Box 3.3.

Impact of Unrequited Transfers on Institutions\footnote{The x-axis depicts the ratio of aid and exports of fuel and minerals to GDP in country $j$ times institution intensity of industry $i$. The y-axis depicts that portion of the annual average growth rate of industry $i$ in country $j$ which is not explained by determinants other than the above. The regression includes country and industry fixed effects as well as a convergence term.}