National Leadership and Political Capacity¹

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Abstract: Despite the general assumption that leaders are the most important actors in politics, little work has been done to objectively and systematically evaluate their actual performance. This paper provides a scientific assessment of the impact of political leadership by connecting leadership quality to political performance, and identifying the conditions under which leadership matters. Using a fixed effects model for 123 countries and 1045 political leaders for the period between 1960 and 2004, the preliminary results show that leaders do matter. Countries experience persistent changes in Relative Political Capacity patterns across leadership transitions. The effect of leaders is the strongest in autocratic regimes, but the results are also robust in other regime types. Political institutions constrain the power of individual leaders, decrease the volatility, and prevent unexpected crests and crashes caused by extreme leaders.

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I - Introduction

National leaders are often assumed to be the most important actors in political and economic performance, institutional coordination, and policy making. They are the first to be praised in good times and to be criticized in bad times. In almost any country in the world, the general public, as well as academic society, spend a significant amount of time and resources debating and analyzing whether the leader of the country is successful or not. Despite the fact that the discussion on the importance of leaders goes back as far as to Ancient Greece, little work has been done to objectively and systematically evaluate the performance of leaders. Moreover, although national leaders usually change frequently, consecutive leaders often show different characteristics, and the impact of leaders on outcomes is assumed to be important, national leaders are hardly ever included in scholarly work to explain the variations in relevant phenomena.

Countries have different levels of political capacity just like their leaders demonstrate different levels of performance. Some countries are more capable than others in reaching and extracting resources from their populations, allocating these resources effectively, and generating and implementing solutions when they face a domestic or international challenge. The level of political capacity of countries also changes, sometimes dramatically, in a short period and over time.

This paper endeavors to investigate the role of national leaders concerning changes in political capacity by connecting leadership quality to political performance. Thus, it tries to answer the general question: do national leaders matter for political capacity? When answering this question, it should not be forgotten that the rule of leaders are constrained by many factors

and institutions, even in the most autocratic regimes. Hence, this paper more specifically attempts to identify the conditions under which leaders matter. I expect that national leaders matter most when there are less veto players in the country and autocracies, since the absence of any institutions or opposing parties to restrain the leaders' decisions will enable the leader to impose their dictates more directly, and in anocracies ², where political, economic and institutional instability is higher.

The paper will proceed as follows. In the next section I briefly discuss the existing literature and views on the role of national leaders. Section III discusses the available measures of political capacity and describe in detail relative political capacity (RPC), which is used as the main measure of this paper. Section IV puts forward the theory and main arguments of this paper. Section V presents the data and empirical methodology, followed by the main results in section VI. Section VII discusses the possible implications of the findings and concludes.

II - Different Views on the Importance of Leaders

The idea of leadership as a crucial element for the determination of outcomes is a very old one, dating back to the Greek philosophers³. According to more current literature, we can generalize the main viewpoints on leadership into three major categories: negligible leadership, constrained leadership, and the great man view.

The first, negligible leadership, argues that leadership is more of a symbolic position without any real effect. It is the social and economic forces that really matter. Leaders might

² An anocracy can be defined as a transitional regime that is partly democracy partly autocracy.

³ For example Plato (1979), in his famous *The Republic*, wrote a lengthy and distinctive description for the characteristics of the ideal ruler, and how she should be selected and trained.

have small policy choices, but historical path of events determine the set of choices (Marx, 1852). Consistent with this view, Abraham Lincoln has made an assessment of his presidency in a letter he has written to Albert G. Hodges, "I claim not to have controlled events, but confess plainly that events have controlled me" (Basler, 1953).

On the other extreme is the "great man" view. This view is more prominent among historians, and maintains that leaders are the key for the determination of the outcomes. This view is promoted earlier by Carlyle (1837, 1859), and later by Woods (1913), both arguing that most events in history can be explained by the influence of leaders. In line with them, John Keegan (1998) made a very clear explanation of this view with his statement "the political history of the 20th century can be written as the biographies of six men: Lenin, Stalin, Hitler, Mao Zedong, Franklin Roosevelt and Winston Churchill".

Despite the existence of these extreme views, majority of the recent studies, especially in political science and economic literatures, cluster around the constrained leadership view. This view advocates that some leaders are important in affecting outcomes, but institutions and historical structure matter too, constraining leaders. This view is parallel to Max Weber's charismatic authority, since he argues that characteristics of leaders might be important in some cases, but social norms, institutions and history interact with the leader and impact each other (Weber, 1947). This view is later formalized by economists and political scientists. For example, Downs (1957) suggested elections as a constraint on politicians, forcing them to align their policy preferences with median voter's preferences. Tsebelis (2002) showed that existence of veto players limit the action spaces of leaders and reduce government abilities to change existing policies. Thus, according to this line of thought, the capacity of leaders to influence outcomes depends on the institutional context.

The majority of existing leadership literature in political science is based on management, organizational studies, psychology, sociology and anthropology, and focused on characteristics for being selected as the leader (King, 2002), specific traits of an "effective" leader (Humphreys et al. 2006; Dewan & Myatt, 2008), the ideal duties of leaders (Rotberg, 2012), and determinants of leader survival (Bueno de Mesquita et al. 2003; Chiozza & Goemans, 2011; Albertus & Menaldo, 2012)⁴. However, attempts to objectively measure the quality of leadership are rare. The most successful example of such an effort comes from economics literature. Comparing the growth rates of countries before and after leadership changes, and using unexpected leader deaths as a way to control for endogeneity, Jones and Olken (2005) show that leaders have a significant impact on economic growth.

III - Measures of Political Performance

Finding an objective measure of political capacity has been a popular idea in political science. One of the main inspirations in the search for an objective measure of political capacity is the economic concept of gross domestic product (GDP). Although often criticized for being inaccurate or incomplete, GDP has been used as a standard measure to assess the economic performance of nations, enabling economists to compare the wealth level of countries. Having such a consistent and standard index in political science would enable scholars and policy makers to shed light on many problems regarding the relationship between political capacity and economic performance, domestic and international conflict, political stability and demographic changes. This measure should represent "the extent to which the governmental agents control

⁴ For a detailed review for recent literature on leadership in political science, see Moller and Shierenbeck (2009) and Ahlquist and Levi (2011).

resources, activities and populations within the government's territory" (Tilly, 2003). This measure should be similar to the concept of GDP in a way that it should be parsimonious, robust and available over time. It should not be reflective of economic success, regime characteristics, or political values of governments (Kugler & Tammen, 2012). Such a measure should enable us to say country X is politically more effective, thus more capable of achieving desired policy outcomes, than country Y, and vice versa.

Scholars were aware of the importance of political capacity, but they often used proxy variables rather than variables that are directly attempting to capture political capacity. These proxies included GDP per capita (Fearon & Laitin, 2003), income tax as a share of GDP (Lieberman, 2002), ratio of paved roads to total road network (Arjona & Kalyvas, 2009; La Calle & Sanchez-Cuenca, 2011), and telephone lines per 100 people (Mann, 1984). These measures might be appropriate to use as a control when political capacity is not amongst the main issues the research is trying to explain, depending on specific contexts. However, they are too parsimonious for more detailed research that is directly related to political capacity, possibly failing to capture some crucial aspects.

Scholars also use variables that directly attempt to capture political performance. One of the most widely used measures of political performance is the Worldwide Governance Indicators (WGI) by World Bank. This is an index which brings together regulatory quality, voice and accountability, control of corruption, rule of law, government effectiveness, and political stability. This measure is a continuation of World Bank's view that "governance is the manner in which power is exercised in the management of a country's economic and social resources for the development (World Bank, 1992). The main problem with this index is that it is a measure of "good governance" rather than effective governance. It has a heavy bias towards democracy.

However, being democratic does not guarantee high political capacity in reality. "An effective political system need not be free, democratic, representative or participatory" (Organski & Kugler, 1980). Moreover, WGI data is only available until 1996, which reduces its capacity to make long term analyses.

Another widely used measure of political performance is Relative Political Capacity (RPC). It is developed by Organski and Kugler (1980) with the argument that the ability of a government to extract resources and mobilize its population represents a critical component in the ability to effectively wage war as well as in pursuing policy preferences. RPC is calculated by the ratio of actual revenue extractions to the predicted revenue extractions. Predicted revenues are calculated by a regression which tries to capture the extraction potential of states⁵. RPC can explain a lot of phenomena including initiation and termination of domestic and international conflicts, demographic change, foreign direct investment, education and public health levels, among others (Tammen and Kugler, 2012). It is also independent of GDP and GDP per capita levels, and is available for almost all countries from 1960 on.

The biggest shortcoming of RPC is that it is a relative, not an absolute, measure. Even though this relative nature enables us to use it as an interaction term with other variables to better allow us to compare countries, higher values of RPC are not necessarily better, since over-extraction may have performance-inhibiting impacts. In spite of this limitation, RPC's regime type independent and parsimonious nature as well as its long term availability makes it the ideal measure to analyze the effects of national leaders on political capacity. Unfortunately, the relative nature of RPC prevents us from making assessments about the direction of the change in RPC, because increasing RPC might increase or decrease effectiveness depending on its initial

⁵ A more detailed explanation on the calculation of RPC is presented in the appendix.

levels and the context. Thus, the main dependent variable of this paper is going to be the absolute value of change in RPC.

Although RPC research has been going on for over 30 years, there is no published work that systematically analyzes the change in RPC to my knowledge. That, along with the lack of systematic research of leadership in political science, are the main concerns of this paper, which aims to provide explanations to previously unanswered questions with a novel research design, fill the gaps in our knowledge, and improve our understanding in leadership and political capacity. A better depiction of these issues contributes to building a more unified theory for political development literature.

IV - Theory

An analysis of RPC data reveals that RPC values often show high variance and demonstrate dramatic reversals within countries over time. This paper endeavors to investigate the role of national leaders on explaining the change in political capacity. Figure 1 clearly demonstrates the main argument of this paper. The RPC of Mozambique increased significantly from 0.5 to 1.3 under Samora Machel's totalitarian rule. However, when Machel died in a plane accident, Joachim Chissano took the lead and introduced reforms to liberalize the economy, and as a, the result trend of RPC showed a dramatic reversal.

[Figure 1 about here]

As discussed above, national leaders usually change frequently. Leaders in democratic countries change through regular elections, leaders in autocratic countries change regularly

through succession or irregularly through coups and military interventions. Furthermore, each leader has unique qualities and preferences on policies and their way of ruling. Consequently, changes in leadership are expected to have an impact on changes in political capacity. Changes in RPC levels should be higher after a change in national leadership. Thus, the first hypothesis of the paper is:

<u>H1</u>: New leaders have a significant impact on RPC levels.

In addition to an aggregate analysis of the cases, this paper tries to detect the conditions under which leaders matter the most. To examine the particular contexts that leaders can affect political capacity, we should look for the right settings and institutions that may potentially limit leaders' ability to influence the outcomes. One obvious candidate for such a case is countries with few veto players. According to the definition, a veto player is an individual or an institution whose agreement is required for a policy change (Tsebelis, 2002). Fewer veto players mean more policy independence for leaders, making it easier to change the policies and implement new rules whereas higher number of veto players will increase the probability of a stalemate in status quo. The highest change would be expected when the national leader is the only veto player, thus the absolute ruler of the country. As a consequence, the second hypothesis is:

<u>H2</u>: The effect of new leaders will be less significant in countries that have more veto players.

Most of the countries that constitute the sample of H2 are autocracies. As a matter of fact, it is reasonable to expect higher effects from leaders when they are assigned with more power. In this regard, and consistent with the great man view, the third hypothesis is:

<u>H3</u>: The effect of new leaders will be the highest in autocratic regimes.

Interestingly, autocracies are shown to be the most stable regimes, even more stable than democracies, whereas anocracies are the most unstable regimes (Goldstone et al. 2005). This instability is associated with weak institutional structure of anocracies (Fearon and Laitin, 2003). Weak institutional structure is likely to increase the importance of leadership and enhance the effect of new leaders, in line with constrained leadership view.

<u>H4</u>: The effect of new leaders will be more significant in anocracies compared to democracies and autocracies.

V – Data and Empirical Methodology

Data

Based on availability, data has been collected for 123 countries and 1045 leaders for the period between 1960 and 2004.

<u>RPC</u>. Data for Relative Political Capacity is taken from Tammen and Kugler (2012). As described above, the dependent variable (*AbsRPC*) is the absolute value of the change in RPC to capture the effect of the changes new leaders bring.

<u>Leadership</u>. Data related to leadership is taken from the Archigos dataset version 2.9 (Goemans et al, 2009). For the main explanatory variable (New_1), years a new leader took office are coded 1 and other years are coded 0. To control for possible longer term effects of leaders, other variables (New_2 and New_3) are created, examining the first two and three years of leaders' rule. The coefficients for these variables are expected to be positive. Cases where frequent

leadership changes caused conflicts in coding of consecutive leaders are unavoidable, especially when examining longer term effects. These cases are dropped from the sample.

<u>Democracy</u>. Polity IV (Marshall et al, 2010) is used as the main measure of democracy levels of countries. This index ranges between -10 and 10, with higher values representing higher democracy levels. I added 11 points to the Polity index so as to create the *Democracy* variable, which ranges from 1(most autocratic) to 21 (most democratic). Coefficient for *Democracy* is expected to be negative, since leaders are expected to matter more in more authoritarian regimes. Given the theoretical interests of this paper, I would like to be able to compare the possible differences of the impact of leaders in different regime types. Thus, regime type is further categorized into three: autocracies, which are countries that score from 1 to 6; anocracies, which are countries that score from 7 to 16; and democracies, which are countries that score from 17 to 21. For the whole period, 43.9% are autocracies, 18.2% are anocracies, and 37.9% are democracies. The impact of new leaders is expected to be the highest in autocracies, followed by anocracies, and lowest in democracies.

<u>Veto Players</u>. To account for the effect of veto players, Polcon3, which is developed by Henisz (2000, 2002) and measures the political constraints on the executive, is used. Henisz's measure is an index that ranges between 0 and 1 based on the number of branches of government that are not controlled by the executive, whether these branches are controlled by a party other than that of the executive, and the degree of preference homogeneity among these veto players, low values representing less restrictions on the executive. A dummy variable, *Polcon*, is created that takes the value 0 if the corresponding assessment is 0 in Polcon3, which represents no constraints on the executive, and 1 otherwise. Among all cases, 47.7% are 0s and 52.3% are 1s. *Polcon* is going to be interacted with *New_I* to best represent the impact of veto players. The interaction term,

NewPolcon, is expected to be negative since higher constraints are expected to lower the effect of new leaders.

Controls. Variables that are frequently used in research related to RPC and leadership are included to extract more consistent information and control for their potential effects. Entry and exit types (EntryType and ExitType) of leaders, coded 0 for irregular and 1 for regular changes, are taken from the Archigos dataset. Leaders that are still in office are dropped from the sample in this regard, considering their exit types cannot be controlled for. Furthermore, duration of their rule (Duration) and the number of terms they served in office (TermsInOffice) are included⁶. The original RPC values of countries are included (RPC), with the concern that bringing high changes to higher RPC values will be relatively easier compared to bringing high changes to lower RPC values. The variable that looks at the constraints on executive from Polity IV (XConst), which stretches between 1 (unlimited authority) and 7 (executive parity) is incorporated to indirectly control for the constraints on the executive⁷. Controls for economic and demographic conditions, including log values of GDP per capita (*LnGDPpc*) and population (LnPopulation) from Maddison (2008), and government spending as a percentage of GDP (GovtSpend) from Penn World Table version 7.0 (Heston et al, 2011), and a control for conflict (War) from the Correlates of War project (Sarkees and Wayman, 2010), which takes the value 1

⁶ In addition to these, some other variables, such as gender and age, from Archigos dataset are used as controls to investigate the effects of different characteristics of leaders, but they are not used in final regressions since they seemed to be ineffective.

⁷ Inclusion of this variable together with *Democracy* does not cause any multicollinearity problems since the correlation between these two variables is only 0.16. On the other hand, it would be problematic to use *Democracy* and *Polcon* together, since their correlation is over 0.80.

if a country is involved in an interstate or intrastate conflict in a given year, and 0 otherwise is added to the regressions⁸.

Empirical Methodology

Considering the structure of the dataset, I rely on country fixed effects regression model to empirically test the hypotheses. The fixed effects model enables us to control for the unobserved heterogeneity, thus capturing the dynamics and characteristics that are country specific and not represented in the data⁹. The main regression that is going to be performed is:

$$|AbsRPC_{it}| = v_i + \theta \ell_{it} + \epsilon_{it}$$

$$H_0$$
: $\theta = 0$

where v_i is the country specific effect, ℓ_{it} is the effect of new leaders, and ϵ_{it} is the error term.

One problem with examining the relationship between the change in political capacity and change in leadership is the possible endogeneity. Changes in political capacity and changes in national leadership might be interrelated. New leaders can cause high changes in political capacity as much as high changes in political capacity can cause changes in leadership. Following the approach of Jones and Olken (2005), unexpected leader deaths is introduced as a natural experiment to control for this possible endogeneity. Thus, the effect of new leaders on changes in political capacity is tested with the whole dataset as well as with a restricted dataset that only includes unexpected leader deaths. Following Jones and Olken (2005), leaders that are assassinated or executed are taken out of the sample to make sure the unexpected death is

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⁸ Separate controls for interstate and intrastate conflicts were included, but they were insignificant. Also, aggregating them together did not change the results. Thus, they included together in the regressions.
⁹ The standard diagnostics are performed to determine the suitable model. Wooldridge test for serial correlation,

⁹ The standard diagnostics are performed to determine the suitable model. Wooldridge test for serial correlation, modified Wald test for group-wise heteroskedasticity, and Hausman tests revealed that using fixed effects is appropriate in this case. This method is very similar to panel corrected standard errors (PCSE) with country dummies, providing the same coefficients and similar standard errors.

independent from potential unstable conditions the country is experiencing. This leaves us with 54 leaders that died unexpectedly, whether from natural causes or accidents, during their service. For these cases 2, 3, and 5 years before and after the leaders' death is coded as 1, put in the regression with standard controls, and F-tests are performed to see whether RPC values before and after leaders' deaths are significantly different.

VI - Main Results

The result of the base regression is summarized in table 1. They suggest that new leaders have a positive and significant effect. Absolute value of change in RPC is 4.8 percentage points higher than normal around leadership changes, which supports the first hypothesis of this paper, that leaders matter. Democracy as an aggregate and constraints on leadership based on Polity measures have very small impacts, and are insignificant. However, these results do not necessarily mean that we can reject the 2nd, 3rd, and 4th hypotheses. A more detailed investigation is needed, and will be performed, for these hypotheses.

[Table 1 about here]

When we look at the control variables, we see that whereas entry type of leaders does not significantly influence the change in political capacity, leaders that regularly exit the office seem to demonstrate a higher initial impact. Leaders that serve longer in office have higher impacts, more specifically 0.2 percentage points for every extra year, and 3.4 percentage points for every extra term. As expected, change in political capacity is higher during war years. Finally, higher RPC and population growth rates, and government spending cause lower changes in political capacity.

[Table 2 about here]

Table 2 replaces *Polcon* and *NewPolcon* with *Democracy* and *XConst*. The results are more surprising this time. *New_I* is highly insignificant. *NewPolcon* is significant, but in the unexpected direction. Its coefficient suggests that new leaders have a higher effect on change in political capacity when there are more restrictions on them, which is the opposite of what veto player theory would expect, thus rejects the second hypothesis. The coefficients and significance levels of control variables are similar to that of table 1, except for *EntryType*, which is significant now, but was insignificant before. It appears that leaders that enter the office regularly have a lower initial impact, whereas leaders that leave the office regularly have a higher initial impact. This is unintuitive and raises doubts on the endogeneity issue.

[Table 3 about here]

I follow Jones and Olken (2005), and use unexpected leader deaths to control for endogeneity. Unexpected deaths are natural experiments that remove the potential endogeneity between change in political capacity and change in leadership. Jones and Olken (2005) also show that leaders that die unexpectedly in office show similar characteristics to other leaders, with the only difference that they are on average 8 years older. Considering age was always highly insignificant when it is introduced in the regressions, we can comfortably conclude that the deaths that constitute the focus of this section are "random" events which removes the potential endogeneity from the analysis.

To account for the potential shocks the country experienced with its leader's unexpected death, I inspected both short term and long term influences of leaders, that is, the effect of

leaders on political capacity 2, 3, and 5 years before and after leader's death ¹⁰. Then, I implemented F-tests to see whether the effects are significantly different. The results are significant, even in 1% levels, for all periods. This supports the first hypothesis again, that leaders have a significant impact on RPC levels.

Next, I will analyze the effect of leaders under different institutional structures, i.e. regime types. Table 4 shows the effect of leaders in autocratic (1), anocratic (2), and democratic (3) regimes. The effect of new leaders is significant in all regime types. The results support the third hypothesis, but they do not support the fourth hypothesis. The strongest effect of new leaders is in autocracies. A new leader increases the change in political capacity by 7.5 percentage points in autocracies. The effect is more significant in democracies, but it is only 3.8 percentage points. The smallest effect, 2.8 percentage points, is in anocracies.

[Table 4 about here]

The control variables show interesting results when we distinguish between different regime types. Whereas entry type is insignificant again for all regime types, exit type becomes more significant and shows a stronger impact as the regime becomes more authoritarian. Duration of rule and terms in office also seem to matter most in autocracies. Terms in office is significant in democracies with a coefficient of 0.017, suggesting that reelection and ability to maneuver is somewhat related. However, terms in office become highly significant with a coefficient of 0.22 in autocratic regimes. Constraints on the executive have a very small effect, but interestingly, it is only significant in anocratic regimes. Similarly, government spending is only significant in autocratic regimes, and it has a negative impact on the change in political

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¹⁰ The regression has the same controls with Table 1, however only the coefficients and standard errors for the prepost periods are reported due to space concerns.

capacity, inferring that autocratic rulers use government spending to preserve the status quo instead of bringing about changes. The effect of wars and log of population on political capacity is highest in autocratic regimes as well. All in all, RPC seems to be more sensitive to external factors in autocratic regimes, whereas it is more stable in democracies in general.

VI – Conclusions and Future Research

Relative Political Capacity changes, occasionally steeply, in a short period as well as over time. This paper considered national leadership as one possible force that influences this change, and endeavored to examine and bring a systematic analysis to the effect of new leaders on changes in political capacity. It showed that leaders are important for changes in political capacity. Countries experience persistent changes in RPC patterns across leadership transitions. The effect of leaders is the strongest in autocratic regimes, but the results are also robust in other regime types.

This supports Weber's charismatic leadership theory. Thus, leaders matter, but political institutions matter, too. However, neither leaders nor institutions have a deterministic effect on outcomes. The most important role of political institutions appears to be to constrain the power of individual leaders, to decrease the volatility, and to prevent unexpected crests and crashes.

This paper basically showed that leaders matter. Next step for this research would be to measure how much they actually matter. Moreover, the conditions under which they matter should be clarified and how much they matter under which condition should be quantified. Future directions for this research should also include finding an absolute measure of political capacity, and investigating the relationship between political capacity, economic development

and national leadership. These would enable us to maximize the leadership quality, which directly or indirectly influences everybody's life.

These findings are relevant to a number of fields in political science and economics, including comparative politics, institutions research, and political development. At the same time, it is tangential to a larger and more historical literature about leadership as a causative force, and how leaders shape policy outcomes. Considering the great man view on the one hand, and negligible leadership on the other, this paper concludes that leaders are not inconsequential.

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Appendix: Calculation of Relative Political Capacity

Calculation of RPC is a three step process based on tax effort:

1) Generate OLS estimates using the following functional specification:

$$\frac{Tax}{GDP} = \alpha + \beta_1(time) + \beta_2(\frac{Mining}{GDP}) + \beta_3(\frac{Agriculture}{GDP}) + \beta_4(\frac{Exports}{GDP}) + \beta_5(\frac{Crude\ Oil\ Production}{GDP}) + \beta_6(GDP\ per\ capita) + \beta_7(OECD\ Dummy) + \varepsilon$$

- 2) Obtain the predicted values from the model.
- 3) Calculate the RPC from the following ratio:

Relative Political Capacity =
$$\frac{Actual\ Extraction}{Predicted\ Extraction}$$

Tables and Figures

Figure 1

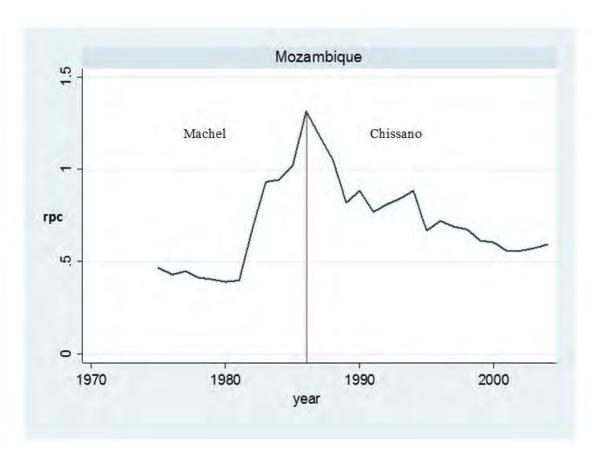


Table 1

VARIABLES	AbsRPC
New 1	0.0480***
_	(0.0174)
Democracy	-0.00135
,	(0.00182)
XConst	-0.000126
	(0.000472)
EntryType	-0.0263
3 31	(0.0225)
ExitType	0.0516***
	(0.0211)
Duration	0.00206*
	(0.00138)
TermsInOffice	0.0342**
	(0.0183)
GovtSpend	-0.00394*
_	(0.00257)
War	0.0362*
	(0.0229)
RPC	-0.0515***
	(0.0204)
LnGDPpc	0.0155
	(0.0229)
LnPopulation	-0.0491**
-	(0.0281)
Constant	0.511**
	(0.273)
Observations	4,399
R-squared	0.117

Standard errors in parentheses

*** p<0.01, one-tailed. ** p<0.05, one-tailed. * p<0.1, one-tailed.

Table 2

VARIABLES	AbsRPC
New_1	-0.00232
	(0.0268)
NewPolcon	0.0744***
	(0.0315)
Polcon	-0.00630
	(0.0255)
EntryType	-0.0400**
	(0.0227)
ExitType	0.0462**
	(0.0215)
Duration	0.00213*
	(0.00141)
TermsInOffice	0.0391**
	(0.0190)
GovtSpend	-0.00409*
	(0.00261)
War	0.0411**
	(0.0232)
RPC	-0.0621***
	(0.0212)
LnGDPpc	0.0184
	(0.0234)
LnPopulation	-0.0600**
	(0.0287)
Constant	0.599**
	(0.277)
Observations	4,260
R-squared	0.120
	!

Standard errors in parentheses

*** p<0.01, one-tailed. ** p<0.05, one-tailed. * p<0.1, one-tailed.

Pre_NaturalDeath2 - Post_NaturalDeath2 = 0	VARIABLES	(1) RPC	(2) RPC	(3) RPC
F(1, 4360) = 7.73 Prob > F = 0.0054	Pre_NaturalDeath2 Post_NaturalDeath2	-0.0939** (0.0469) 0.0628**		
O CHARACTER TOOL MONTH MATERIAL OF	Pre_NaturalDeath3	(0.0343)	-0.112***	
Fre natural Deaths = $\frac{10.73}{10.73}$	Post_NaturalDeath3		0.0435*	
Prob > F = 0.0011	Pre_NaturalDeath5		(0.0209)	-0.108***
	Post_NaturalDeath5			(0.0547) 0.0511** (0.0288)
<pre>Pre_NaturalDeath5 - Post_NaturalDeath5 = 0</pre>	Observations	4.488	4.488	4.488
F(1, 4360) = 14.61	R-squared	0.556	0.556	0.557

Standard errors in parentheses *** p<0.01, one-tailed. ** p<0.05, one-tailed. * p<0.1, one-tailed.

Table 3

	(1)	(2)	(3)
VARIABLES	AbsRPC(Aut)	AbsRPC(Ano)	AbsRPC(Dem)
			` ` ` ` ` `
New 1	0.0751**	0.0281**	0.0381***
_	(0.0429)	(0.0152)	(0.0153)
EntryType	-0.0232	-0.0190	0.0377
	(0.0439)	(0.0223)	(0.0490)
ExitType	0.128***	-0.0386**	0.0109
	(0.0456)	(0.0202)	(0.0250)
Duration	0.00535**	0.000361	0.00136
	(0.00292)	(0.00118)	(0.00211)
TermsInOffice	0.219***	0.0146	0.0178*
	(0.0670)	(0.0159)	(0.0138)
XConst	-0.000552	-0.000558***	-0.000950
	(0.00183)	(0.000236)	(0.00203)
GovtSpend	-0.0131**	-0.000652	0.00168
	(0.00602)	(0.00246)	(0.00222)
War	0.0746*	-0.0286*	0.0133
	(0.0487)	(0.0201)	(0.0239)
RPC	-0.0681**	0.0353*	-0.0272
	(0.0399)	(0.0245)	(0.0224)
LnGDPpc	0.0261	-0.0306	-0.00723
	(0.0488)	(0.0255)	(0.0292)
LnPopulation	-0.128**	-0.00142	-0.0116
	(0.0602)	(0.0286)	(0.0445)
Constant	1.129**	0.374*	0.245
	(0.609)	(0.285)	(0.347)
Observations	1,863	795	1,741
R-squared	0.124	0.227	0.173

Standard errors in parentheses

*** p<0.01, one-tailed. ** p<0.05, one-tailed. * p<0.1, one-tailed.