

The analysis presented in this paper suggests a number of avenues for further research. In particular, it would be valuable to address the role of human capital (encompassing education and health) in post-conflict recovery. We chose not to directly include such variables in our analysis because of data limitations and the fact that these series are likely to exhibit very high persistence. Therefore their inclusion in the models might not be appropriate in the context of the econometric approach followed here. It would also be interesting to quantitatively assess the impact of civil conflict on institutions and attempt to model the determinants of institutional outcomes (in terms of constraints on the executive, for instance) after conflict events. This line of research could provide further evidence that post-conflict environments are more conducive to institutional change, as previously suggested.

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Annex A. Variables Definitions and Sources

Variable	Description/Notes	Source
Growth Rate	Real GDP per capita growth rate expressed in PPP terms.	Penn World Tables.
Investment in Physical Capital	Gross fixed capital formation as a percentage of GDP	Penn World Tables.
Foreign Aid	Growth rate of official development aid expressed in current US\$ per capita (compared to previous year).	World Bank/WDI
Real Interest Rate	Ex-post real interest rate defined as nominal interest rate minus the observed inflation rate for a given year.	Author's calculations based on IMF EDSS database.
Foreign Direct Investment	Change in FDI as a percentage of GDP.	World Bank/GDF
Trade Openness	Log of [(Exports + Imports)/GDP].	Penn World Tables.
Terms of Trade	Terms of trade index for goods and services (2000=100).	IMF WEO database.
Population		Penn World Tables.
Conflict Periods	See description in main text.	UCDP/PRIO Armed Conflict Dataset; Sambanis (2004) and author's calculations
Income difference with respect to the U.S.	Real GDP per Capita Relative to the United States (G-K method).	Penn World Tables.
Human Capital	Several measures used: Gross Secondary School Enrollment, expected years of schooling, and primary completion rate	World Bank – World Development Indicators
Legal Origin	Dummy variable taking the value of 1 if country has a legal system of French origin and zero otherwise. Given the country composition of our sample, the omitted category is British legal origin.	La Porta, Lopez-de-Silanes and Shleifer, (2008)
Constraints on the Executive	The extent of institutionalized constraints on the decision-making powers of chief executives, whether individuals or collectivities. Values are expressed in a 7 category scale, ranging from unlimited authority to executive parity or subordination.	Polity IV dataset.

Annex B. List of Countries and Post-Conflict Episodes

(Numbers denote the year after a conflict has ended)

Country	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Angola																	
Burkina Faso																	
Burundi														1	2	3	4
Central African Republic																	
Chad																	
Congo, Dem. Rep.												1	2	3	4	5	6
Congo, Republic of																	
Djibouti																	
Ghana																	
Guinea-Bissau																	
Kenya	1	2	3	4	5	6						1	2	3	4	5	6
Lesotho																	
Liberia																	
Madagascar																1	2
Mali																	
Mauritania			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Mozambique																	
Namibia																	
Niger																	
Nigeria															1	2	3
Rwanda									1	2	3	4		5	6	7	8
Senegal																	
Sierra Leone																	
Somalia																	
South Africa																	
Sudan																	1
Tanzania																	
Togo																	
Uganda											1	2	3	4			
Zimbabwe														1	2	3	

Country	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Angola																	
Burkina Faso															1	2	3
Burundi	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Central African Republic																	
Chad																	
Congo, Dem. Rep.	7	8	9			1	2	3	4	5	6	7	8	9	10	11	12
Congo, Republic of																	
Djibouti																	
Ghana											1	2	3	4	5	6	7
Guinea-Bissau	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Kenya	7	8	9	10	11	12	13	14		1	2	3	4	5	6	7	8
Lesotho																	
Liberia								1	2	3	4	5	6	7	8		
Madagascar	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Mali													1	2	3	4	
Mauritania	16					1	2	3	4	5	6	7	8	9	10	11	12
Mozambique																	
Namibia																1	2
Niger																	
Nigeria	4	5	6	7		9						1	2	3	4	5	6
Rwanda	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Senegal																	
Sierra Leone																	
Somalia	1	2	3	4	5	6	7	8									
South Africa																	
Sudan	2	3	4	5	6	7	8	9	10								
Tanzania						1	2	3	4	5	6	7	8	9	10	11	12
Togo														1	2	3	4
Uganda		1	2	3													
Zimbabwe							1	2	3						1	2	3

Country	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Angola													1	2	3	4	5
Burkina Faso	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Burundi																	1
Central African Republic								1	2	3			1	2	3	4	5
Chad													1	2			
Congo, Dem. Rep.	13																
Congo, Republic of										1	2	3	4	5	6	7	8
Djibouti					1	2	3	4	5	6	7	8	9	10	11	12	13
Ghana		9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Guinea-Bissau	18	19	20	21	22	23	24			1	2	3	4	5	6	7	8
Kenya				1	2	3	4	5	6	7	8	9	10	11	12	13	14
Lesotho												4	5	6	7	8	9
Liberia																3	4
Madagascar		21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Mali						1	2	3	4	5	6	7	8	9	10	11	
Mauritania	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
Mozambique			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Namibia	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Niger								1	2	3	4	5	6	7	8	9	
Nigeria	7	8	9	10	11		1		3	4	5	6	7	8	9	10	11
Rwanda					1	2							1	2	3	4	5
Senegal													1	2	3	4	5
Sierra Leone												2	3	4	5	6	7
Somalia																	
South Africa					1	2	3	4	5	6	7	8	9	10	11	12	13
Sudan																	
Tanzania	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
Togo			2	3	4	5	6	7	8	9	10	11	12	13		1	2
Uganda			1	2													
Zimbabwe	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20

Annex C. Descriptive Statistics for Selected Variables

Variable		Mean	Std. Dev.	Min	Max	Observations
Income differential	overall	1.560	0.600	-0.144	3.211	N = 535
	between		0.648	-0.127	3.114	n = 50
	within		0.155	1.041	2.251	T-bar = 10.7
Change in terms of trade	overall	-0.003	0.232	-1.356	2.338	N = 451
	between		0.090	-0.153	0.282	n = 41
	within		0.224	-1.407	2.287	T-bar = 11
Population	overall	8.971	1.264	6.015	11.873	N = 536
	between		1.153	6.097	11.774	n = 50
	within		0.152	8.483	9.494	T-bar = 10.72
Growth in foreign aid	overall	1.343	27.505	-348.496	388.256	N = 530
	between		9.601	-23.049	61.088	n = 50
	within		27.101	-345.671	391.081	T-bar = 10.6
Investment share of GDP	overall	2.128	0.660	-0.201	3.927	N = 532
	between		0.620	0.254	3.136	n = 50
	within		0.334	0.255	3.287	T-bar = 10.64
Real interest rate	overall	-1.229	11.954	-70.939	24.323	N = 355
	between		7.135	-26.397	11.248	n = 35
	within		9.007	-45.771	32.307	T-bar = 10.14
Growth in FDI	overall	0.025	0.962	-12.300	9.350	N = 520
	between		0.138	-0.690	0.485	n = 48
	within		0.956	-12.551	9.099	T-bar = 10.83
Constraints on the executive	overall	3.099	1.714	1.000	7.000	N = 527
	between		1.785	1.000	7.000	n = 49
	within		0.781	-0.501	8.349	T-bar = 10.7551
Openness	overall	3.954	0.507	1.575	5.165	N = 535
	between		0.454	2.915	5.059	n = 50
	within		0.261	1.505	4.934	T-bar = 10.7

Note: Panel id is post-conflict episode