Table A5. Regression of central government expenditure/GDP ratios on openness and other variables.

| | Regression Coefficients | | | | Regression Coefficients | |
| | Total Central Government Expenditure | | | | Modern State Functions | |
Independent variable	1990	1990	1997	1997	1997	1997
Constant	2.962 **	2.157 **	3.430 **	2.603 **	3.572 **	2.149 **
	[0.99]	[0.36]	[0.75]	[0.38]	[0.87]	[0.60]
Income	0.129	0.150 **	0.081	0.104 *	0.107	0.117
	[0.10]	[0.04]	[0.06]	[0.04]	[0.07]	[0.06]
Open	0.133	0.207 **	0.119	0.179 **	0.175 *	0.291 **
	[0.10]	[0.08]	[0.08]	[0.06]	[0.07]	[0.06]
Population	-0.025		-0.030		-0.087	
	[0.04]		[0.04]		[0.05]	
Area	-0.016		-0.010		0.002	
	[0.03]		[0.03]		[0.04]	
Transition	0.391 **	0.456 **	0.049		0.064	
	[0.14]	[0.08]	[0.12]		[0.15]	
Africa	-0.029		-0.097		-0.363	-0.360 *
	[0.24]		[0.16]		[0.20]	[0.16]
Asia	-0.545 **	-0.452 **	-0.475 **	-0.438 **	-0.438 **	-0.432 **
	[0.16]	[0.11]	[0.12]	[0.11]	[0.15]	[0.14]
LatinAmerica	-0.182		-0.302 *	-0.276 **	-0.420 **	-0.472 **
	[0.22]		[0.14]	[0.10]	[0.15]	[0.13]
R-squared	0.504	0.474	0.437	0.416	0.573	0.529
No. of observations	81	81	81	81	67	67

**Significant at the 1 percent level.
 *Significant at the 5 percent level.
Note: Numbers in brackets are heteroscedasticity-consistent standard errors. Estimation is by OLS.
     Except for the dummies, all variables enter regressions in logs, so the estimated coefficients are elasticities.