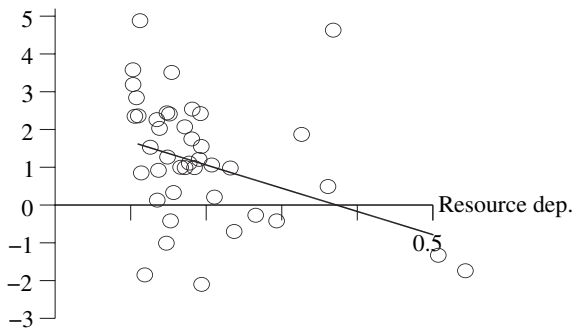


(a)

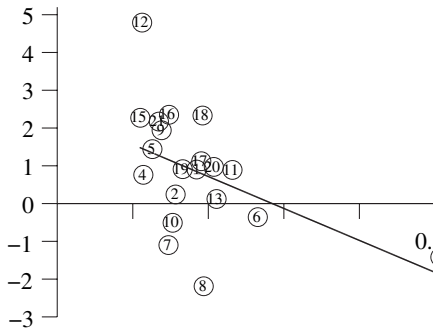
All resource rich countries

GDP growth in %



(b)

With bad institutions



(c)

With good institutions

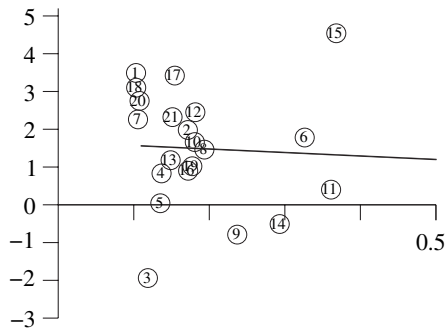


Fig. 1. Resources and Institutions (a) all resource rich countries (b) with bad institutions (c) with good institutions

Table 1
Regression Results I

Dependent variable: GDP growth.

	Regression 1	Regression 2	Regression 3	Regression 4
Initial income level	-0.79* (-3.80)	-1.02* (-4.38)	-1.28* (-6.65)	-1.26* (-6.70)
Openness	3.06* (7.23)	2.49* (4.99)	1.45* (3.36)	1.66* (3.87)
Resource abundance	-6.16* (-4.02)	-5.74* (-3.78)	-6.69* (-5.43)	-14.34* (-4.21)
Institutional quality		2.2* (2.04)	0.6 (0.64)	-1.3 (-1.13)
Investments			0.15* (6.73)	0.16* (7.15)
Interaction term				15.4* (2.40)
Observations	87	87	87	87
Adjusted R ²	0.50	0.52	0.69	0.71

Note: The numbers in brackets are t-values. A star (*) indicates that the estimate is significant at the 5-% level.

Table 2
Regression Results II

Dependent variable: GDP growth.

	Regression 1	Regression 2	Regression 3	Regression 4	Regression 5	Regression 6
Initial income level	-1.33* (-6.26)	-1.88* (-7.95)	-1.33* (-5.90)	-1.34* (-6.97)	-1.36* (-6.13)	-1.45* (-5.45)
Openness	1.87* (3.77)	1.34* (3.20)	1.60* (3.47)	1.59* (3.73)	1.63* (3.76)	1.56* (3.36)
Resource abundance		-10.92* (-3.16)	-16.35* (-3.71)	-13.70* (-4.00)	14.78* (-4.26)	-16.25* (-3.60)
Mineral abundance	-17.71* (-3.16)					
Institutional quality	-0.20 (-0.22)	1.83 (-1.35)	-0.90 (-0.69)	-1.15 (-0.96)	-1.18 (-0.94)	-0.78 (-0.56)
Investments	0.15* (6.25)	0.11* (4.09)	0.15* (5.56)	0.15* (6.51)	0.15* (6.76)	0.14* (4.91)
Interaction term	29.43* (2.66)	11.01 (1.84)	18.31* (2.34)	15.86* (2.45)	16.84* (2.55)	19.01* (2.41)
Secondary			-0.60 (-0.44)			-0.57 (-0.41)
Ethnic frac.				-0.88 (1.69)		-0.77 (1.12)
Language frac.					-0.36 (0.75)	-0.11* (0.18)
Africa exluded	no	yes	no	no	no	no
Observations	87	59	76	86	84	74
Adjusted R ²	0.63	0.79	0.70	0.71	0.70	0.70

Note: The numbers in brackets are t-values. A star (*) indicates that the estimate is significant at the 5-% level.

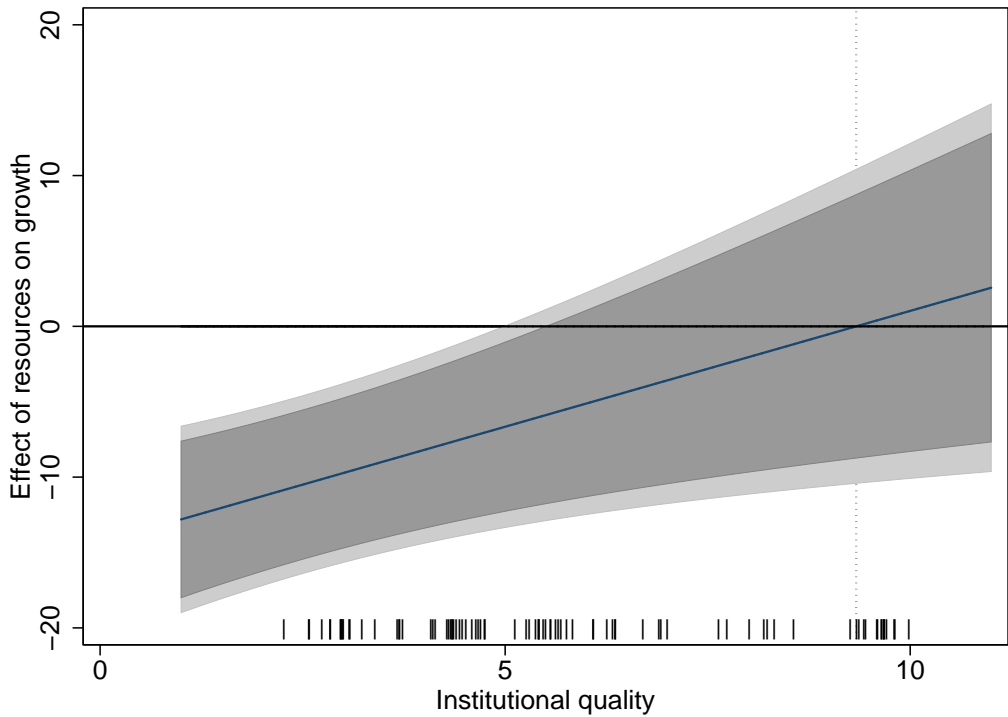


Table 2: Conflicts and mineral prices

	(1)	(2)	(3)	(4)	(5)	(6)
Estimator	LPM					
Dep. var.	Conflict incidence					
Sample	All	$\mathbb{V}(M_{kt}) = 0$		All	$\mathbb{V}(M_{kt}) = 0$	
mine > 0	0.112 ^c (0.065)					0.048 (0.065)
ln price main mineral	-0.029 (0.032)					0.028 (0.019)
ln price × mines > 0	0.086 ^b (0.034)	0.072 ^a (0.020)	0.060 ^a (0.021)		0.085 ^a (0.024)	0.108 ^a (0.041)
ln price × mines > 0 (neighbouring cells)			0.021 ^a (0.006)			
ln price × mines > 0 (ever)				0.045 ^a (0.014)		
Country×year FE	Yes	Yes	Yes	Yes	No	No
Year FE	No	No	No	No	Yes	Yes
Cell FE	Yes	Yes	Yes	Yes	Yes	No
Neighborhood FE	No	No	No	No	No	Yes
Observations	143768	142296	127974	143864	142296	17360

LPM estimations. ^c significant at 10%; ^b significant at 5%; ^a significant at 1%. Conley (1999) standard errors in parentheses, allowing for spatial correlation within a 500km radius and for infinite serial correlation. *mine* > 0 is a dummy taking the value 1 if at least 1 mine is active in the cell in year *t*. *mines* > 0 (ever) is a dummy taking the value 1 if at least 1 mine is recorded in the cell at any point over the 1997-2010 period. *mines* > 0 (neighbouring cells) is a dummy taking the value 1 if at least 1 mine is recorded in neighbouring cells of degree 1 and 2 in year *t*. $\mathbb{V}(M_{kt}) = 0$ means that we consider only cells in which the mine dummy (or dummies in column (3)) takes always the same value over the period. Column (6) is estimated on a sample containing only mining cells and their immediate neighboring cells. In columns (1) to (5), ln price main mineral is the World price of the mineral with the highest production over the period (evaluated at 1997 prices) for mining cells, and zero for non-mining cells. In column (6) ln price main mineral takes the same value for the mining cell and its immediate neighbours. Estimations (1) and (6) include controls for the average level of mineral World price interacted with the mine dummy.

Table 5: Minerals price and types of conflict events

	(1)	(2)	(3)	(4)	(5)	(6)
	LPM					
Sample	$\mathbb{V}(M_{kt}) = 0$	All	$\mathbb{V}(M_{kt}) = 0$	All	$\mathbb{V}(M_{kt}) = 0$	All
Conflict incidence var.	Battles		Violence against civ.		Riots / Protests	
ln price \times mines > 0	0.016 ^b (0.008)		0.040 ^a (0.014)		0.044 ^b (0.018)	
ln price \times mines > 0 (ever)		0.002 (0.006)		0.034 ^a (0.010)		0.038 ^a (0.011)
Country \times year FE	Yes	Yes	Yes	Yes	Yes	Yes
Cell FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	142296	143864	142296	143864	142296	143864

LPM estimations. ^c significant at 10%; ^b significant at 5%; ^a significant at 1%. Conley (1999) standard errors in parentheses, allowing for spatial correlation within a 500km radius and for infinite serial correlation. mine > 0 is a dummy taking the value 1 if at least 1 mine is active in the cell in year t . mines > 0 (ever) is a dummy taking the value 1 if at least 1 mine is recorded in the cell at any point over the 1997-2010 period. $\mathbb{V}(M_{kt}) = 0$ means that we consider only cells in which the mine dummy takes always the same value over the period. ln price main mineral is the World price of the mineral with the highest production over the period (evaluated at 1997 prices) for mining cells, and zero for non-mining cells.