

Online Appendix for Growth and Informality: A Comprehensive Panel Data Analysis

This appendix includes results of a full set of 9 regressions for BE, GMM, OLS and IV regressions of growth on informality as mentioned in footnote 3 of the paper.

Table A1: Growth and Informality: Between Estimations

Gr.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
IS	0.25*	0.24*	0.25*	0.32*	0.34*	0.35*	0.34*	0.37*	0.35*
	(0.09)	(0.09)	(0.09)	(0.10)	(0.11)	(0.10)	(0.10)	(0.09)	(0.08)
IS ²	-0.34*	-0.33*	-0.34*	-0.40*	-0.41*	-0.40*	-0.39*	-0.44*	-0.48*
	(0.12)	(0.11)	(0.11)	(0.12)	(0.13)	(0.12)	(0.12)	(0.11)	(0.10)
Open		0.02**	0.02**	0.02**	0.03*	0.03*	0.02**	0.03*	0.04*
		(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Gov. exp.			-0.06	-0.05	-0.02	-0.01	-0.03	-0.06**	-0.05***
			(0.04)	(0.04)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)
GDP-cap.				0.0005	0.0002	0.0003	0.0003	0.003	0.002
				(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.004)	(0.004)
Inf.					-0.75***	-0.76***	-0.80**	-0.85**	- 0.82**
					(0.39)	(0.40)	(0.41)	(0.43)	(0.41)
Corr. Cont.						1.01**	1.04**	0.97**	1.01**
						(0.48)	(0.49)	(0.41)	(0.45)
Law							0.74	0.69	0.68
							(0.88)	(0.74)	(0.72)
Fisc. Def.								-0.17	-0.15
								(0.15)	(0.15)
Fin. Dep.									0.87
									(1.02)
I. GDP-cap									-0.02***
									(0.01)
<i>R</i> -squared	0.06	0.09	0.10	0.12	0.13	0.14	0.15	0.15	0.18
Observations	1366	1366	1366	1366	1199	826	825	816	813
F-Test	4.57	5.30	4.56	4.17	4.10	4.09	4.01	3.99	3.96

Robust standard errors are reported in parentheses. *, **, *** denote 1, 5 and 10% confidence levels, respectively. In all regressions a constant is also included but not reported.

Table A2: Growth and Informality: GMM Estimations

Gr.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
L. Growth	0.05** (0.02)	0.04** (0.02)	0.06* (0.02)	0.07* (0.02)	0.04* (0.01)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)	0.05** (0.02)
IS	0.93** (0.42)	0.90* (0.39)	0.94* (0.39)	0.95* (0.39)	0.84* (0.27)	0.75* (0.28)	0.74* (0.28)	0.74* (0.29)	0.75* (0.27)
IS ²	-0.65** (0.32)	-0.55** (0.30)	-0.53** (0.29)	-0.58** (0.29)	-0.50** (0.27)	-0.53** (0.27)	-0.58** (0.28)	-0.52** (0.28)	-0.59** (0.29)
Open		-0.01 (0.01)	-0.01 (0.01)	-0.01 (0.01)	0.02*** (0.01)	0.03 (0.03)	0.05 (0.04)	0.05 (0.04)	0.08*** (0.05)
Gov. exp.			-0.08 (0.07)	-0.07 (0.07)	0.07*** (0.04)	-0.08 (0.07)	-0.07 (0.06)	-0.02 (0.05)	-0.01 (0.05)
GDP-cap.				0.003 (0.002)	0.001 (0.002)	0.0003 (0.0003)	0.0003 (0.0003)	0.0002 (0.0002)	0.0002 (0.0002)
Inf.					-0.23** (0.12)	-0.29* (0.10)	-0.29* (0.10)	-0.28* (0.11)	-0.28* (0.11)
Corr. Cont.						0.71 (0.58)	0.70 (0.56)	0.70 (0.55)	0.70 (0.54)
Law							0.30 (0.70)	0.33 (0.68)	0.31 (0.69)
Fisc. Def.								-0.07 (0.05)	-0.05 (0.05)
Fin. Dep.									-0.97 (1.02)
Observations	1105	1105	1105	1105	938	595	594	585	582
Time F-Test	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
Hansen J-Test	0.29	0.30	0.26	0.32	0.33	0.41	0.37	0.40	0.38
AR (2) Test	0.24	0.32	0.28	0.27	0.19	0.21	0.23	0.20	0.27

All panel regressions include a country fixed effect and year dummies. Time F-test gives the p-value for the joint significance of year dummies. Robust standard errors are reported in parentheses. *, **, *** denote 1, 5 and 10% confidence levels, respectively. In all regressions a constant is also included but not reported.

Table A3: Growth and Informality: OLS Estimations

Gr.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
IS	0.21*	0.23*	0.23*	0.27*	0.26*	0.25*	0.26*	0.25*	0.26*
	(0.06)	(0.06)	(0.06)	(0.07)	(0.07)	(0.08)	(0.08)	(0.09)	(0.08)
IS ²	-0.24*	-0.26*	-0.26*	-0.29*	-0.24*	-0.22*	-0.23*	-0.24*	-0.23*
	(0.07)	(0.07)	(0.07)	(0.08)	(0.07)	(0.08)	(0.08)	(0.08)	(0.08)
Open		0.01*	0.01*	0.01*	0.01*	0.02*	0.02**	0.03*	0.03*
		(0.003)	(0.003)	(0.003)	(0.003)	(0.01)	(0.01)	(0.01)	(0.01)
Gov. exp.			-0.04**	-0.04**	-0.05**	-0.05**	-0.06*	-0.05**	-0.05**
			(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
GDP-cap.				0.0004**	0.0004**	0.001	0.001	0.001	0.001
				(0.0002)	(0.0002)	(0.001)	(0.001)	(0.001)	(0.001)
Inf.					-0.33*	-0.35*	-0.36*	-0.37*	-0.37*
					(0.11)	(0.12)	(0.12)	(0.13)	(0.13)
Corr. Cont.						0.92**	0.93**	0.94**	0.94**
						(0.45)	(0.45)	(0.45)	(0.44)
Law							1.03	0.99	0.95
							(0.88)	(0.84)	(0.82)
Fisc. Def.								-0.04	-0.05***
								(0.03)	(0.03)
Fin. Dep.									-0.07
									(0.82)
I. GDP-cap									-0.01***
									(0.006)
R-squared	0.04	0.05	0.06	0.13	0.17	0.19	0.21	0.22	0.24
Observations	1366	1366	1366	1366	1199	826	825	816	813
F-Test	10.46	10.95	9.91	8.97	10.21	9.77	8.85	8.01	7.13

All panel regressions include a country fixed effect and year dummies. Time F-test gives the p-value for the joint significance of year dummies. Robust standard errors are reported in parentheses. *, **, *** denote 1, 5 and 10% confidence levels, respectively. In all regressions a constant is also included but not reported.

Table A4: Growth and Informality: IV Estimations

Gr.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
IS	0.71*	0.73*	0.74*	0.75*	0.74*	0.75*	0.74*	0.74*	0.74*
	(0.18)	(0.19)	(0.20)	(0.19)	(0.22)	(0.23)	(0.24)	(0.24)	(0.20)
IS ²	-0.68*	-0.65*	-0.64*	-0.65*	-0.67*	-0.68*	-0.69*	-0.70*	-0.71*
	(0.23)	(0.23)	(0.23)	(0.23)	(0.26)	(0.26)	(0.26)	(0.27)	(0.27)
Open		-0.01	-0.01	-0.01	0.01	0.02	0.03	0.03	0.05***
		(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.03)	(0.04)	(0.03)
Gov. exp.			-0.07	-0.06	0.07	-0.07	-0.05	-0.02	-0.01
			(0.07)	(0.07)	(0.06)	(0.07)	(0.06)	(0.05)	(0.02)
GDP-cap.				0.002	0.002	0.0002	0.0002	0.0003	0.0003
				(0.002)	(0.002)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
Inf.					-0.22**	-0.28*	-0.25**	-0.24**	-0.19***
					(0.11)	(0.11)	(0.12)	(0.12)	(0.11)
Corr. Cont.						0.70	0.69	0.71	0.65
						(0.57)	(0.57)	(0.52)	(0.55)
Law							0.29	0.32	0.34
							(0.65)	(0.66)	(0.66)
Fisc. Def.								-0.05	-0.04
								(0.04)	(0.05)
Fin. Dep.									-0.54
									(0.92)
R-squared	0.33	0.35	0.36	0.38	0.38	0.37	0.35	0.36	0.37
Observations	1240	1240	1240	1240	1101	801	798	769	699
Hansen J-Test	0.33	0.32	0.28	0.38	0.36	0.39	0.35	0.38	0.21

All panel regressions include a country fixed effect and year dummies. Time F-test gives the p-value for the joint significance of year dummies. Robust standard errors are reported in parentheses. *, **, *** denote 1, 5 and 10% confidence levels, respectively. In all regressions a constant is also included but not reported.