

Table 4: Contribution of Investment to Growth (PCSE)

	Dependent Variable: INVTOGR (Investment - contribution to growth of GDP, %)							
INVTOGR t-1	-0.1067** (0.0439)	-0.1263*** (0.0425)	-0.1070** (0.0440)	-0.1264*** (0.0425)	-0.1223*** (0.0432)	-0.1413*** (0.0418)	-0.1313*** (0.0428)	-0.1503*** (0.0417)
Invest (%)	0.4103*** (0.0401)	0.4613*** (0.0431)	0.4119*** (0.0409)	0.4620*** (0.0433)	0.4005*** (0.0387)	0.4541*** (0.0417)	0.4037*** (0.0394)	0.4496*** (0.0418)
GDP per capita (US\$ 1,000)	0.2936* (0.1614)	0.3314** (0.1618)	0.3042* (0.1628)	0.3356** (0.1620)	0.3179** (0.1608)	0.4097** (0.1614)	0.3549** (0.1591)	0.4483*** (0.1585)
Ln GDP	-3.1281*** (0.8385)	-4.5235*** (1.4554)	-3.1158*** (0.8600)	-4.4993*** (1.4533)	-2.8716*** (0.8026)	-4.8741*** (1.4248)	-3.3250*** (0.8077)	-5.0270*** (1.4240)
Parcomp	0.4032** (0.1979)	0.1836 (0.1942)						
Regime			0.0675* (0.0374)	0.0318 (0.0377)				
Free					0.6714 (0.4397)	0.4932 (0.4099)		
ID							0.0432* (0.0235)	0.0133 (0.0230)
Constant	-11.051*** (3.1668)	-10.909*** (3.4473)	-9.996*** (3.0682)	-10.456*** (3.3384)	-10.467*** (3.0318)	-6.738* (3.4598)	-10.677*** (2.9927)	-9.4582*** (3.0622)
Observations	1053	1053	1053	1053	1092	1092	1085	1085
Groups	60	60	60	60	60	60	60	60
R-square	0.2003	0.2651	0.2000	0.2651	0.1968	0.2607	0.2022	0.2633
Country/Year Dummies	Yes/No	Yes/Yes	Yes/No	Yes/Yes	Yes/No	Yes/Yes	Yes/No	Yes/Yes

Standard errors in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%

Years: 1972-1992

Countries: Argentina, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Burundi, Cameroon, Chile, China, Colombia, Congo, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Ghana, Greece, Guatemala, Guinea, Haiti, Honduras, Hungary, India, Indonesia, Iran, Jamaica, Japan, Malaysia, Mali, Mauritania, Mexico, Morocco, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Rwanda, Senegal, Sierra Leone, Sri Lanka, South Korea, Syria, Thailand, Togo, Tunisia, Turkey, United States, Uruguay, Venezuela, Zaire, Zimbabwe.

Descriptive Statistics;

Variable	Units	Obs	Mean	Std. Dev.	Min	Max
Invtoqr	%	1276	0.89	4.82	-26.50	31.10
Invest	%	1233	21.84	7.47	3.20	59.70
Real GDP	Constant US\$ Billions	1206	0.24	0.74	0.00	6.61
Capita GDP	Constant US\$ 1,000	1206	4.07	3.84	0.57	26.46
Population	Million	1206	58.15	165.13	1.25	1164.95
Parcomp		1276	2.34	1.38	1	5
Regime		1276	-1.40	7.06	-10	10
ID		1268	7.06	9.45	0	40.48
Free		1218	0.26	0.44	0	1