Social Policy in Latin America and the Caribbean Dataset, 1960-2006
Beta version, February 2008
To be placed in the public domain in August 2008

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Citation: In any work using data from this data set, please cite both the data set and, where appropriate, the original source of the data. In most cases, the original source can simply be cited as World Bank, ECLAC, etc. Please cite this data set as Evelyne Huber, John D. Stephens, Thomas Mustillo, and Jennifer Pribble, *Social Policy in Latin America and the Caribbean Dataset, 1960-2006*, University of North Carolina, 2008.

country long spelling with no spaces between words (e.g., CostaRica)

idn two digit identification number

id three letter country code

COUNTRY	IDN	ID
Argentina	30	ARG
Bahamas	31	BHS
Barbados	32	BRB
Belize	33	BLZ
Bolivia	34	BOL
Brazil	35	BRA
Chile	36	CHL
Colombia	37	COL
CostaRica	38	CRI
DominicanRep	39	DOM
Ecuador	40	ECU
ElSalvador	41	ELV
Guatemala	42	GTM
Guyana	43	GUY
Haiti	44	HTI

Honduras	45	HON
Jamaica	46	JAM
Mexico	47	MEX
Nicaragua	48	NIC
Panama	49	PAN
Paraguay	50	PRY
Peru	51	PER
Suriname	52	SUR
TrinidadTob	53	TTO
Uruguay	54	URY
Venezuela	55	VEN

year 1960-2006

1. SOCIAL WELFARE DATA

Variables "edgdp" through "totdlrs" are from Rossella Cominetti "Social Expenditure in Latin America: An Update", CEPAL Techincal Department, May 1996 (all variables are government expenditures).

edgdp Education spending as percent of Gross Domestic Product.

hlthgdp Public health spending as percent of GDP.

ssecgdp Social Security as percent of GDP.

welgdp Welfare as percent of GDP (Argentina only).

housegdp Housing spending as percent of GDP.

totgdp Total government social spending as percent of GDP.

edsppct Education spending as percent of all government spending.

hltsppct Public Health spending as percent of all government spending.

sscsppct Social Security spending as percent of all government spending.

welsppct Welfare spending as percent of all government spending (Argentina only).

hsesppct Housing spending as percent of all government spending.

totsppct Total government social spending as percent of all government spending.

eddlrs Education spending in 1987 US dollars.

hltdlrs Public Health spending in 1987 US dollars.

sscdlrs Social Security spending in 1987 US dollars.

welfdlrs Welfare spending in 1987 US dollars (Argentina).

hsedlrs Public Housing spending in 1987 US dollars.

totdlrs Total government social spending in 1987 US dollars.

Variables "pubgdp" through "hesswgdp" were calculated using government expenditure data from various issues of the IMF's **Government Finance Statistics (GFS***) and* **International Financial Statistics (IFS***).*

As revisions to expenditure data are not uncommon in these series, the most recent data for each year were used.

pubgdp Public expenditure as a percent of GDP. Calculated by dividing public expenditure in local currency units from *GFS* by GDP in local currency units from *IFS*. Replicates Kaufman and Segura-Ubiergo's (2001) measure, GOVERNMENT.

igdp Interest payments as a percent of GDP. Calculated by dividing public expenditure on "interest payments" in local currency unites from GFS by GDP in local currency units from IFS.

pubnoigdp Public expenditure minus interest payments as a percent of GDP. Calculated by dividing public expenditure minus interest payments in local currency units from *GFS* by GDP in local currency units from *IFS*.

healgdp Health expenditure as a percent of GDP. Calculated by dividing government health expenditure in local currency units from *GFS* by GDP in local currency units from *IFS*. Health expenditure includes services provided under social security schemes.

educgdp Education expenditure as a percent of GDP. Calculated by dividing government education expenditure in local currency units from *GFS* by GDP in local currency units from *IFS*.

hegdp Health and education expenditure as a percent of GDP. Calculated by dividing government health and education expenditure in local currency units from *GFS* by GDP in local currency units from *IFS*. Health expenditure includes services provided under social security schemes.

sswgdp Social security and welfare expenditure as a percent of GDP. Calculated by dividing government social security and welfare expenditure in local currency units from *GFS* by GDP in local currency units from *IFS*.

hesswgdp Social security and welfare, health, and education expenditure as a percent of GDP. Calculated by adding government expenditure in (a) social security and welfare, (b) health, and (c) education (all in local currency units, all from *GFS*) by GDP in local currency units from *IFS*. Replicates Kaufman and Segura-Ubiergo's (2001) measure, WELFGDP.

> **The Variables "edcepal" through "teredquin5" are taken from Cepal's "Base de Datos Estadisticas y Indicadores Sociales." The data is available online at:**
> **http://www.eclac.cl/badeinso/Badeinso.asp**

edcepal Government expenditure on education as a percent of GDP (in current prices). The value includes sub-national spending. This variable is listed under the thematic area "education."

hlthcepal Government expenditure on health as a percent of GDP (in current prices). The value includes sub-national spending. This variable is listed under the thematic area "health." Health expenditure includes services provided under social security schemes.

edsp Government expenditure on education as a percent of GDP. The value includes sub-national spending. This variable is from the Social Panorama, but is also available through the online database. The variable is listed under the thematic area "economia" and in the series "social spending as a percent of GDP."

hlthsp Government expenditure on education as a percent of GDP. The value includes subnational spending. This variable is from the Social Panorama, but is also available through the online database. The variable is listed under the thematic area "economia" and in the series "social spending as a percent of GDP." Health expenditure includes services provided under social security schemes.

sswsp Government expenditure on social security and welfare as a percent of GDP. The value includes sub-national spending. This variable is from the Social Panorama, but is also available through the online database. The variable is listed under the thematic area "economia" and in the series "social spending as a percent of GDP."

minwageind Index of the minimum wage value; 1995=100.

expovcepal2 The share of households living in extreme poverty. Extreme poverty is defined as households that live on 1 purchasing power parity dollar per day (or less).

povcepal2 The share of households living in poverty. Poverty is defined as households that live on 2 purchasing power parity dollars per day (or less). Variable downloaded from the Cepal online database on April 5, 2005.

urbunempcepal Urban unemployment as reported by Cepal.

priedquin1 The share of 7-12 year-old children from the lowest income quintile who attend school.

priedquin2 The share of 7-12 year-old children from quintile two who attend school.

priedquin3 The share of 7-12 year-old children from quintile three who attend school.

priedquin4 The share of 7-12 year-old children from quintile four who attend school.

priedquin5 The share of 7-12 year-old children from quintile 5 who attend school.

secondedquin1 The share of 13-19 year-old children from the lowest income quintile who attend school.

secondedquin2 The share of 13-19 year-old children from quintile two who attend school.

secondedquin3 The share of 13-19 year-old children from quintile three who attend school.

secondedquin4 The share of 13-19 year-old children from quintile four who attend school.

secondedquin5 The share of 13-19 year-old children from quintile five who attend school.

teredquin1 The share of 20-24 year-olds from the lowest income quintile who are enrolled in some form of education.

teredquin2 The share of 20-24 year-olds from quintile two who are enrolled in some form of education

teredquin3 The share of 20-24 year-olds from quintile 3 who are enrolled in some form of education

teredquin4 The share of 20-24 year-olds from quintile four who are enrolled in some form of education

teredquin5 The share of 20-24 year-olds from quintile five who are enrolled in some form of education

> **The variables "cseduc" through "sswsource" are summary variables that are compiled using values from four spending series included in this dataset: (1) the IMF series: [educgdp, healgdp, hegdp, sswgdp], (2) the first Cepal series: [edcepal & hlthcepal], (3) the second Cepal series: [edsp, hlthsp, sswsp], (4) the Cominetti series: [edgdp, hlthgdp, ssecgdp] .**

Criteria for selecting between the social spending (education, health, social security and welfare) data: IMF, Cepal, Cominetti, Social Panorama

Social Security and welfare: There is no Cepal series. The other three are very highly correlated (.92-.96). Since there were substantially more observations for the IMF series 550 vs. 191 or 146), we chose the IMF series and used Social Panorama and Comenetti to fill in missing values provided that the overlapping observations were consistent with the IMF series, which was almost always the case.

Education and health: Here the number of observations was large for both the CEPAL (661-64) series and the IMF series (557). The correlations for these two series are .85 for education and .64 for health. The IMF series does not cover state and local spending which in health and education spending (unlike social security spending) can be substantial in some countries, especially after the decentralizing reforms of the 1990s (e.g. Argentina, Brazil, Colombia). The Social Panorama series cover state and local spending where it is significant except in Mexico, but it is only available since 1990. Comparing the Cepal series and the Social Panorama (also a Cepal publication) series, it appears that the Cepal series also cover state and local spending. Thus, we use Cepal for countries in which state and local spending is significant. For the remaining countries, we use the longer time series when Cepal and IMF were consistent with each other, which was the case in all but a few cases. In most cases, the Cepal series was longer. We filled in missing values from the other three series provided they were consistent with the Cepal-IMF series. In the few cases in which there were discrepancies between Cepal and IMF (other than those with significant state and local spending as noted above), we chose the series which was most consistent with Cominetti and Social Panorama. When the Social Panorama and Cepal series overlapped and appeared similar but not identical we used the Social Panorama data because they are more recent and we have more information on exactly what they cover. By the same token, when Cominetti (also a Cepal product) and Cepal overlap and there were no Social Panorama data (1980s), we used the series which was most consistent with Social Panorama in the 1990s. We would also expect Cepal to update the Social Panorama series. The only case in which we did not use Social Panorama data over Cepal data is Mexico health spending (1990-2000). Social Panorama notes that its series for Mexico does not include local spending and thus systematically underestimates spending. Since the Cepal series is consistently higher, we opted for the Cepal series.

cseduc Education expenditure as a percent of GDP. This variable includes sub-national spending

cshlth Health expenditure as a percent of GDP. Health expenditure includes services provided under social security schemes and sub-national spending.

csssw Social security and welfare expenditure as a percent of GDP. This value includes sub-national spending.

edsource Source of data in cseduc. (1=IMF, 2=ECLAC, 3=Com, 4=Social Panorama)

hlthsource Source of data in cshlth. (1=IMF, 2=ECLAC, 3=Com, 4=Social Panorama)

sswsource Source of data in csssw. (1=IMF, 2=ECLAC, 3=Com, 4=Social Panorama)

Variables "ntlpoveclac" through "rurexpoveclac" are compiled from ECLAC's "Social Panorama of Latin America" (multiple years) and "Statistical Yearbook of Latin America and the Caribbean" (multiple years). Two additional ECLAC publications were also used: "Nota Sobre el Desarrollo Social en America Latina," Primera Cumbre Ibero-Americana de Jefes de Estado y de Gobierno. Guadalajara, Mexico: 18 and 19 July, 1991, and "The Equity Gap."

ECLAC defines country-specific poverty lines and indigent poverty lines. The value of the poverty line(s) can be found in ECLAC's "Statistical Yearbook of Latin America and the Caribbean."

ntlpoveclac The percentage of total households living below the poverty line as defined by ECLAC. This value includes households living in extreme poverty.

urbpoveclac The percentage of urban households living below the poverty line as defined by ECLAC. This value includes urban households living in extreme poverty.

rurpoveclac The percentage of rural households living below the poverty line as defined by ECLAC. This value includes rural households living in extreme poverty.

ntlexpoveclac The percentage of total households living below the extreme (indigent) poverty line as defined by ECLAC.

urbexpoveclac The percentage of urban households living below the extreme (indigent) poverty line as defined by ECLAC.

rurexpoveclac The percentage of rural households living below the extreme (indigent) poverty line as defined by ECLAC.

NOTES ON ECLAC POVERTY VARIABLES:

The values are for households and not for individuals. In 2002, ECLAC began reporting poverty among individuals in the *Social Panorama*. Thus, care must be taken in updating this series.

In 1993 the ECLAC study increased its geographic coverage in Colombia, reaching almost the entire urban and rural population. Until 1992 the survey covered only about half of the urban population.

Figures for Colombia in 1980 are calculated from surveys from Barranquilla, Bogota, Bucaramanga, Cali, Manizales, Medellin, and Pasto.

"The Brazilian Geographical and Statistical Institute (IBGE) introduced substantive changes beginning in 1992 in the subject areas covered by its annual national household surveys and also initiated a survey of household income and expenditure." (ECLAC, *The Equity Gap*: 27).

> ### *Variables "hdi" and "gdi" are taken from 2002 Human Development Report.*

hdi Human Development Index from 2002 Human Development Report. Index includes a) life expectancy at birth as a measure of longevity; b) adult literacy rate and combined primary, secondary and tertiary gross enrollment ratio as measures of knowledge; and c) adjusted per capita income in PPP$ as a measure of standard of living. Coverage is 1970-2000 at 5 year intervals.

gdi Gender-related Development Index from Human Development Report. 1970 and 1992 values from 1995 Human Development Report, table 3.4. 2000 values from 2002 Human Development Report. Index includes a) life expectancy at birth as a measure of longevity; b) adult literacy rate and combined primary, secondary and tertiary gross enrollment ratio as measures of knowledge; and c) adjusted per capita income in PPP$ as a measure of standard of living. The GDI uses the same indicators as the HDI, but adjusts downward for inequality between male and female. Coverage is 1970, 1992 and 2000.

> ### *Variables "pqli" and "u5m" are taken from diverse sources, as explained in each one.*

pqli Physical Quality of Life Index. Composite of three indicators—infant mortality per thousand livebirths, life expectancy at age one, and basic literacy as the proportion of population fifteen years and over who are literate. From Morris 1996. Coverage is 1960, 1981, 1985, 1990, and 1993. Theoretical range is 0-100. Citation is: Morris David Morris. 1996. Measuring the changing condition of the world's poor: The physical quality of life index, 1960-1990. Providence, Rhode Island: Working Paper #23/24, Thomas J. Watson Jr. Institute for International Studies, Center for the Comparative Study of Development and the Alan Shawn Feinstein World Hunger Program, Brown University

u5m Under 5 Mortality. Deaths before the age of 5 per 1000 live births. From website of James W. McGuire (http://condor.wesleyan.edu/jmcguire/). Coverage is 1960-1995 every

5 years plus 1996. Citation is: Hill, Kenneth, et al. (1999). Trends in Child Mortality in the Developing World: 1960-1996. New York: UNICEF.

2. ECONOMIC AND DEMOGRAPHIC DATA

Variables "populati" through "inflationcpimfbr" are from the IMF's International Financial Statistics CD–ROM.

populati Population.

gdpncu Gross Domestic Product in National Currency Units. NOTE: ALL VALUES ARE CONVERTED TO UNITS.

cpiprct Consumer price index as percent change from prior year.

inflationcpimf Annual percentage change in consumer prices.

inflationcpimfbr This variable is the same as "inflationcpimf" with additional observations for Brazil. We use data from the Inter-American Development Bank to fill in missing observations for Brazil (1970s and 1980). The data is taken from a paper by Juan Blyde and Eduardo Fernandez-Arlas (2004); *Economic Growth in the Southern Cone.* The paper provides a mean value for the 1970s and 1980s. We have coded all values in the 1970s to the decade mean. The value for 1980 is the average of 1979 and 1981.

Variables "pop" through "cgnp" are from Mark 6.1 of the Penn World Tables.

Mark 6.1 of the Penn World Tables displays a set of national accounts economic time series that extend in some cases from 1950-2000 (in this data-set from 1960-2000). The unique feature of the PWT is that its expenditure series are denominated in a common set of prices in a common currency so that real international quantity comparisons can be made both between countries and over time. The PWT is derived from benchmark United Nations pricing studies which produce Purchasing Power Parity. The price parities and PPP's are used to convert the countries' national currency expenditures to a common currency unit, thus making real quantity comparisons across countries.   Citation as: Alan Heston, Robert Summers and Bettina Aten, Penn World Table Version 6.0, Center for International Comparisons at the University of Pennsylvania (CICUP), December 2001

pop Population in thousands.

rgdpch Real GDP per capita in constant dollars using the Chain index based on

PPPs (Purchasing Power Parities) in 1996 international prices. This variable is the recommended intertemporal GDP time series as it brings changing relative prices into the analysis explicitly through a chain index. Therefore, the growth rate for any period is based upon international prices most closely allied with the period.

rgdpl Real GDP per capita (Laspeyres index) in 1996 international prices. This time series suffers from the Laspeyres fixed-base problem: After a while, relative prices change, and the bases year weights become less and less appropriate. Accurate for the 1980s, but likely inaccurate for data from the 1950s, 1960s and 1970s.

kc Consumption: constant price shares of GDP (% of rgdpl).

ki Investment: constant price shares of GDP (private and public) (% of rgdpl).

kg Government: constant price shares of GDP (% of rgdpl).

NOTE: kc, ki and kg DO NOT SUM TO 100.

rgdptt Real GDP per capita in constant dollars adjusted for changes in the terms of trade (1996 International prices for domestic absorption, current prices for exports and imports). This variable has a disability detailed in 1991 QJE, p. 344.

y CGDP relative to U.S.=100 (current international prices).

cgdp Real GDP per capita expressed relative to the US in each year. CGDP is directly comparable across countries in the same year, but inflation effects keep it from being comparable over time.

cc Consumption: current price shares of GDP in 1996 (current international prices)(% of CGDP).

ci Investment: current price shares of GDP in 1996 (private and public)(current international prices)(% of CGDP).

cg Government: current price shares of GDP in 1996 (public consumption)(current international prices)(% of CGDP)

NOTE: CC, CI, AND CG DO NOT SUM TO 100.

p Price level of GDP (%)(PPP of GDP)/Exchange Rate. PPP relative to U.S. dollar. Exchange Rate relative to U.S. dollar.

pc Price level of Consumption (%) (PPP of Consumption)/(Exchange Rate).

pi Price level of Investment (%) (PPP of Investment)/(Exchange Rate).

pg Price level of Government (%) (PPP of Government)/(Exchange Rate).

xrat Exchange Rate (relative to U.S. dollar).

rgdpea Real GDP per equivalent adult (1996 international prices).

NOTE: IMPLICIT IN THE TABLE IS THE PROPORTION OF THE POPULATION UNDER FIFTEEN. (Population proportion under 15) = 2 X (1-(RGDPC/RGDPE)).

rgdpw Real GDP per worker (1996 international prices).

NOTE: THE LABOR FORCE PARTICIPATION RATE IS GIVEN IMPLICITLY BY THE VALUES OF RGDPC (REAL RGDP PER CAPITA) AND RGDPW:
(Labor Force Participation Rate) = RGDPC/RGDPW.

cgnp Real Gross National Product (% of CGDP) (current international prices).

Variables INFORMA through INFORMG were compiled from several sources, mostly of PREALC.

Though all the variables purport to be based upon PREALC criteria of informality, great variation exists among the various estimates of informality in Latin American economies. This is partially due to whether the estimate is based upon urban informality only or urban combined with rural informality (or the modern agricultural sector) and whether the percentage is estimated for the urban, total, or non-agricultural economically active population. Specific cites are listed with each variable. (informal.xls) INFORMA offers the best coverage of countries and time periods, but does not include post 1980 data.

informa Percentage of workers classified as urban informal of total economically active population, 1950, 1960, 1970, 1980. Source: PREALC. 1982. *Mercado de Trabajo en Cifras: 1950-1980.* Santiago: PREALC. Note: Domestic servants explicitly not included.

informb Percentage of workers classified as urban informal of urban economically active population, 1960, 1970, 1980. Source: PREALC. 1990. *Urbanización y Sector Informal en América Latina: 1960-1980.* Santiago: PREALC, page 96. Note: May include domestic servants.

informc Percentage of workers classified as urban informal of the urban economically active population, 1960, 1970, 1980, 1989 (some). Source: Portes, Alejandro. 1995. *En Torno a la Informalidad: Ensayos sobre teoría y medición de la economía no regulada.* México: FLACSO, page 128. He cites: García y Tokman (1981). Note: Includes domestic servants explicitly.

informd Percent of workers classified as informal (not clear if urban only) of total economically active population, 1960, 1970, 1980. Source: Portes,

Alejandro. 1995. *En Torno a la Informalidad: Ensayos sobre teoría y medición de la economía no regulada.* México: FLACSO, page 132-3. He cites: Mesa-Lago (1985); PREALC (1982, or INFORMB above); and others.

informe Percent of workers classified as informal of non-agricultural labor force, early 1980s and early 1990s. Based on household surveys. Source: International Labour Organisation. 1988. *World Employment Review.* Geneva: International Labour Office AND International Labour Organisation. 1996. *ILO News. Latin America and the Carribbean, 1996 Labour Overview*. Geneva: International Labour Office.

informf Percent of workers classified as informal of non-agricultural labor force, 1980, 1985, 1990. Based on household surveys. Source: U.S. Department of Labor. 1993. *Work Without Protections: Case Studies of the Informal Sector in Developing Countries*, page 251. Note: Includes both self-employed and domestic servants.

informg Percent of workers classified as informal of non-agricultural labor force, including independent workers, domestic workers and small enterprises. Source: International Labor Organization, "Panorama Laboral" (online version).

Variable "density" came from the dataset compiled by Ken Roberts and were supplemented by the State Department's **Human Rights Report, 1996.**

The data for the following countries are those that were used by Ken Roberts in his 1997 APSA paper: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Honduras, Mexico, Nicauragua, Panama, Paraguay, Peru, Uruguay, Venezuela, and the Dominican Republic. See the paper for caveats regarding the availability and precision of such estimates. In general, the estimates came from U.S. State Department Human Rights Country reports and U.S. Labor Department Foreign Labor Trends reports. The remaining estimates for 1995 for other countries in the data set come from the 1996 U.S. State Department's Human Rights Report for each country.

density Proportion of workforce organized into unions.

Variables "strikes" through "daysmssd2" were compiled from various years of the ILO's **Yearbook of Labour Statistics (print and online versions).**

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strikes Number of strikes and lockouts.

strikes2 Number of strikes and lockouts. This series taken from the ILO's online dataset

strkwkrs Thousands of workers involved in strikes and lockouts (usually both directly and indirectly).

strkwkrs2 Thousands of workers involved in strikes and lockouts (usually both directly and indirectly). This series taken from the ILO's online database.

daysmssd Thousands of days not worked due to strikes and lockouts.

daysmssd2 Thousands of days not worked due to strikes and lockouts. This series taken from the ILO's online database.

Variables "gdp00d" through "explcuwdi" are from the World Bank CD–ROM, **World Development Indicators (2007).**

Gdp00d GDP in 2000 dollars. GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in constant 2000 U.S. dollars. Dollar figures for GDP are converted from domestic currencies using 2000 official exchange rates. For a few countries where the official exchange rate does not reflect the rate effectively applied to actual foreign exchange transactions, an alternative conversion factor is used.

uscpi Consumer price index reflects changes in the cost to the average consumer of acquiring a fixed basket of goods and services that may be fixed or changed at specified intervals, such as yearly. The Laspeyres formula is generally used. The series' name in the World Development Indicators is: "Consumer price index (2000 = 100)".

popwdi Population.

pop014wdi Population ages 0 to 14.

pop15_64wdi Population ages 15 to 64.

pop65wdi Population ages 65 and up.

urbpop Urban population
Definition: Urban population is the midyear population of areas defined as urban in each country and reported to the United Nations.

trade Imports plus exports as percentage of GDP.

birthrtwdi: The number of live births occurring during the year, per 1,000 population estimated at midyear.

deathrtwdi: The number of deaths occurring during the year, per 1,000 population estimated at midyear.

popgrowthwdi: Annual population growth rate.

aggdpwdi: Agriculture (value added) as a percent of GDP.
Definition: Agriculture corresponds to ISIC divisions 1-5 and includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3.

ingdpwdi: Industry (value added) as a percent of GDP.
Definition: Industry corresponds to ISIC divisions 10-45 and includes manufacturing (ISIC divisions 15-37). It comprises value added in mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3.

sergdpwdi: Services (value added) as a percent of GDP.
Definition: Services correspond to ISIC divisions 50-99 and they include value added in wholesale and retail trade (including hotels and restaurants), transport, and government, financial, professional, and personal services such as education, health care, and real estate services. Also included are imputed bank service charges, import duties, and any statistical discrepancies noted by national compilers as well as discrepancies arising from rescaling. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3.

emplyagwdi Employment in agriculture (% of total employment)
Definition: Employment in agriculture is the proportion of total employment recorded as working in the agricultural sector. Employees are people who work for a public or private employer and receive remuneration in wages, salary, commission, tips, piece rates, or pay in kind. Agriculture includes hunting, forestry, and fishing, corresponding to major division 1 (ISIC revision 2) or tabulation categories A and B (ISIC revision 3).

emplyinwdi Employment in industry (% of total employment)
Definition: Employment in industry is the proportion of total employment recorded as working in the industrial sector. Employees are people who work for a public or private employer and receive remuneration in wages, salary, commission, tips, piece rates, or pay in kind. Industry includes mining and quarrying (including oil production),

manufacturing, electricity, gas and water, and construction, corresponding to major divisions 2-5 (ISIC revision 2) or tabulation categories C-F (ISIC revision 3).

emplyserwdi Employment in services (% of total employment)
Definition: Employment in services is the proportion of total employment recorded as working in the services sector. Employees are people who work for a public or private employer and receive remuneration in wages, salary, commission, tips, piece rates, or pay in kind. Services include wholesale and retail trade and restaurants and hotels; transport, storage, and communications; financing, insurance, real estate, and business services; and community, social, and personal services-corresponding to divisions 6-9 (ISIC revision 2) or tabulation categories G-P (ISIC revision 3).

exdebt2 External debt, total (DOD, current US$)
Definition: Total external debt is debt owed to nonresidents repayable in foreign currency, goods, or services. Total external debt is the sum of public, publicly guaranteed, and private nonguaranteed long-term debt, use of IMF credit, and short-term debt. Short-term debt includes all debt having an original maturity of one year or less and interest in arrears on long-term debt. Data are in current U.S. dollars.

fdiinflows Foreign direct investment, net inflows (% of gross capital formation).
Definition: Foreign direct investment is net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. This series shows net inflows in the reporting economy. Gross capital formation (gross domestic investment) is the sum of gross fixed capital formation, changes in inventories, and acquisitions less disposals of valuables

gcfgdp Gross capital formation (% of GDP)
Definition: Gross capital formation (formerly gross domestic investment) consists of outlays on additions to the fixed assets of the economy plus net changes in the level of inventories. Fixed assets include land improvements (fences, ditches, drains, and so on); plant, machinery, and equipment purchases; and the construction of roads, railways, and the like, including schools, offices, hospitals, private residential dwellings, and commercial and industrial buildings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales, and "work in progress." According to the 1993 SNA, net acquisitions of valuables are also considered capital formation.

privcap Private capital flows, net total (DRS, current US$)
Definition: Net private capital flows consist of private debt and nondebt flows. Private debt flows include commercial bank lending, bonds, and other private credits; nondebt private flows are foreign direct investment and portfolio equity investment. Data are in current U.S. dollars.

taxpcrev Taxes on income, profits and capital gains (% of current revenue)

Definition: Taxes on income, profits, and capital gains are levied on wages, salaries, tips, fees, commissions and other compensation for labor services; interest, dividends, rent, and royalties; capital gains and losses; and profits of businesses, estates, and trusts. Social security contributions based on gross pay, payroll, or number of employees are not included, but taxable portions of social security, pension, and other retirement account distributions are included. Current revenue includes all revenue from taxes and nonrepayable receipts (other than grants) from the sale of land, intangible assets, government stocks, or fixed capital assets, or from capital transfers from nongovernmental sources. It also includes fines, fees, recoveries, inheritance taxes, and nonrecurrent levies on capital. Data are shown for central government only.

revpcgdp Current revenue, excluding grants (% of GDP)
Definition: Current revenue includes all revenue to the central government from taxes and nonrepayable receipts (other than grants), measured as a share of GDP. Data are shown for central government only.

imftotal Repurchasing obligations to the IMF for all uses of IMF resources (excluding those resulting from drawings on the reserve tranche). The obligations, shown for the end of the year specified, comprise purchases outstanding under the credit trances (including enlarged access resources) and all special facilities (the buffer stock, compensatory financing, extended fund, and oil facilities), trust fund loans, and operations under the structural adjustment and enhanced structural adjustment facilities. The value is in current dollars.

prvdbtwdi   Private nonguaranteed debt (DOD, current US$)

stdbtwdi Short-term debt (% of total external debt)

femlfwdi Female labor force participation

gdswdi Gross domestic savings (% of GDP)

gdslcuwdi Gross domestic savings (constant LCU)

govexwdi Expenditure, total (current LCU)

govexgdpwdi Expenditure, total (% of GDP)

cabwdi Current account balance (BoP, current US$)

wkremitwdi Workers' remittances, receipts (BoP, current US$)

ltdbtwdi Long-term debt (DOD, current US$)

gnilcuwdi Gross national income (constant LCU)

gnidlrswdi GNI (current US$)

gnipcpppwdi GNI per capita, PPP (current international $)

gnipcwdi GNI per capita, Atlas method (current US$)

gintlreswdi Gross international reserves (includes gold, current US$)

femunwdi Unemployment, female (% of female labor force)

maleunwdi Unemployment, male (% of male labor force)

unemplywdi Unemployment, total (% of total labor force)

illiteracy The percentage of people ages 15 and above who cannot, with understanding, read and write a short, simple statement about their everyday life. (From WDI 2003 CD)

explcuwdi Exports of goods and services (constant LCU)

Variables deficitlcuifs and gdplcuifs were taken or derived from the IMF's International Financial Statistics (IFS).

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deficitlcuifs This is the government deficit, as reported in "deficit" in the IMF's IFS in 1/2005. It is reported in local currency units. It is reported net revenue, expenditures, grants, loans and repayments.

gdplcuifs This is the gross domestic product, as reported in "gross domestic product" in the IMF's IFS in 1/2005. It is reported in local currency units.

Variables "instockunctad" through "outflowunctad" are from United Nations (2002) UNCTAD Handbook of Statistics; Cd Rom Version.

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instockunctad Inward stock in millions of dollars.

inflowunctad Inflows in millions of dollars.

outstockunctad Outward stock in millions of dollars.

outflowunctad Outflows in millions of dollars.

stock70 Inward stock in millions of dollars. Variable taken from: United Nations Centre on Transnational Corporations. 1985. *Transnational Corporations in World*

Development: Third Survey. London: the United Nations. Annex Table II.13: "Inflow and Stock of foreign Direct Investment, 1970-1981."

Variables "grin" to "trin" are the Liberalization Indices from Morley et al 1999. All range theoretically from 0 to 1. Coverage is 1970-1995. Citation is: Morley, Samuel A., Roberto Machado and Stefano Pettinato. 1999. "Indexes of Structural Reform in Latin America." ECLAC Serie Reformas Economicas 12

grin General Reform Index, from table A1.

cin Commercial Index, from table A2.

frin Financial Reform Index, from table A3.

calin Capital Account Liberalization Index, from table A4.

pin Privatization Index, from table A5.

trin Tax Reform Index, from table A6.

Variables "femlfeclac" through "emplysereclac" are compiled from ECLAC's "Statistical Yearbook of Latin America and the Caribbean" (multiple years).

femlfeclac: Economically active female population aged 10 years and over as a percentage of the total female population aged 10 years and over.

emplyageclac: Employment in agriculture as a percentage of total employment. Classification is made in accordance with International Standard Industrial Classification of All Economic Activities (ISIC), Rev 2. Agriculture includes agriculture, forestry, hunting, and fishing.

emplyineclac: Employment in industry as a percentage of total employment. Classification is made in accordance with International Standard Industrial Classification of All Economic Activities (ISIC), Rev 2. Industry includes mining, and quarrying, manufacturing, construction, and electricity, gas, water and sanitary services

emplysereclac: Employment in services as a percentage of total employment. Classification is made in accordance with International Standard Industrial Classification of All Economic Activities (ISIC), Rev 2. Services include commerce, transport, storage and communications, and (8) services.

> *Variables "**emplyagilo**" through "**emplyserilo**" are compiled from the International Labor Organization's on-line Labor Statistics (http://laborsta.ilo.org). The variables were taken from the "Economically Active Population Estimates and Projections*".

emplyagilo: Employment in agriculture as a percentage of total employment. Classification determined by the International Labor Organization.

emplyinilo: Employment in industry as a percentage of total employment. Classification determined by the International Labor Organization.

emplyserilo: Employment in services as a percentage of total employment. Classification determined by the International Labor Organization.

> *Variable "**avyrsednew**" is from: Barro, Robert & Jong-Wha Lee (2000). "International Data on Educational Attainment: Updates and Implications." Harvard Center for International Development Working Paper #42. Data available in Appendix table A1. This is the MOST RECENT AND COMPLETE version of these variables*

avyrsednew: Average years of education for the population age 25 and older.

> *Variables "**avyrsed**" through "**avyrs3ed**" are compiled from two sources: Barro, Robert and Jong-Wha Lee (1993) "Educational Attainment Data." [Available at: http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/0,,contentMDK:20699067~pagePK:64214825~piPK:64214943~theSitePK:469382,00.html] and Barro, Robert & Jong-Wha Lee (2000). "International Data on Educational Attainment: Updates and Implications." Harvard Center for International Development Working Paper #42.*

A note: "avyrs2ed" and "avyrs3ed" is only available in the 1993 version of the dataset. It is recommended that one use "avyrsednew" and its derivatives rather than "avyrsed" because the methodology changed slightly between 1993 and 2000.

avyrsed: Average years of education for the population age 25 and older.

avyrs2ed: Average years of secondary education for the population age 25 and older.

avyrs3ed: Average years of tertiary education for the population age 25 and older.

> *Variables "**strucrefindex**" through "**privindex**" are taken from: Eduardo Lora. 2001. "Structural Reforms in Latin America: What Has Been Reformed and How to Measure it." Inter-American Development Bank Working Paper #348.*

strucrefindex The general structural reform index (taken from Appendix 2, Page 30). Values are bound between 0-1.

tradeindex Liberalization of trade (taken from Appendix 2, page 31). Values are bound between 0-1.

finindex Liberalization of financial flows (taken from Appendix 2, page 34). Values are bound between 0-1.

taxindex Liberalization of tax laws (taken from Appendix 2, page 38). Values are bound between 0-1.

privindex Privatization index (taken from Appendix 2, page 44). Values are bound between 0-1.