

Table 4

Basic results for development outcomes and inequality: Ordinary least squares and instrumental variables

Regression	Dependent variable: log per capita income, 2002 (lgdppc)							
	Inequality measure: Gini coefficient, 1960–98				Inequality measure: share of top quintile, 1960–98			
	OLS	IV	IV excluding Americas	IV	OLS	IV	IV excluding Americas	IV
Inequality measure	-0.040 (4.27)**	-0.121 (4.45)**	-0.15 (3.60)**	-0.126 (2.43)*	-0.043 (4.56)**	-0.127 (4.30)**	-0.157 (3.53)**	-0.143 (2.37)*
East and South Asia and Pacific Americas				12.54 (6.28)**				14.068 (5.24)**
Europe and Central Asia				13.926 (5.83)**				15.428 (4.98)**
Middle East and Africa				13.349 (7.03)**				14.677 (5.86)**
Observations	107	97	74	97	106	96	73	96
R-squared	0.13				0.14			
F-statistics from first stage		21.2	15.4	8.8		25.6	18.9	9.1
	Dependent variable: Kaufmann, Kraay, and Zoido-Lobaton Institutions Index, 2002 (kkz2002)							
Inequality measure	-0.031 (4.92)**	-0.091 (4.53)**	-0.109 (3.68)**	-0.123 (2.77)**	-0.037 (5.87)**	-0.098 (4.84)**	-0.113 (4.00)**	-0.148 (2.58)*
East and South Asia and Pacific Americas				4.652 (2.72)**				6.517 (2.56)*
Europe and Central Asia				5.811 (2.80)**				7.652 (2.59)*
Middle East and Africa				5.04 (3.03)**				6.614 (2.81)**
Constant	1.406 (4.65)**	3.91 (4.58)**	4.544 (3.77)**		1.834 (5.71)**	4.658 (4.86)**	5.281 (4.06)**	
Observations	128	118	95	118	124	114	91	114
R-squared	0.13				0.17			
F-statistics from first stage		23.6	16.4	10.4		30.9	22.8	9.9
	Dependent variable: secondary enrollment rate, average 1998–2002 (sec9802)							
Inequality measure	-1.474 (5.05)**	-4.891 (5.05)**	-6.259 (4.08)**	-4.428 (2.78)**	-1.721 (5.55)**	-4.795 (5.43)**	-6.005 (4.49)**	-5.349 (2.55)*
East and South Asia and Pacific Americas				236.66 (3.83)**				305.335 (3.25)**
Europe and Central Asia				280.382 (3.84)**				348.398 (3.25)**
Middle East and Africa				266.006 (4.44)**				321.505 (3.72)**
Observations	120	113	91	113	117	110	88	110
R-squared	0.14				0.16			
F-statistics from first stage		21.7	15.5	9.6		28.3	21.0	8.2

Robust *t* statistics in parentheses (* significant at 5%; ** significant at 1%). Constants (not shown) included in all regressions except for those with regional dummies.