9 Appendix

9.1 Descriptive Statistics

Countries in the main analysis:

Bulgaria	Lituania
Czech Republic	Poland
Estonia	Romania
Hungary	Slovak Republic
Latvia	Slovenia

Countries included in the extended sample[71]:

Belarus	Serbia and Montenegro
Georgia	Tajikistan
Kazakhstan	Turkmenistan
Kyrgyz Republic	Ukraine
Moldova	Uzbekistan
Russian Federation	

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[71]Georgia, Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan are excluded from the regression models using the ICRG index as a main explanatory variable because the PRS Group does not calculate the index for these countries. They are, however, included into the models using the World Bank's World Government Indicators.

Table A1: Summary Statistics for the Extended Sample

Variable	Obs	Mean	Std. Dev.	Min	Max
Relative Redistribution	411	20.536	16.971	-11.13	50.783
Median Redistribution	411	20.911	16.624	-10.076	50.737
Absolute Redistribution	411	9.409	7.912	-3.109	23.84
WGI Index	333	-.148	.751	-1.546	1.101
WGI Control for Corruption	333	-.243	.682	-1.43	1.32
WGI Government Effectiveness	333	-.046	.774	-1.68	1.19
WGI Rule of Law	333	-.157	.838	-1.69	1.22
Public Sector Corruption	407	.509	.316	.054	.958
Public Sector Theft	407	-.165	1.382	-2.586	2.732
Rigorous Public Administration	449	.523	1.329	-1.94	3.111
ICRG Index	261	.58	.136	.306	.944
ICRG Corruption	270	2.774	1.026	1	5
ICRG Bureaucratic Quality	270	2.204	.863	.75	4
ICRG Law and Order	270	4.306	.748	.67	6
Market Inequality	411	41.141	7.808	24.15	57.332
GDP per capita	400	10.207	4.346	6.947	27.505
GDP per capita Growth	395	2.6	6.884	-31.178	15.083
Deficit	259	-1.945	3.125	-14.847	9.883
Government Debt	182	35.967	22.994	6.6	108.3
Unemployment	407	10.057	3.577	3.7	21.4
Inflation	385	64.522	224.951	-1.146	2221.017
Trade	396	101.135	34.183	23.216	199.675
FDI Inflows	393	4.427	5.196	-16.154	50.968
Capital Account Openness	336	.245	1.569	-1.875	2.422
Dependency Ratio	411	50.612	10.674	37.806	92.926
Industry	383	32.8	7.446	10.29	68.822
Polity Score	410	4.739	6.35	-9	10
Ethnic Fragmentation	401	.39	.16	.047	.679
Turnout	390	66.485	12.591	38.16	100
Female Labor Force Participation	411	61.855	6.098	43.1	74.7
Checks and Balances	388	3.363	1.761	1	8

Table A2: Summary Statistics for the Reduced Sample

Variable	Obs	Mean	Std. Dev.	Min	Max
Relative Redistribution	224	33.2	12.061	-5.735	50.783
Median Redistribution	224	33.326	11.864	-5.894	50.737
Absolute Redistribution	224	15.137	6.009	-1.519	23.84
WGI Index	179	.457	.408	-.72	1.101
WGI Corruption	179	.283	.433	-.9	1.32
WGI Government Effectiveness	179	.557	.437	-1.13	1.19
WGI Rule of Law	179	.531	.417	-.46	1.22
Public Sector Corruption	220	.288	.212	.054	.842
Public Sector Theft	220	.728	.992	-1.637	2.732
Rigorous Public Administration	221	1.581	.82	-.24	3.111
ICRG Index	185	.636	.119	.412	.944
ICRG Corruption	185	3.13	.953	2	5
ICRG Bureaucratic Quality	185	2.572	.74	.75	4
ICRG Law and Order	185	4.457	.728	2.5	6
Social Spending	196	14.73	3.39	7.9	25.7
Public Support for Redistribution	77	.787	.091	.52	.9
Market Inequality	224	44.091	7.08	28.142	56.889
Partisanship	208	23.905	23.855	0	100
GDP per capita	215	11.652	5.49	8.961	27.505
GDP Growth per capita	211	3.048	5.769	-31.178	13.267
Deficit	159	-2.484	2.994	-14.847	3.571
Debt	182	35.967	22.994	6.6	108.3
Unemployment	220	10.438	4.064	3.7	21.4
Inflation	216	26.71	91.773	-1.146	1058.374
Trade	211	104.746	32.863	39.135	181.369
FDI Inflows	213	4.734	6.246	-16.154	50.968
Capital Account Openness	190	.916	1.547	-1.875	2.422
Dependency Ratio	224	46.431	3.728	37.806	54.256
Industry	198	32.832	5.078	20.649	49.943
Polity	223	8.96	1.257	5	10
Ethnic Fragmentation	223	.311	.146	.047	.585
Turnout	222	63.338	11.475	38.16	91.18
Female Labor Force Participation	224	62.457	4.936	49.2	72.5
Checks and Balances	217	4.212	1.522	1	8
Disproportionality	219	6.717	3.506	.797	17.819

9.2 Additional Visuals

Figure 3 splits the countries in my two samples into two groups depending on their quality of government. The states whose quality of government is higher than the mean of their respective sample (WGI index = -0.329 for the extended sample and WGI index = 0.336 for the reduced sample) reach an average level of redistribution of approximately 34.5% (for the extended sample) and 38.5% (for the reduced sample) in 2000. These values greatly exceed the redistribution levels attained by the poorly governed societies, whose WGI index levels lie below their respective sample's mean. On average, these states reduced their market GINI by 7.5% (in the case of the extended sample) and 28.6% in 2000. The difference in the performance of both groups in terms of their ability to alleviate inequality is therefore substantively big. This analysis supports my theoretical expectation that better governed countries would attain higher levels of redistribution.
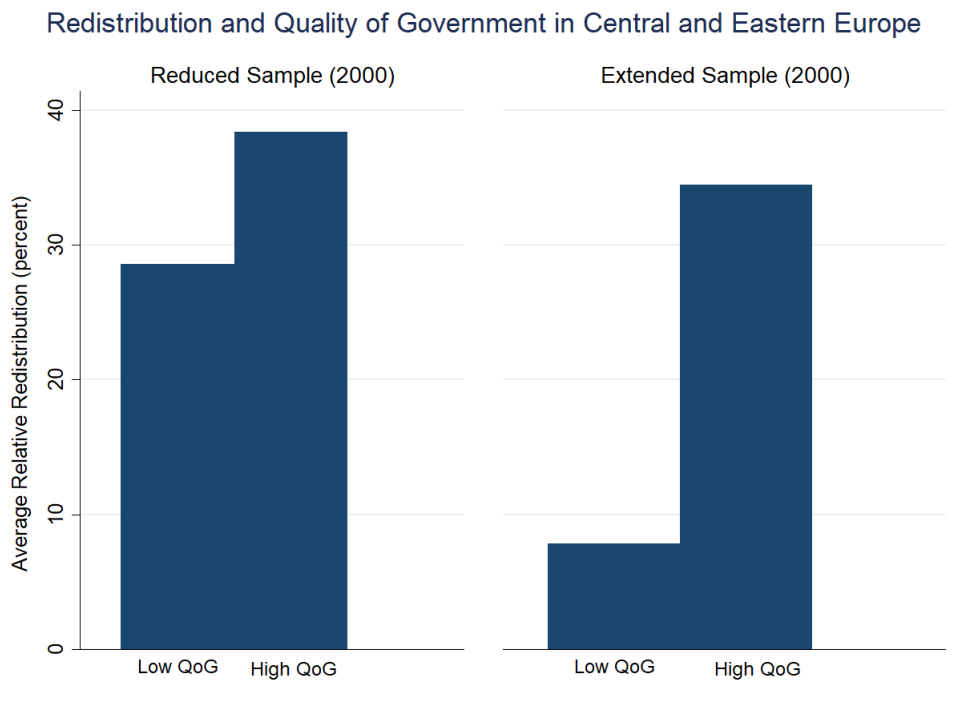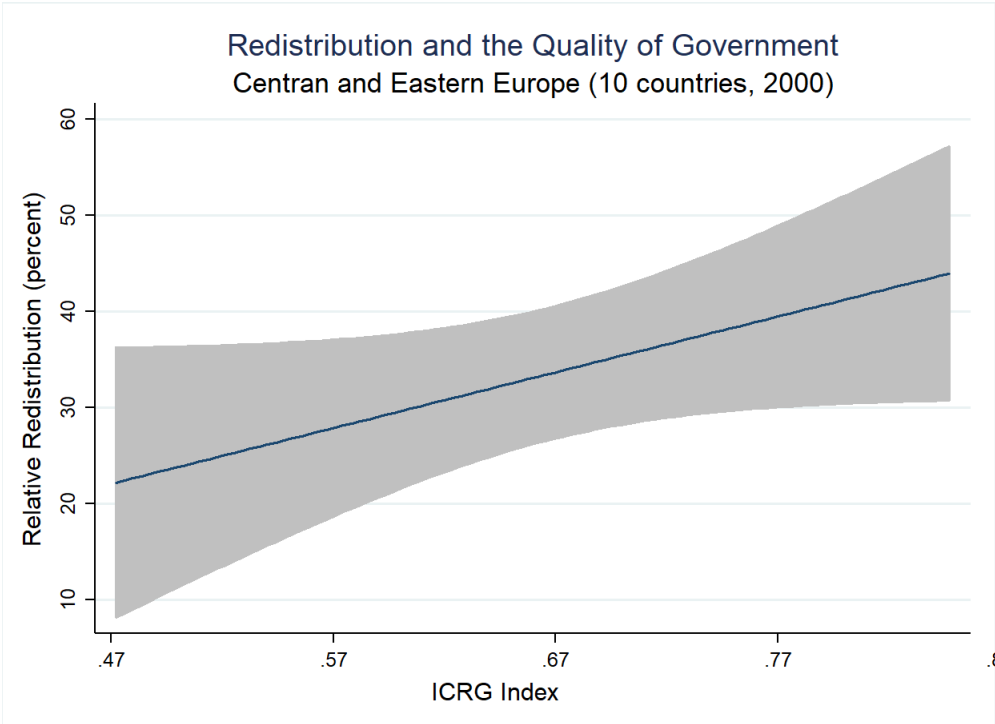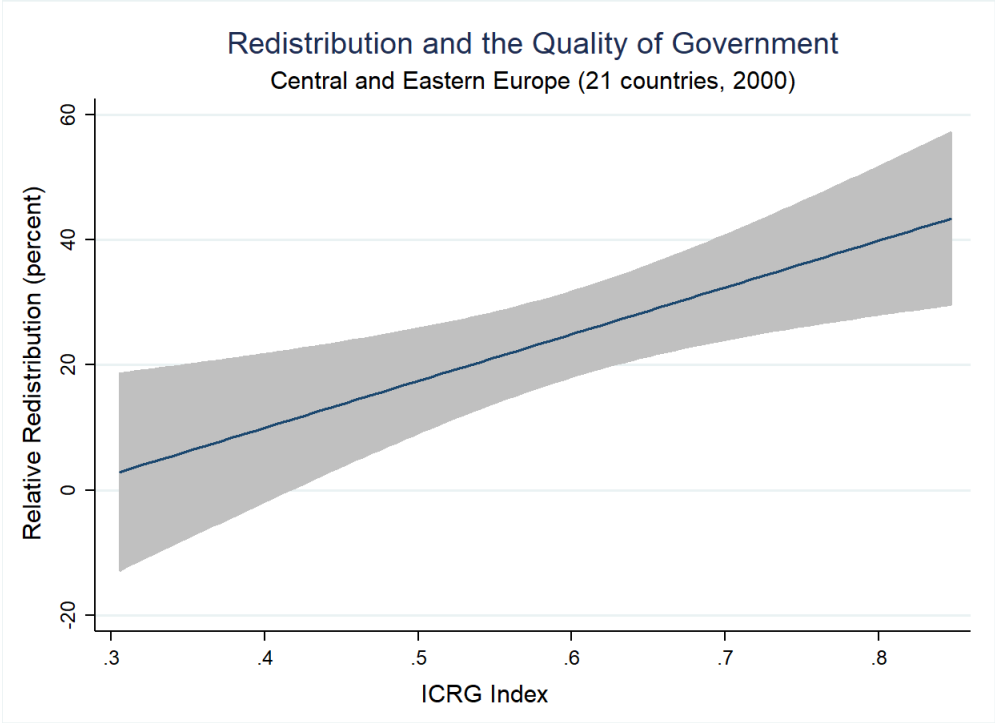

Figure A1: Quality of Government and Redistribution in Central and Eastern Europe (2000)

The two graphs below show the relationship between relative redistribution and the International Country Risk Groups quality of government index. The ICRG index is created by the Political Risk Services Group (PRS), a private consultancy specializing in the evaluation of business conditions and political risk. Its experts analyze political, economic, and financial data, and assess the impact of political and social events and conditions on the business climate. The index is calculated as the mean of three separate variables – "corruption", "law and order", and "bureaucracy quality" – and varies between 0 and 1, with higher values indicating higher quality of government. It therefore captures the overall performance of state institutions. Its first dimension, corruption, reflects the extent to which excessive patronage, nepotism, job reservations, favor-for-favors, secret party funding, and suspiciously close ties between politics and business permeate the political system. The law and order indicator quantifies the strength and impartiality of the legal system and the popular observance of the law. Lastly, bureaucratic quality captures the expertise of the bureaucratic apparatus, its autonomy from political pressures, as well as the degree to which it has established mechanisms for recruitment and training. In this, the ICRG index closely resembles the WGI index.

As it can be appreciated, a higher quality of government, as measured by the ICRG index, is associated with higher redistribution. The multivariate regressions included in the next section suggest that this relationship is robust.

Redistribution and the Quality of Government
Central and Eastern Europe (21 countries, 2000)

Redistribution and the Quality of Government
Centran and Eastern Europe (10 countries, 2000)

Another way to measure the quality of government is through the recently developed European Quality of Government Index (EQI). Based on comprehensive surveys with a random sample of individuals aged 18 years and older, the EQI provides an assessment of corruption and government at the regional level within the EU.[72] It captures "both perceptions and experiences with public sector corruption, along with the extent to which citizens believe various public sector services are impartially allocated and of good quality." Data are available for 172 regions within the European Unions for two time points – 2010 and 2013. To check the robustness of my results to this alternative way to measure the quality of government, I use the country averages calculated by Charron et al..
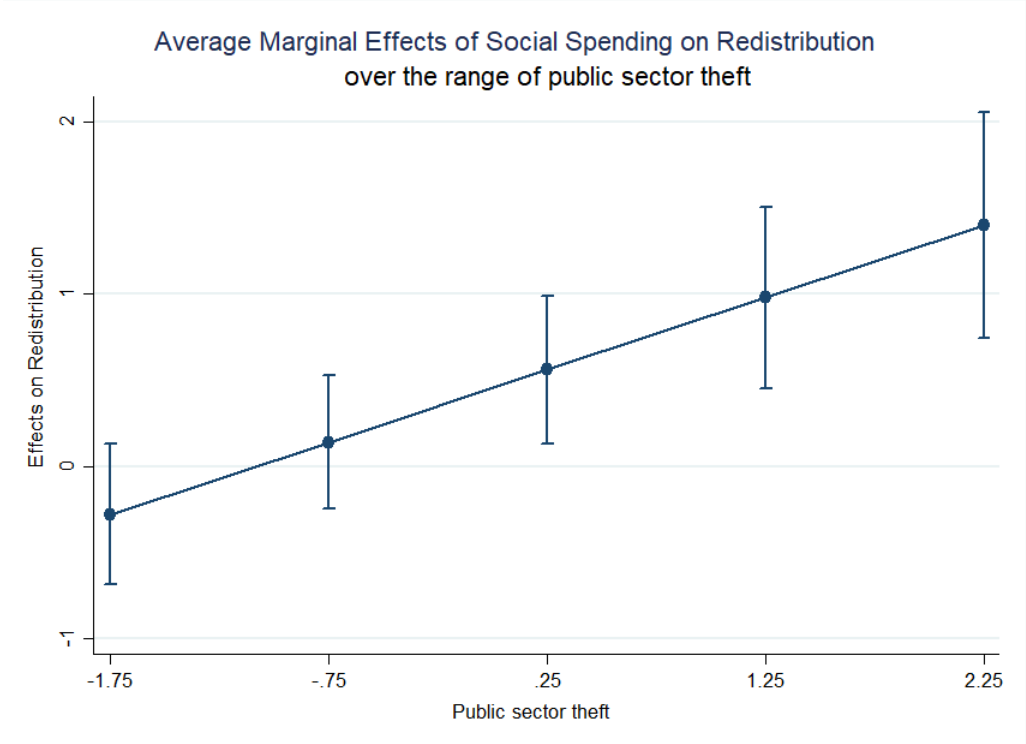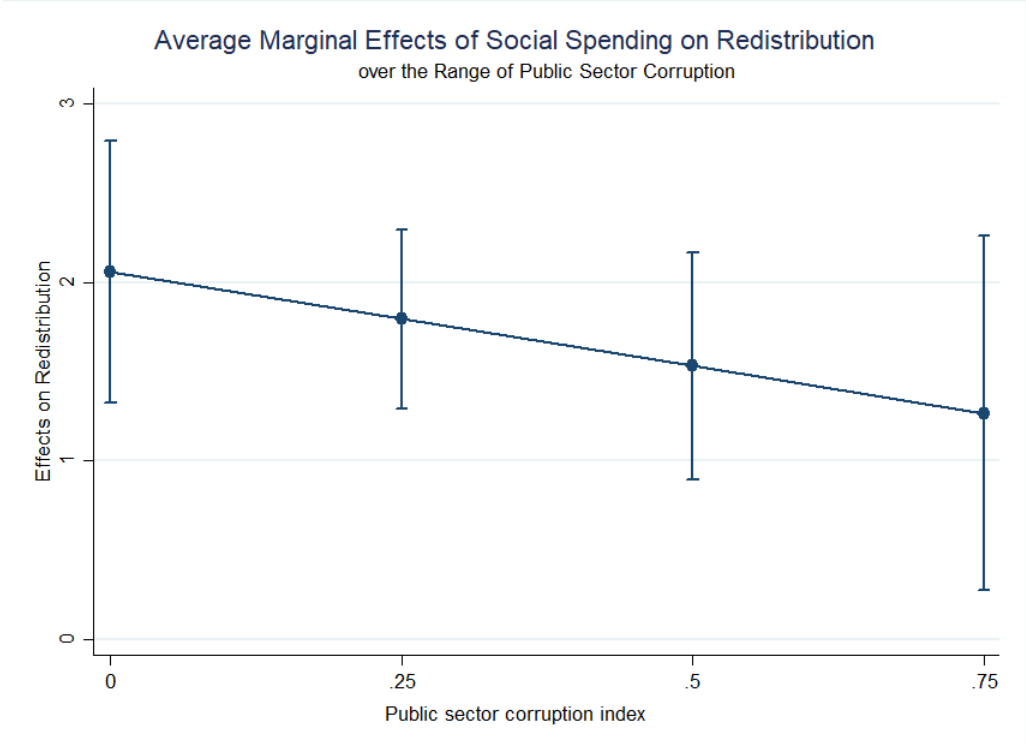
The figure below indicates that, as before, a higher quality of government is associated with higher redistribution.
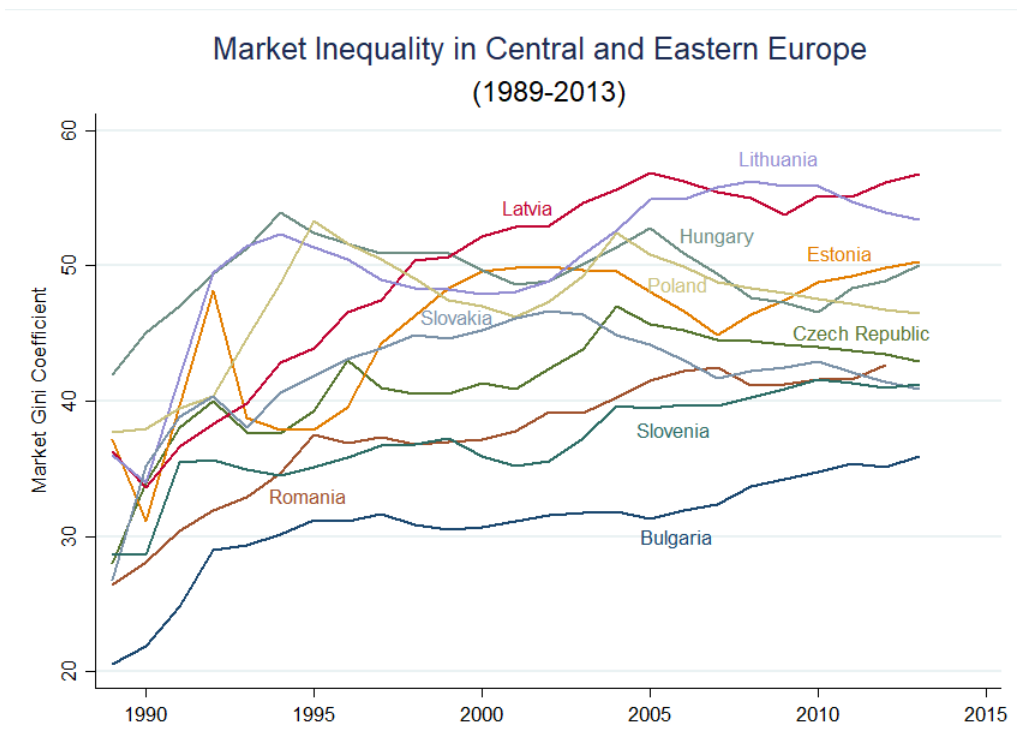

Redistribution and the Quality of Government
Central and Eastern Europe (2010)
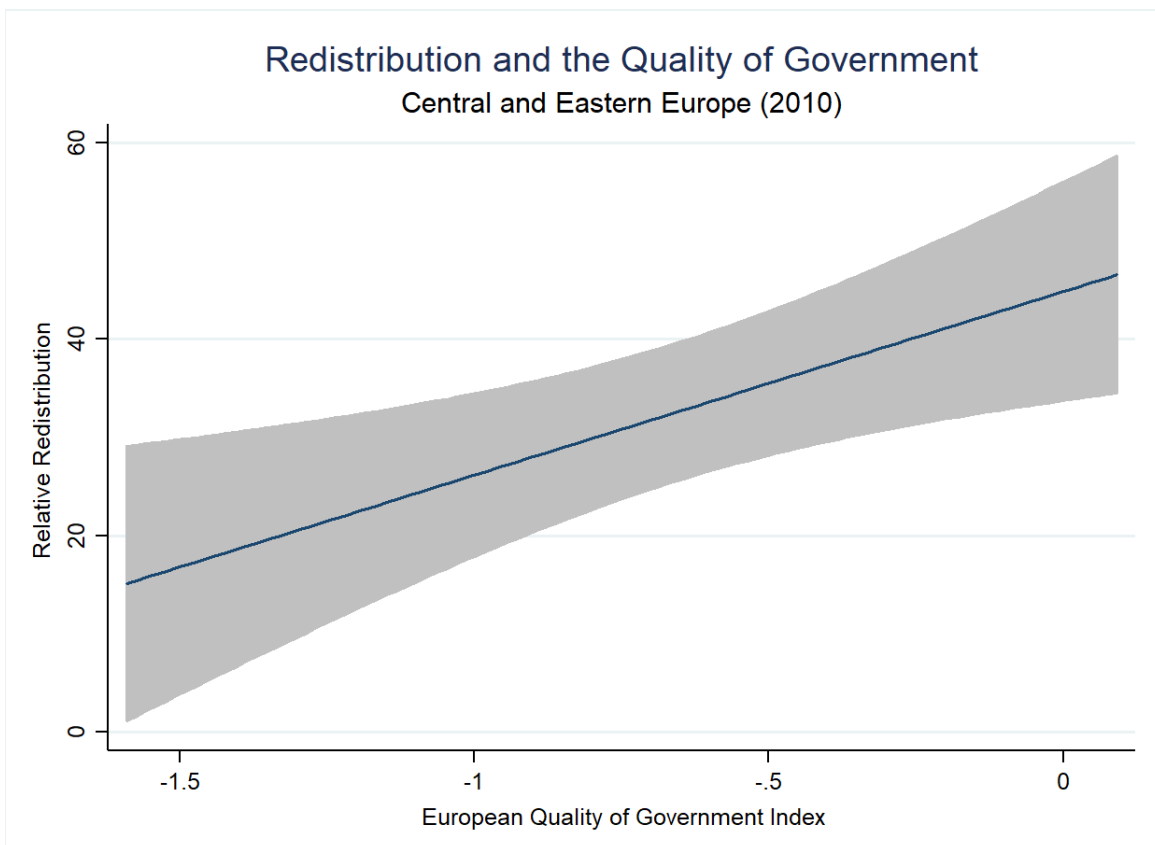
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[72]Charron et al. 2014

To further illustrate the mechanism that I propose, I created interaction terms between social spending and the three V-Dem indicators included in the analysis. The marginal effects plots below are consistent with the WGI plots presented in the paper and provide additional support for the argument developed here.[73] Specifically, they reveal that the positive effect of social spending on redistribution decreases as public sector corruption increases. This implies that even if governments spend a lot on social transfers, benefits, and services, if the public sector is corrupt, inequality will not be reduced. Social spending is similarly ineffective at decreasing income differentials when public sector theft is rampant. The anecdote about the Bulgarian accountant corroborates these conclusions. In contrast, when such stealing does not occur, or occurs very rarely, the effect of social spending on redistribution is much more pronounced. Lastly, the presence of a rigorous and impartial public administration enhances the effect of social spending. These interaction plots therefore support my argument.

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[73]The directionality of the three variables matters for the interpretation of the plots. Public sector corruption is measured in such a way that higher values of the index indicate higher corruption. In contrast, higher values of the public sector theft and the rigorous and impartial public administration indicators suggest cleaner and more transparent government.

Average Marginal Effects of Social Spending on Redistribution over the Range of Public Sector Corruption

Average Marginal Effects of Social Spending on Redistribution over the range of public sector theft

Average Marginal Effects of Social Spending on Redistribution
over the Range of Rigurous and Impartial Public Administration

Market Inequality in Central and Eastern Europe
(1989-2013)

Market Income Inequality in Eastern Europe
1990 - 2013

10 Additional Models

a) Social Spending and Revenues WGI Index Full Models

The table below presents the full output from the models shown in table 3 in the main body of the article.

Table A3: Social Spending and Revenues Models

	Social Spending b/se	Revenues b/se
WGI Index	7.689	-9.236
	(4.57)	(6.73)
Social spending	1.570***	
	(0.42)	
WGI Index × Soc Spend	0.820*	
	(0.34)	
Revenues		0.499**
		(0.16)
WGI Index × Revenues		0.763***
		(0.18)
Opinion	36.267**	34.326**
	(11.67)	(10.45)
Inequality	1.278***	1.096***
	(0.22)	(0.19)
Partisanship	0.059**	0.110***
	(0.02)	(0.03)
GDP per capita	0.479*	0.479*
	(0.21)	(0.24)
GDP per capita growth	-0.013	-0.066
	(0.10)	(0.09)
Deficit	0.632***	-0.354
	(0.18)	(0.19)
Government debt	0.154**	0.146**
	(0.06)	(0.05)
Unemployment	-0.217	0.074
	(0.17)	(0.15)
Inflation	0.397**	0.213
	(0.12)	(0.13)
Trade openness	-0.010	0.045
	(0.03)	(0.02)
FDI inflows	-0.054	-0.059
	(0.04)	(0.04)
Capital account openness	0.763	0.269
	(0.95)	(1.06)
Dependency ratio	-0.961***	-1.773***
	(0.24)	(0.26)
Industry	1.367***	1.444***
	(0.31)	(0.32)
Democracy	-1.054	-4.620***
	(1.00)	(1.09)
Ethnic fragmentation	44.132*	33.291*
	(17.32)	(14.31)
Turnout	-0.027	-0.089
	(0.07)	(0.08)
Female labor force participation	-0.160	0.017
	(0.26)	(0.21)
Checks and balances	-0.117	-0.443
	(0.34)	(0.29)
Disproportionality	0.036	0.213
	(0.28)	(0.28)
EU membership	-2.870	-3.830*
	(1.70)	(1.57)
Constant	-88.455*	-22.103
	(40.57)	(39.72)
R-squared	0.971	0.972
N	69	69

13

b) Social Spending and Revenues WGI Component Models

The models below create interaction terms between social spending or state revenues and the different components of the WGI index. The interaction terms are positively signed and statistically significant.

Table A4: Social Spending and Revenues Models

	m3 b/se	m4 b/se	m5 b/se	m6 b/se	m7 b/se	m8 b/se
Social Spending	1.721***	2.537***	2.579***			
	(0.31)	(0.65)	(0.49)			
Revenues				0.690***	0.786**	0.158
				(0.17)	(0.27)	(0.19)
WGI Corruption	-6.275			-20.864*		
	(5.22)			(8.33)		
WGI Gov Effectiveness		28.767**			-11.379	
		(10.35)			(10.56)	
Rule of Law			38.094***			-1.760
			(6.31)			(7.92)
Corruption × Spending	1.318***					
	(0.32)					
Effectiveness × Spending		-1.117				
		(0.80)				
Rule of Law × Spending			-1.349**			
			(0.43)			
Corruption × Revenues				0.845***		
				(0.20)		
Gov Effectiveness × Revenues					0.734**	
					(0.28)	
Rule of Law × Revenues						0.614**
						(0.21)
Opinion	29.164*	27.920*	32.117***	26.452*	53.936***	34.110***
	(13.05)	(12.18)	(9.74)	(12.52)	(10.42)	(9.93)
Inequality	1.392***	1.735***	1.333***	1.317***	1.226***	1.155***
	(0.19)	(0.22)	(0.22)	(0.19)	(0.20)	(0.21)
Partisanship	0.074**	-0.009	0.050**	0.121***	0.108***	0.101***
	(0.03)	(0.03)	(0.02)	(0.03)	(0.03)	(0.03)
GDP per capita	0.777**	-0.431	-0.163	0.591*	0.839***	0.095
	(0.26)	(0.32)	(0.22)	(0.29)	(0.24)	(0.23)
GDP per capita growth	0.011	-0.086	-0.087	-0.100	-0.073	-0.111
	(0.10)	(0.12)	(0.08)	(0.10)	(0.10)	(0.08)
Deficit	0.475*	0.712***	0.758***	-0.477*	-0.582*	0.148
	(0.19)	(0.19)	(0.16)	(0.22)	(0.24)	(0.19)
Government debt	0.216***	0.164*	0.102	0.201***	0.156**	0.069
	(0.05)	(0.07)	(0.05)	(0.05)	(0.06)	(0.05)
Unemployment	-0.362*	-0.214	-0.049	-0.085	-0.107	0.205
	(0.17)	(0.17)	(0.18)	(0.18)	(0.15)	(0.15)
Inflation	0.269	0.576***	0.186	0.074	0.118	0.114
	(0.14)	(0.14)	(0.11)	(0.16)	(0.12)	(0.13)
Trade openness	0.024	-0.041	0.008	0.075**	0.051	0.029
	(0.03)	(0.04)	(0.03)	(0.03)	(0.03)	(0.02)
FDI inflows	-0.059	-0.047	-0.067	-0.075	-0.041	-0.074
	(0.05)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Capital account openness	1.222	0.503	0.345	0.235	0.607	-0.473
	(0.98)	(1.34)	(0.89)	(1.16)	(1.17)	(1.05)
Dependency ratio	-1.067***	-0.805*	-1.054***	-1.789***	-1.605***	-1.774***
	(0.25)	(0.33)	(0.24)	(0.28)	(0.27)	(0.25)
Industry	1.520***	1.469***	1.322***	1.670***	1.991***	1.307***
	(0.29)	(0.39)	(0.25)	(0.31)	(0.34)	(0.33)
Democracy	-1.856	-1.586	-1.773*	-5.383***	-4.812***	-2.824**
	(1.29)	(1.24)	(0.86)	(1.38)	(1.14)	(1.00)
Ethnic fragmentation	57.375***	4.067	5.430	37.491**	49.309**	14.574
	(16.45)	(22.29)	(17.21)	(14.55)	(16.35)	(14.34)
Turnout	0.067	-0.144	-0.018	0.015	-0.115	-0.005
	(0.08)	(0.09)	(0.05)	(0.09)	(0.09)	(0.07)
Female labor force participation	0.005	0.336	-0.015	0.273	0.182	-0.062
	(0.24)	(0.21)	(0.26)	(0.21)	(0.22)	(0.25)
Checks and balances	-0.420	0.354	0.303	-0.756*	-0.634	-0.032
	(0.33)	(0.44)	(0.35)	(0.32)	(0.36)	(0.33)
Disproportionality	0.195	-0.763*	-0.529*	0.212	-0.073	0.129
	(0.31)	(0.35)	(0.24)	(0.29)	(0.30)	(0.30)
EU membership	-4.164**	-7.485***	-3.287*	-5.385***	-4.725**	-3.396*
	(1.50)	(2.22)	(1.64)	(1.53)	(1.81)	(1.69)
Constant	-103.580**	-111.937**	-77.314*	-50.571	-92.670*	-11.416
	(38.78)	(42.21)	(31.69)	(40.40)	(41.22)	(39.77)
R-squared	0.964	0.971	0.977	0.966	0.968	0.972
N	69	69	69	69	69	69

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

c) Endogeneity WGI Index Full Models

The table below shows the full output from the models presented in table 5.

Table A5: Endogeneity Checks

	Extended b/se	Reduced b/se
WGI Index	12.226***	6.556***
	(1.41)	(1.88)
Inequality	0.903***	1.001***
	(0.08)	(0.10)
GDP per capita	-0.041	-0.212
	(0.15)	(0.20)
GDP per capita growth	-0.037	0.052
	(0.04)	(0.05)
Debt	0.010	0.135**
	(0.03)	(0.04)
Deficit	-0.079	0.171
	(0.09)	(0.11)
Unemployment	0.110	-0.097
	(0.09)	(0.09)
Inflation	-0.000	0.125
	(0.00)	(0.08)
Trade openness	0.020	-0.060***
	(0.02)	(0.02)
FDI inflows	-0.016	0.009
	(0.03)	(0.02)
Capital account	-0.341	5.310***
openness	(0.50)	(0.94)
Dependency ratio	-0.182	1.011***
	(0.18)	(0.23)
Industry	0.396***	0.138
	(0.12)	(0.18)
Democracy	-0.108	-1.529
	(0.23)	(1.11)
Ethnic fragmentation	-11.872	-43.168***
	(7.88)	(9.64)
Turnout	0.110**	-0.072
	(0.04)	(0.06)
Female labor force	-0.212	0.115
participation	(0.11)	(0.17)
Checks and balances	0.317	-1.039**
	(0.32)	(0.34)
Rural population	0.049	0.826***
	(0.06)	(0.07)
Communist regime	0.319	-17.061***
	(0.87)	(1.98)
EU membership	-1.173	-3.160***
	(0.83)	(0.73)
Public opinion		-9.945
		(7.21)
Partisanship		-0.006
		(0.02)
Disproportionality		-0.176
		(0.20)
Effective number of		0.312
parties		(0.61)
Euro funds		14.242
		(25.93)
Constant	-13.868	-26.650
	(12.22)	(20.91)
R-squared	0.777	0.987
N	197	69

d) Endogeneity WGI Component Models

The table below reruns the endogeneity checks from table 5 replacing the WGI index with its individual components.

Table A6: Endogeneity Checks: Extended Sample Models

	WGI Index	WGI Corruption	WGI Gov Ef	WGI Rule of Law
	b/se	b/se	b/se	b/se
WGI Index	12.226***	6.923***	10.402***	12.414***
	(1.41)	(1.29)	(1.31)	(1.42)
Inequality	0.903***	0.984***	0.917***	0.937***
	(0.08)	(0.10)	(0.09)	(0.08)
GDP per Capita	-0.041	0.054	0.074	-0.185
	(0.15)	(0.16)	(0.16)	(0.13)
GDP per capita growth	-0.037	-0.046	-0.064	-0.027
	(0.04)	(0.05)	(0.05)	(0.05)
Debt	0.010	0.009	0.007	-0.002
	(0.03)	(0.04)	(0.03)	(0.03)
Deficit	-0.079	-0.193	-0.104	-0.001
	(0.09)	(0.11)	(0.11)	(0.10)
Unemployment	0.110	0.065	0.027	0.207*
	(0.09)	(0.11)	(0.10)	(0.09)
Inflation	-0.000	-0.001	-0.001	-0.000
	(0.00)	(0.00)	(0.00)	(0.00)
Trade openness	0.020	0.039*	0.037	0.018
	(0.02)	(0.02)	(0.02)	(0.02)
FDI inflows	-0.016	-0.018	-0.006	-0.026
	(0.03)	(0.03)	(0.03)	(0.03)
Capital account	-0.341	-0.099	-0.362	-0.437
openness	(0.50)	(0.55)	(0.52)	(0.50)
Dependency ratio	-0.182	-0.127	-0.167	-0.173
	(0.18)	(0.19)	(0.17)	(0.18)
Industry	0.396***	0.382**	0.414***	0.419***
	(0.12)	(0.13)	(0.12)	(0.11)
Democracy	-0.108	0.217	-0.043	-0.287
	(0.23)	(0.24)	(0.23)	(0.24)
Ethnic fragmentation	-11.872	-14.440	-13.088	-17.110*
	(7.88)	(8.10)	(7.64)	(7.57)
Voter turnout	0.110**	0.121**	0.148***	0.087*
	(0.04)	(0.04)	(0.04)	(0.04)
Female labor force	-0.212	-0.109	-0.181	-0.210*
participation	(0.11)	(0.13)	(0.11)	(0.10)
Checks and balances	0.317	0.484	0.415	0.307
	(0.32)	(0.34)	(0.34)	(0.31)
EU membership	-1.173	-1.097	-1.464	-1.424
	(0.83)	(0.94)	(0.98)	(0.82)
Rural population	0.049	0.032	0.110	0.084
	(0.06)	(0.08)	(0.06)	(0.06)
Communist regime	0.319	1.103	1.102	-0.067
	(0.87)	(1.05)	(0.75)	(0.88)
Constant	-13.868	-31.282*	-27.351*	-11.199
	(12.22)	(14.63)	(11.93)	(11.87)
R-squared	0.777	0.729	0.774	0.792
N	197	197	197	197

***$p < 0.001$, **$p < 0.01$, *$p < 0.05$

Table A7: Endogeneity Checks: Reduced Sample Models

	WGI Index b/se	WGI Corruption b/se	WGI Gov Ef b/se	WGI Rule of Law b/se
WGI Index	6.264***	3.038*	3.273*	8.571***
	(1.68)	(1.20)	(1.58)	(1.74)
Opinion	-10.715	-11.631	-13.526	-7.908
	(7.30)	(8.10)	(7.90)	(6.61)
Inequality	1.022***	1.087***	1.107***	0.965***
	(0.08)	(0.08)	(0.09)	(0.09)
Partisanship	-0.008	-0.014	-0.015	0.000
	(0.02)	(0.02)	(0.02)	(0.02)
GDP per Capita	-0.223	-0.265	-0.200	-0.227
	(0.20)	(0.20)	(0.21)	(0.18)
GDP per capita growth	0.044	0.039	0.053	0.029
	(0.05)	(0.05)	(0.05)	(0.05)
Deficit	0.178	0.173	0.197	0.240*
	(0.11)	(0.11)	(0.11)	(0.10)
Government debt	0.140***	0.139***	0.152***	0.105**
	(0.04)	(0.04)	(0.04)	(0.04)
Unemployment	-0.096	-0.158	-0.174*	-0.024
	(0.09)	(0.09)	(0.09)	(0.09)
Inflation	0.109	0.097	0.037	0.088
	(0.08)	(0.09)	(0.08)	(0.07)
Trade openness	-0.056**	-0.056***	-0.059***	-0.048**
	(0.02)	(0.02)	(0.02)	(0.02)
FDI inflows	0.009	0.009	0.015	-0.002
	(0.02)	(0.03)	(0.03)	(0.02)
Capital account openness	5.294***	5.448***	5.776***	4.699***
	(0.93)	(0.95)	(0.97)	(0.82)
Dependency ratio	0.990***	1.177***	1.233***	0.772**
	(0.23)	(0.22)	(0.21)	(0.24)
Industry	0.139	0.132	0.181	0.130
	(0.18)	(0.19)	(0.19)	(0.17)
Democracy	-1.581	-1.660	-1.542	-1.194
	(1.10)	(1.16)	(1.19)	(1.03)
Ethnic fragmentation	-43.587***	-49.211***	-46.768***	-41.102***
	(9.58)	(8.54)	(9.67)	(9.33)
Voter turnout	-0.074	-0.065	-0.059	-0.050
	(0.06)	(0.06)	(0.06)	(0.05)
Female labor force participation	0.155	0.273*	0.257	0.019
	(0.13)	(0.12)	(0.13)	(0.14)
Checks and balances	-1.068***	-1.195***	-1.259***	-0.933**
	(0.32)	(0.33)	(0.33)	(0.29)
Disproportionality	-0.200	-0.267	-0.306	-0.126
	(0.19)	(0.20)	(0.20)	(0.18)
EU membership	-3.219***	-3.571***	-3.591***	-2.704***
	(0.71)	(0.74)	(0.75)	(0.70)
Communist regime	-16.889***	-18.786***	-17.745***	-15.566***
	(2.02)	(1.80)	(2.07)	(1.96)
Rural population	0.829***	0.869***	0.924***	0.776***
	(0.07)	(0.08)	(0.07)	(0.07)
Effective number of parties	0.242	0.127	0.284	0.357
	(0.59)	(0.60)	(0.63)	(0.54)
Constant	-10.640	-17.165	-29.025	-2.701
	(21.01)	(22.85)	(22.91)	(19.61)
R-squared	0.987	0.987	0.987	0.989
N	69	69	69	69

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

e) V-DEM Models (Full Specification)

The table below shows the full output from the models presented in table 4.

Table A8: Public Sector Corruption and Embezzlement Models

	Extended b/se	Extended b/se	Extended b/se	Reduced b/se	Reduced b/se	Reduced b/se
Public sector corruption index	-19.296*** (4.42)			-37.017*** (6.24)		
Public sector embezzlement		2.854** (0.87)			5.073*** (1.53)	
Rigorous and impartial public administration			3.606*** (0.73)			3.573* (1.64)
Inequality	1.060*** (0.11)	1.096*** (0.12)	0.911*** (0.12)	1.372*** (0.29)	1.613*** (0.29)	1.973*** (0.27)
GDP per capita	-0.075 (0.16)	0.119 (0.16)	0.055 (0.19)	-0.349 (0.34)	0.009 (0.37)	-0.198 (0.36)
GDP per capita growth	-0.084 (0.06)	-0.080 (0.07)	-0.029 (0.05)	-0.250* (0.10)	-0.289* (0.12)	-0.234 (0.13)
Deficit	0.043 (0.17)	-0.037 (0.17)	-0.196 (0.11)	0.383* (0.17)	0.425* (0.20)	0.417 (0.22)
Government debt	0.101 (0.05)	0.113* (0.06)	0.005 (0.03)	0.256*** (0.06)	0.306*** (0.07)	0.325*** (0.07)
Unemployment	-0.036 (0.13)	-0.075 (0.14)	0.068 (0.11)	0.174 (0.15)	0.091 (0.16)	0.011 (0.18)
Inflation	-0.005 (0.00)	-0.006 (0.01)	-0.002 (0.00)	-0.020 (0.16)	-0.126 (0.18)	-0.235 (0.16)
Trade openness	0.019 (0.02)	0.030 (0.02)	0.041* (0.02)	-0.014 (0.03)	-0.001 (0.04)	0.007 (0.04)
FDI inflows	-0.008 (0.04)	-0.021 (0.04)	-0.035 (0.03)	-0.070 (0.06)	-0.101 (0.07)	-0.070 (0.07)
Capital account openness	-1.122 (0.63)	-1.104 (0.64)	0.145 (0.52)	2.336 (1.22)	2.364 (1.40)	2.114 (1.49)
Dependency ratio	-0.994*** (0.21)	-0.980*** (0.23)	-0.055 (0.19)	-0.787* (0.34)	-0.868* (0.39)	-1.189** (0.43)
Industry	0.791*** (0.17)	0.836*** (0.18)	0.391** (0.14)	2.174*** (0.29)	2.616*** (0.33)	2.539*** (0.37)
Democracy	0.650 (0.61)	0.942 (0.59)	0.236 (0.24)	-0.407 (1.19)	-0.451 (1.37)	-1.881 (1.58)
Ethnic fragmentation	5.610 (8.67)	9.497 (9.12)	-24.124** (7.80)	-11.622 (20.02)	-0.843 (22.30)	-9.445 (20.48)
Turnout	0.233*** (0.06)	0.260*** (0.06)	0.079 (0.05)	0.096 (0.12)	0.183 (0.13)	0.130 (0.15)
Female labor force participation	0.086 (0.14)	0.192 (0.14)	-0.017 (0.12)	0.694** (0.25)	0.996*** (0.24)	1.230*** (0.25)
Checks and balances	0.616 (0.36)	0.702 (0.39)	0.682 (0.35)	0.589 (0.46)	0.445 (0.46)	0.109 (0.47)
EU membership	-2.597** (0.96)	-3.058** (1.04)	-0.993 (1.04)	-6.767*** (1.98)	-7.819*** (2.24)	-9.350*** (2.33)
Public opinion				-0.700 (13.94)	11.953 (13.34)	22.613 (13.99)
Partisanship				-0.011 (0.03)	0.015 (0.03)	0.030 (0.03)
Disproportionality				-0.258 (0.31)	-0.541 (0.35)	-0.969** (0.32)
Constant	-20.673 (18.58)	-47.724* (19.46)	-32.846* (13.58)	-97.708** (34.96)	-173.268*** (38.77)	-171.513*** (43.21)
R-squared	0.806	0.794	0.710	0.957	0.945	0.932
N	143	143	198	69	69	69

***p < 0.001, **p < 0.01, *p < 0.05

f) Bivariate regressions on inequality and redistribution

The table below presents the output of two bivariate regressions – run against the extended and the reduced samples – exploring the impact of pre-taxes-and-transfers inequality on redistribution. The coefficient attached to the inequality variable is positively signed and statistically significant, confirming the Meltzer Richards model in this specification. Other reduced-form models are presented in the next section.

Table A9: Bivariate Regressions Inequality and Redistribution

	Extended b/se	Reduced b/se
Inequality	0.845***	0.606***
	(0.08)	(0.09)
Constant	-14.405***	7.422
	(3.60)	(3.89)
R-squared	0.368	0.538
N	411.000	224.000

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

11   Robustness Checks

In this section, I present additional models using a reduced form specification, alternative operationalizations of my dependent and independent variables, jackknife resampling, fixed effects, and moving averages.

a) Reduced form specification

A legitimate concern might be that the statistical significance of the quality of government indicators is a function of my model specification. The four tables below show reduced-form models for my two samples. The first model in each table includes the additive quality of government index, while the remaining models examine the behavior of its components. I add market inequality, GDP per capita, unemployment, capital account openness, the dependency ratio, and democracy to control for the effect of other variables.

The WGI indicators remain positively signed and statistically significant despite the exclusion of the rest of the controls in my original models. In both samples, better government is associated with higher levels of redistribution. Bivariate models removing all controls from the specification yield the same results.

Table A10: Reduced Form Models: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	9.061***	5.883***	6.602***	7.621***
	(1.41)	(1.15)	(1.27)	(1.33)
Inequality	0.728***	0.790***	0.749***	0.735***
	(0.08)	(0.08)	(0.08)	(0.08)
GDP per Capita	0.230**	0.331***	0.371***	0.262**
	(0.09)	(0.09)	(0.09)	(0.09)
Unemployment	0.048	0.040	0.013	0.073
	(0.07)	(0.07)	(0.07)	(0.06)
Capital Account Openness	-0.710*	-0.457	-0.630	-0.772*
	(0.32)	(0.35)	(0.34)	(0.32)
Dependency ratio	-0.092	-0.154*	-0.097	-0.083
	(0.07)	(0.06)	(0.06)	(0.07)
Democracy	0.442**	0.619***	0.542***	0.474***
	(0.14)	(0.13)	(0.14)	(0.13)
Constant	-8.937	-10.167*	-12.253*	-10.696
	(5.00)	(5.01)	(4.78)	(5.51)
R-squared	0.619	0.608	0.600	0.584
N	316	316	316	316

$^{***}p < 0.001, {}^{**}p < 0.01, {}^{*}p < 0.05$

Table A11: Bivariate Models: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	12.953***	9.457***	11.440***	12.268***
	(1.43)	(1.58)	(1.45)	(1.28)
Constant	21.502***	21.787***	21.518***	20.043***
	(1.05)	(1.05)	(1.02)	(0.88)
R-squared	0.413	0.325	0.431	0.402
N	333	333	333	333

$^{***}p < 0.001, {}^{**}p < 0.01, {}^{*}p < 0.05$

Table A12: Reduced Form Models: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Indices	6.822***	3.564***	4.218**	7.591***
	(1.72)	(1.05)	(1.39)	(2.02)
Inequality	0.687***	0.735***	0.746***	0.697***
	(0.11)	(0.12)	(0.11)	(0.11)
GDP per Capita	-0.104	-0.096	-0.081	-0.115
	(0.11)	(0.10)	(0.12)	(0.10)
Unemployment	0.028	0.021	-0.005	0.060
	(0.07)	(0.07)	(0.07)	(0.07)
Capital Account Openness	-1.473**	-1.465**	-1.519**	-1.566***
	(0.47)	(0.49)	(0.48)	(0.47)
Dependency ratio	-0.306	-0.386*	-0.380*	-0.307
	(0.17)	(0.16)	(0.18)	(0.17)
Democracy	0.277	0.322	0.381	0.224
	(0.41)	(0.42)	(0.42)	(0.41)
Constant	13.160	16.324	13.842	12.140
	(9.47)	(9.14)	(9.79)	(9.79)
R-squared	0.691	0.679	0.681	0.688
N	170	170	170	170

$^{***}p < 0.001, \,^{**}p < 0.01, \,^{*}p < 0.05$

Table A13: Bivariate Models: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	8.456***	5.002***	7.376***	8.934***
	(1.85)	(1.10)	(1.68)	(2.26)
Constant	29.034***	28.844***	28.082***	31.494***
	(1.50)	(1.37)	(1.95)	(0.99)
R-squared	0.583	0.572	0.577	0.568
N	179	179	179	179

$^{***}p < 0.001, \,^{**}p < 0.01, \,^{*}p < 0.05$

b) Median Redistribution

A different approach to handling the SWIID data does not change my findings in a meaningful way. I substituted the mean relative redistribution measure with the median of the 100 imputed series in the database. The WGI indices remain statistically significant and positively associated with redistribution.

Table A14: Median Redistribution: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	12.431***	7.204***	10.917***	12.276***
	(1.33)	(1.17)	(1.30)	(1.32)
Inequality	0.844***	0.908***	0.826***	0.882***
	(0.09)	(0.11)	(0.09)	(0.09)
GDP per Capita	-0.065	0.019	0.061	-0.194
	(0.15)	(0.16)	(0.16)	(0.14)
GDP per capita growth	-0.032	-0.039	-0.053	-0.020
	(0.05)	(0.05)	(0.05)	(0.05)
Deficit	-0.079	-0.192	-0.120	-0.007
	(0.10)	(0.10)	(0.11)	(0.10)
Debt	0.006	-0.003	0.000	-0.001
	(0.03)	(0.03)	(0.03)	(0.03)
Unemployment	0.114	0.081	0.026	0.199*
	(0.09)	(0.10)	(0.10)	(0.09)
Inflation	-0.000	-0.000	-0.001	-0.001
	(0.00)	(0.00)	(0.00)	(0.00)
Trade openness	0.012	0.030	0.027	0.010
	(0.02)	(0.02)	(0.02)	(0.02)
FDI inflows	-0.016	-0.018	-0.009	-0.028
	(0.03)	(0.03)	(0.03)	(0.03)
Capital account	-0.447	-0.075	-0.401	-0.629
openness	(0.46)	(0.50)	(0.47)	(0.48)
Dependency ratio	-0.115	-0.007	-0.019	-0.114
	(0.16)	(0.17)	(0.15)	(0.17)
Industry	0.379**	0.352**	0.392**	0.402***
	(0.12)	(0.13)	(0.12)	(0.11)
Democracy	-0.063	0.328	0.097	-0.237
	(0.23)	(0.22)	(0.22)	(0.24)
Ethnic fragmentation	-11.915	-18.284*	-14.163*	-15.077*
	(6.69)	(7.27)	(6.63)	(6.49)
Turnout	0.109**	0.117**	0.150***	0.090*
	(0.04)	(0.04)	(0.04)	(0.04)
Female labor force	-0.244*	-0.134	-0.249*	-0.252*
participation	(0.11)	(0.13)	(0.11)	(0.10)
Checks and balances	0.304	0.429	0.473	0.338
	(0.31)	(0.33)	(0.34)	(0.31)
Constant	-8.441	-24.875	-18.592	-5.823
	(12.12)	(14.37)	(11.58)	(11.86)
R-squared	0.774	0.719	0.775	0.787
N	197	197	197	197

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$

Table A15: Median Redistribution: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	24.405***	16.383***	19.785***	25.411***
	(2.85)	(2.65)	(3.16)	(2.51)
Opinion	3.869	-11.662	13.489	16.429
	(11.61)	(13.67)	(12.87)	(10.33)
Inequality	0.854***	1.070***	1.095***	0.870***
	(0.17)	(0.17)	(0.20)	(0.17)
Partisanship	0.052*	0.063	0.029	0.069**
	(0.03)	(0.03)	(0.03)	(0.02)
GDP per Capita	-0.300	-0.368	-0.214	-0.363*
	(0.21)	(0.28)	(0.25)	(0.18)
GDP per capita growth	0.017	0.033	0.012	-0.077
	(0.10)	(0.10)	(0.12)	(0.09)
Deficit	0.054	-0.078	0.117	0.347*
	(0.17)	(0.18)	(0.21)	(0.16)
Debt	0.244**	0.309***	0.324***	0.115
	(0.08)	(0.08)	(0.08)	(0.06)
Unemployment	0.282	0.147	0.133	0.410**
	(0.18)	(0.19)	(0.21)	(0.16)
Inflation	0.212	0.162	0.089	0.114
	(0.13)	(0.14)	(0.13)	(0.11)
Trade openness	-0.059	-0.051	-0.090*	-0.032
	(0.04)	(0.03)	(0.04)	(0.03)
FDI inflows	-0.014	-0.018	-0.013	-0.054
	(0.03)	(0.04)	(0.04)	(0.04)
Capital account openness	0.496	-0.191	1.331	-0.370
	(1.11)	(1.34)	(1.34)	(0.82)
Dependency ratio	-1.026***	-0.947*	-0.503	-1.278***
	(0.30)	(0.37)	(0.30)	(0.27)
Industry	0.852**	0.957**	1.480***	0.942**
	(0.30)	(0.32)	(0.37)	(0.29)
Democracy	-1.617	-1.529	-0.713	-0.892
	(1.20)	(1.72)	(1.27)	(0.94)
Ethnic fragmentation	5.508	7.452	7.599	-1.653
	(18.70)	(18.78)	(20.80)	(15.18)
Turnout	-0.029	0.103	-0.027	0.036
	(0.09)	(0.11)	(0.11)	(0.07)
Female labor force participation	-0.035	0.297	0.309	-0.203
	(0.19)	(0.19)	(0.22)	(0.20)
Checks and balances	0.160	0.066	0.025	0.210
	(0.44)	(0.53)	(0.54)	(0.38)
Disproportionality	0.036	0.084	-0.527	0.072
	(0.23)	(0.30)	(0.28)	(0.22)
Constant	8.087	-18.684	-79.043*	8.890
	(36.43)	(42.54)	(39.29)	(32.49)
R-squared	0.943	0.921	0.929	0.959
N	69	69	69	69

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

c) Absolute Redistribution

The quality of government indicators retain their statistical significance when the dependent variable is measured as the level of absolute redistribution. Absolute redistribution is the difference between pre- and post-tax-and-transfer income inequality. In contrast to relative redistribution, it is not scaled by market income inequality. The two tables below re-run my original models using absolute redistribution as the dependent variable. The WGI indicators remain statistically significant.

Table A16: Absolute Redistribution: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	4.624***	2.485***	4.006***	4.729***
	(0.50)	(0.44)	(0.52)	(0.49)
Inequality	0.582***	0.604***	0.579***	0.598***
	(0.03)	(0.04)	(0.04)	(0.03)
GDP per capita	-0.031	0.003	0.018	-0.083
	(0.06)	(0.06)	(0.06)	(0.05)
GDP per capita growth	-0.010	-0.012	-0.018	-0.006
	(0.01)	(0.02)	(0.02)	(0.01)
Deficit	-0.045	-0.082*	-0.066	-0.020
	(0.04)	(0.04)	(0.04)	(0.04)
Debt	0.003	-0.000	0.001	-0.001
	(0.01)	(0.01)	(0.01)	(0.01)
Unemployment	0.052	0.039	0.022	0.084*
	(0.03)	(0.04)	(0.04)	(0.03)
Inflation	-0.000	-0.000	-0.001	-0.000
	(0.00)	(0.00)	(0.00)	(0.00)
Trade openness	0.012	0.018*	0.019*	0.011
	(0.01)	(0.01)	(0.01)	(0.01)
FDI inflows	-0.003	-0.004	-0.000	-0.007
	(0.01)	(0.01)	(0.01)	(0.01)
Capital account	-0.165	-0.038	-0.143	-0.250
openness	(0.17)	(0.18)	(0.18)	(0.17)
Dependency ratio	-0.009	0.032	0.028	-0.009
	(0.06)	(0.06)	(0.06)	(0.06)
Industry	0.122*	0.109*	0.131**	0.132**
	(0.05)	(0.05)	(0.05)	(0.05)
Democracy	-0.108	0.048	-0.049	-0.191*
	(0.08)	(0.07)	(0.08)	(0.08)
Ethnic fragmentation	-7.814**	-10.465***	-8.677***	-8.780***
	(2.66)	(3.01)	(2.58)	(2.58)
Turnout	0.033*	0.036*	0.048**	0.024
	(0.01)	(0.02)	(0.02)	(0.01)
Female labor force	-0.099*	-0.057	-0.099*	-0.109*
participation	(0.05)	(0.05)	(0.04)	(0.04)
Checks and balances	0.135	0.172	0.213	0.145
	(0.11)	(0.11)	(0.12)	(0.11)
Constant	-11.526*	-17.450**	-16.029**	-10.084*
	(4.98)	(5.86)	(5.00)	(4.86)
R-squared	0.841	0.803	0.839	0.853
N	197	197	197	197

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$

Table A17: Absolute Redistribution: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	8.782***	5.865***	7.288***	9.054***
	(1.04)	(0.94)	(1.13)	(0.93)
Opinion	-0.009	-5.747	3.734	4.555
	(3.58)	(4.22)	(4.21)	(3.28)
Inequality	0.687***	0.764***	0.773***	0.697***
	(0.06)	(0.06)	(0.07)	(0.06)
Partisanship	0.032***	0.035**	0.026*	0.040***
	(0.01)	(0.01)	(0.01)	(0.01)
GDP per capita	-0.193*	-0.218*	-0.163	-0.217**
	(0.08)	(0.10)	(0.09)	(0.07)
GDP per capita growth	0.018	0.024	0.016	-0.016
	(0.03)	(0.03)	(0.04)	(0.03)
Deficit	0.039	-0.007	0.065	0.146*
	(0.05)	(0.06)	(0.07)	(0.06)
Government debt	0.084***	0.107***	0.112***	0.038*
	(0.02)	(0.03)	(0.03)	(0.02)
Unemployment	0.105	0.057	0.057	0.150*
	(0.07)	(0.07)	(0.08)	(0.06)
Inflation	0.080	0.062	0.040	0.044
	(0.04)	(0.05)	(0.04)	(0.04)
Trade openness	-0.014	-0.012	-0.026*	-0.005
	(0.01)	(0.01)	(0.01)	(0.01)
FDI inflows	-0.002	-0.003	-0.002	-0.017
	(0.01)	(0.01)	(0.01)	(0.01)
Capital account openness	0.078	-0.168	0.388	-0.249
	(0.39)	(0.49)	(0.46)	(0.27)
Dependency ratio	-0.439***	-0.406**	-0.259*	-0.532***
	(0.10)	(0.13)	(0.10)	(0.09)
Industry	0.187*	0.222*	0.415***	0.226*
	(0.09)	(0.10)	(0.12)	(0.10)
Democracy	-1.171**	-1.083	-0.933*	-0.971**
	(0.44)	(0.64)	(0.43)	(0.32)
Ethnic fragmentation	-3.807	-3.077	-3.363	-6.577
	(6.04)	(6.09)	(7.03)	(4.93)
Turnout	-0.008	0.039	-0.010	0.017
	(0.03)	(0.04)	(0.04)	(0.03)
Female labor force participation	-0.032	0.086	0.091	-0.084
	(0.07)	(0.07)	(0.08)	(0.07)
Checks and balances	0.017	-0.008	-0.038	0.026
	(0.15)	(0.18)	(0.18)	(0.12)
Disproportionality	0.030	0.045	-0.165	0.046
	(0.07)	(0.10)	(0.09)	(0.08)
Constant	5.926	-4.010	-24.351	5.932
	(11.46)	(13.79)	(12.54)	(10.46)
R-squared	0.969	0.956	0.962	0.977
N	69	69	69	69

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

d) Moving Averages Models

The impact of the quality of government on redistribution might not be immediate or instantaneous. Improvements in control for corruption, government effectiveness, and the application of the rule of law might take time to translate into higher redistribution. The legacy from previous periods might thus continue to affect levels of redistribution even after the status quo has changed.

To account for this possibility, I run moving averages models by replacing each WGI indicator with its mean value for the previous three years. The substantive results do not change. All WGI indicators are positively signed and statistically significant. This implies that previous policy environments indeed affect the ability of the state to alleviate income inequality.

Table A18: Moving Averages Models: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
MA WGI index	15.858***	11.512***	14.442***	15.021***
	(1.26)	(1.29)	(1.35)	(1.17)
Inequality	0.846***	0.961***	0.786***	0.860***
	(0.09)	(0.11)	(0.09)	(0.08)
GDP per capita	-0.129	-0.047	-0.047	-0.187
	(0.14)	(0.16)	(0.14)	(0.13)
GDP per capita growth	0.002	-0.010	-0.011	0.006
	(0.05)	(0.05)	(0.05)	(0.05)
Deficit	-0.003	-0.105	-0.074	0.056
	(0.10)	(0.11)	(0.11)	(0.09)
Debt	0.020	0.020	0.002	0.026
	(0.03)	(0.03)	(0.03)	(0.03)
Unemployment	0.150	0.162	0.114	0.132
	(0.09)	(0.11)	(0.09)	(0.09)
Inflation	0.000	0.001	-0.001	-0.001
	(0.00)	(0.00)	(0.00)	(0.00)
Trade openness	-0.015	0.012	-0.001	-0.024
	(0.02)	(0.02)	(0.02)	(0.02)
FDI inflows	-0.028	-0.040	-0.020	-0.022
	(0.03)	(0.03)	(0.03)	(0.03)
Capital account	-0.492	-0.138	-0.616	-0.366
openness	(0.47)	(0.52)	(0.47)	(0.46)
Dependency ratio	-0.303*	-0.194	-0.203	-0.329*
	(0.13)	(0.13)	(0.13)	(0.15)
Industry	0.409***	0.446***	0.387***	0.408***
	(0.11)	(0.12)	(0.11)	(0.11)
Democracy	-0.164	0.177	0.009	-0.362
	(0.19)	(0.19)	(0.20)	(0.20)
Ethnic fragmentation	-4.081	-7.802	-8.632	-6.071
	(7.05)	(7.52)	(6.90)	(6.24)
Turnout	0.106**	0.114**	0.128***	0.102**
	(0.03)	(0.04)	(0.04)	(0.04)
Female labor force	-0.238*	-0.159	-0.262*	-0.225*
participation	(0.11)	(0.13)	(0.10)	(0.10)
Checks and balances	0.097	0.277	0.209	0.218
	(0.29)	(0.34)	(0.30)	(0.29)
Constant	0.375	-20.571	-3.644	3.402
	(10.17)	(12.25)	(9.73)	(9.88)
R-squared	0.817	0.776	0.802	0.833
N	191	191	191	191

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$

Table A19: Moving Averages Models: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
MA WGI Index	26.782***	22.874***	24.914***	25.865***
	(2.27)	(2.27)	(2.77)	(1.98)
Opinion	-10.100	-26.566*	-0.426	-0.108
	(12.13)	(13.38)	(13.40)	(10.36)
Inequality	0.978***	1.246***	0.974***	0.868***
	(0.13)	(0.13)	(0.18)	(0.13)
Partisanship	-0.009	-0.002	-0.029	0.017
	(0.02)	(0.03)	(0.02)	(0.02)
GDP per capita	-0.734***	-0.999***	-0.485*	-0.607**
	(0.19)	(0.25)	(0.23)	(0.19)
GDP per capita growth	0.096	0.104	0.095	0.069
	(0.07)	(0.10)	(0.09)	(0.05)
Deficit	0.089	0.041	0.117	0.129
	(0.15)	(0.16)	(0.20)	(0.12)
Debt	0.227***	0.279***	0.319***	0.121*
	(0.07)	(0.07)	(0.08)	(0.05)
Unemployment	0.221	0.221	0.241	0.085
	(0.14)	(0.16)	(0.16)	(0.12)
Inflation	0.192*	0.046	0.340**	0.073
	(0.09)	(0.10)	(0.13)	(0.08)
Trade openness	-0.105***	-0.096**	-0.158***	-0.049*
	(0.03)	(0.03)	(0.03)	(0.02)
FDI inflows	-0.009	-0.026	-0.011	-0.001
	(0.04)	(0.04)	(0.05)	(0.03)
Capital account openness	-1.193	-1.276	0.442	-2.738**
	(0.94)	(0.98)	(1.24)	(0.93)
Dependency ratio	-1.144***	-1.428***	-0.508	-1.260***
	(0.20)	(0.25)	(0.27)	(0.19)
Industry	0.739**	0.646*	1.391***	0.504*
	(0.27)	(0.29)	(0.35)	(0.24)
Democracy	-0.662	-1.960	1.235	-0.658
	(0.99)	(1.12)	(1.20)	(0.94)
Ethnic fragmentation	-2.431	-11.390	4.541	2.975
	(15.83)	(18.41)	(17.36)	(12.60)
Turnout	-0.002	0.055	0.017	0.001
	(0.06)	(0.08)	(0.08)	(0.06)
Female labor force participation	0.083	0.323*	0.377*	-0.218
	(0.14)	(0.14)	(0.17)	(0.18)
Checks and balances	-0.021	-0.399	-0.194	0.492
	(0.32)	(0.35)	(0.42)	(0.35)
Disproportionality	0.038	0.219	-0.388	0.013
	(0.22)	(0.24)	(0.28)	(0.17)
Constant	22.753	43.114	-75.073*	46.351
	(30.59)	(35.62)	(36.27)	(26.04)
R-squared	0.961	0.954	0.946	0.964
N	69	69	69	69

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

e) Jackknife Resampling

I resort to jackknife resampling in order to check whether my models capture dynamics common to all countries in my sample. Jackknife resampling is a statistical technique that allows researchers to assess the sensitivity of their results to the exclusion of particular cases from their analysis. It does this by deleting an observation from the existing data vector and running the original model on the resulting N different samples.

Because I am interested in the sensitivity of my results to the exclusion of different countries, I apply jackknife resampling by dropping countries, rather than country-years, from my dataset. The models are thus estimated against 21 different combinations of Eastern European states.

The results, reported below, indicate that the quality of government remains statistically significant in 3 out of the 4 models. The control for corruption indicator fails to reach statistical significance but the aggregate index, the rule of law indicator, and the government effectiveness index are robust to the exclusion of different countries. This is noteworthy, especially given the fact that very few of the controls included in my models retain their statistical significance when subjected to jackknife resampling.

Table A20: Jaccknife Resampling: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Index	12.331*	7.089	10.784*	12.432*
	(5.00)	(4.60)	(4.57)	(4.87)
Inequality	0.871*	0.934*	0.856*	0.909*
	(0.30)	(0.37)	(0.36)	(0.31)
GDP per capita	-0.058	0.026	0.067	-0.191
	(7.33)	(10.81)	(8.16)	(6.56)
GDP per capita growth	-0.029	-0.036	-0.050	-0.016
	(0.06)	(0.06)	(0.07)	(0.07)
Deficit	-0.075	-0.188	-0.118	-0.001
	(0.15)	(0.20)	(0.22)	(0.13)
Debt	0.009	0.000	0.004	0.003
	(0.06)	(0.07)	(0.07)	(0.07)
Unemployment	0.111	0.078	0.024	0.199
	(0.13)	(0.15)	(0.17)	(0.16)
Inflation	-0.000	-0.000	-0.001	-0.001
	(0.01)	(0.01)	(0.01)	(0.01)
Trade openness	0.014	0.032	0.029	0.011
	(0.03)	(0.04)	(0.05)	(0.04)
FDI inflows	-0.020	-0.021	-0.013	-0.032
	(0.09)	(0.10)	(0.11)	(0.08)
Capital account	-0.433	-0.062	-0.387	-0.630
openness	(1.40)	(1.68)	(1.49)	(1.44)
Dependency ratio	-0.114	-0.005	-0.019	-0.123
	(0.49)	(0.66)	(0.50)	(0.49)
Industry	0.371	0.343	0.391	0.403
	(0.28)	(0.37)	(0.32)	(0.33)
Democracy	-0.064	0.327	0.098	-0.254
	(0.46)	(0.48)	(0.80)	(0.41)
Ethnic fragmentation	-12.210	-18.628	-14.323	-14.745
	(28.46)	(37.54)	(30.42)	(27.04)
Turnout	0.113	0.121	0.155*	0.094
	(0.06)	(0.08)	(0.07)	(0.08)
Female labor force	-0.246	-0.136	-0.250	-0.258
participation	(0.25)	(0.35)	(0.30)	(0.25)
Checks and balances	0.332	0.457	0.515	0.375
	(0.43)	(0.50)	(0.53)	(0.40)
Constant	-10.042	-26.456	-20.704	-7.138
	(79.30)	(108.70)	(87.78)	(71.23)
R-squared	0.773	0.720	0.774	0.791
N	197	197	197	197

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$

f) ECM Models

Appropriate for both integrated and stationary time-series cross-sectional data, ECMs constitute a category of time series models that estimate the speed at which the response variable returns to equilibrium after a change in the independent covariates. They can capture both short-term and long-term effects by including differences and lags of the explanatory variables.

Consistent with standard approaches, I include a lag of redistribution and difference all of the variables featured in my models. All four Worldwide Governance indices return statistically significant coefficients. The levels of control of corruption, government effectiveness, and law and order are all long-term determinants of redistribution.

The annual changes in these variables are also positively correlated with changes in redistribution, although only two of them reach statistical significance. We can, therefore, conclude that both short-term and long-term trends in the quality of government influence the capacity of the state to alleviate income inequality.

Table A21: Error Correction Models: Extended Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
L.Relative	-0.039	-0.028	-0.036	-0.044
Redistribution	(0.03)	(0.03)	(0.03)	(0.02)
D.WGI Indices	3.713*	1.224	3.381**	2.571
	(1.80)	(1.09)	(1.29)	(1.73)
L.WGI Indices	1.283*	0.860*	1.210*	1.366**
	(0.51)	(0.41)	(0.54)	(0.48)
D.Inequality	0.789***	0.793***	0.798***	0.796***
	(0.14)	(0.14)	(0.14)	(0.14)
L.Inequality	0.063	0.062	0.054	0.062
	(0.03)	(0.03)	(0.03)	(0.03)
D.GDP per capita	43.253	46.655	30.485	47.837
	(58.77)	(59.78)	(58.85)	(58.93)
L.GDP per capita	-0.094*	-0.098*	-0.076	-0.100*
	(0.04)	(0.04)	(0.04)	(0.04)
D.GDP per capita growth	-0.423	-0.447	-0.294	-0.464
	(0.58)	(0.59)	(0.58)	(0.58)
L.GDP per capita growth	-0.455	-0.467	-0.320	-0.493
	(0.58)	(0.59)	(0.58)	(0.58)
D.Deficit	-0.035	-0.059	-0.013	-0.035
	(0.08)	(0.08)	(0.08)	(0.08)
L.Deficit	-0.019	-0.046	-0.015	-0.006
	(0.07)	(0.07)	(0.07)	(0.07)
D.Unemployment	0.045	0.059	0.039	0.055
	(0.10)	(0.10)	(0.10)	(0.10)
L.Unemployment	-0.025	-0.011	-0.049	-0.002
	(0.04)	(0.04)	(0.04)	(0.04)
D.Inflation	0.001	0.001	0.001	0.001
	(0.00)	(0.00)	(0.00)	(0.00)
L.Inflation	0.001	0.001	0.001	0.002
	(0.00)	(0.00)	(0.00)	(0.00)
D.Trade openness	0.001	0.002	0.003	0.001
	(0.02)	(0.02)	(0.02)	(0.02)
L.Trade openness	-0.000	-0.000	-0.001	-0.001
	(0.01)	(0.01)	(0.01)	(0.01)
D.FDI inflows	-0.030	-0.030	-0.028	-0.032
	(0.03)	(0.03)	(0.02)	(0.02)
L.FDI inflows	-0.035	-0.032	-0.037	-0.040
	(0.03)	(0.03)	(0.03)	(0.03)
D.Capital account	-1.006**	-1.014**	-0.977**	-1.022**
openness	(0.35)	(0.35)	(0.35)	(0.35)
L.Capital account	-0.389*	-0.372*	-0.374*	-0.375*
openness	(0.17)	(0.17)	(0.17)	(0.17)
D.Dependency ratio	0.219	0.352	0.306	0.181
	(0.41)	(0.40)	(0.42)	(0.41)
L.Dependency ratio	0.028	0.029	0.032	0.023
	(0.04)	(0.04)	(0.04)	(0.04)
D.Industry	0.007	-0.001	-0.018	0.022
	(0.09)	(0.09)	(0.09)	(0.09)
L.Industry	0.048	0.042	0.041	0.051
	(0.03)	(0.03)	(0.03)	(0.03)
D.Democracy	0.061	0.087	0.072	0.092
	(0.25)	(0.26)	(0.25)	(0.26)
L.Democracy	-0.018	0.012	-0.021	-0.029
	(0.06)	(0.06)	(0.06)	(0.06)
D.Turnout	0.042	0.039	0.041	0.038
	(0.03)	(0.03)	(0.03)	(0.03)
L.Turnout	-0.017	-0.018	-0.015	-0.016
	(0.02)	(0.02)	(0.02)	(0.02)
D.Female labor force	-0.225	-0.193	-0.258	-0.194
participation	(0.13)	(0.13)	(0.13)	(0.13)
L.Female labor force	-0.040	-0.024	-0.046	-0.043
participation	(0.03)	(0.03)	(0.04)	(0.03)
D.Checks and balances	-0.226	-0.251	-0.226	-0.222
	(0.22)	(0.22)	(0.22)	(0.22)
L.Checks and balances	-0.036	-0.040	-0.028	-0.071
	(0.13)	(0.13)	(0.13)	(0.13)
Constant	1.235	-0.002	1.723	1.778
	(3.66)	(3.62)	(3.70)	(3.67)
R-squared	0.333	0.313	0.335	0.331
N	204	204	204	204

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

Table A22: Error Correction Models: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
L.Relative	-0.063	-0.042	-0.060	-0.088*
redistribution	(0.03)	(0.03)	(0.03)	(0.03)
D.WGI Index	4.771*	2.649	2.589	3.984
	(2.23)	(1.39)	(1.66)	(2.26)
L.WGI Index	1.965*	0.975	1.715*	2.994**
	(0.85)	(0.65)	(0.83)	(0.94)
D.Inequality	0.434**	0.403*	0.439*	0.418*
	(0.16)	(0.17)	(0.17)	(0.16)
L.Inequality	0.087	0.084	0.093	0.057
	(0.07)	(0.07)	(0.07)	(0.07)
D.Partisanship	0.019	0.018	0.016	0.018
	(0.01)	(0.01)	(0.01)	(0.01)
L.Partisanship	0.000	0.001	-0.001	-0.000
	(0.01)	(0.01)	(0.01)	(0.01)
D.GDP per capita	15.962	30.008	15.614	15.058
	(70.34)	(71.48)	(72.35)	(69.80)
L.GDP per capita	-0.078	-0.071	-0.062	-0.078
	(0.05)	(0.06)	(0.05)	(0.05)
D.GDP per capita	-0.103	-0.243	-0.104	-0.087
growth	(0.70)	(0.72)	(0.72)	(0.70)
L.GDP per capita	-0.104	-0.249	-0.100	-0.083
growth	(0.70)	(0.71)	(0.72)	(0.69)
D.Deficit	0.009	-0.018	0.005	0.016
	(0.10)	(0.11)	(0.11)	(0.10)
L.Deficit	-0.159	-0.184	-0.163	-0.161
	(0.12)	(0.12)	(0.12)	(0.11)
D.Unemployment	0.109	0.086	0.099	0.123
	(0.14)	(0.14)	(0.14)	(0.14)
L.Unemployment	0.050	0.023	0.027	0.088
	(0.07)	(0.07)	(0.07)	(0.07)
D.Inflation	-0.002	-0.002	-0.002	-0.002
	(0.00)	(0.00)	(0.00)	(0.00)
L.Inflation	-0.003	-0.004	-0.003	-0.003
	(0.00)	(0.00)	(0.00)	(0.00)
D.Trade openness	-0.029	-0.029	-0.027	-0.030
	(0.02)	(0.02)	(0.02)	(0.02)
L.Trade openness	-0.006	-0.001	-0.008	-0.005
	(0.01)	(0.01)	(0.01)	(0.01)
D.FDI inflows	-0.022	-0.024	-0.020	-0.028
	(0.02)	(0.02)	(0.03)	(0.02)
L.FDI inflows	-0.026	-0.026	-0.029	-0.036
	(0.03)	(0.03)	(0.03)	(0.03)
D.Capital account	-1.491***	-1.521***	-1.511***	-1.596***
openness	(0.43)	(0.44)	(0.44)	(0.43)
L.Capital account	-0.393	-0.453	-0.444	-0.302
openness	(0.27)	(0.27)	(0.27)	(0.26)
D.Dependency ratio	0.478	0.484	0.572	-0.037
	(0.66)	(0.65)	(0.65)	(0.66)
L.Dependency ratio	0.082	0.096	0.135	0.058
	(0.09)	(0.10)	(0.09)	(0.09)
D.Industry	-0.004	0.035	0.027	-0.034
	(0.15)	(0.15)	(0.15)	(0.15)
L.Industry	0.194**	0.186**	0.223***	0.169**
	(0.06)	(0.06)	(0.06)	(0.06)
D.Democracy	-0.119	-0.160	-0.049	-0.169
	(0.52)	(0.53)	(0.52)	(0.51)
L.Democracy	-0.571*	-0.575*	-0.565*	-0.598*
	(0.24)	(0.25)	(0.24)	(0.24)
D.Turnout	0.071	0.077	0.070	0.067
	(0.04)	(0.04)	(0.04)	(0.04)
L.Turnout	0.013	0.012	0.020	0.011
	(0.03)	(0.03)	(0.03)	(0.03)
D.Female labor force	-0.267	-0.217	-0.247	-0.228
participation	(0.16)	(0.16)	(0.16)	(0.16)
L.Female labor force	-0.008	0.034	0.001	-0.037
participation	(0.05)	(0.05)	(0.05)	(0.05)
D.Checks and balances	-0.181	-0.263	-0.216	-0.060
	(0.23)	(0.23)	(0.23)	(0.24)
L.Checks and balances	-0.277	-0.302	-0.287	-0.239
	(0.16)	(0.17)	(0.17)	(0.16)
D.Disproportionality	0.040	0.020	0.022	0.018
	(0.11)	(0.11)	(0.11)	(0.11)
L.Disproportionality	-0.003	0.004	-0.045	0.016
	(0.08)	(0.09)	(0.08)	(0.08)
Constant	-4.796	-7.742	-8.875	-0.210
	(7.52)	(7.64)	(7.12)	(7.75)
R-squared	0.521	0.503	0.508	0.534
N	132	132	132	132

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$

g) Fixed Effects Models

Fixed effects models focus on the relationship between predictor and outcome variables within each case included in the analysis. They are substantively designed to study the causes of changes within panels. FEMs control for all time-invariant differences between the cases so the estimated coefficients cannot be biased due to the presence of omitted variables. They also allow the unobserved country-characteristics to freely correlate with time-varying covariates (Bollen and Brand, 2010).

Because they absorb all cross-national differences by introducing FE coefficients into the regression equation, fixed effects models are not appropriate for the analysis of data for which within-cluster variation is minimal. This is the case of the main variables in my analysis. Both redistribution and the quality of government do not vary substantially over time. Nevertheless, a fixed effects model allows me to test whether improvements in the quality of government over time lead to increases in redistribution within panels regardless of the time-invariant country features that I cannot control for due to data availability.

The two tables below report the results from six FE models run against the reduced sample using the Worldwide Governance Indicators. The composite WGI index as well as the measures for corruption and government effectiveness are statistically significant at the conventional 0.1 and 0.01 levels. An increase in these three variables is associated with a rise in redistribution, ceteris paribus. Rule of law remains insignificant, which suggests that the impact of the quality of government on redistribution is probably primarily driven by the other two components of the index. Furthermore, higher levels of public sector corruption and theft are associated with lower redistribution. In contrast, a more rigorous and impartial public administration is correlated with higher redistribution. Overall, then, these results imply that a country's capacity to redistribute might improve once it improves its quality of government.

Table A23: Fixed Effects Models: Reduced Sample

	WGI Index b/se	WGI Corruption b/se	WGI Gov Effect b/se	WGI Law b/se
WGI Indices	5.837**	3.347*	5.485***	-1.465
	(2.83)	(1.85)	(1.96)	(2.85)
Inequality	0.170	0.169	0.219	0.146
	(0.14)	(0.14)	(0.14)	(0.14)
Partisanship	0.034***	0.036***	0.027**	0.026**
	(0.01)	(0.01)	(0.01)	(0.01)
GDP per capita	13.334***	16.071****	18.876****	13.970****
	(4.04)	(3.63)	(4.72)	(3.70)
GDP per capita growth	-0.018	-0.022	-0.008	-0.025
	(0.06)	(0.06)	(0.06)	(0.06)
Deficit	0.316**	0.289**	0.281*	0.326**
	(0.14)	(0.14)	(0.14)	(0.14)
Debt	0.047*	0.044	0.032	0.044
	(0.03)	(0.03)	(0.03)	(0.03)
Unemployment	0.548****	0.578****	0.612****	0.556****
	(0.12)	(0.12)	(0.12)	(0.12)
Inflation	-0.002	-0.002	-0.002	-0.001
	(0.00)	(0.00)	(0.00)	(0.00)
Trade openness	0.031	0.031	0.018	0.021
	(0.02)	(0.02)	(0.02)	(0.02)
FDI inflows	-0.013	-0.020	-0.016	0.002
	(0.04)	(0.04)	(0.04)	(0.04)
Capital account	-1.545***	-1.712****	-2.207****	-1.687****
openness	(0.46)	(0.43)	(0.47)	(0.40)
Dependency ratio	0.470*	0.489*	0.461	0.494*
	(0.28)	(0.28)	(0.29)	(0.28)
Industry	-0.147	-0.136	-0.136	-0.109
	(0.16)	(0.16)	(0.17)	(0.16)
Democracy	0.420	0.264	0.339	0.516
	(0.43)	(0.44)	(0.45)	(0.43)
Turnout	0.129***	0.130***	0.131***	0.132***
	(0.05)	(0.05)	(0.05)	(0.05)
Female labor force	-0.859****	-0.888****	-0.824****	-0.822****
participation	(0.19)	(0.19)	(0.19)	(0.18)
Checks and balances	-0.611**	-0.678**	-0.579**	-0.526*
	(0.28)	(0.29)	(0.29)	(0.28)
Disproportionality	-0.223	-0.252*	-0.332**	-0.238*
	(0.14)	(0.14)	(0.14)	(0.13)
Constant	-107.396**	-134.197***	-167.147***	-118.382***
	(46.29)	(42.46)	(53.23)	(42.30)
R-squared	0.567	0.563	0.551	0.580
N	142	142	142	142

$^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.1$

Table A24: Fixed Effects Models: Reduced Sample

	Pub Corr b/se	Pub Theft b/se	Pub Admin b/se
Public sector corruption index	-11.904*		
	(4.44)		
Public sector theft		2.102**	
		(0.64)	
Rigorous and impartial public administration			1.495*
			(0.59)
Inequality	0.080	0.003	-0.005
	(0.11)	(0.10)	(0.11)
Opinion	3.828	7.388	9.351
	(6.85)	(6.31)	(6.57)
Partisanship	0.005	0.013	0.023
	(0.02)	(0.01)	(0.01)
GDP per Capita	-0.710	-1.437	-3.843
	(3.81)	(3.68)	(4.12)
GDP per capita growth	-0.090*	-0.096*	-0.083
	(0.04)	(0.04)	(0.04)
Deficit	0.021	-0.002	-0.045
	(0.09)	(0.08)	(0.08)
Government debt	-0.109**	-0.118***	-0.110**
	(0.03)	(0.03)	(0.03)
Unemployment	0.230*	0.245*	0.251*
	(0.10)	(0.09)	(0.10)
Inflation	-0.023	-0.013	-0.060
	(0.07)	(0.07)	(0.07)
Trade openness	0.041	0.050*	0.058*
	(0.02)	(0.02)	(0.02)
FDI inflows	0.000	-0.010	-0.001
	(0.01)	(0.01)	(0.02)
Capital Account Openness	0.732	0.555	0.929
	(0.81)	(0.77)	(0.82)
Dependency ratio	0.416	0.262	0.190
	(0.27)	(0.25)	(0.26)
Industry	0.192	0.185	0.270
	(0.18)	(0.17)	(0.17)
Democracy	-0.927	-1.180	-1.846**
	(0.67)	(0.59)	(0.58)
Turnout	-0.013	-0.014	-0.022
	(0.04)	(0.04)	(0.04)
Female labor force participation	-0.187	-0.112	-0.199
	(0.15)	(0.14)	(0.15)
Checks and balances	-0.248	-0.205	-0.222
	(0.18)	(0.18)	(0.18)
Disproportionality	0.067	0.087	-0.038
	(0.13)	(0.12)	(0.12)
Constant	33.853	42.699	82.677
	(49.64)	(47.88)	(53.71)
R-squared	0.813	0.827	0.810
N	69	69	69

$^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.1$

h) ICRG indices

To further check the robustness of my results, I use four alternative indicators for the quality of government. Each of them substitutes for one of the WGI variables. Data come from the Political Risk Services Group (PRS), which is a private consultancy specializing in the evaluation of business conditions and political risk. Its experts analyze political, economic, and financial data, and assess the impact of political and social events and conditions on the business climate. These evaluations, however, are primarily concerned with the performance of the private sector. Since the World Bank relies on a wider range of information and its assessments are more comprehensive, I rely more extensively on the WGI indices.

The International Country Risk Guide's index (ICRG) produced by the PRS resembles the composite WGI measure. It is calculated as the mean of three separate variables - "corruption", "law and order", and "bureaucracy quality" and varies between 0 and 1, with higher values indicating higher quality of government. It therefore captures the overall performance of state institutions. Its first dimension, corruption, reflects the extent to which excessive patronage, nepotism, job reservations, favor-for-favors, secret party funding, and suspiciously close ties between politics and business permeate the political system. The law and order indicator quantifies the strength and impartiality of the legal system and the popular observance of the law. Lastly, bureaucratic quality captures the expertise of the bureaucratic apparatus, its autonomy from political pressures, as well as the degree to which it has established mechanisms for recruitment and training.

The table below reruns my main models using the ICRG measures instead of the WGI indices. The composite ICRG index as well as its components are positively-signed and statistically significant in both the extended and the reduced sample models. These results confirm my findings that better governed societies redistribute more. The controls for corruption indicator returns a slightly higher p-value in the extended sample model, but remains significant at the 10 percent level. The substantive impact of these variables is non-negligible and similar to the effect reported when the WGI variables are used instead.

Table A25: ICRG Models: Extended Sample

	Composite b/se	ICRG Corrupt b/se	ICRG Bur Qual b/se	ICRG Rule b/se
ICRG Indices	41.353***	1.662	7.903***	5.040***
	(7.49)	(0.89)	(1.05)	(1.18)
Inequality	0.911***	1.069***	0.849***	0.939***
	(0.10)	(0.12)	(0.10)	(0.11)
GDP per Capita	-0.017	0.082	-0.184	-0.014
	(0.17)	(0.18)	(0.17)	(0.18)
GDP per capita growth	-0.035	-0.042	-0.024	-0.069
	(0.06)	(0.06)	(0.05)	(0.06)
Debt	-0.041	-0.031	-0.046	-0.060
	(0.03)	(0.04)	(0.03)	(0.04)
Deficit	-0.190	-0.352*	-0.134	-0.276*
	(0.13)	(0.14)	(0.11)	(0.13)
Unemployment	0.195	0.098	0.165	0.223
	(0.11)	(0.12)	(0.10)	(0.13)
Inflation	-0.002	-0.002	-0.001	-0.001
	(0.00)	(0.01)	(0.00)	(0.00)
Trade openness	0.047*	0.072***	0.017	0.084***
	(0.02)	(0.02)	(0.02)	(0.02)
FDI inflows	-0.022	-0.023	-0.013	-0.018
	(0.04)	(0.03)	(0.03)	(0.04)
Capital account	0.576	0.274	-0.177	0.777
openness	(0.57)	(0.68)	(0.51)	(0.63)
Dependency ratio	-0.511**	-0.171	-0.358*	-0.007
	(0.17)	(0.22)	(0.16)	(0.16)
Industry	0.273*	0.328*	0.296*	0.329*
	(0.13)	(0.15)	(0.13)	(0.14)
Democracy	0.389	0.697**	0.244	0.615**
	(0.21)	(0.22)	(0.20)	(0.20)
Ethnic fragmentation	-21.486*	-27.967**	-15.147	-39.356***
	(9.68)	(10.41)	(9.06)	(10.31)
Turnout	0.118*	0.181***	0.084	0.141**
	(0.05)	(0.05)	(0.04)	(0.05)
Female labor force	0.030	-0.003	-0.086	0.058
participation	(0.11)	(0.11)	(0.11)	(0.12)
Checks and balances	0.362	0.714	0.266	0.530
	(0.38)	(0.47)	(0.34)	(0.40)
Constant	-34.266*	-45.589**	-18.430	-61.275***
	(14.50)	(16.99)	(13.72)	(17.61)
R-squared	0.772	0.721	0.765	0.755
N	171	171	171	171

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$

Table A26: ICRG Models: Reduced Sample

	Composite b/se	ICRG Corrupt b/se	ICRG Bur Qual b/se	ICRG Rule b/se
ICRG Indices	132.296***	12.294***	13.830***	11.772***
	(12.12)	(3.33)	(2.13)	(1.87)
Opinion	21.406*	7.824	15.349	-3.229
	(9.43)	(15.19)	(13.05)	(11.16)
Inequality	0.999***	1.614***	1.353***	1.121***
	(0.14)	(0.21)	(0.20)	(0.17)
Partisanship	0.039	0.138**	-0.027	0.044
	(0.02)	(0.05)	(0.04)	(0.03)
GDP per capita	-0.263	-0.406	-0.254	-0.382
	(0.21)	(0.34)	(0.27)	(0.28)
GDP per capita growth	-0.166	0.025	-0.071	-0.139
	(0.10)	(0.14)	(0.12)	(0.10)
Deficit	-0.058	0.087	0.096	-0.040
	(0.17)	(0.23)	(0.24)	(0.15)
Government debt	0.070	0.273***	0.360***	0.018
	(0.05)	(0.08)	(0.07)	(0.06)
Unemployment	0.711***	0.194	0.360	0.150
	(0.17)	(0.22)	(0.22)	(0.16)
Inflation	0.232	-0.050	0.043	-0.213
	(0.13)	(0.16)	(0.16)	(0.12)
Trade openness	0.002	-0.066	-0.100**	0.093**
	(0.02)	(0.03)	(0.03)	(0.03)
FDI inflows	-0.005	-0.049	-0.021	-0.018
	(0.03)	(0.05)	(0.05)	(0.03)
Capital account openness	2.464*	-0.747	3.805*	-1.902
	(1.01)	(1.51)	(1.60)	(1.13)
Dependency ratio	-0.506*	-1.443**	-0.093	0.116
	(0.21)	(0.49)	(0.33)	(0.26)
Industry	1.406***	1.397**	2.544***	0.780*
	(0.32)	(0.45)	(0.46)	(0.34)
Democracy	-1.915	-4.445	0.883	1.969
	(1.10)	(2.74)	(1.42)	(1.41)
Ethnic fragmentation	-8.398	-6.209	16.981	-19.897
	(11.51)	(19.11)	(17.03)	(14.04)
Turnout	-0.092	0.197	-0.032	0.267**
	(0.09)	(0.14)	(0.11)	(0.09)
Female labor force participation	0.361**	1.020***	1.029***	0.045
	(0.13)	(0.18)	(0.17)	(0.24)
Checks and balances	-0.617	-0.595	-0.213	-0.359
	(0.32)	(0.64)	(0.48)	(0.43)
Disproportionality	-0.485*	-0.211	-1.381***	-0.265
	(0.24)	(0.41)	(0.34)	(0.22)
Constant	-134.565***	-86.657	-229.605***	-126.684***
	(32.05)	(55.00)	(44.66)	(35.05)
R-squared	0.968	0.910	0.936	0.935
N	69	69	69	69

$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$