

**The Blessings of Scarcity:
Online Appendix**

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1. Population of Newly Independent States in Main Analysis

Following the Correlates of War (COW), states are independent if they have United Nations (UN) membership or a population of at least half a million with diplomatic missions from two major powers (Pevehouse et al 2020). The newly independent states in the analysis are:

Algeria, Angola, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Benin, Bhutan, Botswana, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, the Central African Republic, Chad, Comoros, Congo, Congo (DRC), Cote d'Ivoire, Cyprus, Equatorial Guinea, Eswatini, Fiji, Gabon, the Gambia, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, India, Indonesia, Israel, Jamaica, Japan, Jordan, Kenya, Korea (DRC), Korea (Republic), Kuwait, Laos, Lebanon, Lesotho, Libya, Madagascar, Malawi, Malaysia, the Maldives, Mali, Malta, Mauritania, Mauritius, Morocco, Mozambique, Myanmar, Niger, Nigeria, Rwanda, Oman, Pakistan, Papua New Guinea, Philippines, Qatar, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Singapore, Somalia, Sri Lanka, Sudan, Suriname, Syria, Tanzania, Togo, Trinidad and Tobago, Tunisia, Uganda, the United Arab Emirates, Vietnam, Zambia, and Zimbabwe.

Table 1: Summary Statistics

Variable	Obs	Mean	SD	Min	Max
Avg. Pop (1946-75, millions)	83	13.86	53.32	0.07	468.88
Avg. GDPperCapita PPP (1992-2020)	80	8020.57	13388.89	235.35	64878.40
Rule of Law (1996-2019)	83	-0.36	0.84	-2.31	1.86
State Instability (1996-2018)	82	79.01	19.16	26.62	112.85
Trade Policy Openness (1976-92)	80	47.81	20.17	8.50	95.75
Public Sector Exp (Per GDP, 1976-95)	50	29.57	13.99	13.38	93.63
Pop Density (1946-75)	83	121.99	351.09	1.06	2981.87
Rugged	83	1.19	1.27	0.01	6.74
Malaria Rates (1946-75)	83	0.74	0.34	0.00	1.00
Island	83	0.25	0.44	0.00	1.00
Reliance on Oil	76	2.32	6.30	0.00	37.70
Urbanization (1946-75)	83	29.45	22.95	2.65	100.00
Threat to Sovereignty	81	0.53	0.50	0.00	1.00
Democracy (1946-75)	81	0.11	0.27	0.00	1.00
Aid Per Capita (1946-75)	80	59.97	76.42	-1.07	415.11
Ethnic Fractionalization (1946-75)	71	0.50	0.28	0.00	0.89
UK Colony (1 = Yes)	81	0.46	0.50	0.00	1.00

2. Variable Measurements

a. Post-Cold War Inclusive Economic Institutions

Inclusive economic institutions are laws and agencies that lower barriers to economic participation. These institutions protect property rights, ensure rule of law and provide public services to give citizens the tools to capitalize on economic opportunity (Acemoglu and Robinson 2013, 74). Our main measure of economic inclusion is the World Bank's Rule of Law indicator. We average a country's Rule of Law score, which ranges between -2.5 to 2.5, from 1996, the earliest year this data is available, to 2019. A higher score indicates more inclusive economic institutions.

We complement this measure with Transparency International's Corruption Perception Index (CPI). This is an index based on experts' perception of a country's public sector corruption. Higher CPI scores indicate less corruption. Transparency International

changed its corruption measurement after 2012, so our CPI measure is an average score between 2012 and 2020 (Transparency International 2019). The Credendo Group's 2019 expropriation risk measure (Expropriation). This index spans from 1 (low risk) to 7 (high risk) of expropriation (Credendo Group 2019).

b. Post-Cold War Political Stability

The Fund for Peace's Fragile States Index is our main measure of post-Cold War political stability. This index is a holistic evaluation of risks facing a country. It consists of 12 indicators that are categorized into four dimensions: political, economic, social, and cohesion. Each indicator ranges from 0 to 10 and a total score ranging between 0 to 120 sums the score for a country in a year. Quantitative and qualitative data evaluated by experts determine each indicator score. The data for the state fragility index spans from 2006 to 2020. We average states' fragility index score during this period. A higher fragility score represents greater instability.

In addition to the Fund for Peace's Fragile State Index, we gauge states' post-Cold War political stability with an instability index calculated by Varieties of Democracies (V-Dem) dataset's reported number coups, mass protests, terrorist and war emergencies per country between 1992 and 2020. This measure sums each count of these outcomes and logs the total.

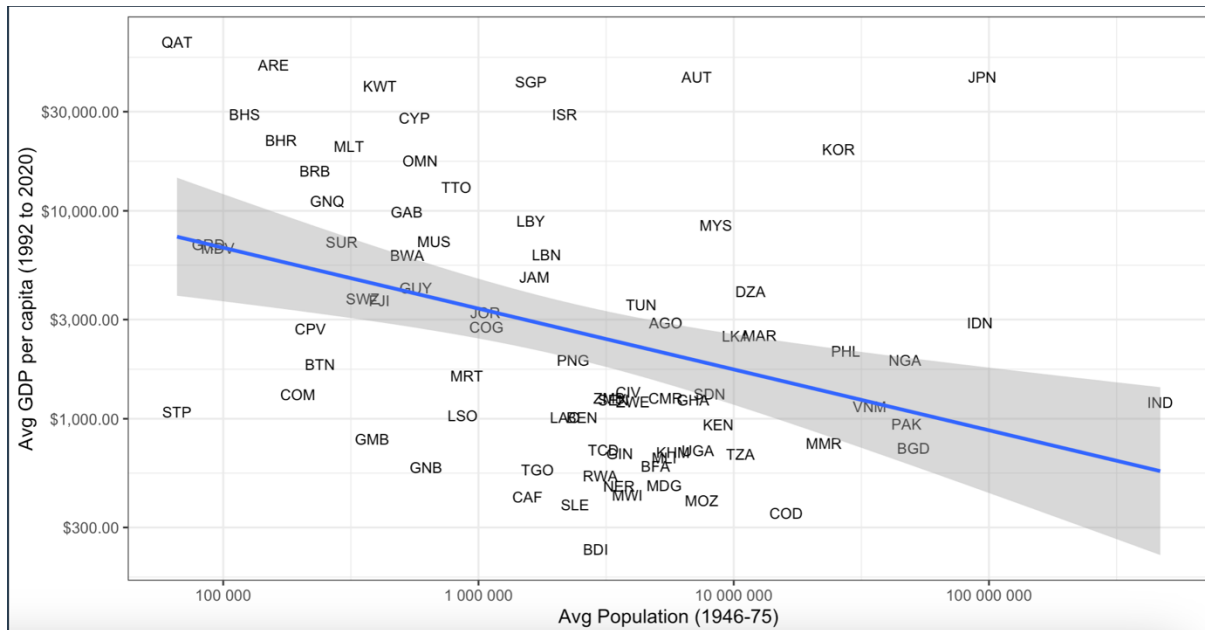
We also measure political stability with the PRS Group's political risk rating from its International Country Risk Guides (ICRG). The rating ranges from 0 to 100. The political risk rating is a weighted average of 12 different indicators that assess risks related to external or internal conflict, ethnic tensions, government's capability to provide public services. We average each country's political risk rating from 1992 to 2022. Higher ICRG scores represent more political stability.

c. Cold War EL

Cold War EL is an index that standardizes and adds the Cold War trade openness and public sector size variables. Each EL component is standardized by subtracting the component's mean value from a country's observed value, and then divided by that variable's standard deviation. The index multiplies each standardized value by 0.5, and then adds the two. A higher score indicates greater Cold War EL.

3. H1: Size at Early Independence and Post-Cold War Prosperity

Figure 1: Early Independence Size and Post-Cold War Development



3.1 Diagnostic Tests (SI Tables 2 and 3)

We conducted two diagnostic tests to ensure that our results are not driven by a few highly influential points or outliers. Column 1 in SI Table 2 presents our main finding. Column 2 re-runs the analysis after excluding highly influential observations. We identify influential observations using Cook's distance. These are observations that differ from other observations in the independent variable (high leverage) and differ from the predicted values of the outcome variable (high residual). Cook's distance combines the leverage and residual to measure the overall influence of each observation. We removed countries that had a Cook's distance greater than 4 divided by the sample size. These countries include Bangladesh, Barbados, Botswana, Comoros, Congo, Guinea, Indonesia, Kuwait, Malta, and Mauritania. We find that the negative correlation of early independent size on the post-Cold War period holds even after removing these countries (Column 2). This suggests that our main result is not driven by these highly influential countries.

Column 3 in SI Table 2 removes outlier observations. We identify outliers using studentized residuals. Studentized residuals measure deviations of each observation from the predicted values and standardize these to enable comparison across observations. We removed as outliers countries that had a studentized residual greater than 2. These outlier countries include Barbados, Botswana, Kuwait, Guinea, and Malta. Our results are consistent after dropping these outliers.

All variables in our model 3 have a variance inflation factor (VIF) of less than five, except for the region variable. SI Table 3 re-runs the analysis excluding the region fixed effects. The findings hold, except the relationship between early independence size and post-Cold War development is no longer statistically significant when only geographic controls are added to the model (Column 2).

Table 2: Size at Early Independence and Post-Cold War Development (Diagnostic Tests)

	<i>Dependent variable:</i>		
	Log(Avg.GDPpc) (1992 - 2020)		
	(1)	(2)	(3)
Avg.Population (1946-75, logged)	-0.29*** (0.08)	-0.26*** (0.08)	-0.26*** (0.07)
Pop. Density (1946-75, logged)	0.06 (0.09)	0.13 (0.08)	0.10 (0.08)
Rugged (logged)	-0.15 (0.15)	-0.02 (0.18)	-0.06 (0.14)
Malaria Risk (1965-75, logged)	-0.08 (0.17)	-0.11 (0.16)	-0.13 (0.16)
Island	0.53*** (0.14)	0.55*** (0.14)	0.55*** (0.14)
Reliance on Oil (1946-75, logged)	-0.68 (0.69)	-0.74 (0.65)	-0.70 (0.60)
Urbanization (1946-75, logged)	0.60** (0.28)	0.87*** (0.27)	0.76*** (0.26)
Threat to Sovereignty	0.09 (0.12)	0.06 (0.13)	0.03 (0.12)
Democracy (1946-75)	0.58*** (0.21)	0.35* (0.19)	0.46*** (0.17)
Violence at Independence	0.09 (0.14)	0.15 (0.15)	0.08 (0.14)
UK Colony	0.07 (0.11)	0.01 (0.11)	0.01 (0.11)
Aid Per Capita (1961-75, logged)	-0.18* (0.11)	-0.17 (0.11)	-0.20* (0.10)
Historical Ethnic Frac (1946-75)	-0.38 (0.29)	-0.29 (0.27)	-0.30 (0.27)
Constant	4.98*** (0.81)	4.23*** (0.74)	4.52*** (0.72)
Region Fixed Effects	Yes	Yes	Yes
Observations	61	54	59
R ²	0.81	0.84	0.84
F Statistic	10.24***	10.58***	11.27***
<i>Note:</i>	*p<0.1; **p<0.05; ***p<0.01		

Table 3: Size at Early Independence and Post-Cold War Development (Diagnostic Tests, No Region Fixed Effects)

	<i>Dependent variable:</i>				
		Log(Avg.GDPpc) (1992 - 2020)		HDI (2019)	Infant Mortality (2019)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.29*** (0.09)	-0.14 (0.09)	-0.28*** (0.08)	-0.05** (0.02)	12.85* (7.61)
Pop. Density (1946-75, logged)		0.17 (0.12)	0.04 (0.10)	0.03 (0.02)	-11.51* (6.36)
Rugged (logged)		-0.09 (0.15)	-0.12 (0.15)	-0.001 (0.04)	-1.84 (7.41)
Malaria Risk (1965-75, logged)		0.11 (0.16)	0.10 (0.15)	0.07* (0.04)	-18.51* (10.02)
Island		0.72*** (0.13)	0.41*** (0.14)	0.05 (0.03)	-14.22 (11.15)
Reliance on Oil (1946-75, logged)		-2.51** (0.97)	-0.59 (0.62)	0.13 (0.17)	-26.72 (48.46)
Urbanization (1946-75, logged)			0.76*** (0.20)	0.18*** (0.05)	-15.88 (10.74)
Threat to Sovereignty			0.14 (0.13)	0.03 (0.03)	-16.75* (8.85)
Democracy (1946-75)			0.25 (0.19)	0.10** (0.05)	-14.03 (12.95)
Violence at Independence			0.25** (0.12)	0.08*** (0.03)	-20.51** (9.11)
UK Colony			0.14 (0.11)	0.06** (0.03)	-13.77* (7.21)
Aid Per Capita (1961-75, logged)			-0.21* (0.11)	-0.05 (0.04)	9.13 (12.21)
Historical Ethnic Frac (1946-75)			-0.42* (0.25)	-0.15** (0.06)	34.96* (17.92)
Constant	5.29*** (0.58)	4.46*** (0.53)	4.43*** (0.67)	0.69*** (0.22)	4.23 (67.91)
Region Fixed Effects	No	No	No	No	No
Observations	80	73	61	62	63
R ²	0.14	0.55	0.77	0.74	0.62
F Statistic	12.59***	13.64***	12.16***	10.27***	6.03***

Note:

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

3.2 Robustness Checks

Table 4: Size at Early Independence and Post-Cold War Rates of Growth

	<i>Dependent variable:</i>		
	Change GDPpc (Per) (1992 - 2018)	Change Infant Mort (Per) (1992 - 2019)	Change HDI (1990 - 2019)
	(1)	(2)	(3)
Avg.Population (1946-75, logged)	-0.37** (0.15)	0.07** (0.03)	0.0003 (0.01)
GDP 1991 (logged)	-0.11 (0.12)		
Infant Mortality 1990		-0.001** (0.0004)	
HDI 1990			-0.24*** (0.09)
Pop. Density (1946-75, logged)	-0.15 (0.14)	-0.09** (0.04)	0.03** (0.01)
Rugged (logged)	-0.08 (0.17)	0.02 (0.05)	-0.02 (0.02)
Malaria Risk (1965-75, logged)	0.35 (1.38)	-0.95** (0.44)	0.19 (0.17)
Island	0.18 (0.18)	-0.04 (0.07)	-0.01 (0.03)
Reliance on Oil (1946-75, logged)	0.29 (0.20)	0.002 (0.06)	0.02 (0.04)
Urbanization (1946-75, logged)	0.05 (0.42)	0.12 (0.10)	-0.02 (0.05)
Threat to Sovereignty	0.17 (0.19)	-0.10** (0.05)	-0.01 (0.02)
Democracy (1946-75)	-0.14 (0.33)	-0.11 (0.08)	0.05 (0.03)
Violence at Independence	0.23 (0.22)	-0.04 (0.05)	0.01 (0.02)
UK Colony	0.35** (0.17)	0.01 (0.04)	0.03 (0.02)
Aid Per Capita (1961-75, logged)	-0.54*** (0.17)	0.12** (0.05)	-0.01 (0.02)
Historical Ethnic Frac (1946-75)	-0.15 (0.26)	0.08 (0.13)	-0.01 (0.04)
Constant	5.07*** (1.62)	-0.87*** (0.29)	0.25** (0.12)
Region Fixed Effects	Yes	Yes	Yes
Observations	59	63	52
R ²	0.51	0.63	0.56
F Statistic	2.16**	3.89***	2.13**

Note:

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

Table 5: Size at Early Independence and Post-Cold War Development (No GCC)

	<i>Dependent variable:</i>				
	Log(Avg.GDPpc) (1992 - 2020)		HDI (2019)	Infant Mortality (2019)	
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.20*** (0.07)	-0.16 (0.11)	-0.27** (0.12)	-0.06** (0.03)	18.18*** (6.52)
Pop. Density (1946-75, logged)		0.12 (0.10)	0.08 (0.09)	0.04* (0.02)	-12.79** (5.46)
Rugged (logged)		-0.29** (0.11)	-0.18 (0.16)	-0.03 (0.03)	9.83 (6.16)
Malaria Risk (1965-75, logged)		-0.01 (0.14)	-0.04 (0.20)	0.04 (0.04)	-29.35*** (10.86)
Island		0.38** (0.17)	0.49*** (0.15)	0.07* (0.04)	-6.13 (12.70)
Reliance on Oil (1946-75, logged)		-2.05** (0.99)	-0.77 (0.83)	0.02 (0.18)	-21.89 (50.83)
Urbanization (1946-75, logged)			0.57* (0.30)	0.10 (0.07)	22.76 (14.56)
Threat to Sovereignty			0.11 (0.14)	0.04 (0.03)	-21.07*** (8.04)
Democracy (1946-75)			0.55** (0.24)	0.14** (0.06)	-2.93 (11.50)
Violence at Independence			0.08 (0.14)	0.05 (0.03)	-13.75* (7.07)
UK Colony			0.08 (0.12)	0.05* (0.03)	-15.52** (7.09)
Aid Per Capita (1961-75, logged)			-0.17 (0.13)	-0.03 (0.03)	2.86 (8.90)
Historical Ethnic Frac (1946-75)			-0.36 (0.31)	-0.09 (0.06)	10.31 (17.69)
Constant	4.96*** (0.52)	4.93*** (0.66)	4.84*** (0.98)	0.92*** (0.23)	-75.60 (51.92)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	75	68	57	58	59
R ²	0.53	0.64	0.75	0.79	0.75
F Statistic	12.55***	8.97***	6.30***	8.19***	6.79***

Note:

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

Table 6: Size at Early Independence and Post-Cold War Development (No India)

	<i>Dependent variable:</i>				
	Log(Avg.GDPpc) (1992 - 2020)			HDI (2019)	Infant Mortality (2019)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.26*** (0.08)	-0.20** (0.10)	-0.29*** (0.08)	-0.06*** (0.02)	15.87*** (5.34)
Pop. Density (1946-75, logged)		0.11 (0.09)	0.06 (0.09)	0.03 (0.02)	-10.28* (5.32)
Rugged (logged)		-0.25** (0.11)	-0.15 (0.15)	-0.02 (0.03)	8.21 (5.23)
Malaria Risk (1965-75, logged)		-0.002 (0.14)	-0.08 (0.17)	0.03 (0.04)	-21.53** (10.96)
Island		0.43*** (0.12)	0.53*** (0.14)	0.08** (0.03)	-4.46 (11.03)
Reliance on Oil (1946-75, logged)		-1.77* (0.92)	-0.68 (0.69)	0.04 (0.18)	-5.15 (48.15)
Urbanization (1946-75, logged)			0.60** (0.28)	0.11* (0.06)	18.38 (14.40)
Threat to Sovereignty			0.09 (0.12)	0.03 (0.03)	-19.03*** (7.34)
Democracy (1946-75)			0.58*** (0.21)	0.15*** (0.05)	-9.29 (12.36)
Violence at Independence			0.09 (0.14)	0.05 (0.03)	-12.55* (7.19)
UK Colony			0.07 (0.11)	0.05* (0.03)	-13.43** (6.43)
Aid Per Capita (1961-75, logged)			-0.18* (0.11)	-0.03 (0.03)	3.77 (8.10)
Historical Ethnic Frac (1946-75)			-0.38 (0.29)	-0.10* (0.06)	11.96 (18.13)
Constant	5.41*** (0.54)	5.16*** (0.61)	4.98*** (0.81)	0.93*** (0.19)	-70.29 (44.93)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	79	72	61	62	63
R ²	0.60	0.71	0.81	0.82	0.76
F Statistic	18.17***	13.64***	10.24***	10.53***	7.55***

Note:

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

Table 7: Size at Early Independence and Post-Cold War Development (No Islands)

	<i>Dependent variable:</i>				
		Log(Avg.GDPpc) (1992 - 2020)		HDI (2019)	Infant Mortality (2019)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.30*** (0.10)	-0.25*** (0.09)	-0.26*** (0.09)	-0.06** (0.03)	22.89*** (6.88)
Pop. Density (1946-75, logged)		0.05 (0.12)	-0.06 (0.11)	0.01 (0.03)	-18.44*** (6.86)
Rugged (logged)		-0.07 (0.12)	0.01 (0.15)	0.01 (0.04)	14.13* (7.71)
Malaria Risk (1965-75, logged)		0.54*** (0.13)	0.57*** (0.16)	0.08** (0.04)	-8.02 (11.63)
Reliance on Oil (1946-75, logged)		-0.98 (0.92)	-0.12 (0.92)	0.23 (0.22)	7.15 (58.75)
Urbanization (1946-75, logged)			0.62* (0.33)	0.10 (0.07)	24.06 (15.03)
Threat to Sovereignty			0.06 (0.12)	0.02 (0.03)	-22.62*** (7.75)
Democracy (1946-75)			0.88*** (0.33)	0.20** (0.09)	12.68 (14.59)
Violence at Independence			0.05 (0.17)	0.04 (0.04)	-14.43* (7.85)
UK Colony			0.10 (0.11)	0.05* (0.03)	-15.87** (6.80)
Aid Per Capita (1961-75, logged)			-0.15 (0.12)	-0.02 (0.03)	-3.06 (9.24)
Historical Ethnic Frac (1946-75)			-0.54 (0.37)	-0.14 (0.08)	-0.82 (22.96)
Constant	5.49*** (0.75)	5.24*** (0.63)	4.70*** (0.78)	0.89*** (0.20)	-98.01* (50.99)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	59	58	49	50	51
R ²	0.62	0.71	0.80	0.78	0.76
F Statistic	14.31***	11.78***	8.69***	8.05***	7.56***

Note:

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

Table 8: Size at Early Independence and Post-Cold War Development (Independence between 1946 - 1980)

	<i>Dependent variable:</i>				
		Log(Avg.GDPpc) (1992 - 2020)		HDI (2019)	Infant Mortality (2019)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.19*** (0.07)	-0.20** (0.09)	-0.29*** (0.08)	-0.06*** (0.02)	15.87*** (5.34)
Pop. Density (1946-75, logged)		0.09 (0.09)	0.06 (0.09)	0.03 (0.02)	-10.28* (5.32)
Rugged (logged)		-0.19** (0.10)	-0.15 (0.15)	-0.02 (0.03)	8.21 (5.23)
Malaria Risk (1965-75, logged)		0.02 (0.14)	-0.08 (0.17)	0.03 (0.04)	-21.53** (10.96)
Island		0.46*** (0.12)	0.53*** (0.14)	0.08** (0.03)	-4.46 (11.03)
Reliance on Oil (1946-75, logged)		-1.65* (0.86)	-0.68 (0.69)	0.04 (0.18)	-5.15 (48.15)
Urbanization (1946-75, logged)			0.60** (0.28)	0.11* (0.06)	18.38 (14.40)
Threat to Sovereignty			0.09 (0.12)	0.03 (0.03)	-19.03*** (7.34)
Democracy (1946-75)			0.58*** (0.21)	0.15*** (0.05)	-9.29 (12.36)
Violence at Independence			0.09 (0.14)	0.05 (0.03)	-12.55* (7.19)
UK Colony			0.07 (0.11)	0.05* (0.03)	-13.43** (6.43)
Aid Per Capita (1961-75, logged)			-0.18* (0.11)	-0.03 (0.03)	3.77 (8.10)
Historical Ethnic Frac (1946-75)			-0.38 (0.29)	-0.10* (0.06)	11.96 (18.13)
Constant	4.83*** (0.46)	5.19*** (0.57)	4.98*** (0.81)	0.93*** (0.19)	-70.29 (44.93)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	92	78	61	62	63
R ²	0.61	0.76	0.81	0.82	0.76
F Statistic	21.74***	18.83***	10.24***	10.53***	7.55***

Note:

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

Table 9: Size at Early Independence and Post-Cold War Development (Different Post-Cold War Start Years)

	<i>Dependent variable:</i>	
	Avg GDPpc (log) (1995 - 2020)	Avg GDPpc (log) (2000 - 2020)
	(1)	(2)
Avg. Population (1946-75, logged)	-0.29*** (0.08)	-0.28*** (0.09)
Pop. Density (1946-75, logged)	0.06 (0.09)	0.06 (0.09)
Rugged (logged)	-0.16 (0.15)	-0.16 (0.15)
Malaria Risk (1965-75, logged)	-0.08 (0.17)	-0.09 (0.17)
Island	0.52*** (0.14)	0.52*** (0.14)
Reliance on Oil (1946-75, logged)	-0.70 (0.70)	-0.75 (0.72)
Urbanization (1946-75, logged)	0.59** (0.29)	0.57** (0.29)
Threat to Sovereignty	0.10 (0.13)	0.10 (0.13)
Democracy (1946-75)	0.58*** (0.21)	0.58*** (0.21)
Violence at Independence	0.09 (0.14)	0.10 (0.14)
UK Colony	0.08 (0.11)	0.08 (0.11)
Aid Per Capita (1961-75, logged)	-0.19* (0.11)	-0.20* (0.11)
Historical Ethnic Frac (1946-75)	-0.38 (0.29)	-0.39 (0.29)
Constant	5.02*** (0.82)	5.08*** (0.83)
Region Fixed Effects	Yes	Yes
Observations	61	61
R ²	0.81	0.81
F Statistic	10.09***	9.90***

Note:

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

Table 10: Size at Early Independence and Post-Cold War Development (Historical GDP Data)

	<i>Dependent variable:</i>				
		Log(Avg.GDPpc) (1992 - 2020)		HDI (2019)	Infant Mortality (2019)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.20** (0.08)	-0.17** (0.09)	-0.15 (0.10)	-0.02 (0.02)	7.44 (5.80)
Avg.GDP.PPP (1946-75, logged)	0.41*** (0.07)	0.33*** (0.07)	0.33*** (0.09)	0.07*** (0.02)	-13.21*** (4.47)
Pop. Density (1946-75, logged)		0.01 (0.09)	0.04 (0.09)	0.03 (0.02)	-4.99 (5.09)
Rugged (logged)		-0.12 (0.11)	-0.25** (0.12)	-0.04* (0.02)	5.10 (4.87)
Malaria Risk (1965-75, logged)		0.06 (0.14)	0.05 (0.15)	0.06* (0.03)	-21.53*** (8.36)
Island		0.17 (0.13)	0.37*** (0.13)	0.05* (0.03)	3.59 (10.81)
Reliance on Oil (1946-75, logged)		-1.41** (0.62)	-1.10* (0.63)	0.01 (0.16)	-40.57 (37.49)
Threat to Sovereignty			0.13 (0.09)	0.04* (0.02)	-18.71** (7.71)
Democracy (1946-75)			0.37* (0.19)	0.12** (0.05)	-3.36 (18.11)
Violence at Independence			0.09 (0.12)	0.05* (0.03)	-13.57** (6.68)
UK Colony			0.12 (0.09)	0.06*** (0.02)	-16.18*** (5.91)
Aid Per Capita (1961-75, logged)			0.01 (0.13)	0.02 (0.03)	-1.56 (7.07)
Historical Ethnic Frac (1946-75)			-0.32 (0.30)	-0.10* (0.06)	35.36*** (11.47)
Constant	1.93** (0.97)	2.67*** (1.03)	2.22* (1.33)	0.24 (0.30)	107.93* (61.93)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	72	69	59	60	60
R ²	0.77	0.80	0.85	0.85	0.81
F Statistic	30.79***	18.99***	12.91***	13.26***	9.78***

Note:

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

Table 11: Size at Early Independence and Post-Cold War Development (Controlling for Year of Independence)

	<i>Dependent variable:</i>				
	Log(Avg.GDPpc (1992 - 2020))		HDI (2019)	Infant Mortality (2019)	
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.23** (0.09)	-0.19* (0.11)	-0.23* (0.12)	-0.05 (0.03)	17.88** (7.72)
Years Independent (since 1945)	0.002 (0.01)	-0.001 (0.01)	0.01 (0.01)	0.001 (0.002)	0.24 (0.57)
Pop. Density (1946-75, logged)		0.11 (0.09)	0.05 (0.09)	0.03 (0.02)	-10.46* (5.36)
Rugged (logged)		-0.25** (0.11)	-0.14 (0.15)	-0.02 (0.03)	8.82 (5.48)
Malaria Risk (1965-75, logged)		-0.005 (0.13)	-0.10 (0.17)	0.03 (0.04)	-22.31** (11.02)
Island		0.44*** (0.13)	0.51*** (0.15)	0.07** (0.03)	-5.10 (11.10)
Reliance on Oil (1946-75, logged)		-1.79* (0.93)	-0.61 (0.69)	0.05 (0.18)	-2.75 (48.86)
Urbanization (1946-75, logged)			0.62** (0.27)	0.11* (0.06)	19.19 (14.67)
Threat to Sovereignty			0.11 (0.13)	0.03 (0.03)	-18.47** (7.68)
Democracy (1946-75)			0.67*** (0.25)	0.17*** (0.06)	-6.19 (15.26)
Violence at Independence			0.03 (0.19)	0.04 (0.04)	-14.70 (10.20)
UK Colony			0.06 (0.11)	0.04 (0.03)	-13.82** (6.52)
Aid Per Capita (1961-75, logged)			-0.16 (0.12)	-0.02 (0.03)	4.72 (8.10)
Historical Ethnic Frac (1946-75)			-0.38 (0.29)	-0.10* (0.06)	12.12 (18.07)
Constant	5.15*** (0.72)	5.13*** (0.73)	4.46*** (1.09)	0.83*** (0.26)	-88.24 (62.93)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	80	73	61	62	63
R ²	0.60	0.71	0.82	0.82	0.76
F Statistic	15.49***	12.50***	9.59***	9.83***	7.02***

Note:

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

3.3 Size at Early Independence and Post-Cold War Development: A Random Effects Within-Between (REWB) Approach

Some may worry that because the models' variables are averages or points in time, they mask important variation within these variables' values. We assuage these concerns by reformatting our data into longitudinal form, and examining the relationship between specific years in a country's early independence from 1946 to 1975 and a post-Cold War development outcome forty-six years later. We employ a forty-six year lag because that is the time span between the first early independence year (1946) and the first post-Cold War independent year (1992).

Though this data is in longitudinal format, we do not use country-fixed effects because we are theoretically interested in cross-country differences. Instead, we follow Jugl (2019) and use a random-effects within between (REWB) model to examine both within and between-country associations between early independence size and post-Cold War development (Bell and Jones 2015, 145; Jugl 2019, 123). The REWB model is a multi-level model where country-year observations are nested within countries. This allows the model to estimate both time-variant "within" country effects (level 1) and time-invariant "between" country effects (level 2).

Notably, time-variant variables like early independence size are present at both levels. At the country level (level 2), we use average early independence size. This is a state's average population from 1946 to 1975 – our analysis' main independent variable. At the country-year level (level 1), however, we measure the yearly deviation from this country-specific mean. The two-level model is therefore for country "i" in year "j":

$$Y_{ij} = \alpha + \beta_1 \log(\text{Avg. Population (1946 - 75)})_i + \beta_2 (\log(\text{Avg. Population})_{ij} - \log(\text{Avg. Population (1946 - 75)})_i) + \beta_3 \text{Controls}_i + \beta_4 \text{Region}_i + \epsilon_{ij}$$

In this longitudinal analysis, each country has a maximum of thirty early independence year observations. This is each year from 1946 to 1975. We merge each early independence year observation with a development outcome 46 years later.

This produces a longitudinal dataset of 2494 country-early independence year observations, representing eighty countries. We render all control variables time-invariant, and only allow for early independence size to have time variant (level 1) and time invariant (level 2) values.

Table 12 replicates Table 1 in the manuscript using a REWB model. The within-country coefficient estimate is presented at the top of the table. We find a positive correlation for early independence size within countries. We suspect that countries which grew the most during this early independence era grew via immigration. These demographically fast-growing countries were also laying the institutional foundations for development in the post-Cold War era.

The “between” or cross-country estimate of early independence size and post-Cold War development remains negatively associated with post-Cold War development. This negative association is statistically significant at the five percent level across all model specifications. The magnitude of the coefficient is substantively similar to the cross-sectional model estimate.

Table 12: Early Independence Size and Post-Cold War Development (REWB Model)

	<i>Dependent variable:</i>				
	Log(Avg.GDPpc)			HDI	Infant Mortality
	(1)	(2)	(3)	(4)	(5)
Population (logged, Within)	0.28*** (0.06)	0.28*** (0.06)	0.29*** (0.06)	0.17*** (0.02)	-75.46*** (14.40)
Avg.Population (1946-75, logged, Between)	-0.24*** (0.07)	-0.18** (0.08)	-0.28*** (0.07)	-0.05*** (0.02)	15.19*** (5.84)
Pop. Density (1946-75, logged)		0.10 (0.08)	0.06 (0.07)	0.02 (0.01)	-7.62 (6.01)
Rugged (logged)		-0.26** (0.10)	-0.15 (0.13)	-0.03 (0.02)	11.85 (7.90)
Malaria Risk (1965-75, logged)		0.01 (0.13)	-0.07 (0.14)	0.03 (0.03)	-30.93** (12.57)
Island		0.43*** (0.11)	0.52*** (0.12)	0.09*** (0.02)	-10.57 (10.46)
Reliance on Oil (1946-75, logged)		-1.81** (0.82)	-0.62 (0.57)	-0.11 (0.11)	71.54 (55.02)
Urbanization (1946-75, logged)			0.61*** (0.23)	0.13*** (0.05)	-6.47 (17.36)
Threat to Sovereignty			0.09 (0.10)	0.03 (0.02)	-24.69*** (8.79)
Democracy (1946-75)			0.58*** (0.18)	0.14*** (0.04)	-14.88 (18.61)
Violence at Independence			0.09 (0.12)	0.03 (0.03)	-10.47 (10.04)
UK Colony			0.07 (0.09)	0.04 (0.02)	-18.90** (8.10)
Aid Per Capita (1961-75, logged)			-0.16* (0.09)	-0.02 (0.02)	-5.44 (10.67)
Historical Ethnic Frac (1946-75)			-0.37 (0.25)	-0.11** (0.05)	20.74 (19.25)
Constant	5.24*** (0.48)	5.01*** (0.50)	4.84*** (0.68)	0.83*** (0.16)	-23.10 (56.47)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Countries	80	73	61	62	63
Observations	2,213	2,029	1,696	1,699	1,768
R ²	0.30	0.31	0.41	0.66	0.41
F Statistic	917.48***	894.18***	1,128.75***	3,213.81***	1,191.94***

Note:

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

3.4 Early Independence Size and Post-Cold War Inclusive Institutions, Stability and Population Growth

Table 13: Early Independence Size and Post-Cold War Inclusive Economic Institutions

	<i>Dependent variable:</i>				
		Rule of Law (1996 - 2019)		CPI (2012 - 2020)	Exprop (2019)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	-0.24** (0.11)	-0.21 (0.14)	-0.46*** (0.17)	-11.92*** (4.34)	0.98*** (0.33)
Pop. Density (1946-75, logged)		0.38** (0.16)	0.39** (0.18)	5.19 (4.12)	-0.65* (0.39)
Rugged (logged)		-0.40** (0.19)	-0.29 (0.26)	-3.72 (6.83)	0.16 (0.51)
Malaria Risk (1965-75, logged)		0.03 (0.23)	0.03 (0.37)	-3.56 (6.68)	-0.45 (0.65)
Island		-0.12 (0.20)	-0.15 (0.23)	-3.59 (5.15)	0.85 (0.53)
Reliance on Oil (1946-75, logged)		-1.96 (1.40)	0.63 (1.71)	16.00 (37.93)	-4.55 (5.42)
Urbanization (1946-75, logged)			-0.14 (0.52)	1.86 (10.14)	-0.87 (1.19)
Threat to Sovereignty			-0.05 (0.20)	-4.31 (4.69)	0.06 (0.53)
Democracy (1946-75)			0.65 (0.41)	12.34 (11.04)	-1.64 (1.01)
Violence at Independence			0.16 (0.25)	3.87 (4.76)	-1.23** (0.59)
UK Colony			0.34* (0.19)	4.61 (4.40)	-0.82* (0.45)
Aid Per Capita (1961-75, logged)			-0.01 (0.22)	-2.40 (4.97)	-0.04 (0.49)
Historical Ethnic Frac (1946-75)			0.14 (0.58)	2.60 (9.90)	-0.32 (0.96)
Constant	1.45* (0.79)	1.04 (0.91)	2.06 (1.58)	111.68*** (39.89)	0.94 (3.27)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	83	76	63	62	59
R ²	0.35	0.49	0.52	0.47	0.56
F Statistic	6.73***	5.58***	2.67***	2.08**	2.81***

Note:

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

Table 14: Size at Early Independence and Post-Cold War Political Stability

	<i>Dependent variable:</i>				
		State Instability (1996 - 2018)		Instability Index (1992 - 2020)	Political Risk (1992 - 2022)
	(1)	(2)	(3)	(4)	(5)
Avg.Population (1946-75, logged)	6.48*** (2.38)	5.12* (3.09)	12.32*** (3.26)	0.67*** (0.20)	-9.09*** (2.39)
Pop. Density (1946-75, logged)		-7.94** (3.33)	-6.91* (3.82)	-0.21 (0.21)	3.45 (3.06)
Rugged (logged)		8.20** (3.73)	6.27 (4.90)	0.17 (0.26)	-5.58* (3.38)
Malaria Risk (1965-75, logged)		0.76 (5.93)	-0.05 (9.18)	0.36 (0.49)	1.60 (6.01)
Island		-6.97 (5.44)	-5.25 (5.85)	0.10 (0.31)	-1.97 (4.03)
Reliance on Oil (1946-75, logged)		47.70 (34.35)	-4.40 (38.51)	-3.79** (1.53)	46.95 (32.88)
Urbanization (1946-75, logged)			-8.12 (11.75)	0.73 (0.62)	-12.18 (7.93)
Threat to Sovereignty			0.72 (4.50)	0.33 (0.29)	3.19 (3.31)
Democracy (1946-75)			-7.58 (16.96)	1.70** (0.71)	4.08 (6.11)
Violence at Independence			-8.20 (5.64)	-0.15 (0.35)	3.32 (4.51)
UK Colony			-5.15 (4.51)	-0.41 (0.26)	3.90 (2.80)
Aid Per Capita (1961-75, logged)			4.00 (4.43)	-0.39 (0.29)	0.24 (3.63)
Historical Ethnic Frac (1946-75)			9.60 (11.70)	-0.54 (0.61)	-0.84 (12.65)
Constant	26.10 (16.98)	38.91** (19.80)	7.84 (30.98)	-3.22** (1.57)	124.64*** (23.55)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	82	75	62	63	49
R ²	0.41	0.52	0.56	0.53	0.65
F Statistic	8.61***	6.23***	3.09***	2.73***	3.07***

Note:

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

Table 15: Early Independence Size and Post-Cold War Population Growth

	<i>Dependent variable:</i>					
	Migrant Share (Log) (2019)			Pop Growth (Per, Log) (1992 - 2020)		
	(1)	(2)	(3)	(4)	(5)	(6)
Avg. Population (1946-75, logged)	-0.68*** (0.13)	-0.84*** (0.15)	-0.97*** (0.17)	-0.09* (0.05)	-0.14*** (0.05)	-0.17** (0.07)
Pop. Density (1946-75, logged)		0.44*** (0.12)	0.54*** (0.15)		-0.001 (0.04)	0.001 (0.05)
Rugged (logged)		-0.59*** (0.18)	-0.36* (0.22)		-0.05 (0.06)	-0.01 (0.09)
Malaria Risk (1965-75, logged)		-0.62*** (0.20)	-0.64* (0.34)		0.05 (0.06)	0.05 (0.10)
Island		0.41 (0.30)	0.51 (0.33)		0.17* (0.10)	0.08 (0.10)
Reliance on Oil (1946-75, logged)		-0.09 (1.38)	2.06 (1.27)		1.78*** (0.36)	1.89*** (0.54)
Urbanization (1946-75, logged)			0.29 (0.37)			0.03 (0.14)
Threat to Sovereignty			0.38** (0.19)			0.03 (0.08)
Democracy (1946-75)			0.19 (0.86)			-0.12 (0.22)
Violence at Independence			-0.52* (0.30)			-0.07 (0.09)
UK Colony			0.08 (0.21)			0.02 (0.07)
Aid Per Capita (1961-75, logged)			0.17 (0.23)			-0.12 (0.11)
Historical Ethnic Frac (1946-75)			0.22 (0.40)			0.12 (0.13)
Constant	5.52*** (1.03)	6.12*** (0.98)	5.49*** (1.38)	0.98*** (0.36)	0.88** (0.36)	1.18* (0.65)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	82	75	62	82	75	63
R ²	0.53	0.67	0.75	0.39	0.63	0.65
F Statistic	14.16***	11.81***	7.07***	8.11***	9.69***	4.47***

Note:

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

4. H2: Early Independence Size and Cold War Embedded Liberalism (EL)

Table 16: Early Independence Size and Cold War EL

	<i>Dependent variable:</i>					
	Trade Policy Open (1976-1991)		Public Sector Size (1976-1995)		Cold War EL (1976-1995)	
	(1)	(2)	(3)	(4)	(5)	(6)
Avg.Population (1946-75, log)	-15.07*** (2.41)	-14.34*** (3.84)	-6.97*** (1.95)	-7.34*** (2.14)	-0.68*** (0.10)	-0.73*** (0.17)
Pop. Density (1946-75, log)		8.49** (3.53)		-1.77 (1.90)		0.13 (0.14)
Rugged (log)		-3.91 (6.22)		4.78 (3.45)		0.07 (0.21)
Island		-5.81 (8.32)		-3.73 (4.70)		-0.36 (0.32)
Reliance on Oil (1946-75, log)		-2.97 (6.21)		2.26 (4.30)		0.04 (0.31)
Malaria Risk (1965-75, log)		-16.05 (38.19)		-13.23 (31.92)		0.94 (2.30)
Urbanization (1946-75, log)		21.66** (10.66)		5.41 (4.99)		0.37 (0.36)
Threat to Sovereignty		5.07 (4.95)		1.09 (3.79)		0.08 (0.23)
Democracy (1946-75)		1.75 (15.59)		14.87*** (5.24)		0.52* (0.31)
Violence at Independence		-4.48 (7.93)		2.38 (2.89)		0.18 (0.21)
UK Colony		7.64 (5.58)		0.49 (2.68)		0.37*** (0.14)
Aid Per Capita (1960-75, log)		0.05 (7.59)		-0.66 (3.68)		0.31 (0.22)
Historical Ethnic Frac (1946-75)		-3.87 (11.71)		0.19 (5.65)		0.18 (0.36)
Constant	150.50*** (20.41)	103.65*** (35.15)	72.46*** (13.74)	71.72*** (16.29)	4.65*** (0.69)	3.42*** (1.10)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	80	61	50	41	50	41
R ²	0.47	0.61	0.43	0.78	0.59	0.79
F Statistic	10.83***	3.64***	5.39***	4.90***	10.40***	5.08***

Note:

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

4.1 Testable Implications

Table 17: Cold War EL and Post-Cold War Economic Development

	<i>Dependent variable:</i>				
	Log(Avg.GDPpc) (1992 - 2020)	HDI (2019)	Infant Mortality (2019)		
	(1)	(2)	(3)	(4)	(5)
Cold War EL	0.37*** (0.07)	0.28*** (0.11)	0.30*** (0.12)	0.08*** (0.02)	-14.06** (5.88)
Pop. Density (1946-75, logged)		0.11 (0.10)	-0.01 (0.11)	0.001 (0.02)	0.45 (4.26)
Rugged (logged)		-0.19* (0.11)	-0.11 (0.16)	-0.02 (0.03)	6.80 (4.83)
Malaria Risk (1965-75, logged)		-0.10 (0.13)	-0.23 (0.22)	0.02 (0.04)	-17.95*** (6.13)
Island		0.35 (0.22)	0.54** (0.23)	0.07 (0.05)	-16.04* (9.59)
Reliance on Oil (1946-75, logged)		-0.92 (1.15)	0.38 (1.08)	0.32 (0.21)	-53.86 (47.40)
Urbanization (1946-75, logged)			0.48 (0.34)	0.05 (0.07)	11.12 (11.58)
Threat to Sovereignty			-0.06 (0.16)	0.01 (0.03)	-14.52** (6.36)
Democracy (1946-75)			0.49** (0.23)	0.13*** (0.04)	-12.42 (9.78)
Violence at Independence			0.06 (0.13)	0.05* (0.03)	-12.29** (5.59)
UK Colony			0.09 (0.13)	0.05* (0.03)	-12.20 (7.52)
Aid Per Capita (1961-75, logged)			-0.16 (0.19)	-0.04 (0.04)	16.42 (11.39)
Historical Ethnic Frac (1946-75)			-0.51** (0.26)	-0.14*** (0.05)	43.93*** (10.02)
Constant	3.92*** (0.21)	3.92*** (0.39)	3.58*** (0.63)	0.70*** (0.14)	-4.26 (36.50)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	49	48	40	41	41
R ²	0.71	0.77	0.87	0.89	0.86
F Statistic	17.13***	10.93***	8.50***	10.84***	8.53***

Note:

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

Figure 2: Cold War EL and Post-Cold War Economic Development (GDPpc, 1992 - 2020)

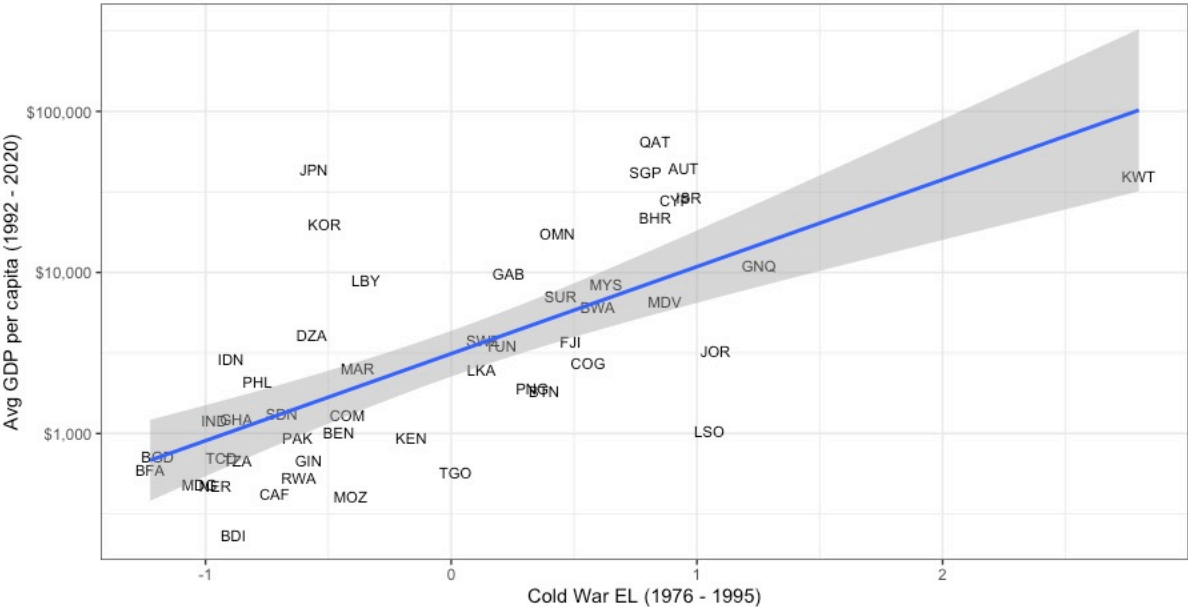


Figure 3: Cold War EL and Post-Cold War Economic Development (HDI 2019)

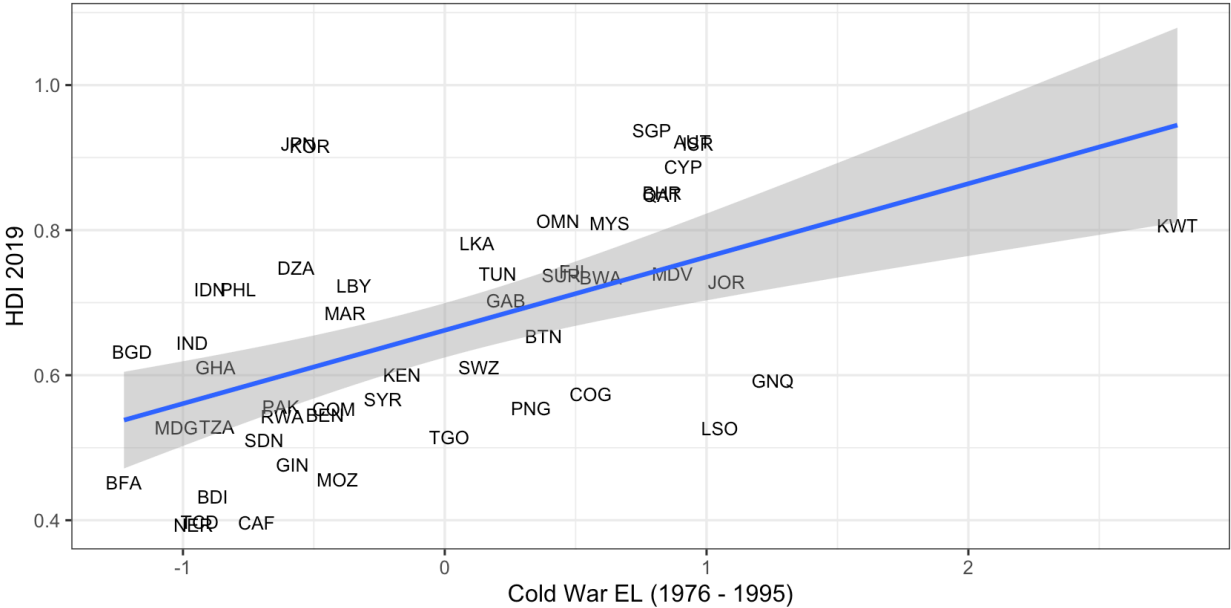


Table 18: Cold War Open Trade Policies and Post-Cold War Inclusive Economic Institutions

	<i>Dependent variable:</i>				
		Rule of Law (1996 - 2019)		CPI (2012 - 2020)	Exprop (2019)
	(1)	(2)	(3)	(4)	(5)
Trade Policy Openness (1976-91)	0.01*** (0.004)	0.01** (0.005)	0.02*** (0.01)	0.41*** (0.13)	-0.03** (0.01)
Pop. Density (1946-75, logged)		0.28* (0.15)	0.13 (0.16)	0.15 (4.09)	-0.20 (0.38)
Rugged (logged)		-0.28 (0.18)	-0.17 (0.23)	-1.29 (6.36)	0.07 (0.47)
Malaria Risk (1965-75, logged)		0.02 (0.21)	0.12 (0.33)	-2.20 (6.50)	-0.38 (0.65)
Island		-0.09 (0.21)	-0.08 (0.23)	-0.84 (5.45)	0.72 (0.58)
Reliance on Oil (1946-75, logged)		-1.75 (1.33)	0.93 (1.45)	19.67 (34.58)	-4.50 (5.39)
Urbanization (1946-75, logged)			-0.20 (0.51)	-3.34 (10.86)	-0.76 (1.25)
Threat to Sovereignty			-0.19 (0.19)	-8.24* (4.49)	0.36 (0.51)
Democracy (1946-75)			0.63 (0.53)	12.80 (14.50)	-1.66 (1.06)
Violence at Independence			0.17 (0.28)	2.23 (5.53)	-1.36** (0.64)
UK Colony			0.17 (0.22)	0.51 (5.06)	-0.62 (0.47)
Aid Per Capita (1961-75, logged)			0.04 (0.22)	-0.34 (4.84)	-0.16 (0.46)
Historical Ethnic Frac (1946-75)			-0.10 (0.49)	-0.56 (9.00)	-0.03 (0.87)
Constant	-0.80** (0.34)	-0.72 (0.64)	-1.30 (0.96)	28.20 (22.81)	8.04*** (2.37)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	80	73	61	60	57
R ²	0.42	0.52	0.54	0.46	0.57
F Statistic	8.86***	6.07***	2.75***	1.95**	2.85***

Note:

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

Table 19: Cold War Public Sector Size and Post-Cold War Political Stability

	<i>Dependent variable:</i>				
	State Instability (1996 - 2018)		(3)	Instability Index (1992 - 2020)	Political Risk (1992 - 2022)
	(1)	(2)		(4)	(5)
Public Sector Expenditure (1976-95, Per)	-0.35** (0.14)	-0.34 (0.23)	-0.95** (0.42)	-0.05** (0.02)	0.17 (0.47)
Pop. Density (1946-75, logged)		-9.67** (4.05)	-5.83 (4.19)	-0.03 (0.25)	4.43 (5.15)
Rugged (logged)		5.88 (5.01)	7.21 (6.26)	0.14 (0.36)	-6.50 (5.18)
Malaria Risk (1965-75, logged)		7.94 (6.37)	9.89 (9.67)	0.59 (0.53)	-4.09 (6.99)
Island		-4.36 (7.53)	-4.54 (10.25)	0.22 (0.46)	3.24 (8.80)
Reliance on Oil (1946-75, logged)		16.66 (31.35)	-58.35 (42.29)	-6.57*** (2.31)	85.17* (48.44)
Urbanization (1946-75, logged)			-6.58 (16.50)	0.50 (0.62)	-8.94 (12.61)
Threat to Sovereignty			5.85 (6.38)	0.71* (0.39)	3.72 (5.98)
Democracy (1946-75)			-4.77 (14.83)	2.19*** (0.65)	10.24 (13.84)
Violence at Independence			0.25 (6.20)	-0.08 (0.31)	-4.49 (6.25)
UK Colony			-3.48 (6.18)	-0.57* (0.30)	4.26 (4.15)
Aid Per Capita (1961-75, logged)			5.41 (9.36)	-0.51 (0.46)	-2.43 (7.58)
Historical Ethnic Frac (1946-75)			24.41** (10.23)	-0.24 (0.68)	-17.50** (7.31)
Constant	69.90*** (9.21)	80.49*** (14.27)	92.73*** (20.99)	2.24** (0.98)	57.87*** (15.12)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	49	48	40	41	31
R ²	0.46	0.57	0.65	0.65	0.68
F Statistic	5.90***	4.37***	2.35**	2.55**	1.62

Note:

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

Table 20: Size at Early Independence and Post-Cold War EL

	<i>Dependent variable:</i>					
	Trade Policy Open (1992-2019)		Public Sector Size (1992-2011)		Post-Cold War EL (1992-2019)	
	(1)	(2)	(3)	(4)	(5)	(6)
Avg.Population (1946-75, log)	-10.86*** (2.29)	-11.88*** (3.77)	-3.20*** (1.20)	-2.13 (1.78)	-0.50*** (0.09)	-0.46*** (0.18)
Pop. Density (1946-75, log)		3.21 (3.46)		-0.68 (1.75)		0.06 (0.18)
Rugged (log)		-0.64 (5.34)		1.96 (2.69)		0.09 (0.24)
Island		3.85 (7.73)		-5.78** (2.83)		-0.22 (0.31)
Reliance on Oil (1946-75, log)		-1.31 (6.52)		4.33 (3.08)		0.23 (0.30)
Malaria Risk (1965-75, log)		-1.76 (39.41)		-38.96** (18.42)		-2.34 (1.74)
Urbanization (1946-75, log)		24.37*** (8.75)		-4.49 (4.16)		0.46 (0.42)
Threat to Sovereignty		6.86 (4.87)		-0.005 (2.46)		0.20 (0.22)
Democracy (1946-75)		-0.65 (12.51)		13.84*** (4.49)		0.74** (0.36)
Violence at Independence		2.73 (6.30)		-0.05 (2.63)		0.10 (0.30)
UK Colony		2.67 (4.72)		-0.10 (1.69)		0.07 (0.20)
Aid Per Capita (1960-75, log)		-6.11 (7.08)		-2.44 (3.91)		-0.29 (0.39)
Historical Ethnic Frac (1946-75)		-8.47 (9.45)		-2.27 (3.90)		-0.33 (0.43)
Constant	136.01*** (17.33)	110.06*** (29.09)	45.49*** (8.29)	59.71*** (16.51)	3.43*** (0.65)	3.36** (1.47)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	80	61	75	61	74	60
R ²	0.40	0.55	0.38	0.63	0.50	0.57
F Statistic	8.17***	2.84***	7.03***	3.97***	11.02***	2.98***

Note:

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

Table 21: Current Size and Post-Cold War EL

	<i>Dependent variable:</i>					
	Trade Policy Open		Public Sector Size		Post-Cold War EL	
	(1992-2019)	(1992-2019)	(1992-2011)	(1992-2011)	(1992-2019)	(1992-2019)
	(1)	(2)	(3)	(4)	(5)	(6)
Avg.Population (1992-20, log)	-4.56*** (1.01)	-4.61*** (1.67)	-1.74*** (0.51)	-1.27 (0.80)	-0.23*** (0.04)	-0.20*** (0.08)
Pop. Density (1946-75, log)		2.57 (3.60)		-0.71 (1.74)		0.04 (0.18)
Rugged (log)		-0.30 (5.83)		1.98 (2.57)		0.10 (0.24)
Island		3.74 (7.79)		-5.66** (2.86)		-0.21 (0.31)
Reliance on Oil (1946-75, log)		0.30 (7.18)		4.51 (3.04)		0.30 (0.30)
Malaria Risk (1965-75, log)		5.69 (42.22)		-35.08* (17.98)		-1.92 (1.84)
Urbanization (1946-75, log)		25.08*** (9.33)		-4.36 (4.09)		0.47 (0.43)
Threat to Sovereignty		5.67 (5.58)		0.12 (2.48)		0.18 (0.22)
Democracy (1946-75)		-2.12 (12.04)		13.28*** (4.63)		0.66* (0.35)
Violence at Independence		1.44 (6.71)		0.23 (2.62)		0.08 (0.31)
UK Colony		3.67 (4.75)		0.30 (1.65)		0.12 (0.20)
Aid Per Capita (1960-75, log)		-5.32 (7.41)		-2.75 (3.88)		-0.29 (0.39)
Historical Ethnic Frac (1946-75)		-8.07 (9.89)		-2.13 (3.90)		-0.31 (0.45)
Constant	137.44*** (18.37)	103.47*** (33.73)	52.69*** (8.61)	65.24*** (17.67)	3.85*** (0.72)	3.51** (1.55)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	80	61	75	61	74	60
R ²	0.38	0.52	0.41	0.64	0.51	0.56
F Statistic	7.50***	2.51***	8.00***	4.13***	11.44***	2.89***

Note:

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

5. Mediation Analysis

Table 22: Mediation Analysis: Early Independence Size, Cold War Trade and Public Sector Policy and Post-Cold War Development

	<i>Dependent variable:</i>					
	Log(Avg.GDPpc, 1992-2020)					
	(1)	(2)	(3)	(4)	(5)	(6)
Avg. Population Size (1946-75, logged)	-0.28*** (0.08)		-0.17** (0.08)	-0.43*** (0.08)		-0.40*** (0.11)
Trade Openness (1976-91)		0.01*** (0.003)	0.01** (0.003)			
Public Sector Size (1976-95)					0.02* (0.01)	0.004 (0.01)
Pop. Density (1946-75, logged)	0.04 (0.08)	-0.06 (0.08)	-0.02 (0.08)	0.003 (0.10)	0.07 (0.11)	0.01 (0.10)
Rugged (logged)	-0.15 (0.15)	-0.10 (0.13)	-0.11 (0.12)	-0.12 (0.13)	-0.18 (0.22)	-0.14 (0.15)
Island	-0.07 (0.16)	-0.02 (0.17)	-0.02 (0.16)	-0.27* (0.16)	-0.29 (0.25)	-0.26 (0.18)
Reliance on Oil (1946-75, logged)	0.51*** (0.14)	0.57*** (0.13)	0.53*** (0.13)	0.43** (0.21)	0.54** (0.28)	0.42* (0.21)
Malaria Risk (1965-75, logged)	-0.71 (0.68)	-0.76 (0.69)	-0.56 (0.63)	1.07 (0.91)	0.86 (1.14)	1.14 (0.95)
Urbanization (1946-75, logged)	0.67** (0.29)	0.46 (0.28)	0.50* (0.28)	0.57* (0.30)	0.48 (0.36)	0.55* (0.32)
Threat to Sovereignty	0.09 (0.13)	-0.01 (0.10)	0.05 (0.11)	0.06 (0.15)	-0.10 (0.20)	0.05 (0.15)
Democracy (1946-75)	0.54*** (0.20)	0.53** (0.26)	0.53** (0.24)	0.61*** (0.17)	0.35 (0.25)	0.55*** (0.21)
Violence at Independence	0.14 (0.13)	0.13 (0.11)	0.18 (0.11)	0.28* (0.15)	0.01 (0.15)	0.27 (0.16)
UK Colony	0.08 (0.11)	-0.01 (0.10)	0.02 (0.10)	0.23** (0.10)	0.19 (0.15)	0.23** (0.11)
Aid Per Capita (1960-75, logged)	-0.17 (0.11)	-0.11 (0.11)	-0.17* (0.10)	-0.15 (0.14)	-0.03 (0.20)	-0.15 (0.14)
Historical Ethnic Frac (1946-75)	-0.35 (0.29)	-0.30 (0.27)	-0.32 (0.27)	-0.48** (0.21)	-0.46* (0.27)	-0.48** (0.22)
Constant	4.79*** (0.84)	2.85*** (0.50)	3.99*** (0.79)	6.00*** (0.82)	2.65*** (0.54)	5.68*** (1.07)
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	60	60	60	40	40	40
R ²	0.82	0.83	0.84	0.91	0.86	0.91
F Statistic	10.05***	10.93***	11.10***	12.45***	7.69***	11.37***

Note:

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

6. Instrumental Variables Analysis

Population size in the early years of independence is not exogenous to post-Cold War Economic Development. We use a two-stage least squares (2SLS) regression to account for this endogeneity. We apply territory and agricultural suitability as instrumental variables for our two-stage least square regressions. Territory is a state's logged average arable land in square kilometers between 1946 and 1975 (World Bank 2020). Agricultural suitability is an index of caloric suitability among a state's pre-Columbian crops. These are crops grown in a state before the Columbian Exchange in 1500 CE. This index measures the average potential (not actual) caloric yield (in millions of kilocalories) per hectare per year of the crops grown in a state before 1500 CE (Galor and Ozak 2016). Galor and Ozak calculate this yield assuming a low level of inputs, rain-fed irrigation and whether the crops were available for cultivation in a state before 1500 CE (2016).

A central assumption in these IV regressions is that territory and agricultural suitability can only affect long-term economic development through their impact on state population size in the early years of independence (the exclusion restriction). Some may worry that agricultural suitability would directly influence pre-independence levels of economic development, which in turn impacts newly independent states' long-term economic development. As in the OLS models, our IV regressions control for states' urbanization rates, population densities and other confounders to account for a state's pre-independence levels of economic development. These controls attenuate but do not fully eliminate concerns that territory and agricultural suitability in the early years of independence can influence post-Cold war development in ways outside of population size during that critical period. These results are therefore suggestive.

Table 23 runs our analysis for all outcome variables with a 2SLS. The F-statistic for the first stage (denoted as Weak instruments) is well above 10 in each model, confirming that the instrument of territory and agricultural is not weak, though the relationship between agricultural suitability and early independence population is not statistically significant. The magnitude of the small state coefficient is larger than in the OLS models. This suggests that our OLS analysis may underestimate the effects of state size on development.

Table 23: Instrumental Variable Analysis

	<i>Dependent variable:</i>					
	Avg. Population (logged) (1946 - 1975)	GDPPc (log) (1992 - 2020)	Rule of Law (1996 - 2019)	Instability (2006 - 2018)	Trade (1976-1992)	Public Exp (1976-1995)
	(1)	(2)	(3)	(4)	(5)	(6)
Pre-1500 Caloric Yield	-0.0001 (0.0001)					
Arable Land (1975)	0.60*** (0.04)					
Avg. Population (1946-75, logged)		-0.37*** (0.08)	-0.61*** (0.17)	15.50*** (3.42)	-16.50*** (3.96)	-8.37*** (1.97)
Density	0.26*** (0.05)	0.08 (0.09)	0.36* (0.19)	-5.10 (3.80)	7.73** (3.65)	-1.22 (2.01)
Rugged	-0.07 (0.07)	-0.14 (0.14)	-0.29 (0.25)	6.94 (4.73)	-4.61 (6.13)	5.04 (3.45)
Island	0.13 (0.09)	-0.10 (0.18)	-0.02 (0.39)	-0.32 (9.46)	-4.48 (8.65)	-4.17 (4.98)
Oil Reliance	0.06 (0.07)	0.52*** (0.14)	-0.21 (0.22)	-3.46 (5.27)	-4.87 (6.23)	2.56 (4.40)
Malaria Risk	1.02* (0.57)	-0.30 (0.67)	1.80 (1.83)	-39.05 (35.97)	-14.47 (46.97)	-8.75 (32.07)
Urbanization	0.19 (0.13)	0.56** (0.29)	-0.25 (0.52)	-3.66 (11.76)	22.22* (11.41)	4.39 (4.90)
Threat to Sovereignty	0.03 (0.07)	0.11 (0.12)	0.01 (0.21)	-1.01 (4.54)	6.73 (4.92)	0.94 (3.95)
Democracy (1946 - 1975)	0.07 (0.10)	0.61*** (0.21)	0.67 (0.42)	-0.84 (12.71)	-0.04 (15.39)	15.56*** (5.13)
Violence at Independence	0.18* (0.09)	0.11 (0.14)	0.17 (0.25)	-7.43 (5.36)	-2.82 (7.67)	2.61 (2.79)
UK Colony	0.09 (0.07)	0.06 (0.12)	0.35* (0.19)	-5.91 (4.36)	9.16 (5.71)	-0.10 (2.63)
Aid Per Capita (1960-75)	-0.24*** (0.07)	-0.20** (0.10)	-0.09 (0.23)	6.22 (4.66)	-2.23 (7.77)	0.25 (3.65)
Historical Ethnic Frac	-0.20 (0.13)	-0.38 (0.29)	0.09 (0.62)	11.77 (12.48)	-5.06 (11.66)	1.03 (5.94)
Constant	3.84*** (0.41)	5.50*** (0.72)	3.12** (1.46)	-18.47 (28.37)	119.92*** (36.08)	77.06*** (15.97)
Weak instruments		192.3	169.5	169.7	168.8	100.4
Region Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	61	59	61	60	59	40
R ²	0.94	0.81	0.51	0.56	0.60	0.80
F Statistic	32.82***					

Note:

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

7. Other and Works Cited

Table 24: Early Independence Size and Contemporary Size (OLS Model)

	<i>Dependent variable:</i>			
	Population (2020) All States	Population (logged, 2020) All States	Population (2020) Less 1 Million	Population (logged, 2020) Less 1 Million
	(1)	(2)	(3)	(4)
Population (1976)	2.14*** (0.03)		2.74*** (0.64)	
Population (logged, 1976)		0.97*** (0.03)		0.95*** (0.17)
Constant	3,652,922.00** (1,631,765.00)	1.48*** (0.55)	365,589.80 (354,746.40)	1.63 (2.30)
Observations	83	83	28	28
R ²	0.99	0.93	0.23	0.52
Adjusted R ²	0.99	0.93	0.20	0.51
Residual Std. Error	18,964,203.00	0.48	1,836,302.00	0.71
F Statistic	5,503.06***	1,092.79***	7.69**	28.71***

Note:

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

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