      | 0.95      | 0.95      | 0.78      |

Note: Standard errors in parentheses. Other controls always included: $TRADE, LYP, PROP65, PROP1564$, country fixed effects. In column (4), “Adjusted R2” refers to within-R2.
* significant at 10%, ** significant at 5%, *** significant at 1%
### Table 8.3
Unobserved common events and budget surplus

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*Note: Standard errors in parentheses. Other controls always included: TRADE, LYP, PROP65, PROP1564, country fixed effects. In column (5), “Adjusted R2” refers to within-R2. * significant at 10%, ** significant at 5%, *** significant at 1%
Table 8.4
Cyclical response of government spending to output gaps

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|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Sample           |       |       |       |       |       |       |       |       |       |
| Observations     | 1302  | 1155  | 1052  | 1302  | 1302  | 1450  |       |       |       |
| Number of ctrycd | 58    | 58    | 52    | 58    | 58    | 59    |       |       |       |
| Adjusted R-      | 0.78  | 0.78  | 0.79  | 0.78  | 0.78  |       |       |       |       |
| squared          |       |       |       |       |       |       |       |       |       |

Note: Standard errors in parentheses. Other controls always included: LYP, TRADE, PROP1465, PROP65, OIL IM, OIL EX. Narrow sample corresponds to countries where POLITY_GT is less than 1.1. “Adjusted R2 refers to within R2. * significant at 10%; ** significant at 5%; *** significant at 1%
Table 8.6
Cyclical response of budget surplus and government revenue to output gaps

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Sample Method of estimation

|                  | SUR, CTRY FE | SUR, CTRY FE | CTRY FE | DIFF, GLS | SUR, CTRY FE | SUR, CTRY FE |
| Observations     | 1204     | 1204     | 1268     | 1263     | 1204     | 1204     |
| Number of ctrycd | 58       | 58       | 57       | 57       | 58       | 58       |
| Adjusted R-squared | 0.72 | 0.72 | 0.52 | 0.97 | 0.97 | 0.97 |

Note: Standard errors in parentheses. SUR run on system of three equations (CGREV, SPL and [not shown] CGEXP). Other controls always included: LYP, TRADE, PROP1465, PROP65, OIL_IM, OIL_EX, and country fixed effects. “Adjusted R2” is unadjusted for columns 1-2 and 5-6, within-R2 for column 3. LDEPVAR denotes the lagged dependent variable. * significant at 10%; ** significant at 5%; *** significant at 1%
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Note: Standard errors in parentheses. All regressions include fixed country and year effects and the following covariates: LYP, TRADE, PROP1564, PROP65, YGAP (alone and interacted with MAJ and PRES) and lagged dependent variable (alone and interacted with PRES and MAJ). Narrow sample corresponds to countries and years where POLITY_GT is less than 1.1. “Adjusted R^2 refers to within R^2.

* significant at 10%; ** significant at 5%; *** significant at 1%
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<th>Electoral cycles in fiscal policy: Alternative electoral rules</th>
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Note: Standard errors in parentheses. All regressions include fixed country and year effects and the following covariates: LYP, TRADE, PROP1564, PROP65, YGAP (alone and interacted with MAJ and PRES) and lagged dependent variable (alone and interacted with PRES and MAJ). F:MAJ=PRO and F:LMAJ=LPRO refer to the test statistics for equal coefficients on EL_MAJ and EL_PRO, and LEL_MAJ and LEL_PRO, respectively. Narrow sample corresponds to countries where POLITY_GT is less than 1.1. “Adjusted R²” refers to within R².

* significant at 10%; ** significant at 5%; *** significant at 1%
Table 8.9
Electoral cycles in fiscal policy: Alternative forms of government

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Note: Standard errors in parentheses. All regressions include fixed country and year effects and the following covariates: LYP, TRADE, PROP1564, PROP65, YGAP (alone and interacted with MAJ and PRES) and lagged dependent variable (alone and interacted with PRES and MAJ). F:PRE=PAR and F:LPRE=LPAR refer to the test statistics for equal coefficients on EL_PRE and EL_PAR, and LEL_PRE and LEL_PAR, respectively. Narrow sample corresponds to countries where POLITY_GT is less than 1.1. “Adjusted R\textsuperscript{2} refers to within R\textsuperscript{2}. * significant at 10%; ** significant at 5%; *** significant at 1%
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<td>(0.28)</td>
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<tr>
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<td>0.23</td>
<td>-0.37</td>
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<td>(0.23)</td>
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<td><strong>LEL_MAJPRE</strong></td>
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<td>(0.31)***</td>
<td>(0.41)***</td>
<td>(0.28)**</td>
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<td>(0.20)</td>
<td>(0.21)</td>
<td>(0.23)</td>
<td>(0.22)</td>
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</tr>
<tr>
<td>Sample</td>
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<td>Narrow</td>
<td>Broad</td>
<td>Narrow</td>
<td>Broad</td>
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<td>1309</td>
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<td>Adjusted R-squared</td>
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<td>0.74</td>
<td>0.54</td>
<td>0.57</td>
<td>0.77</td>
<td>0.79</td>
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</table>

**Note:** Standard errors in parentheses. All regressions include fixed country and year effects and the following covariates: LYP, TRADE, PROP1564, PROP65, YGAP (alone and interacted with MAJ and PRES) and lagged dependent variable (alone and interacted with PRES and MAJ). Narrow sample corresponds to countries where POLITY_GT is less than 1.1. “Adjusted R” refers to within R².

* significant at 10%; ** significant at 5%; *** significant at 1%