

Appendix for Chapter 2:

Table 1.A Data Definitions and Sources

Financial Pressures	
<i>Under IMF</i>	Dummy that indicates whether country was under an IMF agreement in that year (including Standby Arrangements, Extended Fund Facility Arrangements, Structural Adjustment Facility Arrangements, and Enhanced Structural Adjustment Facility Arrangements (renamed Poverty Reduction and Growth Facility Arrangements)). Data provided by James Vreeland.
<i>World Bank Loan</i>	Dummy that indicates whether there was a loan from the World Bank in place in that year. Data provided by Lixin Colin Xu.
<i>Debt</i>	Total debt service (% of exports of goods and services). From World Development Indicators.
<i>Fiscal position</i>	Deficit as % of GDP. From International Monetary Fund.
Technological Pressures	
<i>Electricity Consumption</i>	Electric power consumption in kwh, per capita. From World Development Indicators.
<i>Tele Density</i>	Telephone mainlines per 1000 inhabitants. From World Development Indicators.
<i>GDP per capita</i>	Gross Domestic Product per capita (constant 1995 US\$). From World Development Indicators.
<i>Growth</i>	Growth in the Gross Domestic Product (annual %). From World Development Indicators.
Executive Capacity	
<i>Political Constraints</i>	Index constructed by W.J. Henisz, based on “the number of independent veto points over policy outcomes and the distribution of preferences of the actors that inhabit them.” See Henisz (2002) for more details.
<i>Single Party Majority</i>	Dummy that takes the value 1 when the government is occupied by a single party and this party holds a majority (50% +1) of seats in the legislature (Lower Chamber where the legislature is bicameral), and 0 otherwise. Party shares were obtained mainly from observatorioelectoral.org and the Political Database of the Americas. Country-specific sources (such as electoral institutes) were used when the data was not available in these sites.

<i>Distance</i>	To code ideology, we give each political party a score on a 5-point scale, where 1 is Left and 5 is Right. The scores are based on party positions from Coppedge (1997) for Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru, Uruguay and Venezuela. Party positions for remaining countries (Guatemala, El Salvador, Dominican Republic, Honduras, Nicaragua, Paraguay, and Panama) and for parties not included in Coppedge were constructed based on consultations with country experts (Dinorah Azpuru, Orlando Perez, Michael Coppedge, Andrew Schrank, Ricardo Cordova, Miguel Carter, Jonathan Hartlyn, David Roll, Ana Maria Bejarano). We code personalistic parties with no clear ideology as missing, as well as parties coded in Coppedge as <i>unknown</i> , and <i>other</i> . We then calculate the average ideology of the government by averaging the scores for all parties in the government and weighting them by the parties' size. We do the same thing to calculate the ideology of the median legislator. Ideological distance was then calculated taking the absolute distance between the government's ideology and the median legislator's ideology.
Political Competition	
<i>Legislative Advantage</i>	Difference in seats between the party in government (or parties if the government was a coalition) and the largest opposition party as a proportion of the total number of seats in the legislature (Lower Chamber where the legislature is bicameral). (See <i>Single Party Majority</i> for sources for party shares)
<i>Polarization</i>	Dummy that takes the value 1 when the ideological distance between the government and the main challenger is larger than the mean distance for the entire sample (see <i>Distance</i> for details on how we measure ideology).
<i>Left Opposition</i>	Dummy that takes the value 1 if the opposition is to the ideological left of the government (see <i>Distance</i> for details on how we measured ideology).
Ideology of Incumbent	
<i>Right Incumbent</i>	Dummy variable that takes the value 1 when the ideology of the incumbent's party is 4 or 5 (on the 1-5 ideology scale; see <i>Distance</i> for details), and 0 otherwise.
<i>Center Incumbent</i>	Dummy variable that takes the value 1 when the ideology of the incumbent's party is 3 (on the 1-5 ideology scale; see <i>Distance</i> for details), and 0 otherwise.
<i>Left Incumbent</i>	Dummy variable that takes the value 1 when the ideology of the incumbent's party is 1 or 2 (on the 1-5 ideology scale; see <i>Distance</i> for details), and 0 otherwise.
<i>Right Inc * Left Opp</i>	Interaction between <i>Right Incumbent</i> and <i>Left Opposition</i> . Takes the value 1 when the president's party is right wing and its main opposition stands to its left.

Controls	
<i>Effective Num. of Parties</i>	Effective number of parties taken mainly from Jorge Schiavon, <i>Effective Number of Parties Database of Latin America</i> , http://www.cide.edu/investigadores/jorge_schiavon/parties.html .
<i>Government Share</i>	Share of legislative seats held by the government (including all members of the coalition where appropriate). See above for sources for party shares.

Table 2.A: Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
under IMF	288	0.594	0.492	0	1
WB loan telecom	253	0.241	0.429	0	1
lagged debt service	288	26.644	16.970	0.284	152.270
teledensity	288	75.781	54.273	10.966	278.436
electricity consump	288	922.432	615.832	181.959	2567.766
lagged growth	288	3.179	3.976	-13.380	12.822
lagged fiscal position	267	-2.629	3.872	-26.536	5.661
lagged gdpcap	288	2672.128	1747.487	407.707	8685.504
right incumbent	288	0.549	0.498	0	1
center incumbent	288	0.226	0.419	0	1
left incumbent	288	0.226	0.419	0	1
political constraints	288	0.504	0.218	0	0.890
single party maj	288	0.333	0.472	0	1
distance	265	0.710	0.548	0.011	2.535
govt share of seats	275	0.494	0.153	0	1
effect. numb. of parties	284	3.357	1.505	1.800	8.684
polarized challenger	266	0.511	0.501	0	1
legislative advantage	275	0.195	0.212	-0.348	0.985
challenger to the left	269	0.416	0.494	0	1