

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre

Fidrmuc, Jan; Doyle, Orla

#### **Working Paper**

Voice of the diaspora: An analysis of migrant voting behavior

ZEI Working Paper, No. B 02-2005

#### **Provided in Cooperation with:**

ZEI - Center for European Integration Studies, University of Bonn

Suggested Citation: Fidrmuc, Jan; Doyle, Orla (2005): Voice of the diaspora: An analysis of migrant voting behavior, ZEI Working Paper, No. B 02-2005, Rheinische Friedrich-Wilhelms-Universität Bonn, Zentrum für Europäische Integrationsforschung (ZEI), Bonn

This Version is available at: https://hdl.handle.net/10419/39603

#### Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

#### Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



## Zentrum für Europäische Integrationsforschung Center for European Integration Studies Rheinische Friedrich-Wilhelms-Universität Bonn



Jan Fidrmuc, Orla Doyle

Voice of the Diaspora: An Analysis of Migrant Voting Behavior

B 02 2005

# Voice of the Diaspora: An Analysis of Migrant Voting Behavior <sup>∇</sup>

## Jan Fidrmuc\* and Orla Doyle\*\*

#### March 2005

#### **Abstract**

This paper utilizes a unique dataset on votes cast by Czech and Polish migrants in recent national elections in their home countries. The political preferences of migrants as manifested by their voting behavior are strikingly different from those of their home-country counterparts. In addition, there are important differences in voting patterns across migrants living in different countries. We examine three explanations of migrant voting behavior: adaptive learning; economic self-selection; and political self-selection. Our results suggest that migrant voting behavior is affected by the institutional environment of the host countries, in particular the democratic tradition and the extent of economic freedom. There is little evidence that differences in migrants' political attitudes are caused by pre-migration self-selection with regard to political attitudes, or with regard to economic considerations. The results indicate that the political preferences of migrants change significantly in the wake of migration as migrants adapt to the norms and values prevailing in the host country. This change away from home could be the catalyst of a corresponding change at home.

<u>Keywords:</u> Voting, elections, migration, political resocialization, transition.

JEL Codes: J61, P26, P33, Z13.

<sup>&</sup>lt;sup>▽</sup> Prepared for the ZEI conference on "Advanced Perspectives on Migration and Mobility," Bonn, September 30-October 1, 2004. An earlier version of this paper was entitled "Voting from Abroad: Does Where You Live Affect How You Vote?" We are grateful to Paola Conconi, Simon Fan, Agata Górny, Bernd Hayo, Gebhard Kirchgässner, Roxana Radulescu, Oded Stark, and Janez Šusteršič as well as participants of seminars at ZEI, ECARES, Freie Universität Berlin, the European Public Choice Conference in Aarhus, and two anonymous commentators for many helpful comments and suggestions. We are indebted to Bartek Gurba for help in obtaining the Polish data. Orla Doyle is a Government of Ireland scholar funded by the Irish Research Council for the Humanities and Social Sciences.

<sup>\*</sup>Brunel Business School, Brunel University; ZEI, University of Bonn; CEPR, London; and WDI, University of Michigan. Contact information: Brunel Business School, Economics and Finance Section, Brunel University, Uxbridge, UB8 3PH, United Kingdom. Email: Jan.Fidrmuc@brunel.ac.be. Phone: +44-1895-266-528, Fax: +44-1895-203-384.

<sup>\*\*</sup> The Geary Institute, University College Dublin, Belfield, Dublin 2, Ireland Email: orla.doyle@ucd.ie.

#### 1. Introduction

The social and political assimilation of migrants is of considerable interest to political scientists and economists alike. Poor assimilation may engender a segmented and possibly polarized society, with migrant communities espousing political, cultural and religious values that may be very different from those prevailing in the host country. Political assimilation may also have an important impact on the migrants' country of origin, especially for countries with large diasporas communities. For example, migrant communities of Moslems in Europe, which largely succeeded in retaining their religious norms and political attitudes, are sometimes seen as providing refuge and breeding grounds for Moslem extremism. This, in turn, undermines the stability of both the host countries and their ancestral countries. On the other hand, returning immigrants from Western democracies to Central and Eastern Europe played a crucial role in facilitating the post-communist countries' transition from communism to democracy and overcoming the Soviet legacy, especially in the spheres of politics, the economy, education, and cultural life. The political attitudes which migrants espouse can thus have important bearings on political developments in the ancestral countries.

The existing literature has identified a number of channels through which the experience of migrating and living in a foreign country affects migrants' economic and

<sup>1</sup> Huntington (2004) presents a particularly gloomy and controversial assessment of the dangers posed by the growing Hispanic community in the US and their lack of assimilation.

<sup>&</sup>lt;sup>2</sup> This is especially the case in moderately democratic and/or secular countries such as Turkey, Morocco or Algeria.

This was particularly pronounced in, though not limited to, the Baltic countries: the current presidents of Latvia and Lithuania, Vaira Vike-Freiberga and Valdas Adamkus, respectively, are both former political refugees who spent most of their adult lives in emigration and only returned after the Baltic countries seceded from the Soviet Union. Émigré advisors played an important role in the design and execution of Czechoslovak and Polish reform programs: Jan Svejnar (United States) for the former and Stanislaw Wellisz (United States), Stanislaw Gomulka and Jacek Rostowski (both from the United Kingdom) for the latter. A naturalized US citizen, Muhamed Sacirbey, was instrumental in building support for Bosnia's independence during his term as Bosnia's ambassador to the UN in early 1990s. In 2000, the then Czech president Václav Havel designated Madeleine Albright (who was born in Czechoslovakia as Marie Korbelová) as his preferred successor (though the invitation was eventually declined). A somewhat unconventional example of a returning émigré is the current prime minister of Bulgaria – the former king Simeon II. In a celebrated example, the economic reforms in Chile under Pinochet were conceived and carried out by the "Chicago Boys": a group of Chicago-educated economists. Argentinean reform effort of early 1990s, similarly, was lead by US-educated economists: Domingo Cavallo (Harvard) and Roque Fernandez (Chicago). Finally, the diaspora played an important role in the recreation and defense of Israeli statehood: a notable example is that of Golda Meir, prime minister during the 1967 war, who was a naturalized American citizen.

social outcomes. Firstly, migrants build up their human capital stock by acquiring new languages and productive skills, participating in formal education in the host country, and becoming acquainted with new social and cultural norms.<sup>4</sup> Secondly, migrants typically accumulate savings, thus building up their stock of physical capital, which can then be used to aid self-employment in the destination country or to set up businesses, either by themselves or through relatives left behind in the country of origin.<sup>5</sup> Finally, migrants also acquire social capital through contacts with the host population, in addition to becoming part of a migrant network in the destination country.<sup>6</sup>

This paper considers another potentially important implication of migration that has to date been largely unexplored: the impact of migration on the migrants' political opinions and, especially, their voting behavior. Migration often entails moving to a different political system with diverse political standards, norms and traditions, and to a different economic system. Through exposure to local news, culture, formal schooling or through contacts with co-workers, neighbors and friends, migrants are confronted with fundamental norms and values that may be different from, or are even in outright conflict with, those prevailing in their home countries. Important examples of such differences include attitudes towards democracy and a market-oriented economic system and religious tolerance and secularism. This paper studies whether such exposure induces migrants to adopt the norms and values prevailing in their destination country. To this end, we utilize an original data set which, to the best of our knowledge, has not been previously used in studies of voting or migration: votes cast by citizens living abroad who participate in their home country's elections.

In addition to introducing the political dimension into the study of migration and its implications, this paper also sheds new light on the fundamental question in the voting literature: how do voters formulate their political opinions and attitudes? The political socialization literature disagrees as to whether one's political preferences are largely

<sup>&</sup>lt;sup>4</sup> Friedberg (2000), Chiswick and Miller (2004) and Hartog and Winkelmann (2004) analyze migrants' labor-market return to skills brought from the home country and adopted in the host country.

<sup>&</sup>lt;sup>5</sup> See Stark (1991) Chapters 26-28, and Lofstrom (2004).

<sup>&</sup>lt;sup>6</sup> Rauch and Trindade (2002) find that ethnic Chinese networks increase bilateral trade flows among South-east Asian countries by as much as 60%.

<sup>&</sup>lt;sup>7</sup> While the academic literature failed to explore this topic so far, a recent novel by the Czech émigré writer Milan Kundera depicts some of the political and cultural conflicts encountered by returning emigrants; see Kundera (2002).

determined in young age by family environment and upbringing, or whether they are continuously shaped and updated by changes in one's socio-economic characteristics and/or the social, political and institutional environment. Typically, empirical analyses of voting behavior, particularly in established democracies, take the external environment as given and stable over time. Even in countries undergoing radical political and economic transformations (such as the Central and East European countries), all voters are exposed to essentially the same process of change. It is therefore difficult to determine the extent to which one's external environment, and changes therein, influence voting decisions. This characterization, however, does not apply to migrants who are often subject to dramatic changes in their external environment. Furthermore, migrants living in different countries become exposed to different economic, political and social norms and values. The data used in this paper, therefore, are akin to a natural experiment, whereby we observe votes cast by migrants from the same country of origin who, at the time of the election in their home country, live in different foreign countries. By relating the migrants' voting behavior to the economic, political and institutional characteristics of the destination countries, we can make inferences about the nature of interactions between these characteristics and voters' political preferences.

The analysis is based on the most recent parliamentary elections in the Czech Republic (2002) and Poland (2001). These countries are particularly suited for such an analysis as they currently undergo transition from communism to democracy and from central planning to a market economy, which involves significant political, economic and institutional changes. Therefore, Czechs and Poles are already likely to be amenable to change, and the changes that they experience in the wake of migration are often substantial (certainly more so than the changes experienced by a migrant from a developed country moving to another developed country).

While the numbers of migrant voters are by no means small, their direct impact on political developments in their home countries is modest at best. The 3,742 Czechs and 26,211 Poles who voted abroad (in 85 and 90 countries, respectively) accounted for only 0.08% and 0.20% of the total number of votes in their respective countries. Yet, the most striking characteristics of the votes from abroad are that they differ dramatically from the votes cast at home, and, in addition, that they vary substantially across the host countries

and regions. In both countries, the national elections resulted in victories for left-wing parties, whereas the Czechs and Poles living abroad overwhelmingly voted for right-wing (and in the case of Poland also religious conservative) parties. The difference is driven mainly by votes cast by migrants in Western Europe, North America and Australia. In contrast, the voting preferences of Czech and Polish migrants in the former communist countries, the Middle East and North Africa, Latin America and, to a lesser extent Asia, do not differ overtly from those of the home-country electorates.

This paper considers three possible explanations for these differences. First, migrants may be subject to a selection bias (either due to self-selection or because of the destination countries' immigration policies) whereby the determinants of which country they emigrate to are correlated with the migrants' economic characteristics. Second, the choice of the destination country may similarly reflect the migrants' political preferences. Finally, migrants' political attitudes and preferences may be shaped by the institutional, political and economic environment and by the cultural norms prevailing in the host country. To assess the relative importance of these explanations, the shares of votes cast by migrant voters for each home political party are related to variables reflecting the host countries' level of economic development, recent economic performance, political institutions (such as the level of political and economic freedom and the nature of the political system in place) and social characteristics.

A fourth possible determinant of migrant voting behavior are the policies proposed by the various parties that directly affect migrants, such as citizenship issues, protection of their rights to property left behind in the home country, social security, or the treatment of their families. However, inasmuch as there is no discrimination based on migrants' host countries, this factor can help explain the difference between voting preferences of migrants and voters in the home countries, but not the variation across host countries.<sup>8</sup>

The following section compares the voting behavior of Czechs and Poles who voted in their home countries and those who voted from abroad, and describes the data used in the analysis. Section 3 outlines the main theoretical explanations of voting behavior, and

<sup>&</sup>lt;sup>8</sup> The main exception to this is the parties' stance on accession to the EU, as this may have a different effect on migrants living in the EU or other acceding countries, than on those living in countries that will remain outside the EU.

relates them to theories of migration. Section 4 describes the methodology, and Section 5 presents the results of analysis. A summary of the main findings is offered in Section 6.

### 2. Migrants' Voting Behavior

The legal framework regulating voting by nationals living abroad is similar in both the Czech Republic and Poland. Both countries require advance registration and allow voting only in person; hence, voting by postal ballot or by proxy is not possible. Those who permanently live abroad must register with the embassy or consulate in the country of their permanent residence. Those with permanent residence in the home country, on the other hand, can vote when abroad upon presenting a voter's card issued by the municipal council in their district of permanent residence. The Czech Republic only allows voting at embassies and consulates. Poland, in contrast, also established a number of polling stations in Polish clubs and émigré associations in countries with large migrant populations (for instance, there were eight polling stations in Chicago and four in New York City) and also within a few large overseas installations of Polish firms (including, for example, the Polish permanent research station in Antarctica).

Poland was generally more successful than the Czech Republic in persuading its citizens abroad to vote, with voters' abroad accounting for 0.20% of the electorate in Poland and 0.08% in the Czech Republic. While this may simply reflect the fact that Poles are more inclined to leave their country<sup>10</sup>, it is undoubtedly also due to the greater density of Polish polling stations (both because Poland, as a larger country, tends to have multiple consulates in larger countries and because voting was also possible at additional polling stations outside of embassies or consulates). In addition, Poland adopts a more liberal attitude to dual nationality than the Czech Republic, such that Poles who live permanently abroad and have acquired the host country's nationality are often able to remain Polish citizens.

<sup>&</sup>lt;sup>9</sup> We have no information on the number of votes cast by permanent residents in the host countries and short-term visitors; hence we cannot distinguish between migrants and tourists.

<sup>&</sup>lt;sup>10</sup> It is estimated that there are between 14 and 17 million Poles living outside Poland, with the largest Polonia (i.e. Polish emigrants) located in the United States, where approximately 9 million Poles reside (see www.wikipedia.org).

Overall, 3,742 Czechs and 26,211 Poles cast their votes in 85 and 90 different countries, respectively. Tables 1 and 2 report the main election results for both countries. The country with the largest number of Czech voters is Slovakia with 374 votes (not surprisingly given the common history) followed by the US (285), France (260), Italy (200) and Germany (196). The country with the largest number of Polish votes is the US with 7,061 votes, followed by Germany (2,872), Canada (1,641) and France (1,406). Quite surprisingly, relatively few votes were received from other former socialist countries. Russia, for example, only accounts for 96 Czech and 606 Polish votes, while 410 Polish votes were received from the Czech Republic and 70 from Czechs who voted in Poland.

The number of Czech and Polish migrants who participated in their home countries' national elections is by no means large. The OECD SOPEMI report gives information on the stock of migrants from the main origin countries living in the various member countries of OECD. While the numbers of Czech migrants are typically too small to warrant a separate entry, the information on the number of Polish migrants is available for several countries. Comparing these numbers with the number of migrant voters, the fraction of migrants who voted ranges from 0.9% in Germany to 9% in Belgium and 13% in Hungary. Clearly, there is a trade-off between the size of the country and migrants' electoral participation: many Polish migrants in Germany live far from the nearest embassy or consulate and the cost of voting is therefore too high (besides the embassy in Berlin, Poland has also consulates in Cologne, Hamburg, Leipzig, Munich and Stuttgart), unlike the typical Polish migrant in Hungary or Belgium.<sup>11</sup>

The number of migrants participating in the 2001 Polish national election appears low also when compared with other elections for which data from voting abroad are available: the 2000 presidential election which saw the participation of over 57 thousand Polish migrants, 0.32% of the total number of votes, and the 2003 referendum on Polish accession to the EU, with nearly 80 thousand valid votes cast abroad, accounting for 0.45% of all votes (the 2002 Czech election was the first, and so far the only, election that

Specifically, the available figures on voter participation among migrants (and the corresponding numbers of polling stations in the country) are the following: Germany 0.9% (6 polling stations), Czech Republic 2.4% (4 polling stations), Italy 2.9% (3 polling stations), Denmark 3.1% (1 polling station), Sweden 3.8% (3 polling stations), Belgium 9.1% (1 polling station), and Hungary 12.7% (1 polling station).

allowed voting at embassies and consulates abroad; in contrast to Poland, the Czech electoral law does not allow voting abroad in referenda).

The present-day Czech and Polish emigrant communities are the product of multiple emigration waves. Poland participated in the migration flow from Europe that took place throughout the 19<sup>th</sup> century (often referred to as The Great Emigration of 1831-1870). primarily to the New World countries. These migrants were mainly unskilled and uneducated economic emigrants, however a large number of them were also political emigrants who participated in the many revolutions which took place in Poland throughout the century. This migration wave laid the foundations for the large Polish diaspora communities in the United States (particularly in the Chicago area), France and elsewhere. The Czech Republic also participated in this migration but the flow was much smaller<sup>12</sup> and the reasons for emigrating were largely economic. Another large migration wave came with the German occupation of the two countries in the course of the Second World War. Nevertheless, many of these migrants returned home after the War. The communist takeover in 1947-48 lead to another major outflow of political refugees, which, although diminished, continued throughout the communist period. The last major wave of Czech migration came with the Soviet occupation in 1968 and the subsequent repression<sup>13</sup>. Poland experienced a similar outflow of political refugees during the early 1980s in the wake of the crushing of the Solidarity movement and the proclamation of the state of emergency. During the 1990s, the worsening economic conditions in Poland precipitated an increase in migration prompted primarily by economic motives. Finally, after the end of the communist regime, the lifting of travel restrictions allowed further economic migration from both countries.

The motives for migration thus changed considerably over time. Migrants from the earlier emigration waves are less likely to appear in our data, as many have died or relinquished the nationality of the home country. This is particularly likely for the Czech Republic which does not permit dual nationality; Poland, on the other hand, is more liberal on this front. The majority of the Czech voters from abroad are likely to be

<sup>&</sup>lt;sup>12</sup> The 1870 US census, stated 40, 289 Czech emigrants were in the United States, however its

believed that the number was far greater as many declared Austria to be their home country (Miller, 1978).

Approximately 150,000 Czechs and Slovaks fled to the West after Prague Spring (see http://archiv.radio.cz/history/history14.html)

migrants who left their country in the late part of the communist period and after the demise of communism. The Polish data set, in contrast, may also include some of the earlier migrants or their descendants. Due to larger size and often regional concentration, especially in parts of the US, the Polish migrant community comes closer to constituting a true diaspora, with its own media, shops, cultural and social establishments, and political life. The Czech migrants, in contrast, tend to be more dispersed, and as such are likely to integrate into the host communities more fully. This issue is further discussed in Section 5.

Table 1 shows the percentages of votes received by the five main political parties in the Czech Republic from both home voters and from voters living abroad. The most striking difference between the two sets of results is in the support for the Communist Party of Bohemia and Moravia (KSCM), which received 18.55% of the vote in the Czech Republic but only 2.75% from Czech citizens living abroad. There is, however, considerable variation across the migrants' host countries. The communists fared relatively well in votes cast by migrants in the countries of the former Soviet Union, where they polled 7.37%, closely followed by 6.90% in Central and East European countries and 3.17% in the Middle East and North Africa. In contrast, the communist party did poorly in Asia and North America, receiving only 0.53% and 0.54% of the vote, respectively. Another party for which support among migrant voters significantly deviates from its support at home is the Coalition (which was formed in 2000 as a preelection coalition of the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL), Democratic Union (DEU), and Freedom Union (US). <sup>14</sup> While the Coalition party only garnered 14.28% of the overall vote in the Czech Republic, it received an impressive 33.99% of the migrant votes. Support for the Coalition party reaches a high of 54.24% in Australia and a low of 17.51% in the FSU countries. The Coalition did well also among voters living in Western Europe (42.07%) and Northern America (47.17%).

TABLE 1 ABOUT HERE.

<sup>&</sup>lt;sup>14</sup> Originally, the *Quad Coalition* also included the Civic Democratic Alliance (ODA). The ODA later left this grouping, and eventually withdrew from the election altogether.

Overall, the results display a considerable disagreement between the Czech electorate at large and Czech voters living abroad. If Czechs abroad had their say, the elected government would most probably be a coalition of right-wing parties rather than a government lead by the Social Democrats with the Coalition as their junior partner. However, there is also considerable disagreement among migrant voters living in different countries. Czech citizens living in the former communist countries tend to favor left-wing parties, with support for the KSCM being highest in the former Soviet Union and support for the center-left CSSD being highest in Central and East European countries. In contrast, Czechs living in Western democracies tend to support more centerright parties such as the ODS and the Coalition party. Those residing in Asian and African countries also display higher levels of support for the ODS, while those in Central and South American countries and North African and Middle Eastern countries tend to support the CSSD.

Table 2 similarly shows the percentage of votes received by the eight main Polish political parties from citizens living abroad and the overall election results of the 2001 election to the *Sejm* (the lower chamber of the Parliament). The election brought about a dramatic change in the political make-up of the new parliament, with the two incumbent parties (AWSP and UW) even failing to pass the threshold (5% for parties and 8% for coalitions) required for representation in the parliament. The preferences of Poles living abroad differ notably from the sentiments of their domestic counterparts, although perhaps not as dramatically as in the Czech case. The main divergences occurs, on the one hand, with respect to the winner of the election, the Democratic Left Alliance-Labor Union (SLD-UP) and, on the other hand, in regard to the various fringe parties.

#### TABLE 2 ABOUT HERE.

The 2001 Polish election resulted in a coalition of the Democratic Left Alliance-Labor Union (SLD-UP) and the Polish Peasants' Party (PSL, although subsequently the PSL withdrew from that coalition, leaving the SLD-UP with a slim parliamentary

majority). The SLD-UP<sup>15</sup> received 41.04% of the overall vote but only 25.98% of the migrant votes. Had the migrant votes been the deciding factor, this coalition would not have been viable and a right-of-center government of the Citizens' Platform (PO), Law and Justice Party (PiS) and the Freedom Union (UW), would have been more likely. he three parties received, respectively, 12.68%, 9.50% and 3.10% of the overall vote, compared with 15.88%, 19.04% and 10.02% of the migrant votes. The preferences of migrant voters also deviated considerably in the case of two new radical parties. The Self Defence of the Polish Republic (SO), a radical farmers' movement, fared poorly among Poles living abroad (1.37%) compared to its domestic support (10.2%). The League of Polish Families (LPR), a nationalist-Christian based far-right party, received 7.87% of the overall domestic vote but garnered an impressive 17.84% of the vote from Polish migrants. The support for SLD-UP was highest among Poles living in North Africa and the Middle-East (48.93%), closely followed by the Former Soviet Union (44.55%), Central and Eastern Europe (44.49%) and Asia (43.56%). In contrast, they derived least support in North America (13.97%).

## 3. Theories of Voting, Political Socialization, and Migration

The economic theory of voting builds on the seminal contribution of Downs (1957) who applied rational choice theory to voting behavior. Downs posited that individuals vote in order to maximize their expected utility, given the information available to them at the time of the election. A number of factors can enter the voters' utility function (and these factors may enter with different weights across voters and/or across time). Nannestad and Paldam (1994) differentiate between the economic and political components of the voters' utility function. The economic component stands for indicators of voters' material well being associated with voting for a particular party (the literature further distinguishes between egocentric and sociotropic voters, the former are primarily concerned with their own individual well being while the latter put greater weight on

<sup>&</sup>lt;sup>15</sup> The SLD which has its roots in the original Polish Communist Party but, unlike the Czech KSCM, it has shed its communist heritage and transformed into modern socialist party.

<sup>&</sup>lt;sup>16</sup> These three parties in fact jointly fielded candidates in the election to the Senate, the upper chamber of the Polish Parliament.

aggregate economic outcomes). Rational voters will support parties expected to implement policies that are favorable to the voters and will increase their welfare. The political component corresponds to the utility which the voters derive from ideology, religion, patriotism and nationalism, racial and ethnic or linguistic identification. Naturally, all else being equal, a voter will support a party that stands for values similar to his own. Finally, voters can also behave strategically, such that voting for a specific party will have greater bearing on the voter's utility if that party eventually participates in the government or is included in the legislature. Therefore, voters may shy away from voting for fringe parties and may instead support their second-best choice, which is more likely to receive enough votes from other voters. Alternatively, voters can use their votes to send a signal to the future government, as argued by Piketty (2000) and Castanheira (2003). Accordingly, by voting for extremist parties, the voters may induce the mainstream parties to shift their post-election policies closer to those of the extremists.

In a stylized way, the utility that voter i receives if party j is elected and implements its policies can be expressed as follows:

$$U_{ij} = \lambda_i C_{ij} - (1 - \lambda_i)(x_i - x_j)^2 + \varepsilon_i$$

In this expression, the first term,  $C_{ij}$ , represents the economic component of the voter's utility function while the second term,  $(x_i-x_j)^2$ , is the political component.  $\lambda_i$ , which takes values between zero and one, determines the relative weights of the two terms; although  $\lambda_i$  may vary over time, time subscripts have been omitted for simplicity. The economic component primarily measures the future consumption opportunities (with consumption defined broadly) that result from party j's actions while in government or in the legislature. The political term measures the distance between the voter's ideological position,  $x_i$ , and that of the party in question,  $x_j$ , with the voter's utility falling as the distance increases. The last term,  $\varepsilon_i$ , collects all the remaining aspects of the voting decision, such as random swings in political attitudes but also potential strategic considerations.

To migrant voters who live outside the jurisdiction of their national government, the first term, representing economic considerations, is likely to bear a little on their voting behavior, concern for friends and family back home or the expection of return to their

home country notwithstanding. Therefore, we assume  $\lambda_i=0$ , and focus on the second term, namely, voters' political and ideological opinions.

While political systems and institutions in most countries are generally very slow to change, the changes experienced by migrants as voters are often dramatic. Moreover, migrants moving to different countries are exposed to different institutions and political systems. Therefore, by relating migrants' votes to political and institutional variables in the destination countries, we can learn how the external environment conditions political attitudes and voting behavior.<sup>17</sup>

While several studies have analyzed the voting behavior of migrant communities in the national elections of their new country of residence<sup>18</sup>, to the best of our knowledge, none to date have examined the impact of the new political, social and cultural environment on the voting behavior of migrants participating in elections in their country of origin. As already stated, empirical analyses of voting take the external environment as given and stable over time. Therefore, by analyzing the voting behavior of migrant populations in a large number of diverse countries, we can infer to what extent the external environment matters in the formation or transformation of a migrant's core political values, beliefs and subsequent behavior, a process referred to in the literature as *political resocialization*.

While the literature on the formation of political attitudes is vast, the two main conflicting theories are the Social Psychological model and the Rational Choice model. The social psychological theorists (Campbell et al., 1960) tend to emphasize the importance of parental socialization and downplay the role of short-term influences, while the rational choice theorists (Downs, 1957) stress the continuous incorporation of new information into the cumulative evaluations of various parties. *Political resocialization* can be defined more in terms of the rational choice hypothesis, whereby the migrants incorporate information about the new political environment into their

<sup>&</sup>lt;sup>17</sup> As discussed above, migrant voters' decisions may be affected also by economic considerations because of altruistic concerns or because they expect to return in the future. In that case, however, their voting behavior is likely to be shaped by economic developments back home rather than those in the country where they currently live. Yet, we might find a significant effect if, for instance, migrants in high-inflation countries perceive anti-inflationary policies as important also for their home country, and accordingly vote for parties that they expect to be tough on inflation.

<sup>&</sup>lt;sup>18</sup> Black et al. (1987); Cho (1999); Correa (1998); Finifter and Finifter (1989); Garcia (1987); Gitelman (1982); Glaser and Gilens (1997); Wong (2000).

decision sets. Examining voting behavior among those who move across states in the US, Brown (1988) found that if the new political environment differs from the old political environment, then both voting behavior and party identification tend to become similar to those in the new state. However, research by Black et al. (1987), which examined the political adaptation of immigrants to Canada, found that the country of origin did not exert a strong influence on post-migration political adaptation. Finifter and Finifter (1989) find that both past party identification and political ideology influence the political adaptation of American emigrants in Australia. Finally, drawing on pre-election poll data for both native Israelis and immigrants from the former communist countries who live in Israel, Nannestad, Paldam and Rosholm (2003) examine the speed at which migrants' opinions converge to those of native voters in the evaluations of the economic competence of the government. They find very little difference between the two groups, hence suggesting that migrants quickly adopt the economic evaluation patterns of the natives. However, all these studies are based on migrants' attitudes towards the political system in the destination country or region. In particular, this focus implies that the analysis is concerned with migrants who have integrated into the host society sufficiently to have become naturalized citizens. In contrast, our study considers migrants, who are still nationals of their country of origin, and indeed may have no intention of remaining in the host country in the long term, yet whose political attitudes may have been shaped already by their migration experience.

The key issue is whether migrant voters adopt the norms and values prevailing in the host country or whether the very choice of the destination country is in fact affected by the migrants' original political attitudes. Clearly, correlation between institutional and political variables and voting behavior is not indicative of causality. Migrants are likely to have different socio-economic characteristics than the stayers (as is evident from the fact that typically only a small fraction of a country's population leaves). For instance, migrants may be more entrepreneurial and respond more readily to economic opportunities. However, to ascribe the variation in migrants' voting behavior across countries to self-selection, a theory which predicts that different countries attract types of migrants is needed. The traditional migration theory emphasizes earnings differentials (see Todaro, 1969, and Harris and Todaro, 1970) and as such it can be applied to predict

the size of the migration flow but not the migrants' socio-economic characteristics or political attitudes. Borjas (1987 and 1991, building on Roy, 1951), in contrast, argues that migration decisions also depend on the dispersion of earnings in the alternative destinations. Accordingly, highly skilled and productive workers move to countries with widely dispersed earnings, as that is where their skills yield the highest return. In contrast, unskilled workers are more likely to choose destinations with highly equal distribution of earnings, as in these countries their low productivity is less penalized. Accordingly, highly productive and entrepreneurial individuals – who tend to form the natural constituency of right-wing parties – would gain from moving to countries such as the US but also from moving to post-communist and developing countries with high levels of wage inequality (e.g. Russia or Brazil). On the other hand, blue-collar and less productive white-collar workers would gain more from moving to highly egalitarian countries such as continental Western Europe.

Political motivations could well be another source of self-selection of migrants. Non-negligible numbers of dissenters and political refugees left the Czech Republic and Poland during the communist period. Thus, migrants who moved to communist countries at that time were likely to be more left leaning, while the dissenters and refugees who moved out of the Soviet Block were more likely to be right leaning. There seems, however, little reason for political factors to weigh heavily in migration decisions after 1990, as political repressions ceased in both countries in the wake of the collapse of the communist regime. Therefore, inasmuch as the pre-1990 emigrants remained abroad and retained their original nationality, one can expect more left-wing (and in particular procommunist) voters in other post-communist countries and more right-wing (and possibly also social democratic) voters in Western countries.

## 4. Methodology

The principal variable of interest in this analysis is the proportion of votes,  $V_{ij}$ , that party j receives from voters living in country i. Therefore, the data display two specific properties: the individual observations lie between 0 and 1, and the proportion of votes received by all parties sum to one. The majority of voting studies to date use ordinary

least squares (OLS).<sup>19</sup> Yet, as argued by Jackson (2001) and Tomz et al. (2002), OLS is inappropriate for analyses of elections in multiparty systems as it does not satisfy either of the above-mentioned restrictions. In particular, OLS can result in predicted vote shares that are negative, or exceed 1 (that is, 100%). To avoid this, we transformed the vote shares,  $V_{ii}$ , into the following logit form:

$$\log\left(\frac{V_{ij}}{1 - V_{ij}}\right)$$

The resulting dependent variable is unbounded (that is, it can take values between  $-\infty$  and  $\infty$ ) but is not defined for vote shares of either 0 or 1. As there are several zero observations in the data, especially for the communist party, we added 0.001 to all vote shares before performing the logit transformation.

All regressions are estimated using the Seemingly Unrelated Regression (SUR) model, which takes account of the adding-up constraint characteristic of election data. SUR is a special case of generalized least squares, which estimates a set of equations with cross-equation constraints imposed. Specifically, it allows for the possibility that the residuals are correlated across parties. Therefore, if one party has a large positive residual, the others will have small and some negative residuals for that observation. Estimating a set of seemingly unrelated regressions jointly as a system yields more efficient estimates than estimating them separately, especially as the correlation among the errors rises and the correlation among the independent variables falls (Greene, 2000). SUR is also particularly efficient when the independent variables differ from one equation to the next. Overall SUR is more appropriate and no less efficient or convenient than estimating individual OLS equations for each party (Tomz et al., 2002).

The analysis utilizes information on votes cast by Czech and Polish migrants in 85 and 90 countries, respectively. Countries in which less than 10 migrants voted were omitted from the analysis. This issue only arose in the case of Czech data where 19 countries had to be dropped. Furthermore, analytic weights are applied in all regressions to account for the differing number of migrant voters in each country. Analytic weights are appropriate given that the dependent variable in the analysis is the average of all votes

<sup>&</sup>lt;sup>19</sup> Tomz et al. (2002) report that out of nineteen articles analysing multiparty election data published in leading political science journal between 1996-2000, eighteen use OLS.

cast by migrants in a particular country. Weighing by the number of voters in each country takes account of the fact that, for example, 260 votes were cast by Czech citizens in France, and only 11 votes cast in Costa Rica.

As there are no preceding theories to prescribe which factors may influence migrant voting behavior, the analysis follows a somewhat agnostic approach: we relate migrant votes to a wide array of explanatory variables selected so as to account for three alternative hypotheses of migrant voting behavior:

- 1. Skill-based economic self-selection (Roy-Borjas model of migration): Accordingly, highly skilled and educated potential migrants are more likely to migrate to countries with a high degree of income inequality. Given that highly skilled, educated and entrepreneurial individuals tend to vote right-wing parties, income inequality should therefore be positively correlated with support for right-wing parties and negatively correlated with support for left-wing and former communist parties.
- 2. *Political self-selection*: Migrants located in former socialist countries should display stronger support for left-wing and especially former communist parties than those in Western democracies, and vice versa for right-wing parties.
- 3. Adaptive learning: Migrants adapt to the norms and values prevailing in the host country. According to this hypothesis, higher support for liberal and democratic parties and lower support for left-wing and especially former communist parties should be observed in countries with a greater extent and longer tradition of democracy and a market economy. Similarly, the voting preferences of migrants may be correlated with the prevailing political attitudes (captured by the political orientation of the government) and/or economic conditions in the host country.

To test the *adaptive learning hypothesis*, we include a number of institutional, political and socio-economic indicators pertaining to the host countries. These include, first, various measures of democracy<sup>20</sup>: indexes of civil liberties and political freedom (compiled and reported by the Freedom House); fraction of years between 1972 and 2001 in which the country was classified by the Freedom House as free, partially free or not

17

<sup>&</sup>lt;sup>20</sup> Two alternative democracy measures were initially used: the Freedom House Democracy Index and the Polity Democracy Index. As the correlation between the 2 indexes (for 2001) is a very high 0.92, we use the Freedom House Index due to greater country coverage.

free. Second, measures of economic freedom<sup>21</sup> (reported by the Frasier Institute) as captured by the following sub-indexes<sup>22</sup>: size of government, legal structure and security of property rights, sound money, foreign trade liberalization, and regulation. Third, various measures of economic development, such as GDP per capita (as of 2000 in thousands of US dollars), the economic growth rate and inflation in 2000. Fourth, measures of the political environment as captured by an indicator of the political orientation of the government (left-wing, centrist/mixed, right-wing, autocratic or ethnically/religiously dominated); and the nature of the political system (strong or weak presidential or parliamentary).<sup>23</sup> Next, the Gini index is included to account for *the skill-based economic self-selection hypothesis* in line with the Roy-Borjas model. Finally, the *political self-selection hypothesis*, which stresses the impact of current or past political ties and their legacies, is accounted for by including a number of regional dummy variables in all the regressions.<sup>24</sup>

Differentiating between the political self-selection and adaptive learning hypotheses is not straightforward, as many of the former socialist countries have low levels of democracy and are far from having attained a working market economy. There are, however, important differences among the former communist countries. Some, most notably the new EU member countries, have made great progress in political and economic liberalization since the end of communism, while others have either remained at an intermediate level (e.g. Russia, Serbia and Monte Negro or the countries in the Caucasus) or have reverted back to repressive and autocratic regimes (Belarus and the Central Asian Republics). Moreover, several developing countries (e.g. Iran, Congo or Egypt) have similar levels of democracy and/or economic freedom as the former communist countries without ever having had a communist past. Note that during the communist period, when we expect most of the migration motivated by political self-

\_

<sup>&</sup>lt;sup>21</sup> Two alternative measures of economic freedom were also originally used: the Heritage economic Freedom Index and the Fraser Economic Freedom Index. The correlation between the 2 indexes is a high 0.91, and therefore we use the Fraser Index which has greater country coverage.

See Appendix for bivariate correlations of the various sub-indexes.

<sup>&</sup>lt;sup>23</sup> Data definitions and sources are discussed in greater detail in the Appendix.

<sup>&</sup>lt;sup>24</sup>Both a distance variable (distance from capital to capital as measured by www.geobytes.com/CityDistancetool.htm.) and border dummies were also included, however they are only significant when the regional variables are not included. As a migrant in the US, for example, may be able to sustain a closer relationship with his Polish roots than, for example, one in Romania, due to the larger Polish immigrant community in the former and easier access to information.

selection to have occurred, it made little difference whether one migrated to Belarus or Russia, Serbia or Slovenia, Romania or Slovakia, Viet Nam or North Korea. By 2001/2002 however, migrants will have found themselves in dramatically different political and economic environments. The regional dummies, therefore, should capture the similarities that various groups of countries share in terms of political legacies, whereas the indicators of democracy and economic freedom should account for the differences in their present-day conditions.

There is a non-negligible correlation between some variables (for example, developed countries tend to display relatively high degrees of both economic freedom and democracy). Therefore, the coefficient estimates may change substantially depending on the other variables included in the model. In addition, given that we have only limited a priori expectations about which particular host country characteristics may influence migrant voting behavior, we apply a general-to-specific procedure to determine which factors are robust.<sup>25</sup> This procedure starts off estimating a general unrestricted regression specification, including all possible explanatory variables, which is then tested against more parsimonious models (nested within the general model), repeating the testing-down procedure until no further variables can be excluded. The result is a model that is less complex than the general model but nonetheless contains all the relevant information. Although this procedure is sometimes likened to sophisticated data mining, Hoover and Perez show that in most cases (on average 80%), the general-to-specific procedure succeeds in identifying the true data-generating model or a closely related model (i.e. one that encompasses the true model but contains additional irrelevant variables that the procedure fails to eliminate). We implemented the procedure manually, using STATA, repeating the step-wise testing-down procedure until the exclusion tests became significant at least at the 10% level (we choose this moderate threshold in view of the relatively small number of observations). At each step, the least significant variable for each party was tested and eliminated, testing for variables at similar levels of significance (as a general rule, only variables whose significance was no more than 30 percentage points off the least significant one were tested at each step, so that, for example, if the

\_

<sup>&</sup>lt;sup>25</sup> For an explanation and assessment of this methodology, see Hoover and Perez, 1999, and the references cited therein.

lowest significance level was 50%, variables that appeared with up to 20% significance level were included in the exclusion test).

### 5. Determinants of Migrant Voting Behavior

This section presents the results of the empirical analysis of migrant votes in the last Czech and Polish parliamentary elections. As discussed above, in the absence of a theory of migrant voting behavior and in view of the large number of potentially relevant variables, the analysis is carried out using the general-to-specific procedure, starting with the most general unrestricted model, which is gradually slimmed down until all insignificant variables are dropped (with the significance threshold set at the 10 % level). The analysis is performed using two alternative indexes of democracy (both compiled by the Freedom House). The indexes measure two different aspects of democracy: civil liberties (freedom of expression and association, religious and educational freedom) and political rights (universal franchise, organization of free elections with participation open to all groups within society). The two indexes are very closely correlated (the correlation coefficient across the countries in our sample is 0.94). Therefore, to avoid multicollinearity, we estimate two models for each country, one including the civil liberties index and one with the political rights index, rather than including both indexes in parallel as we do with the remaining variables.

As discussed above, the migrant votes are regressed on a number of host country institutional, political and economic characteristics, a measure of income inequality, and a number of regional dummies (with Western Europe being the omitted category), so as to control for the three alternative hypotheses of migrant voting behavior. In addition, two country specific dummies were included. First, the votes from Italy include also those from the Czech and Polish consulates in the Vatican, a large fraction of which was probably cast by clergymen and theology students. Therefore, as their political attitudes may be significantly different from those of the rest of the electorate, especially with respect to support for Christian-democratic parties, a dummy for Italy was included. Second, the US has a large number of Polish immigrants, who are often allowed to retain

their Polish nationality after acquiring US citizenship. <sup>26</sup> This potentially makes the American-Polish immigrant community different from Polish migrants in other countries (where typically they would have to give up their Polish nationality in order to become naturalized citizens of the host country – and thus would not be eligible to vote in Polish elections): the former have lived in the host country much longer (or may even have been born there) and therefore probably keep much looser contacts with the ancestral country. Furthermore, as members of a relatively large and geographically concentrated community, American Poles are more likely to retain their own unique identity (which may also be markedly different from that in present-day Poland) than migrants living in other countries where they are less numerous and more dispersed. Although the Czech migrant population in the US appears neither particularly large nor geographically concentrated (and the Czech Republic does not permit its nationals to acquire another nationality while remaining Czech citizens), for the sake of comparability we also included the US dummy in the Czech regressions.

The results obtained for the general unrestricted models are reported in Appendix A. Tables 3 and 4 present the final results for those explanatory variables that survived the elimination by the general-to-specific procedure. We analyze the votes cast for five Czech and seven Polish political parties; the results for each party are reported in separate tables labeled A-E in the Czech regressions and A-G in the Polish regressions. Not surprisingly, given the large number of explanatory variables and the low number of observations, not many variables appear significant in the general unrestricted models. Applying the general-to-specific methodology, however, greatly reduces the number of explanatory variables. Out of a total of 130 explanatory variables in the Czech regressions, 78 and 74 are eliminated as insignificant in the regression with civil liberties and political rights, respectively. For Poland, the corresponding 'drop-out' rate is even higher: 147 and 130 variables out of a total of 196.

TABLE 3 ABOUT HERE.
TABLE 4 ABOUT HERE.

<sup>&</sup>lt;sup>26</sup> Other countries also allow dual nationality, however, the US case seems exceptional in view of the size and regional concentration of the Polish emigrant community and its ability to retain a separate identity and culture.

The key question of interest, however, is which variables survive the testing-down procedure and what does that tell us about the validity of the three hypotheses formulated in the preceding section. The evidence is least favorable for the skill-based self-selection hypothesis, which posits that host-country income inequality is correlated with migrants' skills: highly skilled migrants choose high-inequality destinations, while those with low skills prefer more egalitarian societies. Conversely, votes for right-wing parties should be positively correlated with income inequality while those for left-wing parties display a negative correlation with income inequality. To test this motive for migration, the Gini coefficient was included among the explanatory variables. However, the general-tospecific procedure eliminated it completely from the regressions with Czech migrant votes. In the Polish regressions, income inequality survived the testing-down and is correlated with votes for the SLD-UP (coalition of the Party of Democratic Left and the Union of Labor) and the PiS (Law and Justice) parties only. The expected pattern is only confirmed for the PiS which, being a right-wing party, indeed derives greater support from countries with high income inequality. The votes for the SLD, however, are also positively correlated with income inequality (in the regression with political rights), contrary to the hypothesis. For all the remaining parties, the indicator of income inequality was eliminated by the testing-down procedure.

Tables 3 and 4 also reveal that several of the regional dummy variables survive to the end, thus potentially indicating support for the political self-selection hypothesis. This hypothesis stipulates that support for left-wing and post-communist parties should be stronger, and support for right-wing parties weaker, in the former communist countries. The opposite should hold for Western democracies i.e. support for left-wing parties should be lower compared to support for right-wing parties. The evidence, however, is at best mixed. While many regional dummy variables are eliminated by the general-to-specific procedure, when they do remain, they frequently appear with the wrong sign. In particular, the support for the KSCM (Czech Communist Party) is not any higher in the former communist countries than in Western Europe or in Anglo-Saxon countries (in fact, the only regional variable that survives the testing down for the Communists is the dummy for Italy where is appears with a negative coefficient). In addition, contrary to the

political self-selection hypothesis, the CSSD (Czech Social Democrats), draws significantly fewer votes from Central/Eastern Europe and the former Soviet Union. Similarly, the Polish SLD-UP fared poorly in the former Soviet Union, whereas it fared well in the US. The results are similarly mixed for right-wing parties. Among Czech parties, the ODS (Civic Democratic Party) draws less support in Central/Eastern Europe, as predicted by the hypothesis, but the opposite is true for the KDU-US (coalition of Christian Democrats and Union of Freedom). Among Polish migrant voters, the AWSP (Solidarity Electoral Action) fared well in the former Soviet Union despite its deep anticommunist roots – and poorly in the US. The support for the UW (Union of Freedom) is low in the Anglo-Saxon countries and especially in the US, despite its liberal pro-market nature. Only the PO (Citizens' Platform) received fewer votes from the former Soviet Union, as predicted by the hypothesis. Surprisingly, the support for the LPR (extremeright League of Polish Families) is strong in Central/Eastern Europe and the former Soviet Union and also in the US.

In contrast to the two self-selection hypotheses, the evidence with respect to the adaptive learning hypothesis is more encouraging. We account both for the extent of democracy (measured with the Freedom House indexes of civil liberties and political rights) and the tradition of democracy (measured as the fraction of years between 1972 and 2001 that the country was classified by the Freedom House as free or partially free) in the host countries. The latter may be important as it distinguishes countries that democratized recently from those that espoused high degrees of democracy for decades. Striking similarities appear both across parties, and across the two countries included in our analysis. On the one hand, the effect of democracy on migrant votes is mixed: it is positively significant and hump-shaped for every Czech political party, (with the maximum effect attained at an intermediate level of democracy), apart from the KDU-US<sup>27</sup>, for either one or both of the civil liberties/political rights indexes, while in the Polish regressions, high levels of democracy are positively related to votes for the AWSP, PiS and LPR, negatively related to votes for SLD-UP and UW, and U-shaped for the PO. However, the impact of the tradition of democracy is quite consistent: countries

<sup>&</sup>lt;sup>27</sup> For KDU-US, the pattern appears U-shaped, however, with the minimum attained at the political rights index equal to 0.05. As the index ranges between 0 and 10, the impact of political rights on votes for this party is effectively positive.

with a longer tradition of full or moderate democracy show less support for the left-wing parties – CSSD and KSCM – and stronger support for the right-wing parties – KDU-US, UW, PO and, somewhat surprisingly (given its extremist nature), also LPR.

The results obtained with the various sub-indexes of economic freedom are mixed but again reveal some consistencies. Most notably, migrants in countries with less pervasive regulation are more likely to vote in favor of right-wing parties – ODS, KDU-US, AWSP, UW, PO and LPR than left-wing parties – CSSD, KSCM and SLD-UP. The estimated effects of the other sub-indexes are more mixed, often with one or two sub-indexes appearing significant and with signs opposite to that of the regulation sub-index. Due to this, the joint impact of economic freedom is in fact weaker than it would appear if only the regulation sub-index was included. Nonetheless, comparing the sizes of the estimated coefficients for the various sub-indexes, the impact of economic freedom appears clearly positive for the KDU-US, AWSP, UW and LPR, and negative for SLD-UP.<sup>29</sup>

The impact of economic development (measured by the GDP per capita) is similar to that of economic freedom: migrants in richer and more advanced countries show greater support for right-wing parties, KDU-US, UW and PiS, at the expense of left-wing parties, CSSD and KSCM. This pattern, however, appears somewhat less robust as it is only obtained for a subset of parties. In contrast to economic development, the results for economic performance (economic growth and inflation), while appearing significant for some parties, are mixed and do not conform to a clear-cut pattern across parties and the two countries. Czech migrants in high-inflation countries show greater support for left-wing parties, CSSD and KSCM, than for ODS, but this pattern is not replicated in the Polish data. The weak and mixed results for economic performance variables should not come as surprising. Typically, the literature on economic voting finds that voters punish governments for bad economic performance by voting for the opposition and reward them for good performance by reelecting them. However, the host country's economic

 $<sup>^{28}</sup>$  The various sub-indexes of economic freedom are moderately strongly correlated with each other (correlation coefficients between 0.51 and 0.66), with the exception of the size of government, which is essentially uncorrelated with the other sub-indexes (correlation coefficients range between -0.32 and 0.20), see table C1 in the Appendix.

<sup>&</sup>lt;sup>29</sup> As for these parties, either regulation is the only sub-index that remains significant after performing the general-to-specific procedure, or it dominates, in absolute value, the coefficients obtained for the other sub-indexes.

conditions have little relevance for passing a verdict on the competence of the government in the migrants' home country.

Similarly, variables reflecting the nature of the political environment in the host country – political orientation of the government and the type of political system (parliamentary, strong presidential or weak presidential) frequently appear significant but it is difficult to identify a systematic pattern in the results. Sometimes, the results defy expectations. For example, the KDU-US, UW and PO, being all right-of-center parties, do well among migrants who live in countries with left-wing governments, whereas the CSSD does poorly in such countries. For other parties, the pattern is more in line with expectations: the UW also does well in countries with a centrist or mixed government, while the PiS and LPR do poorly in countries with either centrist/mixed or left-wing government. Therefore, while the political environment seems to have an effect on migrants' political preferences, the precise nature of this effect is not very clear.<sup>30</sup> Overall, the results provide more consistent support for the adaptive learning hypothesis than for either the political or economic self-selection hypotheses, suggesting that migrants' political attitudes and behavior are indeed influenced by their new environment.

#### 6. Conclusions

This paper analyzes the voting behavior of Czech and Polish migrants who participated in their countries' most recent national elections by casting their votes from abroad. Evidence from these elections indicates that the voting behavior of migrants differs substantially from that of their compatriots at home. Moreover, the preferences of migrants vary significantly also across the various host countries. In this paper we consider three alternative hypotheses that could potentially explain these differences: adaptive learning (i.e. migrants gradually adopt the norms and values prevailing in the host country and this influences their voting political preferences accordingly),

<sup>&</sup>lt;sup>30</sup> Note that finding a strong impact of the political orientation of the host country's government on migrant voting behavior could be interpreted also as evidence in favor of the political self-selection hypothesis. One would need information of the migrants voting histories to differentiate between political self-selection and adaptive learning. Given that the results are mixed, this problem does not arise in our case though.

economically-based self-selection (migrants move to countries where the payoff to their human capital is highest), and finally political self-selection (migrants' political attitudes before migration determine the choice of destination countries).

The analysis considers a wide range of potential determinants of migrant voting behavior, motivated by three alternative hypotheses. To determine which factors robustly affect votes from abroad, the general to specific methodology is applied to a long list of potential explanatory variables. This method reduces the general unrestricted model to a more parsimonious one, containing only significant variables. The results of the slimmeddown model provide only little support for the self-selection hypotheses, whether on economic or political grounds. In contrast, the results give strong indications that migrants' voting behavior is indeed shaped by the institutional environment prevailing in the host country. In particular, right-wing parties tend to fare well, and left-wing parties do poorly, among migrants living in countries with a long tradition of full or partial democracy and/or a greater extent of economic freedom. Similarly, right-wing parties derive more support from migrants living in economically advanced countries, while the opposite holds true for left-wing parties. The results, however, are more mixed and less clear-cut in regards the impact of economic performance (growth and inflation) and the political environment (i.e. political orientation of the incumbent government, and whether the political system is presidential or weakly/strongly presidential).

These findings suggest that voters tend to adapt to the values and norms prevailing in their current surroundings and as these norms change, so too does voting behavior. Migration is an extreme case of such a societal change but a similar process is likely to be at play in countries undergoing fundamental economic and political transitions. Therefore we can expect that far-reaching regime changes (whether initiated from within or without), when sustained for sufficiently long, will be subsequently accompanied by changes in attitudes and political preferences. Given that the majority of the society must change, the pace of such transformations will be much more gradual than in the case of migration.

The results underscore the potential impact of migration on political and economic change in countries that currently are, or recently were, ruled by authoritarian and interventionist governments. Migrants can play an important political role directly, as the

examples enumerated in footnote 3 illustrate. Even more importantly, returning migrants, who have adopted the democratic and liberal views of their host country, are likely to demand democratic institutions and liberal economic policies and join grass-roots support structures for like-minded parties in their home countries. Whether or not this effect is sufficiently pronounced, however, depends upon the ability of migrants to retain these liberal attitudes upon return to their home countries, despite the non-liberal norms and values that may still prevail there.

A critical aspect of the migration experience is that it teaches migrants that there are alternatives to the economic and political system prevailing at home, and that these alternatives may indeed deliver superior outcomes. This is especially the case for migrants coming from authoritarian and repressive countries. Consider a migrant from pre-perestroika Russia or present-day North Korea arriving in Western Europe or the US. The impact of seeing first-hand the disparity between the picture of the West painted by the migrant's home country's authorities and the reality of Western society may seriously undermine the migrant's indoctrinated beliefs. Similarly, for countries such as the Czech Republic and Poland which are currently undertaking economic and political reforms, the goal of a liberal democracy and functioning market economy may appear very elusive compared to the economic hardships which their countries experienced in the course of transition. While the citizens of such countries are no longer subject to communist propaganda and many may have visited Western countries, the experience of having lived in developed democratic countries is likely to have a more profound impression.

Not surprisingly, repressive regimes often curtail their citizens' freedom to travel. Communist countries (whether the former Soviet block or present-day Cuba and North Korea) are prime examples of this. Contrary to the conventional wisdom, the reason is not the fear that freedom to travel would result in the rapid depopulation of authoritarian countries. Rather, repressive regimes seem more concerned that emigrants would eventually return home and help build up a constituency in favor of political change. The former communist countries, for example, typically stripped emigrants of nationality, thereby precluding them from returning home later. Turkmenistan – a present-day dictatorial regime in Central Asia – went even further: not only does it severely restrict its citizens' movement across borders, but recently, Turkmen nationals who also held

Russian passports (and as such were relatively free to travel) were recently forced either to relinquish their Russian nationality or emigrate.<sup>31</sup>

Thus, by opening their borders to immigrants, especially those from authoritarian and transition countries, developed countries can help spread liberal values and attitudes to these regions. This potentially important implication of migration, however, does not seem widely understood or appreciated in the main host countries.

<sup>31</sup> According to one report, Turkmen teachers who obtained their education abroad have been prohibited from exercising their profession, see RFE/RL NEWSLINE Vol. 7, No. 73, Part I, 16 April 2003.

#### References

- Beck, Thorsten, George Clarke, Alberto Groff, Philip Keefer, and Patrick Walsh (2001). "New tools in comparative political economy: The Database of Political Institutions." *World Bank Economic Review* **15** (1): 165-176 (September).
- Benoit K. and Hayden J. "Institutional Change and Persistence: The Evolution of Poland's Electoral System 1989-2001" forthcoming in the *Journal of Politics* 2004.
- Black, Jerome H., Richard G. Niemi, and G. Bingham Powell. (1987) "Age, resistance, and political learning in a new environment: The case of Canadian immigrants." *Comparative Politics* **20** (October): 73-84.
- Borjas, G.J. (1987), "Self-selection and the Earnings of Immigrants," *American Economic Review* 77 (4): 531-553.
- Borjas, G.J. (1991), "Immigration and Self-selection." In: J.M. Abouwd and R.B. Freeman (eds.), *Immigration, Trade and the Labor Market: A NBER Project Report*, University of Chicago Press: Chicago and London.
- Brown, Thad A. (1988). *Migration and Politics: The Impact of Population Mobility on American Voting Behavior*. Chapel Hill: The University of North Carolina Press.
- Campbell, Angus, Philip E. Converse, Warren E. Miller, and Donald E. Stokes (1960) *The American Voter*. The University of Chicago Press.
- Castanheira, Micael (2003), "Why Vote for Losers?" *Journal of the European Economic Association*, forthcoming.
- Chiswick, Barry R., and Paul W. Miller (2004), "Immigrant Earnings: Language Skills, Linguistic Concentrations and the Business Cycle." In: Klaus F. Zimmermann and Amelie Constant (Eds.), *How Labor Migrants Fare*, Springer Population Economics Series: Berlin, 223-249.
- Cho, Wendy K. Tam. 1999. "Naturalization, socialization, participation: immigrants and (non-)voting." *The Journal of Politics* **61** (4): 1140-55.
- Correa, Michael Jones. 1998. "Different paths: gender, immigration and political participation." *International Migration Review* **32** (2): 326-49.
- Downs, Anthony (1957), An Economic Theory of Democracy. New York: Harper & Row.
- Doyle, Orla and Jan Fidrmuc (2003), "Anatomy of Voting Behavior and Attitudes during Post-Communist Transition: Czech Republic 1990-98," In: Nauro Campos and Jan Fidrmuc (eds.), *Political Economy of Transition and Development: Institutions, Politics and Policies.* ZEI Studies in European Economics and Law, Kluwer Academic Publishers, Boston/Dordrecht/London, forthcoming.
- Fidrmuc Jan (2000a) "Political Support for Reforms: Economics of Voting in Transition Countries". European Economic Review 44 (8): 1491-1513.
- Fidrmuc Jan (2000b) "Economics of Voting in Post-Communist Countries," *Electoral Studies* **19** (2/3), Special issue: Economics and Elections, June/September 2000: 199-217
- Finifter, Ada W. and Bernard M. Finifter (1989). "Party identification and political adaptation of American migrants in Australia." *The Journal of Politics* **51** (August): 599-630.

- Friedberg, Rachel M. (2000), "You Can't Take It with You? Immigrant Assimilation and the Portability of Human Capital," *Journal of Labor Economics* **18** (2), 221-251.
- Garcia, John A. (1987). "The political integration of Mexican immigrants: Examining some political orientations." *International Migration Review* **21** (Summer): 372-89.
- Gitelman, Zvi. (1982). Becoming Israelis: Political Resocialization of Soviet and American Immigrants. New York: Praeger.
- Glaser, James M. and Martin Gilens. (1997). "Interregional migration and political resocialization." *Public Opinion Quarterly* **61** (Spring): 72-86.
- Greene, William, H. (2000) *Econometric Analysis*, 4<sup>th</sup> Edition, Upper Saddle River:NJ: Prentice Hall.
- Harris, J.R. and M.P. Todaro (1970), "Migration, Unemployment and Development: A Two Sector Analysis," *American Economic Review* **60** (1): 120-142.
- Hartog, Joop, and Rainer Winkelmann (2004), "Comparing Migrants to Non-migrants: The Case of Dutch Migration to New Zealand." In: Klaus F. Zimmermann and Amelie Constant (Eds.), *How Labor Migrants Fare*, Springer Population Economics Series: Berlin, 97-119.
- Hoover, K.D. and S.J. Perez (1999), "Data mining reconsidered: Encompassing and the general-to-specific to specification search," *Econometrics Journal* 2: 167-191.
- Huntington, Samuel P. (2004), Who Are We? The Challenges to America's National Identity. New York: Simon & Schuster.
- Jackson, John E. (2002) A Seemingly Unrelated Regression Model for Analyzing Multiparty Elections, Political Analysis 10: 49-65.
- Kundera, Milan (2002), *Ignorance*, Faber and Faber Limited: London.
- Lofstrom, Magnus (2004), "Labor market Assimilation and the Self-employment Decision of Immigrant Entrepreneurs." In: Klaus F. Zimmermann and Amelie Constant (Eds.), How Labor Migrants Fare, Springer Population Economics Series: Berlin, 191-222.
- Miller, Olga K. (1978), "Genealogical Research for Czech and Slovak Americans", Gale Research Co., Detroit, MI.
- Nannestad P., M. Paldam and M. Rosholm (2003), "System Change and Economic Evaluations: A Study of Immigrants and Natives in Israel". Electoral Studies, 22 (3): 485-501.
- Nannestad Peter and Paldam Martin (1994), "The VP-function: A Survey of Literature on Vote and Popularity Functions after 25 Years." Public Choice 79: 213-245.
- Olson, Mancur (1982), *The Rise and Decline of Nations: Economic Growth, Stagflation, and Social Rigidities*, Yale University Press, New Haven and London.
- OECD (2004), *Trends in International Migration: SOPEMI 2003 Edition*, Organisation for Economic Cooperation: Paris.
- Piketty, Thomas (2000), "Voting as Communicating," *Review of Economic Studies* **67:** 169-191.
- Rose, Richard, Neil Munro and Tom Mackie, "Elections in Central and Eastern Europe Since 1990". Centre for the Study of Public Policy, Glasgow: University of Strathclyde Studies in Public Policy No.300.

- http://www.cspp.strath.ac.uk/index.html?polelec.html
- Rauch, James E., and Vitor Trindade (2002), "Ethnic Chinese Networks in International Trade," *Review of Economics and Statistics* **84**(1), 116–130.
- Roy, A.D. (1951), "Some Thoughts on the Distribution of Earnings," *Oxford Economic Papers* **3**: 135-146.
- Stark, Oded (1991), The Migration of Labor, Blackwell Publishers, Cambridge, MA.
- Todaro, Michael P. (1969), "A Model of Labor Migration and Urban Unemployment in Less Developed Countries." *American Economic Review* **59** (1): 138-148.
- Tomz, M., Tucker, T. and Wittenburg J. (2002) A Convenient Statistical Model for Multiparty Electoral Data, Political Analysis, **10** (1): 66-83.
- Wong, Janelle S. (2000). "The effects of age and political exposure on the development of party identification among Asian American and Latino immigrants in the United States." *Political Behavior* **22** (4): 341-71.

**Table 1 Czech Election Results 2002** 

<b>Political Parties</b>	CSSD	KSCM	ODS	Coalition	ODA	Others	No. of
	%	%	%	%	%	%	Votes
Overall Results <sup>1</sup>	30.12	18.55	24.51	14.28	0.51	12.04	4,757,884
Results from Abroad	25.33	2.75	27.71	33.99	1.71	8.50	3,742
Former Soviet Union	37.79	7.37	25.35	17.51	2.30	9.68	217
Central and East European	30.28	6.90	28.03	25.35	0.99	8.45	710
Western Europe	20.72	1.20	26.95	42.07	1.32	7.75	1,588
Asia	19.25	0.53	39.57	24.60	2.67	13.37	187
North Africa and Middle-East	44.96	3.17	24.78	15.85	1.15	10.09	347
Sub-Sahara Africa	17.89	1.05	35.79	32.63	5.26	7.37	95
Australia	8.47	1.69	27.12	54.24	1.69	6.78	59
Central and South America	32.74	1.79	23.81	27.98	3.57	10.12	168
Northern America	14.29	0.54	28.30	47.17	2.70	7.01	371

Notes: The party acronyms stand for Czech Social Democratic Party (CSSD), Communist Party of Bohemia and Moravia (KSCM), Civic Democratic Party (ODS), Coalition of Christian Democratic Union-Peoples Party of Czechoslovakia, Union of Freedom and Democratic Union (Coalition), and Civic Democratic Alliance (ODA).

Source: Czech Statistical Office.

<sup>&</sup>lt;sup>1</sup> Includes votes from abroad.

**Table 2 Polish Parliamentary Election Results 2001** 

Political Parties	SLD-UP %	AWSP	UW %	SO %	PiS %	PSL %	PO %	LPR %	Others %	Total Votes
Overall Results <sup>1</sup>	41.04	5.60	3.10	10.20	9.50	8.98	12.68	7.87	1.02	13,017,929
Results from Abroad	25.98	7.37	10.02	1.37	19.04	1.90	15.88	17.84	0.60	26,200
Former Soviet Union	44.55	7.30	8.83	0.84	11.06	2.84	13.29	10.83	0.46	1,302
Central and East Europe	44.49	5.28	10.02	1.58	11.02	2.54	18.21	5.86	1.00	2,405
Western Europe	25.65	9.54	12.88	1.45	17.55	1.55	18.28	12.66	0.45	10,651
Asia	43.56	5.81	19.96	0.18	7.99	1.63	18.87	1.63	0.36	551
North Africa / Middle-East	48.93	1.98	12.69	2.39	8.81	2.55	17.87	3.46	1.32	1,214
Sub-Sahara Africa	29.37	12.21	19.80	1.65	8.91	3.63	19.80	3.30	1.32	303
Australia	27.15	10.60	10.60	1.55	27.15	0.44	11.26	11.04	0.22	453
Central/South America	26.33	11.47	16.32	1.29	10.18	3.55	22.46	5.65	2.75	619
Northern America	13.97	5.53	4.87	1.22	26.96	1.83	11.85	33.31	0.46	8,702

Notes: The party acronyms stand for Coalition of Democratic Left and Union of Labor (SLD-UP), Solidarity Electoral Action (AWSP), Union of Freedom (UW), Self defense of the Polish Republic (SO), Law and Justice (PiS), Polish People's Party (PSL), Citizens' Platform (PO), and League of Polish Families (LPR).

Source: Polish Central Electoral Commission.

<sup>&</sup>lt;sup>1</sup> Includes votes from abroad.

**Table 3 Czech Republic: General-to-Specific Results** 

A. Civic Democratic Party (ODS)	Civil Liberties		Political Rights		
Civil/Political Freedom	0.114***	(0.037)	0.443***	(0.114)	
Civil/Political Freedom Squared			-0.043***	(0.010)	
EF: Sound Money	-0.136***	(0.037)	-0.099***	(0.038)	
EF: Regulation			0.180***	(0.063)	
Inflation [%]			-0.020**	(0.008)	
Gov.: authoritarian	0.774**	(0.322)			
Parliamentary	0.255**	(0.105)	0.374***	(0.109)	
Central/Eastern Europe	-0.423***	(0.146)			
South East Asia	0.680***	(0.230)			
Central/Latin America			-0.445**	(0.211)	
Italy	-0.609***	(0.192)	-0.476**	(0.206)	
Constant	-0.883***	(0.249)	-1.651***	(0.428)	
R-squared	0.4	00	0.4	10	

<u>Excluded and Omitted Variables:</u> Fraction years free and Partially free (Fraction years not free omitted); Size of government, Legal/property rights, Foreign trade; GDP per capita, GDP growth, Centrist/mixed, Left-wing and Ethnic/religious government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); Former Soviet Union, Middle East and North Africa, Anglo-Saxon, United States (Europe omitted).

B. Czech Social Democratic Party (CSSD)	Civil Liberties		Political Rights		
Civil/Political Freedom	0.470**	(0.213)	0.275***	(0.080)	
Civil/Political Freedom Squared	-0.045***	(0.014)		, ,	
Fraction Years Free	-1.417**	(0.693)	-2.080***	(0.805)	
Fraction Years Partially Free	-1.639***	(0.591)	-2.532***	(0.622)	
EF: Legal/Property Rights	0.444***	(0.133)			
EF: Sound Money			0.181*	(0.102)	
EF: Regulation	-0.369***	(0.117)	-0.293***	(0.115)	
GDP per capita (US\$ thousands)	-0.058***	(0.021)	-0.046***	(0.016)	
Inflation [%]	0.028***	(0.011)	0.036**	(0.015)	
Gov.: Left wing	-0.375*	(0.198)			
Gov.: authoritarian	2.050***	(0.556)	2.376***	(0.534)	
Parliamentary	-0.507***	(0.202)	-0.298*	(0.170)	
Central/Eastern Europe	-1.089***	(0.412)	-1.315***	(0.433)	
Former Soviet Union	-1.942***	(0.630)			
South East Asia	-0.902***	(0.363)			
Middle East/North Africa	-2.592***	(0.654)	-1.184**	(0.533)	
Italy	-1.031***	(0.344)	-1.117***	(0.334)	
Constant	0.130	(0.908)	-0.357	(0.844)	
R-squared	0.529		0.515		

<u>Excluded and Omitted Variables:</u> Fraction years not free (omitted); Size of government, Foreign trade; GDP growth, Centrist/mixed, and Ethnic/religious government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); Central/Latin America (Europe omitted).

C. Communist Party of Bohemia and Moravia (KSCM)	Civil Liberties		Political Rights	
Civil/Political Freedom	1.698***	(0.450)		
Civil/Political Freedom Squared	-0.137***	(0.036)	0.026***	(0.010)
Fraction Years Free	-5.057***	(1.079)	-3.350***	(1.144)
Fraction Years Partially Free	-5.468***	(1.153)	-3.442***	(1.092)
EF: Size of Government	0.242**	(0.128)		
EF: Legal/Property Rights	1.022***	(0.250)	1.013***	(0.288)
EF: Foreign Trade	0.477**	(0.262)	0.710***	(0.271)
EF: Regulation	-0.999***	(0.313)	-0.752**	(0.269)
GDP per capita (US\$ thousands)			-0.116***	(0.055)
Inflation [%]			0.054**	(0.023)
Parliamentary	-1.623***	(0.420)	-2.031***	(0.458)
Italy	-2.260***	(0.795)	-1.590**	(0.794)
Constant	-9.762***	(2.285)	-9.224***	(2.405)
R-squared	0.5	0.526		44

Excluded and Omitted Variables: Fraction years not free (omitted); Sound Money; GDP growth, Centrist/mixed, Left-wing, Authoritarian and Ethnic/religious government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); Central/Eastern Europe, Former Soviet Union, South-east Asia, Middle East and North Africa, Central/Latin America, Anglo-Saxon, United States (Europe omitted).

D. Coalition (KDU-US)	Civil Liberties		Political	Rights
Civil/Political Freedom			-0.142**	(0.062)
Fraction Years Free			1.447**	(0.662)
Fraction Years Partially Free			0.917*	(0.499)
EF: Legal/Property Rights	-0.350***	(0.098)	-0.275***	(0.089)
EF: Regulation	0.590***	(0.096)	0.501***	(0.107)
GDP per capita (US\$ thousands)	0.077***	(0.017)	0.057***	(0.016)
Gov.: Left wing	0.349**	(0.162)	0.253*	(0.132)
Parliamentary	0.428***	(0.147)	0.363***	(0.142)
Central/Eastern Europe	0.516***	(0.169)	1.057***	(0.340)
South East Asia			-0.389*	(0.234)
Middle East/North Africa			-0.630**	(0.318)
Anglo-Saxon	-0.365**	(0.150)	-0.289*	(0.154)
Italy	1.558***	(0.261)	1.464***	(0.253)
Constant	-3.800***	(0.526)	-3.263***	(0.560)
R-squared	0.7	63	0.7	94

<u>Excluded and Omitted Variables:</u> Civil/Political Freedom Squared; Fraction years free and Partially free (Fraction years not free omitted); Size of government, Sound money, and Foreign trade; GDP growth, Inflation, Centrist/mixed, Authoritarian and Ethnic/religious government (Right-wing government omitted); Weak presidential electoral system (Strong presidential omitted); Former Soviet Union, Central/Latin America (Europe omitted).

E. Others	Civil Liberties		Political	Rights
Civil/Political Freedom	0.225***	(0.068)		
Civil/Political Freedom Squared			0.014**	(0.007)
Fraction Years Free	-0.926**	(0.428)	-2.680***	(0.642)
EF: Legal/Property Rights			0.380***	(0.098)
EF: Sound Money	-0.234**	(0.107)	-0.384***	(0.120)
EF: Foreign Trade			-0.205*	(0.114)
EF: Regulation	0.374***	(0.111)	0.264**	(0.137)
Inflation [%]	-0.067***	(0.016)	-0.070***	(0.017)
Gov.: Centrist or mixed <sup>1</sup>	-0.570***	(0.153)	-0.573***	(0.174)
Gov.: Left wing <sup>1</sup>			-0.490**	(0.208)
Gov.: authoritarian <sup>1</sup>	-2.007***	(0.665)	-1.960***	(0.664)
Central/Eastern Europe			-1.462***	(0.404)
Former Soviet Union	1.956***	(0.612)		
South East Asia	0.904**	(0.379)		
Middle East/North Africa	3.680***	(0.711)	1.746***	(0.647)
Anglo-Saxon			-0.614***	(0.235)
United States	-0.707**	(0.290)		
Constant	-3.494***	(0.819)	-0.360	(1.054)
R-squared	0.4	0.471		72

<u>Excluded and Omitted Variables:</u> Fraction years partially free (Fraction years not free omitted); Size of government; GDP per capita, GDP growth, Ethnic/religious government (Right-wing government omitted); Weak presidential and Parliamentary electoral system (Strong presidential omitted); Central/Latin America, and Italy (Europe omitted).

Breusch-Pagan Test of Independence		
Civil Liberties	Political Rights	
$\chi^2(10) = 36.30***$	$\chi^2(10) = 36.98***$	

**Notes:** Number of observations is 54. Standard errors are in parentheses. Estimated using a Seemingly Unrelated Regression (SUR) model and applying the General-to-Specific procedure. Analytic weights are applied using the total number of votes per country. A dummy for Italy is added because votes from Italy also include those from the Vatican. Significance levels are indicated as 1% (\*\*\*), 5% (\*\*) and 10% (\*). The Breusch-Pagan test of independence indicates that we can reject the null hypothesis of independence of the residuals across the equations in each of the Polish and Czech regressions. Therefore, OLS estimates would be inconsistent and the choice of SUR is justified.

**Table 4 Poland: General-to-Specific Results** 

A. Coalition of Democratic Left and Union of Labor (SLD-UP)	Civil Liberties		Political	Rights
Civil/Political Freedom Squared	-0.005***	(0.002)		
EF: Legal/Property Rights			-0.112***	(0.033)
EF: Foreign Trade			0.178***	(0.047)
EF: Regulation	-0.296***	(0.055)	-0.421***	(0.039)
Gini Index			0.014**	(0.006)
Gov.: Centrist or mixed	0.296***	(0.077)	0.383***	(0.076)
Gov.: ethnic/religious	0.401**	(0.185)	0.613***	(0.214)
Parliamentary	0.313***	(0.081)		
Former Soviet Union			-0.706***	(0.196)
Sub-Saharan Africa			-0.794***	(0.239)
Central/Latin America			-0.692***	(0.190)
Anglo-Saxon	-0.216**	(0.097)		
United States	0.366***	(0.116)		
Italy	-1.331***	(0.129)	-1.516***	(0.122)
Constant	1.011***	(0.304)	0.742*	(0.393)
R-squared	0.856		0.8	65

<u>Excluded and Omitted Variables:</u> Civil/political freedom; Fraction years free and Partially free (Fraction years not free omitted); Size of government, Sound money; GDP per capita, GDP growth, Inflation, Leftwing and Authoritarian government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); Central/Eastern Europe, South East Asia, Middle East and North Africa (Europe omitted).

B. Solidarity Electoral Action (AWSP)	Civil Liberties		Political Rights	
EF: Regulation	0.235***	(0.083)	0.245***	(0.083)
GDP Growth [%]	-0.186***	(0.045)	-0.199***	(0.046)
Former Soviet Union	0.990***	(0.371)	1.136***	(0.392)
United States	-0.567***	(0.185)	-0.545***	(0.184)
Italy	1.760***	(0.299)	1.830***	(0.295)
Constant	-3.477***	(0.592)	-3.516***	(0.591)
R-squared	0.509		0.5	13

Excluded and Omitted Variables: Civil/political freedom (linear and squared); Fraction years free and Partially free (Fraction years not free omitted); Size of government, Legal/property rights, Sound money, Foreign trade; GDP per capita; Gini Index; Inflation, Centrist/mixed, Left-wing, Authoritarian and Ethnic/religious government (Right-wing government omitted); Weak presidential and Parliamentary electoral system (strong presidential omitted); Central/Eastern Europe, South East Asia, Middle East and North Africa, Sub-Saharan Africa, Central/Latin America, Anglo-Saxon, (Europe omitted).

C. Union of Freedom (UW)	Civil Li	berties	Political	Rights
Civil/Political Freedom	-0.096***	(0.037)		
Fraction Years Partially Free	0.751***	(0.285)	0.674***	(0.269)
EF: Regulation	0.366***	(0.078)	0.334***	(0.077)
GDP per capita	0.015*	(0.009)	0.018**	(0.009)
Gov.: Centrist or mixed			0.370***	(0.116)
Gov.: Left wing			0.334***	(0.116)
Gov.: authoritarian			0.734**	(0.351)
Gov.: ethnic/religious			0.542**	(0.242)
Parliamentary			-0.304**	(0.128)
South East Asia			0.400*	(0.235)
Anglo-Saxon	-0.702***	(0.135)	-0.616***	(0.131)
United States	-1.043***	(0.127)	-1.310***	(0.180)
Constant	-3.840***	(0.405)	-4.503***	(0.431)
R-squared	0.7	47	0.7	93

Excluded and Omitted Variables: Civil/political freedom squared; Fraction years free (Fraction years not free omitted); Size of government, Legal/property rights, Sound money, Foreign trade; Gini Index; GDP growth, Inflation, Centrist/mixed, Left-wing, Authoritarian and Ethnic/religious government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); Central/Eastern Europe, Former Soviet Union, Middle East and North Africa, Sub-Saharan Africa, Central/Latin America, Italy (Europe omitted).

D. Law and Justice (PiS)	Civil Liberties		Political	Rights
Civil/Political Freedom Squared	0.004*	(0.002)		
EF: Foreign Trade	0.200***	(0.071)		
GDP per capita (US\$ thousands)			0.022***	(0.006)
Gini Index	0.025***	(0.008)	0.024***	(0.008)
Gov.: Centrist or mixed	-0.300***	(0.122)	-0.310***	(0.124)
Gov.: Left wing	-0.313***	(0.120)	-0.344***	(0.107)
Gov.: ethnic/religious	-0.772***	(0.269)	-0.825***	(0.257)
Parliamentary	-0.226**	(0.104)		
South East Asia	-0.449*	(0.271)	-0.661**	(0.273)
Sub-Saharan Africa	-1.204***	(0.373)	-0.946**	(0.409)
Central/Latin America	-1.270***	(0.279)	-1.097***	(0.311)
Constant	-3.963***	(0.627)	-2.664***	(0.312)
R-squared	0.705		0.6	98

<u>Excluded and Omitted Variables:</u> Civil/political freedom; Fraction years free and Partially free (Fraction years not free omitted); Size of government, Legal/property rights, Sound money, Regulation; GDP growth, Inflation, Authoritarian government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); Central/Eastern Europe, Former Soviet Union, Middle East and North Africa, Anglo-Saxon, United States, Italy (Europe omitted).

E. Citizens' Platform (PO)	Civil Liberties		Political	Rights
Civil/Political Freedom			-0.555***	(0.143)
Civil/Political Freedom Squared			0.043***	(0.013)
Fraction Years Partially Free			0.597*	(0.339)
EF: Size of Government	-0.089***	(0.028)	-0.076***	(0.021)
EF: Legal/Property Rights			0.064*	(0.037)
EF: Regulation	0.083**	(0.043)		
GDP Growth [%]	0.060**	(0.027)	0.068**	(0.028)
Inflation [%]			0.018***	(0.007)
Gov.: Centrist or mixed	0.468***	(0.092)	0.555***	(0.085)
Gov.: Left wing	0.457***	(0.102)	0.424***	(0.087)
Gov.: authoritarian			-0.710*	(0.427)
Weak presidential			0.930**	(0.396)
Former Soviet Union			-0.633**	(0.317)
South East Asia			-0.696**	(0.296)
Middle East/North Africa			-0.622*	(0.362)
Central/Latin America	0.619***	(0.231)	0.678***	(0.257)
Constant	-2.212***	(0.316)	-1.118**	(0.492)
R-squared	0.4	57	0.5	61

<u>Excluded and Omitted Variables:</u> Civil/political freedom; Fraction years free (Fraction years not free omitted); Sound money, Foreign trade; GDP per capita; Gini Index; Ethnic/religious government (Rightwing government omitted); Parliamentary electoral system (strong presidential omitted); Central/Eastern Europe, Sub-Saharan Africa, Anglo-Saxon, United States, Italy (Europe omitted).

F. League of Polish Families (LPR)	Civil Liberties		Political	Rights
Fraction Years Free	2.009***	(0.389)	1.702***	(0.394)
EF: Regulation	0.482***	(0.083)	0.373***	(0.123)
GDP Growth [%]			-0.095**	(0.048)
Gov.: Centrist or mixed	-1.148***	(0.188)	-1.383***	(0.225)
Gov.: Left wing			-0.370*	(0.205)
Gov.: ethnic/religious	-2.179***	(0.532)	-2.448***	(0.584)
Parliamentary			0.565***	(0.221)
Central/Eastern Europe	1.523***	(0.317)	1.340***	(0.294)
Former Soviet Union	3.709***	(0.500)	4.247***	(0.559)
Sub-Saharan Africa	-0.968*	(0.595)		
United States			0.671**	(0.295)
Constant	-6.801***	(0.557)	-5.807***	(0.783)
R-squared	0.732		0.7	56

<u>Excluded and Omitted Variables:</u> Civil/political freedom (linear and squared); Fraction years partially free (Fraction years not free omitted); Size of government, Legal/property rights, Sound money, Foreign trade; GDP per capita; Gini Index; Inflation, Authoritarian government (Right-wing government omitted); Weak presidential electoral system (strong presidential omitted); South East Asia, Middle East and North Africa, Central/Latin America, Anglo-Saxon, Italy (Europe omitted).

G. Others	Civil Liberties		berties Political Rights	
Civil/Political Freedom Squared			0.009***	(0.004)
EF: Legal/Property Rights	0.211**	(0.091)		
GDP per capita (US\$ thousands)	-0.058***	(0.018)	-0.045***	(0.012)
Gov.: Centrist or mixed	-0.292*	(0.157)	-0.321**	(0.158)
South East Asia	-1.212***	(0.413)	-1.064***	(0.414)
Anglo-Saxon	-0.553***	(0.186)	-0.398**	(0.178)
United States	1.029***	(0.233)	0.923***	(0.209)
Constant	-3.654***	(0.447)	-3.079***	(0.251)
R-squared	0.343		0.3	49

Excluded and Omitted Variables: Civil/political freedom; Fraction years free and Partially free (Fraction years not free omitted); Size of government, Sound money, Foreign trade, Regulation; Gini Index; GDP growth, Inflation, Left-wing, Authoritarian and Ethnic/religious government (Right-wing government omitted); Weak presidential and Parliamentary electoral system (strong presidential omitted); Central/Eastern Europe, Former Soviet Union, Middle East and North Africa, Sub-Saharan Africa, Central/Latin America, Italy (Europe omitted).

Breusch-Pagan Test of Independence

Civil Liberties	Political Rights
$\chi^2(21) = 77.13***$	$\chi^2(21) = 80.51***$

**Notes:** Number of observations is 66. Standard errors are in parentheses. Estimated using a Seemingly Unrelated Regression (SUR) model and applying the General-to-Specific procedure. Analytic weights are applied using the total number of votes per country. A dummy for Italy is added because votes from Italy also include those from the Vatican. Significance levels are indicated as 1% (\*\*\*), 5% (\*\*) and 10% (\*). The Breusch-Pagan test of independence indicates that we can reject the null hypothesis of independence of the residuals across the equations in each of the Polish and Czech regressions. Therefore, OLS estimates would be inconsistent and the choice of SUR is justified.

# Appendices

# Appendix A

**Table A1 Czech Republic: General Unrestricted Model Specification** 

A. Civic Democratic Party (ODS)	vic Democratic Party (ODS) Civil Liberties		Political	Rights
Civil/Political Freedom	0.109	(0.210)	0.417**	(0.211)
Civil/Political Freedom Squared	-0.001	(0.014)	-0.038**	(0.017)
Fraction Years Free	0.129	(0.645)	0.005	(0.706)
Fraction Years Partially Free	0.083	(0.582)	-0.329	(0.637)
EF: Size of Government	0.049	(0.057)	0.072	(0.054)
EF: Legal/Property Rights	0.077	(0.117)	0.025	(0.117)
EF: Sound Money	-0.132	(0.110)	-0.145	(0.106)
EF: Foreign Trade	0.022	(0.092)	0.003	(0.089)
EF: Regulation	0.077	(0.127)	0.113	(0.127)
GDP per capita	-0.024	(0.025)	-0.010	(0.024)
GDP Growth [%]	0.007	(0.031)	-0.002	(0.029)
Inflation [%]	-0.002	(0.014)	-0.015	(0.015)
Gov.: Centrist or mixed <sup>1</sup>	0.051	(0.163)	-0.025	(0.155)
Gov.: Left wing <sup>1</sup>	0.059	(0.192)	0.041	(0.181)
Gov.: authoritarian <sup>1</sup>	0.667	(0.552)	0.387	(0.511)
Gov.: ethnic/religious <sup>1</sup>	-0.137	(0.405)	-0.276	(0.379)
Weak presidential <sup>2</sup>	-0.140	(0.362)	-0.130	(0.349)
Parliamentary <sup>2</sup>	0.154	(0.197)	0.240	(0.193)
Central/Eastern Europe	-0.350	(0.411)	-0.317	(0.407)
Former Soviet Union	0.110	(0.700)	-0.387	(0.680)
South East Asia	0.666*	(0.374)	0.234	(0.375)
Middle East/North Africa	0.022	(0.718)	-0.390	(0.677)
Central/Latin America	-0.247	(0.437)	-0.767*	(0.452)
Anglo-Saxon	-0.049	(0.204)	-0.040	(0.198)
United States	-0.089	(0.341)	-0.187	(0.332)
Italy	-0.443*	(0.258)	-0.556**	(0.241)
Constant	-1.903*	(1.118)	-1.164	(1.035)
R-squared	_0.4	1579	0.49	910

B. Czech Social Democratic Party (CSSD)	Civil Li	berties	Political	Rights
Civil/Political Freedom	0.401	(0.329)	0.609*	(0.334)
Civil/Political Freedom Squared	-0.042*	(0.022)	-0.027	(0.026)
Fraction Years Free	-1.519	(1.011)	-3.102***	(1.117)
Fraction Years Partially Free	-1.519*	(0.911)	-2.960***	(1.007)
EF: Size of Government	-0.046	(0.089)	-0.158*	(0.085)
EF: Legal/Property Rights	0.420**	(0.183)	0.213	(0.185)
EF: Sound Money	0.208	(0.172)	0.178	(0.168)
EF: Foreign Trade	0.007	(0.143)	-0.019	(0.141)
EF: Regulation	-0.451**	(0.198)	-0.264	(0.201)
GDP per capita	-0.066*	(0.038)	-0.058	(0.038)
GDP Growth [%]	0.008	(0.048)	0.038	(0.047)
Inflation [%]	0.048**	(0.022)	0.032	(0.024)
Gov.: Centrist or mixed <sup>1</sup>	0.051	(0.256)	0.158	(0.245)
Gov.: Left wing <sup>1</sup>	-0.345	(0.301)	0.053	(0.286)
Gov.: authoritarian <sup>1</sup>	1.551*	(0.864)	2.092**	(0.808)
Gov.: ethnic/religious <sup>1</sup>	-0.081	(0.635)	0.553	(0.599)
Weak presidential <sup>2</sup>	0.337	(0.568)	0.264	(0.552)
Parliamentary <sup>2</sup>	-0.282	(0.308)	-0.234	(0.305)
Central/Eastern Europe	-0.981	(0.643)	-1.750***	(0.643)
Former Soviet Union	-1.556	(1.096)	-0.663	(1.075)
South East Asia	-0.795	(0.585)	-0.261	(0.593)
Middle East/North Africa	-2.892**	(1.124)	-1.178	(1.071)
Central/Latin America	0.001	(0.685)	0.596	(0.714)
Anglo-Saxon	-0.134	(0.319)	-0.128	(0.312)
United States	0.844	(0.534)	0.755	(0.525)
Italy	-1.186***	(0.404)	-0.771**	(0.382)
Constant	-0.548	(1.750)	-1.050	(1.636)
R-squared	0.58	323	0.59	99

C. Communist Party of Bohemia and Moravia (KSCM)	Civil Liberties		Political	Rights
Civil/Political Freedom	1.666**	(0.716)	0.173	(0.765)
Civil/Political Freedom Squared	-0.124**	(0.048)	0.018	(0.061)
Fraction Years Free	-3.903*	(2.201)	-3.193	(2.561)
Fraction Years Partially Free	-5.898***	(1.984)	-4.424*	(2.311)
EF: Size of Government	0.159	(0.193)	0.020	(0.195)
EF: Legal/Property Rights	0.828**	(0.400)	0.710*	(0.424)
EF: Sound Money	-0.387	(0.374)	-0.292	(0.385)
EF: Foreign Trade	0.686**	(0.313)	0.726**	(0.324)
EF: Regulation	-0.893**	(0.432)	-0.737	(0.461)
GDP per capita	-0.033	(0.084)	-0.059	(0.088)
GDP Growth [%]	-0.124	(0.105)	-0.123	(0.107)
Inflation [%]	0.012	(0.048)	0.026	(0.055)
Gov.: Centrist or mixed <sup>1</sup>	0.195	(0.557)	0.445	(0.562)
Gov.: Left wing <sup>1</sup>	-0.206	(0.655)	0.102	(0.656)
Gov.: authoritarian <sup>1</sup>	1.786	(1.882)	1.862	(1.853)
Gov.: ethnic/religious <sup>1</sup>	1.347	(1.383)	1.584	(1.375)
Weak presidential <sup>2</sup>	1.380	(1.236)	1.281	(1.267)
Parliamentary <sup>2</sup>	-1.531**	(0.671)	-1.714**	(0.700)
Central/Eastern Europe	-1.109	(1.401)	-0.588	(1.476)
Former Soviet Union	-3.109	(2.387)	-1.097	(2.467)
South East Asia	-1.103	(1.275)	-0.046	(1.360)
Middle East/North Africa	0.113	(2.448)	0.699	(2.457)
Central/Latin America	-0.824	(1.491)	0.075	(1.639)
Anglo-Saxon	0.291	(0.695)	0.302	(0.717)
United States	0.122	(1.162)	0.033	(1.204)
Italy	-2.356***	(0.879)	-1.684*	(0.875)
Constant	-7.202*	(3.813)	-6.681*	(3.754)
R-squared	0.61	92	059	954

D. Coalition (KDU-US)	Civil Li	berties	Political	Rights
Civil/Political Freedom	-0.076	(0.243)	-0.300	(0.244)
Civil/Political Freedom Squared	0.008	(0.016)	0.014	(0.019)
Fraction Years Free	0.783	(0.747)	1.756**	(0.817)
Fraction Years Partially Free	0.371	(0.673)	1.200	(0.737)
EF: Size of Government	-0.095	(0.066)	-0.060	(0.062)
EF: Legal/Property Rights	-0.440***	(0.136)	-0.378***	(0.135)
EF: Sound Money	-0.109	(0.127)	-0.075	(0.123)
EF: Foreign Trade	-0.082	(0.106)	-0.038	(0.103)
EF: Regulation	0.603***	(0.146)	0.528***	(0.147)
GDP per capita	0.086***	(0.028)	0.075***	(0.028)
GDP Growth [%]	0.015	(0.036)	0.003	(0.034)
Inflation [%]	-0.008	(0.016)	0.002	(0.018)
Gov.: Centrist or mixed <sup>1</sup>	0.071	(0.189)	0.068	(0.179)
Gov.: Left wing <sup>1</sup>	0.332	(0.222)	0.209	(0.209)
Gov.: authoritarian <sup>1</sup>	0.884	(0.638)	0.724	(0.591)
Gov.: ethnic/religious <sup>1</sup>	0.439	(0.469)	0.220	(0.438)
Weak presidential <sup>2</sup>	0.570	(0.419)	0.537	(0.404)
Parliamentary <sup>2</sup>	0.582**	(0.227)	0.513**	(0.223)
Central/Eastern Europe	0.481	(0.475)	0.947**	(0.470)
Former Soviet Union	-0.134	(0.810)	-0.354	(0.786)
South East Asia	-0.396	(0.433)	-0.532	(0.433)
Middle East/North Africa	-0.155	(0.830)	-0.847	(0.783)
Central/Latin America	0.351	(0.506)	0.141	(0.522)
Anglo-Saxon	-0.158	(0.236)	-0.141	(0.228)
United States	0.013	(0.394)	0.048	(0.384)
Italy	1.522***	(0.298)	1.415***	(0.279)
Constant	-2.087	(1.293)	-1.995*	(1.197)
R-squared	0.80	007	0.81	30

E. Others	Civil Li	berties	Political	Rights
Civil/Political Freedom	0.749**	(0.301)	-0.207	(0.323)
Civil/Political Freedom Squared	-0.036*	(0.020)	0.032	(0.026)
Fraction Years Free	-2.832***	(0.926)	-2.165**	(1.082)
Fraction Years Partially Free	-1.227	(0.835)	0.335	(0.976)
EF: Size of Government	0.079	(0.081)	0.089	(0.082)
EF: Legal/Property Rights	0.153	(0.168)	0.308*	(0.179)
EF: Sound Money	-0.374**	(0.157)	-0.351**	(0.162)
EF: Foreign Trade	-0.116	(0.132)	-0.181	(0.137)
EF: Regulation	0.354*	(0.182)	0.329*	(0.195)
GDP per capita	0.024	(0.035)	0.024	(0.037)
GDP Growth [%]	0.004	(0.044)	-0.020	(0.045)
Inflation [%]	-0.085***	(0.020)	-0.071***	(0.023)
Gov.: Centrist or mixed <sup>1</sup>	-0.804***	(0.234)	-0.818***	(0.238)
Gov.: Left wing <sup>1</sup>	-0.282	(0.276)	-0.487*	(0.277)
Gov.: authoritarian <sup>1</sup>	-2.000**	(0.792)	-2.563***	(0.783)
Gov.: ethnic/religious <sup>1</sup>	-0.122	(0.582)	-0.561	(0.581)
Weak presidential <sup>2</sup>	-0.699	(0.520)	-0.493	(0.535)
Parliamentary <sup>2</sup>	-0.124	(0.282)	-0.146	(0.296)
Central/Eastern Europe	-0.963	(0.589)	-0.478	(0.623)
Former Soviet Union	1.098	(1.005)	1.614	(1.042)
South East Asia	0.754	(0.537)	0.971*	(0.574)
Middle East/North Africa	3.743***	(1.030)	2.892***	(1.038)
Central/Latin America	0.085	(0.627)	0.316	(0.692)
Anglo-Saxon	-0.411	(0.292)	-0.480	(0.303)
United States	-1.011**	(0.489)	-0.997**	(0.509)
Italy	-0.068	(0.370)	-0.050	(0.370)
Constant	-2.884*	(1.604)	-1.714	(1.586)
R-squared	057	74	0.54	173

**Breusch-Pagan Test of Independence** 

Civil Liberties	Political Rights
$\chi^2(10) = 42.58***$	$\gamma^2(10) = 41.67***$

**Notes:** Number of observations is 54. Standard errors are in parentheses. Estimated using a Seemingly Unrelated Regression (SUR) model and applying the General-to-Specific procedure. Analytic weights are applied using the total number of votes per country. Omitted variables include: fraction of years not free, right-wing government, strong presidential system and Western Europe. A dummy for Italy is added because votes from Italy also include those from the Vatican. Significance levels are indicated as 1% (\*\*\*), 5% (\*\*) and 10% (\*). The Breusch-Pagan test of independence indicates that we can reject the null hypothesis of independence of the residuals across the equations in each of the Polish and Czech regressions. Therefore, OLS estimates would be inconsistent and the choice of SUR is justified.

**Table A2 Poland: General Unrestricted Model Specification** 

A. Coalition of Democratic Left and Union of Labor (SLD-UP)	Civil Li	berties	Political	Rights
Civil/Political Freedom	0.376*	(0.192)	0.076	(0.172)
Civil/Political Freedom Squared	-0.027**	(0.012)	-0.006	(0.014)
Fraction Years Free	-0.582	(0.637)	0.120	(0.737)
Fraction Years Partially Free	-0.899*	(0.494)	-0.391	(0.559)
EF: Size of Government	-0.003	(0.043)	-0.011	(0.044)
EF: Legal/Property Rights	-0.091	(0.072)	-0.133*	(0.070)
EF: Sound Money	-0.037	(0.064)	-0.021	(0.066)
EF: Foreign Trade	0.073	(0.081)	0.121	(0.080)
EF: Regulation	-0.266***	(0.088)	-0.272***	(0.093)
GDP per capita	0.005	(0.015)	-0.001	(0.015)
Gini Index	0.013	(0.009)	0.015	(0.010)
GDP Growth [%]	0.006	(0.028)	-0.004	(0.030)
Inflation [%]	-0.005	(0.009)	-0.009	(0.010)
Gov.: Centrist or mixed <sup>1</sup>	0.273**	(0.114)	0.306***	(0.115)
Gov.: Left wing <sup>1</sup>	-0.058	(0.121)	-0.013	(0.121)
Gov.: authoritarian <sup>1</sup>	0.309	(0.406)	0.410	(0.414)
Gov.: ethnic/religious <sup>1</sup>	0.875***	(0.308)	0.815***	(0.304)
Weak presidential <sup>2</sup>	0.140	(0.388)	0.107	(0.392)
Parliamentary <sup>2</sup>	0.298**	(0.152)	0.263	(0.167)
Central/Eastern Europe	-0.267	(0.384)	0.119	(0.424)
Former Soviet Union	-0.505	(0.499)	-0.179	(0.516)
South East Asia	0.197	(0.316)	0.228	(0.326)
Middle East/North Africa	0.362	(0.438)	0.363	(0.452)
Sub-Saharan Africa	-0.403	(0.423)	-0.370	(0.446)
Central/Latin America	-0.380	(0.347)	-0.419	(0.359)
Anglo-Saxon	-0.258	(0.162)	-0.241	(0.164)
United States	0.230	(0.221)	0.192	(0.230)
Italy	-1.515***	(0.187)	-1.483***	(0.196)
Constant	-0.164	(0.970)	0.245	(0.954)
R-squared	0.89	012	0.88	330

B. Solidarity Electoral Action (AWSP)	Civil Li	berties	Political	Rights
Civil/Political Freedom	-0.356	(0.410)	-0.254	(0.360)
Civil/Political Freedom Squared	0.012	(0.026)	0.025	(0.029)
Fraction Years Free	-0.176	(1.360)	-0.748	(1.540)
Fraction Years Partially Free	-0.264	(1.055)	-0.200	(1.168)
EF: Size of Government	0.001	(0.093)	-0.040	(0.092)
EF: Legal/Property Rights	-0.152	(0.153)	-0.215	(0.147)
EF: Sound Money	-0.104	(0.137)	-0.076	(0.137)
EF: Foreign Trade	0.075	(0.173)	0.121	(0.168)
EF: Regulation	0.353*	(0.188)	0.246	(0.195)
GDP per capita	0.074**	(0.031)	0.063**	(0.032)
Gini Index	0.026	(0.020)	0.029	(0.020)
GDP Growth [%]	-0.283***	(0.059)	-0.252***	(0.062)
Inflation [%]	-0.030	(0.020)	-0.019	(0.021)
Gov.: Centrist or mixed <sup>1</sup>	-0.217	(0.244)	0.016	(0.239)
Gov.: Left wing <sup>1</sup>	-0.245	(0.257)	-0.049	(0.252)
Gov.: authoritarian <sup>1</sup>	-0.968	(0.867)	-0.501	(0.865)
Gov.: ethnic/religious <sup>1</sup>	-0.672	(0.658)	-0.240	(0.635)
Weak presidential <sup>2</sup>	0.370	(0.828)	-0.003	(0.819)
Parliamentary <sup>2</sup>	0.519	(0.325)	0.316	(0.349)
Central/Eastern Europe	0.948	(0.820)	0.430	(0.885)
Former Soviet Union	2.470**	(1.065)	2.153**	(1.078)
South East Asia	-0.371	(0.674)	-0.142	(0.681)
Middle East/North Africa	0.840	(0.935)	0.995	(0.944)
Sub-Saharan Africa	0.327	(0.903)	-0.101	(0.931)
Central/Latin America	0.606	(0.741)	0.413	(0.750)
Anglo-Saxon	-0.235	(0.346)	-0.009	(0.343)
United States	-0.721	(0.473)	-0.748	(0.479)
Italy	1.518***	(0.398)	1.599***	(0.409)
Constant	-2.791	(2.069)	-3.507*	(1.993)
R-squared	0.66	516	0.60	)52

C. Union of Freedom (UW)	Civil Li	berties	Political	Rights
Civil/Political Freedom	-0.214	(0.253)	0.138	(0.218)
Civil/Political Freedom Squared	0.012	(0.016)	-0.015	(0.018)
Fraction Years Free	0.452	(0.838)	0.020	(0.935)
Fraction Years Partially Free	0.885	(0.650)	0.328	(0.709)
EF: Size of Government	-0.040	(0.057)	-0.050	(0.056)
EF: Legal/Property Rights	0.071	(0.094)	0.035	(0.089)
EF: Sound Money	0.112	(0.084)	0.118	(0.083)
EF: Foreign Trade	-0.077	(0.107)	-0.069	(0.102)
EF: Regulation	0.231**	(0.116)	0.251**	(0.119)
GDP per capita	0.024	(0.019)	0.028	(0.019)
Gini Index	0.018	(0.012)	0.019	(0.012)
GDP Growth [%]	0.035	(0.036)	0.031	(0.038)
Inflation [%]	0.009	(0.012)	0.007	(0.013)
Gov.: Centrist or mixed <sup>1</sup>	0.472***	(0.151)	0.454***	(0.145)
Gov.: Left wing <sup>1</sup>	0.274*	(0.159)	0.265*	(0.153)
Gov.: authoritarian <sup>1</sup>	0.740	(0.535)	0.779	(0.525)
Gov.: ethnic/religious <sup>1</sup>	0.539	(0.405)	0.716*	(0.385)
Weak presidential <sup>2</sup>	0.019	(0.510)	-0.012	(0.497)
Parliamentary <sup>2</sup>	-0.381*	(0.200)	-0.303	(0.212)
Central/Eastern Europe	0.649	(0.506)	0.441	(0.537)
Former Soviet Union	0.268	(0.656)	0.045	(0.654)
South East Asia	0.660	(0.415)	0.638	(0.413)
Middle East/North Africa	-0.142	(0.577)	-0.058	(0.573)
Sub-Saharan Africa	0.436	(0.556)	0.409	(0.565)
Central/Latin America	0.063	(0.457)	-0.012	(0.455)
Anglo-Saxon	-0.594***	(0.213)	-0.593***	(0.208)
United States	-1.428***	(0.291)	-1.397***	(0.291)
Italy	-0.120	(0.246)	-0.152	(0.248)
Constant	-4.944***	(1.276)	-5.476***	(1.210)
R-squared	0.82	232	0.82	234

D. Law and Justice (PiS)	Civil Li	berties	Political	Rights
Civil/Political Freedom	-0.455	(0.278)	-0.227	(0.242)
Civil/Political Freedom Squared	0.029*	(0.017)	0.023	(0.020)
Fraction Years Free	-0.227	(0.921)	-1.133	(1.038)
Fraction Years Partially Free	0.623	(0.714)	0.274	(0.787)
EF: Size of Government	0.076	(0.063)	0.074	(0.062)
EF: Legal/Property Rights	0.049	(0.104)	0.093	(0.099)
EF: Sound Money	0.030	(0.093)	0.016	(0.092)
EF: Foreign Trade	0.210*	(0.117)	0.164	(0.113)
EF: Regulation	-0.127	(0.127)	-0.165	(0.132)
GDP per capita	0.022	(0.021)	0.024	(0.022)
Gini Index	0.022	(0.013)	0.020	(0.013)
GDP Growth [%]	-0.085**	(0.040)	-0.061	(0.042)
Inflation [%]	0.001	(0.014)	0.010	(0.014)
Gov.: Centrist or mixed <sup>1</sup>	-0.296*	(0.165)	-0.241	(0.161)
Gov.: Left wing <sup>1</sup>	-0.359**	(0.174)	-0.335**	(0.170)
Gov.: authoritarian <sup>1</sup>	-0.703	(0.587)	-0.662	(0.583)
Gov.: ethnic/religious <sup>1</sup>	-1.444***	(0.445)	-1.294***	(0.427)
Weak presidential <sup>2</sup>	-0.128	(0.560)	-0.206	(0.552)
Parliamentary <sup>2</sup>	-0.431**	(0.220)	-0.500**	(0.235)
Central/Eastern Europe	0.103	(0.555)	-0.478	(0.596)
Former Soviet Union	0.048	(0.721)	-0.369	(0.726)
South East Asia	-0.801*	(0.456)	-0.747	(0.459)
Middle East/North Africa	-0.770	(0.633)	-0.755	(0.636)
Sub-Saharan Africa	-1.452**	(0.611)	-1.647***	(0.627)
Central/Latin America	-1.552***	(0.502)	-1.546***	(0.505)
Anglo-Saxon	0.099	(0.234)	0.162	(0.231)
United States	-0.454	(0.320)	-0.437	(0.323)
Italy	0.061	(0.270)	0.073	(0.276)
Constant	-1.978	(1.401)	-2.427*	(1.342)
R-squared	0.76	552	0.76	507

E. Citizens' Platform (PO)	Civil Li	berties	Political	Rights
Civil/Political Freedom	0.130	(0.240)	-0.419**	(0.201)
Civil/Political Freedom Squared	-0.009	(0.015)	0.034**	(0.016)
Fraction Years Free	-1.482*	(0.796)	-0.400	(0.862)
Fraction Years Partially Free	-0.831	(0.617)	0.300	(0.653)
EF: Size of Government	-0.076	(0.054)	-0.062	(0.052)
EF: Legal/Property Rights	0.089	(0.090)	0.134	(0.082)
EF: Sound Money	0.079	(0.080)	0.087	(0.077)
EF: Foreign Trade	-0.027	(0.102)	-0.020	(0.094)
EF: Regulation	0.195*	(0.110)	0.123	(0.109)
GDP per capita	-0.009	(0.018)	-0.022	(0.018)
Gini Index	-0.007	(0.012)	-0.008	(0.011)
GDP Growth [%]	0.072**	(0.035)	0.092***	(0.035)
Inflation [%]	0.024**	(0.012)	0.031***	(0.012)
Gov.: Centrist or mixed <sup>1</sup>	0.508***	(0.143)	0.571***	(0.134)
Gov.: Left wing <sup>1</sup>	0.563***	(0.151)	0.586***	(0.141)
Gov.: authoritarian <sup>1</sup>	-0.419	(0.508)	-0.486	(0.484)
Gov.: ethnic/religious <sup>1</sup>	0.535	(0.385)	0.291	(0.355)
Weak presidential <sup>2</sup>	0.647	(0.484)	0.601	(0.459)
Parliamentary <sup>2</sup>	-0.169	(0.190)	-0.323*	(0.195)
Central/Eastern Europe	-0.653	(0.480)	-0.171	(0.495)
Former Soviet Union	-1.447**	(0.623)	-1.005*	(0.603)
South East Asia	-0.658*	(0.394)	-0.564	(0.381)
Middle East/North Africa	-0.763	(0.547)	-0.867	(0.529)
Sub-Saharan Africa	-0.206	(0.528)	-0.133	(0.521)
Central/Latin America	0.307	(0.434)	0.437	(0.420)
Anglo-Saxon	-0.058	(0.202)	-0.032	(0.192)
United States	-0.207	(0.277)	-0.236	(0.268)
Italy	0.215	(0.233)	0.238	(0.229)
Constant	-2.818**	(1.211)	-2.432**	(1.115)
R-squared	0.60	)34	0.62	266

F. League of Polish Families (LPR)	Civil Liberties		Political	Rights
Civil/Political Freedom	-0.664	(0.518)	-0.349	(0.452)
Civil/Political Freedom Squared	0.036	(0.033)	0.025	(0.037)
Fraction Years Free	3.534**	(1.717)	3.030	(1.935)
Fraction Years Partially Free	1.587	(1.332)	1.399	(1.467)
EF: Size of Government	0.064	(0.117)	0.049	(0.116)
EF: Legal/Property Rights	-0.145	(0.193)	-0.154	(0.185)
EF: Sound Money	-0.284*	(0.173)	-0.268	(0.172)
EF: Foreign Trade	0.078	(0.219)	0.080	(0.211)
EF: Regulation	0.406*	0.237)	0.327	(0.245)
GDP per capita	0.006	(0.039)	0.000	(0.040)
Gini Index	-0.011	(0.025)	-0.009	(0.025)
GDP Growth [%]	-0.173**	(0.075)	-0.139*	(0.078)
Inflation [%]	-0.038	(0.025)	-0.027	(0.027)
Gov.: Centrist or mixed <sup>1</sup>	-1.587***	(0.309)	-1.474***	(0.301)
Gov.: Left wing <sup>1</sup>	-0.453	(0.325)	-0.388	(0.317)
Gov.: authoritarian <sup>1</sup>	-0.846	(1.095)	-0.707	(1.087)
Gov.: ethnic/religious <sup>1</sup>	-3.018***	(0.830)	-2.723***	(0.797)
Weak presidential <sup>2</sup>	1.114	(1.045)	0.878	(1.030)
Parliamentary <sup>2</sup>	0.880**	(0.410)	0.790*	(0.439)
Central/Eastern Europe	1.600	(1.036)	1.169	(1.112)
Former Soviet Union	4.309***	(1.345)	3.966***	(1.354)
South East Asia	-1.535*	(0.851)	-1.401	(0.855)
Middle East/North Africa	0.333	(1.181)	0.437	(1.187)
Sub-Saharan Africa	-1.007	(1.140)	-1.210	(1.169)
Central/Latin America	-0.267	(0.935)	-0.322	(0.943)
Anglo-Saxon	0.087	(0.437)	0.204	(0.432)
United States	0.826	(0.597)	0.863	(0.602)
Italy	-0.280	(0.503)	-0.294	(0.514)
Constant	-1.436	(2.613)	-2.535	(2.504)
R-squared	0.80	070	0.80	33

G. Others	Civil Li	berties	Political Rights		
Civil/Political Freedom	0.488	(0.382)	-0.018	(0.344)	
Civil/Political Freedom Squared	-0.046*	(0.024)	0.014	(0.028)	
Fraction Years Free	-0.103	(1.266)	0.002	(1.473)	
Fraction Years Partially Free	-1.283	(0.982)	-0.425	(1.117)	
EF: Size of Government	0.138	(0.086)	0.074	(0.088)	
EF: Legal/Property Rights	0.356**	(0.143)	0.221	(0.141)	
EF: Sound Money	-0.332***	(0.127)	-0.287**	(0.131)	
EF: Foreign Trade	-0.031	(0.162)	0.091	(0.160)	
EF: Regulation	0.088	(0.175)	-0.028	(0.187)	
GDP per capita	-0.066**	(0.029)	-0.085***	(0.031)	
Gini Index	-0.052***	(0.018)	-0.046**	(0.019)	
GDP Growth [%]	0.008	(0.055)	0.018	(0.059)	
Inflation [%]	-0.024	(0.019)	-0.019	(0.020)	
Gov.: Centrist or mixed <sup>1</sup>	-0.795***	(0.227)	-0.449**	(0.229)	
Gov.: Left wing <sup>1</sup>	-0.259	(0.240)	0.083	(0.241)	
Gov.: authoritarian <sup>1</sup>	-0.569	(0.808)	0.250	(0.827)	
Gov.: ethnic/religious <sup>1</sup>	-0.495	(0.612)	-0.099	(0.607)	
Weak presidential <sup>2</sup>	0.800	(0.771)	0.351	(0.784)	
Parliamentary <sup>2</sup>	0.393	(0.303)	0.063	(0.334)	
Central/Eastern Europe	-0.759	(0.764)	-0.911	(0.847)	
Former Soviet Union	-0.657	(0.991)	-0.558	(1.031)	
South East Asia	-1.443**	(0.627)	-1.135*	(0.651)	
Middle East/North Africa	0.263	(0.871)	0.418	(0.903)	
Sub-Saharan Africa	1.013	(0.841)	0.451	(0.890)	
Central/Latin America	1.231*	(0.690)	0.902	(0.718)	
Anglo-Saxon	-0.729**	(0.322)	-0.419	(0.329)	
United States	1.658***	(0.440)	1.521***	(0.459)	
Italy	0.067	(0.371)	0.279	(0.391)	
Constant	-1.571	(1.927)	-1.131	(1.906)	
R-squared	0.53	326	0.4921		

Breusch-Pagan Test of Independence					
Civil Liberties	Political Rights				
$\chi^2(21) = 85.20***$	$\chi^2(21) = 86.66***$				

**Notes:** Number of observations is 66. Standard errors are in parentheses. Estimated using a Seemingly Unrelated Regression (SUR) model and applying the General-to-Specific procedure. Analytic weights are applied using the total number of votes per country. Omitted variables include: fraction of years not free, right-wing government, strong presidential system and Western Europe. A dummy for Italy is added because votes from Italy also include those from the Vatican. Significance levels are indicated as 1% (\*\*\*), 5% (\*\*) and 10% (\*). The Breusch-Pagan test of independence indicates that we can reject the null hypothesis of independence of the residuals across the equations in each of the Polish and Czech regressions. Therefore, OLS estimates would be inconsistent and the choice of SUR is justified.

# Appendix B: List of Explanatory Variables:

#### Measures of Democracy

- Freedom House Democracy Index: The average of 2001 indicators of political freedom and civil liberties as reported by Freedom House, rescaled so that it ranges from 0 (no democracy) to 10 (full democracy).
- Sub-Indexes of Freedom House Democracy
  - Civil Liberties
  - Political Rights
- **Duration of Democracy**: Fraction of years between 1972 and 2001 in which the country is considered free, partially free, and not free, as reported by Freedom House.
- **Democracy Dummies**: Dummies included to measure whether the country is free, not free or partially free, where free is the omitted category, as reported by Freedom House.
- **Polity Democracy Index**: Computed by subtracting AUTOC (general closedness of political institutions) from DEMOC (general openness of political institutions), so that the resulting variable ranges from -10 (high autocracy) to 10 (high democracy), as reported by Polity IV Project Dataset.

#### Measures of Political Environment

- Political orientation of the current government: Coded as 1. Right-wing, 2. Centrist/mixed, 3. Left-wing, 4. Authoritarian and 5. Ethnic/Religious, right wing is omitted category. As reported in Beck, George, Groff, Keefer, and Walsh (2001)'s Database of Political Institutions and updated by the authors using information reported on http://www.electionworld.org/index.html.
- Political System: Coded as 1. Direct Presidential, 2. Weak Presidential (relatively strong president elected by the legislature) and 3. Parliamentary, where direct presidential is the omitted category. As reported in Beck, George, Groff, Keefer, and Walsh (2001)'s Database of Political Institutions and updated by the authors using information reported on www.electionworld.org/index.html.

#### Measures of Economic Freedom

- **Heritage Economic Freedom Index**: The 2001 economic freedom index as reported by the Heritage Foundation, rescaled so that it ranges between 0 (not free) and 5 (most free).
- Fraser Economic Freedom Index: The 2000 economic freedom index as reported by the Fraser Institute, which ranges between 0 (not free) and 10 (most free).
- Sub-indexes of Fraser Economic Freedom:

Each of the following indexes are measured on a 10 point scale determining the extent to which each area is considered economically free, ranging from 0 (not free) to 10(most free):

- Size of Government: Expenditure, Taxes and Enterprise
- Legal Structure and Security of Property Right
- Access to Sound Money
- Freedom to exchange with foreigners
- Regulation of Credit, Labor and Business

#### Measures of Economic Development

- **GDP per capita**: Gross Domestic Product is in per capita terms at purchasing power parity and in thousands of current US\$ as of 2000, as reported by the World Development Indicators.
- **GDP Growth**: Gross Domestic Product growth is in percent as of 2000, as reported by the World Development Indicators.
- **Inflation**: Inflation is the GDP deflator (annual %) in percent, as of 2000, as reported by the World Development Indicators.
- **Gini Coefficient**: The gini coefficient is a measure of income inequality, taken from Country Indicators for Foreign Policy (CIFP) database and the World Income Inequality Database (WIID) in various years.

#### Distance Measures

- **Distance**: Measures the distance from host country capital to home country capital, measured in kilometers by City Distance Tool www.geobytes.com/CityDistancetool.htm.
- Border Dummies: Dummies included for countries which share a border with the Czech Republic
  and Poland.

### Additional Dummies Included

- Regional dummies: Included for Western Europe, Central and Eastern Europe, Former Soviet Union, South East Asia, Middle East and North Africa, Sub-Sahara Africa, Central and Latin America and Anglo-Saxon Countries, where Western Europe is the omitted category.
- Italy Dummy: Included as votes from Italy also include those from the Vatican.

Table B1: Descriptive Statistics of Explanatory Variables: Political Indicators

	Sub-Indexe	s of Freedo	m House	Sub-Indexe	s of Freedo	m House	Fraction	Fraction	Polity	Polity	Political	Political
Regions	Democr	racy Index 2	0001	Democi	racy Index 2	.001 <sup>1</sup>	Years	Years	Democracy	Democracy	Orientation	System <sup>5</sup>
Regions	Overall	Civil	Political	Overall	Civil	Political	Free <sup>2</sup>	Partially	Index 2001 <sup>3</sup>	Index 2002 <sup>3</sup>	of Gov.4	
	Index	Liberties	Rights	Index	Liberties	Rights		Free <sup>2</sup>				
Former Soviet Union	3.90	3.83	3.67	3.70	3.67	3.50	0	0.32	0.30	0.10	3.30	0.20
	(1.79)	(1.37)	(2.46)	(1.77)	(1.31)	(2.41)	(0)	0.15	(6.75)	(6.92)	(1.16)	(0.63)
Central and Eastern Europe	7.86	7.38	8.45	7.93	7.50	8.57	0.25	0.22	8.23	8.62	2.43	1.64
	(1.83)	(1.56)	(2.31)	(1.69)	(1.42)	(2.25)	(0.16)	0.22	(1.74)	(1.33)	(0.94)	(0.74)
Asia	5.36	5.00	5.48	5.36	5.00	5.48	0.24	0.45	3.00	3.07	3.36	1.14
	(3.34)	(2.77)	(3.89)	(3.34)	(2.77)	(3.89)	(0.31)	0.38	(7.45)	(7.36)	(1.50)	(0.86)
North Africa and Middle-East	2.47	2.44	2.11	2.13	2.11	1.89	0.02	0.44	-4.00	-4.08	3.67	0.33
	(1.68)	(1.77)	(1.83)	(1.46)	(1.47)	(1.65)	(0.06)	0.33	(4.80)	(4.79)	(0.98)	(0.72)
Sub-Sahara Africa	4.58	4.31	4.45	4.58	4.17	4.72	0.05	0.48	2.36	3.18	3.08	0.33
	(2.50)	(1.94)	(3.28)	(2.43)	(2.07)	(3.00)	(0.10)	0.30	(4.88)	(5.12)	(1.16)	(0.78)
Central and South America	7.08	6.67	7.50	7.17	6.67	7.64	0.46	0.37	7.08	7.08	1.83	0.08
	(2.71)	(2.75)	(2.89)	(2.79)	(2.84)	(2.97)	(0.29)	0.28	(4.58)	(4.58)	(0.83)	(0.29)
Anglo-Saxon	9.83	9.72	10	9.83	9.72	10	1	0	10	10	1.50	1.67
	(0.41)	(0.68)	(0)	(0.41)	(0.68)	(0)	(0)	0	(0)	(0)	(0.84)	(0.82)
Western Europe	9.50	9.17	10	9.50	9.17	10	0.97	0.02	9.94	9.94	1.61	1.72
	(0.71)	(1.18)	(0)	(0.71)	(1.18)	(0)	(0.07)	0.05	(0.25)	(0.25)	(0.78)	(0.67)
United States	10	10	10	10	10	10	1	0	10	10	1	0

Notes: The table reports the mean values for each explanatory variable, with the standard deviation in parentheses.

1 The democracy index is the average of 2000 and 2001 indicators of political freedoms and civil liberties as reported by the Freedom House, rescaled so that it ranges from 0 (no democracy) to 10 (full democracy). Fraction years free (partially free) is a variable that corresponds to the fraction of the years that the country was classified as free (partially free) by the Freedom House. The Polity democracy index for 2001 and 2002 ranges from -10 (high autocracy) to 10 (high democracy)

4 Political orientation of the government. Political system: presidential, weak presidential (relatively strong president elected by the legislature), parliamentary.

Table B2: Descriptive Statistics of Explanatory Variables: Economic and Inequality Indicators

	Sub-	Indexes of	Fraser Econ	omic Freed	dom Index	2000 <sup>1</sup>	Heritage	Heritage	CDD		CDD	
Regions	Overall Size of Property Money Trade Regulation Index	Freedom Index 2000 <sup>2</sup>	Freedom Freedom Index	GDP per Capita 2000 <sup>3</sup>	Gini Coefficient <sup>4</sup>	GDP Growth 2000 [%] <sup>5</sup>	Inflation <sup>6</sup> [%]					
Former Soviet Union	5.50	5.19	5.81	4.53	6.78	5.20	1.35	1.31	4.23	38.84	5.96	35.49
Central and Eastern Europe	(1.57) 6.10	(1.29) 4.85	(2.06) 6.49	(4.35) 6.44	(0.19) 7.02	(1.27) 5.69	(0.49) 1.95	(0.49)	9.01	(12.71) 30.40	(3.14) 4.69	(55.03) 7.60
Asia	(0.70) 6.80	(1.14) 6.80	(0.74) 5.73	(1.90) 8.03	(0.93) 7.28	(0.54) 6.17	(0.62) 2.06	(0.58)	(3.92) 9.78	(4.12) 37.50	(1.75) 5.91	3.30
North Africa and Middle-East	(1.14) 6.05	(1.35) 5.61	(1.74) 6.11	(1.51) 7.46	(1.52) 5.95	(1.03) 4.96	(1.02) 1.58	(1.02) 1.60	(9.71) 6.94	(8.33) 43.24	(2.97)	(4.93) 15.13
Sub-Sahara Africa	(1.08) 5.52	(1.26) 5.99	(1.57) 4.42	(1.90) 5.92	(1.34) 6.32	(1.32) 5.25	(0.85) 1.50	(0.89) 1.65	(4.88) 2.01	(10.18) 45.32	(2.19) 2.49	(15.92) 50.23
Central and South America	(1.02) 6.66	(1.04) 7.31	(1.42) 5.09	(2.19) 7.63	(0.57) 7.00	(1.07) 6.25	(0.58) 2.11	(0.39) 2.12	(2.42) 7.73	(8.28) 49.27	(3.45) 3.46	(119.97) 7.72
Anglo-Saxon	(0.70) 8.21	(0.93) 6.46	(1.19) 9.23	(1.55) 9.40	(0.72) 8.24	(0.61) 7.71	(0.74) 3.14	(0.73) 3.19	(2.22) 26.85	(8.98) 37.19	(2.62) 4.62	(7.41) 3.31
Western Europe	(0.21) 7.38	(0.59) 4.60	(0.18) 8.43	(0.26) 9.28	(0.43) 8.01	(0.46) 6.57	(0.10) 2.73	(0.15) 2.78	(4.93) 25.67	(4.53) 31.78	(3.51) 4.05	(1.08) 3.02
United States	(0.47) 8.54	(1.24) 7.57	(1.03) 9.23	(0.65) 9.66	(0.74) 8	(0.68) 8.23	(0.26)	(0.27) 3.25	(7.28) 34.14	(4.31) 40.8	(1.52) 4.2	(3.54) 2.21

Notes: The table reports the mean values for each explanatory variable, with the standard deviation in parentheses.

1 The Fraser Economic Freedom Index and sub-indexes are measured on a 10 point scale determining the extent to which each area is considered economically free, ranging from 0 (not free) to 10(most free). The Heritage economic freedom index is the 2002 value of the index, rescaled so that it ranges between 0 (not free) and 5 (most free). Gross national income is in per capita terms and in thousands current US\$. The gini coefficient is a measure of income inequality, which ranges from 0 (perfect equality) and 100 (perfect inequality). GDP growth is in percent. Infinition is in percent.

**Appendix C: List of Regions and Countries** 

Former Soviet Union				
Polish Votes	Czech Votes			
Azerbaijan	Belarus			
Belarus	Georgia			
Jordan	Kazakhstan			
Kazakhstan	Russia			
Moldova	Ukraine			
Russia	Uzbekistan			
Ukraine				
Uzbekistan				

Asia	
Polish Votes	Czech Votes
China	China
Hong Kong	India
India	Indonesia
Indonesia	Japan
Japan	Korea South
Korea North	Malaysia
Korea South	Mongolia
Malaysia	Pakistan
Singapore	Philippines
Гаiwan	Singapore
Γhailand	Thailand
	Vietnam

anti ics	
Central an	d Eastern Europe
Polish Votes	S Czech Votes
Albania	Albania
Bosnia-All	Bosnia-All
Bulgaria	Bulgaria
Croatia	Croatia
Czech	Estonia
Estonia	Hungary
Hungary	Latvia
Latvia	Lithuania
Lithuania	Poland
Macedonia	Romania
Romania	Slovakia
Slovakia	Slovenia
Slovenia	

Latin America				
Polish Votes	Czech Votes			
Argentina	Argentina			
Brazil	Brazil			
Chile	Chile			
Columbia	Columbia			
Costa Rica	Costa Rica			
Cuba	Cuba			
Mexico	Mexico			
Panama	Peru			
Peru	Uruguay			
Uruguay	Venezuela			
Venezuela				

Western Europe				
Polish Votes	Czech Votes			
Austria	Austria			
Belgium	Belgium			
Cyprus	Cyprus			
Denmark	Denmark			
Finland	Finland			
France	France			
Germany	Germany			
Greece	Greece			
Iceland	Israel			
Israel	Italy			
Italy	Netherlands			
Luxembourg	Norway			
Netherlands	Portugal			
Norway	Spain			
Portugal	Sweden			
Spain	Switzerland			
Sweden				
Switzerland				

Polish Votes	Czech Votes
Australia	Australia
Canada	Canada
Ireland	Ireland
USA	USA
United Kingdor	n United Kingdon

Middle East and North Africa			
Polish Votes	Czech Votes		
Algeria	Algeria		
Egypt	Egypt		
Iran	Iran		
Iraq	Iraq		
Jordan	Kuwait		
Kuwait	Lebanon		
Lebanon	Libya		
Libya	Morocco		
Morocco	Saudi Arabia		
Saudi Arabia	Syria		
Syria	Tunisia		
Tunisia	Turkey		
Turkey	United Arab Emir.		
United Arab Em	nir. Yemen		
Yemen			

Sub-Sahara A	trica
Polish Votes	Czech Votes
Angola	Congo-Kinshasa
Congo-Kinshasa	Cote d'Ivoire
Kenya	Ethiopia
Madagascar	Ghana
Nigeria	Kenya
Senegal	Nigeria
South Africa	South Africa
Tanzania	Zimbabwe
Zimbabwe	

### Table C1 Bivariate Correlations of Fraser Economic Freedom Index and Sub-Indexes

2000 Fraser Index	Economic Freedom	EF: Size of Government	EF: Legal/Property Rights	EF: Sound Money	EF: Foreign Trade	EF: Regulation
Economic Freedom	1					
EF: Size of Government	0.22	1				
EF: Legal/Property Rights	0.76	-0.32	1			
EF: Sound Money	0.84	0.03	0.60	1		
EF: Foreign Trade	0.76	0.01	0.57	0.51	1	
EF: Regulation	0.85	0.20	0.63	0.56	0.66	1

2008		
B01-08	Euro-Diplomatie durch gemeinsame "Wirtschaftsregierung"	Martin Seidel
2007		
B03-07	Löhne und Steuern im Systemwettbewerb der Mitgliedstaaten	Martin Seidel
	der Europäischen Union	
B02-07	Konsolidierung und Reform der Europäischen Union	Martin Seidel
B01-07	The Ratification of European Treaties - Legal and Constitutio-	Martin Seidel
	nal Basis of a European Referendum.	
2006		
B03-06	Financial Frictions, Capital Reallocation, and Aggregate Fluc-	Jürgen von Hagen, Haiping Zhang
B02-06	tuations Financial Openness and Macroeconomic Volatility	lüngan van Hagan Haining 7hang
B02-00 B01-06	A Welfare Analysis of Capital Account Liberalization	Jürgen von Hagen, Haiping Zhang Jürgen von Hagen, Haiping Zhang
2005	A Wellare Alialysis of Capital Account Liberalization	Jurgen von Hagen, Halping Zhang
B11-05	Das Kompetenz- und Entscheidungssystem des Vertrages von	Martin Seidel
	Rom im Wandel seiner Funktion und Verfassung	
B10-05	Die Schutzklauseln der Beitrittsverträge	Martin Seidel
B09-05	Measuring Tax Burdens in Europe	Guntram B. Wolff
B08-05	Remittances as Investment in the Absence of Altruism	Gabriel González-König
B07-05	Economic Integration in a Multicone World?	Christian Volpe Martincus, Jenni-
		fer Pédussel Wu
B06-05	Banking Sector (Under?) Development in Central and Eastern	Jürgen von Hagen, Valeriya Din-
B05-05	Europe Regulatory Standards Can Lead to Predation	ger Stefan Lutz
B03-05 B04-05	Währungspolitik als Sozialpolitik	Martin Seidel
B03-05	Public Education in an Integrated Europe: Studying to Migrate	Panu Poutvaara
D05 05	and Teaching to Stay?	Tana Toutvaara
B02-05	Voice of the Diaspora: An Analysis of Migrant Voting Behavior	Jan Fidrmuc, Orla Doyle
B01-05	Macroeconomic Adjustment in the New EU Member States	Jürgen von Hagen, Iulia Traistaru
2004		
B33-04	The Effects of Transition and Political Instability On Foreign	Josef C. Brada, Ali M. Kutan, Ta-
	Direct Investment Inflows: Central Europe and the Balkans	ner M. Yigit
B32-04	The Choice of Exchange Rate Regimes in Developing Coun-	Jürgen von Hagen, Jizhong Zhou
B31-04	tries: A Mulitnominal Panal Analysis Fear of Floating and Fear of Pegging: An Empirical Analysis of	Jürgen von Hagen, Jizhong Zhou
D31-04	De Facto Exchange Rate Regimes in Developing Countries	Jurgen von Hagen, Jizhong Zhou
B30-04	Der Vollzug von Gemeinschaftsrecht über die Mitgliedstaaten	Martin Seidel
200 01	und seine Rolle für die EU und den Beitrittsprozess	Wartin Scien
B29-04	Deutschlands Wirtschaft, seine Schulden und die Unzulänglich-	Dieter Spethmann, Otto Steiger
	keiten der einheitlichen Geldpolitik im Eurosystem	
B28-04	Fiscal Crises in U.S. Cities: Structural and Non-structural Cau-	Guntram B. Wolff
	ses	
B27-04	Firm Performance and Privatization in Ukraine	Galyna Grygorenko, Stefan Lutz
B26-04	Analyzing Trade Opening in Ukraine: Effects of a Customs Uni-	Oksana Harbuzyuk, Stefan Lutz
B25-04	on with the EU  Exchange Rate Risk and Convergence to the Euro	Lucjan T. Orlowski
B25-04 B24-04	The Endogeneity of Money and the Eurosystem	Otto Steiger
B23-04	Which Lender of Last Resort for the Eurosystem?	Otto Steiger
B22-04	Non-Discretonary Monetary Policy: The Answer for Transition	Elham-Mafi Kreft, Steven F. Kreft
	Economies?	,
B21-04	The Effectiveness of Subsidies Revisited: Accounting for Wage	Volker Reinthaler, Guntram B.
	and Employment Effects in Business R+D	Wolff
B20-04	Money Market Pressure and the Determinants of Banking Cri-	Jürgen von Hagen, Tai-kuang Ho
D10.0:	ses	<b>M</b> C
B19-04	Die Stellung der Europäischen Zentralbank nach dem Verfas-	Martin Seidel
	sungsvertrag	

B18-04	Transmission Channels of Business Cycles Synchronization in an Enlarged EMU	Iulia Traistaru
B17-04	Foreign Exchange Regime, the Real Exchange Rate and Current Account Sustainability: The Case of Turkey	Sübidey Togan, Hasan Ersel
B16-04	Does It Matter Where Immigrants Work? Traded Goods, Non-traded Goods, and Sector Specific Employment	Harry P. Bowen, Jennifer Pédussel Wu
B15-04	Do Economic Integration and Fiscal Competition Help to Explain Local Patterns?	Christian Volpe Martincus
B14-04	Euro Adoption and Maastricht Criteria: Rules or Discretion?	Jiri Jonas
B13-04	The Role of Electoral and Party Systems in the Development of	Sami Yläoutinen
	Fiscal Institutions in the Central and Eastern European Coun-	
D10.04	tries	lannifor Dáduggal Mu
B12-04	Measuring and Explaining Levels of Regional Economic Integration	Jennifer Pédussel Wu
B11-04	Economic Integration and Location of Manufacturing Activities: Evidence from MERCOSUR	Pablo Sanguinetti, Iulia Traistaru, Christian Volpe Martincus
B10-04	Economic Integration and Industry Location in Transition	Laura Resmini
	Countries	
B09-04	Testing Creditor Moral Hazard in Souvereign Bond Markets: A Unified Theoretical Approach and Empirical Evidence	Ayse Y. Evrensel, Ali M. Kutan
B08-04	European Integration, Productivity Growth and Real Convergence	Taner M. Yigit, Ali M. Kutan
B07-04	The Contribution of Income, Social Capital, and Institutions to	Mina Baliamoune-Lutz, Stefan H.
D06.04	Human Well-being in Africa	Lutz
B06-04	Rural Urban Inequality in Africa: A Panel Study of the Effects of Trade Liberalization and Financial Deepening	Mina Baliamoune-Lutz, Stefan H. Lutz
B05-04	Money Rules for the Eurozone Candidate Countries	Lucjan T. Orlowski
B04-04	Who is in Favor of Enlargement? Determinants of Support for	Orla Doyle, Jan Fidrmuc
20.0.	EU Membership in the Candidate Countries' Referenda	2.1.a 2 syre, san 1 1aas
B03-04	Over- and Underbidding in Central Bank Open Market Operations Conducted as Fixed Rate Tender	Ulrich Bindseil
B02-04	Total Factor Productivity and Economic Freedom Implications	Ronald L. Moomaw, Euy Seok
	for EU Enlargement	Yang
B01-04	Die neuen Schutzklauseln der Artikel 38 und 39 des Bei-	Martin Seidel
	trittsvertrages: Schutz der alten Mitgliedstaaten vor Störungen	
2002	durch die neuen Mitgliedstaaten	
<b>2003</b> B29-03	Macroeconomic Implications of Low Inflation in the Euro Area	Jürgen von Hagen, Boris Hofmann
B28-03	The Effects of Transition and Political Instability on Foreign	Josef C. Brada, Ali M. Kutan, Ta-
	Direct Investment: Central Europe and the Balkans	ner M. Yigit
B27-03	The Performance of the Euribor Futures Market: Efficiency and	Kerstin Bernoth, Juergen von Ha-
	the Impact of ECB Policy Announcements (Electronic Version of International Finance)	gen
B26-03	Souvereign Risk Premia in the European Government Bond	Kerstin Bernoth, Juergen von Ha-
D20 03	Market (überarbeitete Version zum Herunterladen)	gen, Ludger Schulknecht
B25-03	How Flexible are Wages in EU Accession Countries?	Anna Iara, Iulia Traistaru
B24-03	Monetary Policy Reaction Functions: ECB versus Bundesbank	Bernd Hayo, Boris Hofmann
B23-03	Economic Integration and Manufacturing Concentration Patterns: Evidence from Mercosur	Iulia Traistaru, Christian Volpe Martincus
B22-03	Reformzwänge innerhalb der EU angesichts der Osterweiterung	Martin Seidel
B21-03	Reputation Flows: Contractual Disputes and the Channels for Inter-Firm Communication	William Pyle
B20-03	Urban Primacy, Gigantism, and International Trade: Evidence from Asia and the Americas	Ronald L. Moomaw, Mohammed A. Alwosabi
B19-03	An Empirical Analysis of Competing Explanations of Urban Pri-	Ronald L. Moomaw, Mohammed
215 00	macy Evidence from Asia and the Americas	A. Alwosabi

B18-03		
	The Effects of Regional and Industry-Wide FDI Spillovers on	Stefan H. Lutz, Oleksandr Talave-
D17.00	Export of Ukrainian Firms	ra, Sang-Min Park
B17-03	Determinants of Inter-Regional Migration in the Baltic States	Mihails Hazans
B16-03	South-East Europe: Economic Performance, Perspectives, and Policy Challenges	Iulia Traistaru, Jürgen von Hagen
B15-03	Employed and Unemployed Search: The Marginal Willingness	Jos van Ommeren, Mihails Hazans
_	to Pay for Attributes in Lithuania, the US and the Netherlands	
B14-03	FCIs and Economic Activity: Some International Evidence	Charles Goodhart, Boris Hofmann
B13-03	The IS Curve and the Transmission of Monetary Policy: Is there	Charles Goodhart, Boris Hofmann
_	a Puzzle?	
B12-03	What Makes Regions in Eastern Europe Catching Up? The	Gabriele Tondl, Goran Vuksic
	Role of Foreign Investment, Human Resources, and Geography	
B11-03	Die Weisungs- und Herrschaftsmacht der Europäischen Zen-	Martin Seidel
	tralbank im europäischen System der Zentralbanken - eine	
	rechtliche Analyse	
B10-03	Foreign Direct Investment and Perceptions of Vulnerability to	Josef C. Brada, Vladimír Tomsík
	Foreign Exchange Crises: Evidence from Transition Economies	
B09-03	The European Central Bank and the Eurosystem: An Analy-	Gunnar Heinsohn, Otto Steiger
D09-03	sis of the Missing Central Monetary Institution in European	Guillai Hellisollii, Otto Steigei
5	Monetary Union	
B08-03	The Determination of Capital Controls: Which Role Do Ex-	Jürgen von Hagen, Jizhong Zhou
	change Rate Regimes Play?	
B07-03	Nach Nizza und Stockholm: Stand des Binnenmarktes und	Martin Seidel
	Prioritäten für die Zukunft	
B06-03	Fiscal Discipline and Growth in Euroland. Experiences with the	Jürgen von Hagen
	Stability and Growth Pact	
B05-03	Reconsidering the Evidence: Are Eurozone Business Cycles	Michael Massmann, James Mit-
D03 03	Converging?	chell
D04 02	Do Ukrainian Firms Benefit from FDI?	
B04-03	DO OKRAINIAN FIRMS Denent from FDI!	Stefan H. Lutz, Oleksandr Talave-
D00.00	E 1 C. 1 1 1 1	ra
B03-03	Europäische Steuerkoordination und die Schweiz	Stefan H. Lutz
B02-03	Commuting in the Baltic States: Patterns, Determinants, and	Mihails Hazans
	Gains	
B01-03	Die Wirtschafts- und Währungsunion im rechtlichen und poli-	Martin Seidel
		martin sciaci
	tischen Gefüge der Europäischen Union	martin coluci
2002	tischen Gefüge der Europäischen Union	martin delder
<b>2002</b> B30-02	tischen Gefüge der Europäischen Union  An Adverse Selection Model of Optimal Unemployment Ass-	
	-	
B30-02	An Adverse Selection Model of Optimal Unemployment Assurance	Marcus Hagedorn, Ashok Kaul, Tim Mennel
B30-02 B29B-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu
B30-02 B29B-02 B29A-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty
B30-02 B29B-02 B29A-02 B28-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty
B30-02 B29B-02 B29A-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty
B30-02 B29B-02 B29A-02 B28-02 B27-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty
B30-02 B29B-02 B29A-02 B28-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candi-	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02 B23-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz Martin Seidel
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade Legal Aspects of European Economic and Monetary Union Der Staat als Lender of Last Resort - oder: Die Achillesverse	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02 B23-02 B22-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade Legal Aspects of European Economic and Monetary Union Der Staat als Lender of Last Resort - oder: Die Achillesverse des Eurosystems	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz Martin Seidel Otto Steiger
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02 B23-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade Legal Aspects of European Economic and Monetary Union Der Staat als Lender of Last Resort - oder: Die Achillesverse des Eurosystems Nominal and Real Stochastic Convergence Within the Tran-	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz Martin Seidel
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02 B23-02 B22-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade Legal Aspects of European Economic and Monetary Union Der Staat als Lender of Last Resort - oder: Die Achillesverse des Eurosystems Nominal and Real Stochastic Convergence Within the Transition Economies and to the European Union: Evidence from	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz Martin Seidel Otto Steiger
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02 B23-02 B22-02 B21-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade Legal Aspects of European Economic and Monetary Union Der Staat als Lender of Last Resort - oder: Die Achillesverse des Eurosystems Nominal and Real Stochastic Convergence Within the Transition Economies and to the European Union: Evidence from Panel Data	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz Martin Seidel Otto Steiger Ali M. Kutan, Taner M. Yigit
B30-02 B29B-02 B29A-02 B28-02 B27-02 B26-02 B25-02 B24-02 B23-02 B22-02	An Adverse Selection Model of Optimal Unemployment Assurance Trade Agreements as Self-protection Growth and Business Cycles with Imperfect Credit Markets Inequality, Politics and Economic Growth Poverty Traps and Growth in a Model of Endogenous Time Preference Monetary Convergence and Risk Premiums in the EU Candidate Countries Trade Policy: Institutional Vs. Economic Factors The Effects of Quotas on Vertical Intra-industry Trade Legal Aspects of European Economic and Monetary Union Der Staat als Lender of Last Resort - oder: Die Achillesverse des Eurosystems Nominal and Real Stochastic Convergence Within the Transition Economies and to the European Union: Evidence from	Marcus Hagedorn, Ashok Kaul, Tim Mennel Jennifer Pédussel Wu Debajyoti Chakrabarty Debajyoti Chakrabarty Debajyoti Chakrabarty Lucjan T. Orlowski Stefan Lutz Stefan Lutz Martin Seidel Otto Steiger

B19-02	East Germany: Transition with Unification, Experiments and Experiences	Jürgen von Hagen, Rolf R. Strauch, Guntram B. Wolff
B18-02	Regional Specialization and Employment Dynamics in Transition Countries	Iulia Traistaru, Guntram B. Wolff
B17-02	Specialization and Growth Patterns in Border Regions of Accession Countries	Laura Resmini
B16-02	Regional Specialization and Concentration of Industrial Activity in Accession Countries	Iulia Traistaru, Peter Nijkamp, Si- monetta Longhi
B15-02	Does Broad Money Matter for Interest Rate Policy?	Matthias Brückner, Andreas Schaber
B14-02	The Long and Short of It: Global Liberalization, Poverty and Inequality	Christian E. Weller, Adam Hersch
B13-02	De Facto and Official Exchange Rate Regimes in Transition Economies	Jürgen von Hagen, Jizhong Zhou
B12-02	Argentina: The Anatomy of A Crisis	Jiri Jonas
B11-02	The Eurosystem and the Art of Central Banking	Gunnar Heinsohn, Otto Steiger
B10-02	National Origins of European Law: Towards an Autonomous System of European Law?	Martin Seidel
B09-02 B08-02	Monetary Policy in the Euro Area - Lessons from the First Years Has the Link Between the Spot and Forward Exchange Rates	Volker Clausen, Bernd Hayo Ali M. Kutan, Su Zhou
	Broken Down? Evidence From Rolling Cointegration Tests	
B07-02	Perspektiven der Erweiterung der Europäischen Union	Martin Seidel
B06-02	Is There Asymmetry in Forward Exchange Rate Bias? Multi-Country Evidence	Su Zhou, Ali M. Kutan
B05-02	Real and Monetary Convergence Within the European Union and Between the European Union and Candidate Countries: A Rolling Cointegration Approach	Josef C. Brada, Ali M. Kutan, Su Zhou
B04-02	Asymmetric Monetary Policy Effects in EMU	Volker Clausen, Bernd Hayo
B03-02	The Choice of Exchange Rate Regimes: An Empirical Analysis for Transition Economies	Jürgen von Hagen, Jizhong Zhou
B02-02	The Euro System and the Federal Reserve System Compared: Facts and Challenges	Karlheinz Ruckriegel, Franz Seitz
B01-02	Does Inflation Targeting Matter?	Manfred J. M. Neumann, Jürgen von Hagen
2001		
B29-01	Is Kazakhstan Vulnerable to the Dutch Disease?	Karlygash Kuralbayeva, Ali M. Ku- tan, Michael L. Wyzan
B28-01	Political Economy of the Nice Treaty: Rebalancing the EU Council. The Future of European Agricultural Policies	Deutsch-Französisches Wirt- schaftspolitisches Forum
B27-01	Investor Panic, IMF Actions, and Emerging Stock Market Returns and Volatility: A Panel Investigation	Bernd Hayo, Ali M. Kutan
B26-01	Regional Effects of Terrorism on Tourism: Evidence from Three Mediterranean Countries	Konstantinos Drakos, Ali M. Ku- tan
B25-01	Monetary Convergence of the EU Candidates to the Euro: A Theoretical Framework and Policy Implications	Lucjan T. Orlowski
B24-01	Disintegration and Trade	Jarko and Jan Fidrmuc
B23-01	Migration and Adjustment to Shocks in Transition Economies	Jan Fidrmuc
B22-01	Strategic Delegation and International Capital Taxation	Matthias Brückner
B21-01	Balkan and Mediterranean Candidates for European Union Membership: The Convergence of Their Monetary Policy With	Josef C. Brada, Ali M. Kutan
B20-01	That of the Europaen Central Bank An Empirical Inquiry of the Efficiency of Intergovernmental Transfers for Water Projects Based on the WRDA Data	Anna Rubinchik-Pessach
B19-01	Detrending and the Money-Output Link: International Evidence	R.W. Hafer, Ali M. Kutan

B18-01	Monetary Policy in Unknown Territory. The European Central Bank in the Early Years	Jürgen von Hagen, Matthias Brückner
B17-01	Executive Authority, the Personal Vote, and Budget Discipline in Latin American and Carribean Countries	Mark Hallerberg, Patrick Marier
B16-01	Sources of Inflation and Output Fluctuations in Poland and Hungary: Implications for Full Membership in the European Union	Selahattin Dibooglu, Ali M. Kutan
B15-01 B14-01	Programs Without Alternative: Public Pensions in the OECD Formal Fiscal Restraints and Budget Processes As Solutions to a Deficit and Spending Bias in Public Finances - U.S. Experience and Possible Lessons for EMU	Christian E. Weller Rolf R. Strauch, Jürgen von Hagen
B13-01	German Public Finances: Recent Experiences and Future Challenges	Jürgen von Hagen, Rolf R. Strauch
B12-01	The Impact of Eastern Enlargement On EU-Labour Markets. Pensions Reform Between Economic and Political Problems	Deutsch-Französisches Wirt- schaftspolitisches Forum
B11-01	Inflationary Performance in a Monetary Union With Large Wage Setters	Lilia Cavallar
B10-01	Integration of the Baltic States into the EU and Institutions of Fiscal Convergence: A Critical Evaluation of Key Issues and Empirical Evidence	Ali M. Kutan, Niina Pautola-Mol
B09-01	Democracy in Transition Economies: Grease or Sand in the Wheels of Growth?	Jan Fidrmuc
B08-01	The Functioning of Economic Policy Coordination	Jürgen von Hagen, Susanne Mundschenk
B07-01	The Convergence of Monetary Policy Between Candidate Countries and the European Union	Josef C. Brada, Ali M. Kutan
B06-01	Opposites Attract: The Case of Greek and Turkish Financial Markets	Konstantinos Drakos, Ali M. Ku- tan
B05-01 B04-01	Trade Rules and Global Governance: A Long Term Agenda. The Future of Banking. The Determination of Unemployment Benefits	Deutsch-Französisches Wirt- schaftspolitisches Forum Rafael di Tella, Robert J. Mac- Culloch
B03-01	Preferences Over Inflation and Unemployment: Evidence from Surveys of Happiness	Rafael di Tella, Robert J. Mac- Culloch, Andrew J. Oswald
B02-01	The Konstanz Seminar on Monetary Theory and Policy at Thirty	Michele Fratianni, Jürgen von Hagen
B01-01	Divided Boards: Partisanship Through Delegated Monetary Policy	Etienne Farvaque, Gael Lagadec
2000		
B20-00	Breakin-up a Nation, From the Inside	Etienne Farvaque
B19-00	Income Dynamics and Stability in the Transition Process, general Reflections applied to the Czech Republic	Jens Hölscher
B18-00	Budget Processes: Theory and Experimental Evidence	Karl-Martin Ehrhart, Roy Gardner, Jürgen von Hagen, Claudia Keser
B17-00	Rückführung der Landwirtschaftspolitik in die Verantwortung der Mitgliedsstaaten? - Rechts- und Verfassungsfragen des Gemeinschaftsrechts	Martin Seidel
B16-00	The European Central Bank: Independence and Accountability	Christa Randzio-Plath, Tomasso Padoa-Schioppa
B15-00	Regional Risk Sharing and Redistribution in the German Federation	Jürgen von Hagen, Ralf Hepp
B14-00	Sources of Real Exchange Rate Fluctuations in Transition Economies: The Case of Poland and Hungary	Selahattin Dibooglu, Ali M. Kutan
B13-00	Back to the Future: The Growth Prospects of Transition Economies Reconsidered	Nauro F. Campos

B12-00	Rechtsetzung und Rechtsangleichung als Folge der Einheitlichen Europäischen Währung	Martin Seidel
B11-00	A Dynamic Approach to Inflation Targeting in Transition Eco-	Lucjan T. Orlowski
B10-00	nomies The Importance of Domestic Political Institutions: Why and	Marc Hallerberg
B09-00	How Belgium Qualified for EMU Rational Institutions Yield Hysteresis	Rafael Di Tella, Robert Mac- Culloch
B08-00	The Effectiveness of Self-Protection Policies for Safeguarding Emerging Market Economies from Crises	Kenneth Kletzer
B07-00	Financial Supervision and Policy Coordination in The EMU	Deutsch-Französisches Wirt- schaftspolitisches Forum
D06.00	TI D 16 M 1 M 1	•
B06-00	The Demand for Money in Austria	Bernd Hayo
B05-00	Liberalization, Democracy and Economic Performance during Transition	Jan Fidrmuc
B04-00	A New Political Culture in The EU - Democratic Accountability of the ECB	Christa Randzio-Plath
B03-00	Integration, Disintegration and Trade in Europe: Evolution of Trade Relations during the 1990's	Jarko Fidrmuc, Jan Fidrmuc
B02-00	Inflation Bias and Productivity Shocks in Transition Economies: The Case of the Czech Republic	Josef C. Barda, Arthur E. King, Ali M. Kutan
B01-00	Monetary Union and Fiscal Federalism	Kenneth Kletzer, Jürgen von Hagen
1999		
B26-99	Skills, Labour Costs, and Vertically Differentiated Industries: A General Equilibrium Analysis	Stefan Lutz, Alessandro Turrini
B25-99	Micro and Macro Determinants of Public Support for Market Reforms in Eastern Europe	Bernd Hayo
D04.00	·	D. L. M. C. II. I
B24-99	What Makes a Revolution?	Robert MacCulloch
B23-99	Informal Family Insurance and the Design of the Welfare State	Rafael Di Tella, Robert Mac- Culloch
B22-99	Partisan Social Happiness	Rafael Di Tella, Robert Mac- Culloch
B21-99	The End of Moderate Inflation in Three Transition Economies?	Josef C. Brada, Ali M. Kutan
B20-99	Subnational Government Bailouts in Germany	Helmut Seitz
B19-99	The Evolution of Monetary Policy in Transition Economies	Ali M. Kutan, Josef C. Brada
B18-99	Why are Eastern Europe's Banks not failing when everybody else's are?	Christian E. Weller, Bernard Morzuch
B17-99	Stability of Monetary Unions: Lessons from the Break-Up of Czechoslovakia	Jan Fidrmuc, Julius Horvath and Jarko Fidrmuc
B16-99	Multinational Banks and Development Finance	Christian E.Weller and Mark J. Scher
B15-99	Financial Crises after Financial Liberalization: Exceptional Circumstances or Structural Weakness?	Christian E. Weller
B14-99	Industry Effects of Monetary Policy in Germany	Bernd Hayo and Birgit Uhlenbrock
B13-99	Fiancial Fragility or What Went Right and What Could Go	Christian E. Weller and Jürgen von
D10-33		
_	Wrong in Central European Banking?	Hagen
B12 -99	Size Distortions of Tests of the Null Hypothesis of Stationarity: Evidence and Implications for Applied Work	Mehmet Caner and Lutz Kilian
B11-99	Financial Supervision and Policy Coordination in the EMU	Deutsch-Französisches Wirt- schaftspolitisches Forum
B10-99	Financial Liberalization, Multinational Banks and Credit Supply: The Case of Poland	Christian Weller
B09-99	Monetary Policy, Parameter Uncertainty and Optimal Learning	Volker Wieland
B08-99	The Connection between more Multinational Banks and less Real Credit in Transition Economies	Christian Weller

B07-99	Comovement and Catch-up in Productivity across Sectors: Evidence from the OECD	Christopher M. Cornwell and Jens- Uwe Wächter
B06-99	Productivity Convergence and Economic Growth: A Frontier Production Function Approach	Christopher M. Cornwell and Jens- Uwe Wächter
B05-99	Tumbling Giant: Germany's Experience with the Maastricht	Jürgen von Hagen and Rolf Strauch
B04-99	Fiscal Criteria The Finance-Investment Link in a Transition Economy: Evi-	Christian Weller
B03-99	dence for Poland from Panel Data The Macroeconomics of Happiness	Rafael Di Tella, Robert Mac-
B02-99	The Consequences of Labour Market Flexibility: Panel Evidence	Culloch and Andrew J. Oswald Rafael Di Tella and Robert Mac-
B01-99	Based on Survey Data The Excess Volatility of Foreign Exchange Rates: Statistical	Culloch Robert B.H. Hauswald
1000	Puzzle or Theoretical Artifact?	
<b>1998</b> B16-98	Labour Market + Tax Policy in the EMU	Deutsch-Französisches Wirt-
D10-90	Labour Warket + Tax Folicy III the Livio	schaftspolitisches Forum
B15-98	Can Taxing Foreign Competition Harm the Domestic Industry?	Stefan Lutz
B14-98	Free Trade and Arms Races: Some Thoughts Regarding EU-	Rafael Reuveny and John Maxwell
	Russian Trade	-
B13-98	Fiscal Policy and Intranational Risk-Sharing	Jürgen von Hagen
B12-98	Price Stability and Monetary Policy Effectiveness when Nomi-	Athanasios Orphanides and Volker
B11A-98	nal Interest Rates are Bounded at Zero Die Bewertung der "dauerhaft tragbaren öffentlichen Finanz-	Wieland Rolf Strauch
D11A-90	lage"der EU Mitgliedstaaten beim Übergang zur dritten Stufe	Kon Strauch
	der EWWU	
B11-98	<b>Exchange Rate Regimes in the Transition Economies: Case Stu-</b>	Julius Horvath and Jiri Jonas
_	dy of the Czech Republic: 1990-1997	
B10-98	Der Wettbewerb der Rechts- und politischen Systeme in der Europäischen Union	Martin Seidel
B09-98	U.S. Monetary Policy and Monetary Policy and the ESCB	Robert L. Hetzel
B08-98	Money-Output Granger Causality Revisited: An Empirical Ana-	Bernd Hayo
	lysis of EU Countries (überarbeitete Version zum Herunterladen)	
B07-98	Designing Voluntary Environmental Agreements in Europe: Some Lessons from the U.S. EPA's 33/50 Program	John W. Maxwell
B06-98	Monetary Union, Asymmetric Productivity Shocks and Fiscal	Kenneth Kletzer
	Insurance: an Analytical Discussion of Welfare Issues	
B05-98	Estimating a European Demand for Money (überarbeitete Version zum Herunterladen)	Bernd Hayo
B04-98	The EMU's Exchange Rate Policy	Deutsch-Französisches Wirt-
		schaftspolitisches Forum
B03-98	Central Bank Policy in a More Perfect Financial System	Jürgen von Hagen / Ingo Fender
B02-98	Trade with Low-Wage Countries and Wage Inequality	Jaleel Ahmad
B01-98	Budgeting Institutions for Aggregate Fiscal Discipline	Jürgen von Hagen
1997		
B04-97	Macroeconomic Stabilization with a Common Currency: Does	Kenneth Kletzer
	European Monetary Unification Create a Need for Fiscal Ins-	
	urance or Federalism?	
B-03-97	Liberalising European Markets for Energy and Telecommunica-	Tom Lyon / John Mayo
D00.07	tions: Some Lessons from the US Electric Utility Industry	Doutsch Francischer 147
B02-97	Employment and EMU	Deutsch-Französisches Wirt- schaftspolitisches Forum
B01-97	A Stability Pact for Europe	(a Forum organized by ZEI)
D01-31	A Stability I det for Europe	(a rorum organized by ZEI)

## ISSN 1436 - 6053

Zentrum für Europäische Integrationsforschung Center for European Integration Studies Rheinische Friedrich-Wilhelms-Universität Bonn

Germany www.zei.de