

Online Appendix: Additional Supporting Material

This Appendix presents robustness checks and additional material discussed in the main text of the paper. This material is intended for publication in an Online Appendix.

Alternative classification criteria used for the robustness analysis.

In the benchmark classification, Greece, Ireland and New Zealand, which are not classified in Reher (2004), are considered as post-transitional since they satisfy the other requirements. For robustness we create an alternative classification by considering them as pre-transitional (Criterion *C2a*).

We also consider a more restrictive requirement and classify the countries as post-transitional only if, together with requirements 1 and 2, the crude birth rate in 1940 is below 25/1000, which delivers information of whether the demographic transition is at an advanced stage (Criterion *C3a*). This is the most restrictive criterion and delivers 31 pre-transitional countries and only 16 post-transitional countries. However, by restricting on a very advanced stage of the demographic transition, this criterion it is somewhat fragile to short term fluctuations in birth rates like, e.g., the baby boom. As a consequence, countries like Argentina, Canada, Finland, the Netherland, New Zealand and Portugal are classified as pre-transitional in 1940 according to this criterion.

The classification in terms of income into rich, middle-income and poor countries in 1940 is taken from Acemoglu and Johnson (2007).

Content of this Appendix.

Tables:

- The different alternative classifications of the countries in the sample as of 1940 is reported in Table 6. Table 7 reports the classification obtained when also applying the different criteria in 1980. This allows to discriminate whether a country was always post-transitional (“post”) during the period 1940-1980, always pre-transitional (“pre”) or undergoes the onset of the demographic transition between 1940 and 1980 (“intermediate”).
- Table 8 reports the results for the pooled sample from OLS on log life expectancy, OLS on the predicted mortality instrument (reduced form), and 2SLS, as well as RESET tests for neglected non-linearities in the respective estimation results.
- Table 9 presents results for the alternative classification criteria, while Table 10 presents the results for the classification based on the initial level of income in 1940.
- Tables 11 and 12 present results when instrumenting the demographic status of each country as of 1940 for the different alternative classifications.
- Tables 13 and 14 present the results when including initial life expectancy as additional control.

Figures

- Figure 10 reports the times series evolution of crude birth rates in the period 1940-1980 for all countries in the sample as a visual illustration of the classification of countries.
- Figure 11 depicts the scatter-plots of the relationship between changes in life expectancy and changes in crude birth rates for pre- and post-transitional countries over the periods 1940-1980 and 1940-2000.
- Figure 12 presents the weighting function used for the weighted estimates.

Table 6: List of Countries and their Classification

Post-Transitional according to:		Criteria 1, 2, 3 (1)	Criteria 1, 2a, 3 (2)	Criteria 1, 2, 3a (3)	Rich (4)
Argentina	ARG	1	1	0	0
Australia	AUS	1	1	1	1
Austria	AUT	1	1	1	0
Belgium	BEL	1	1	1	1
Bangladesh	BGD	0	0	0	0
Brazil	BRA	0	0	0	0
Canada	CAN	1	1	0	1
Switzerland	CHE	1	1	1	1
Chile	CHL	0	0	0	0
China	CHN	0	0	0	0
Colombia	COL	0	0	0	0
Costa Rica	CRI	0	0	0	0
Germany	DEU	1	1	1	1
Denmark	DNK	1	1	1	1
Ecuador	ECU	0	0	0	0
Spain	ESP	1	1	1	0
Finland	FIN	1	1	0	0
France	FRA	1	1	1	0
United Kingdom	GBR	1	1	1	1
Greece	GRC	0	1	1	0
Guatemala	GTM	0	0	0	0
Honduras	HND	0	0	0	0
Indonesia	IDN	0	0	0	0
India	IND	0	0	0	0
Ireland	IRL	0	1	1	0
Italy	ITA	1	1	1	0
Korea Republic	KOR	0	0	0	0
Sri Lanka	LKA	0	0	0	0
Mexico	MEX	0	0	0	0
Myanmar	MMR	0	0	0	0
Malaysia	MYS	0	0	0	0
Nicaragua	NIC	0	0	0	0
Netherlands	NLD	1	1	0	1
Norway	NOR	1	1	1	0
New Zealand	NZL	0	1	0	1
Pakistan	PAK	0	0	0	0
Panama	PAN	0	0	0	0
Peru	PER	0	0	0	0
Philippines	PHL	0	0	0	0
Portugal	PRT	1	1	0	0
Paraguay	PRY	0	0	0	0
El Salvador	SLV	0	0	0	0
Sweden	SWE	1	1	1	1
Thailand	THA	0	0	0	0
Uruguay	URY	1	1	1	0
United States	USA	1	1	1	1
Venezuela	VEN	0	0	0	0

List of 47 countries that represent the baseline sample in Acemoglu and Johnson (2007). “1” indicates if a country is coded as post-transitional according to the respective criteria, “0” corresponds to pre-transitional countries. Criteria 1, 2, 3 correspond to life expectancy at birth > 50 , sustained fertility drop and a crude birth rate $< \frac{30}{1000}$, respectively, by 1940. Criterion 2a codes Greece, Ireland and New Zealand as pre-transitional due to the unclear onset of their fertility drop. Criterion 3a considers a crude birth rate $< \frac{25}{1000}$ rather than $< \frac{30}{1000}$. “Rich” uses the classification proposed by Acemoglu and Johnson (2007). See also main text for description of the classification criteria.

Table 7: List of Countries and their Classification (1940 and 1980)

			LE > 50			Sust. Fert. Drop			CBR < $\frac{30}{1000}$		
			Post	Intermediate	Pre	Post	Intermediate	Pre	Post	Intermediate	Pre
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Argentina	ARG	1	0	0	1	0	0	0	1	0	
Australia	AUS	1	0	0	1	0	0	1	0	0	
Austria	AUT	1	0	0	1	0	0	1	0	0	
Belgium	BEL	1	0	0	1	0	0	1	0	0	
Bangladesh	BGD	0	0	1	0	0	1	0	0	1	
Brazil	BRA	0	0	1	0	1	0	0	0	1	
Canada	CAN	1	0	0	1	0	0	0	1	0	
Switzerland	CHE	1	0	0	1	0	0	1	0	0	
Chile	CHL	0	1	0	0	1	0	0	1	0	
China	CHN	0	1	0	0	1	0	0	1	0	
Colombia	COL	0	1	0	0	1	0	0	0	1	
Costa Rica	CRI	0	1	0	0	1	0	0	0	1	
Germany	DEU	1	0	0	1	0	0	1	0	0	
Denmark	DNK	1	0	0	1	0	0	1	0	0	
Ecuador	ECU	0	0	1	0	1	0	0	0	1	
Spain	ESP	1	0	0	1	0	0	1	0	0	
Finland	FIN	1	0	0	1	0	0	0	1	0	
France	FRA	1	0	0	1	0	0	1	0	0	
United Kingdom	GBR	1	0	0	1	0	0	1	0	0	
Greece	GRC	1	0	0	1	0	0	1	0	0	
Guatemala	GTM	0	0	1	0	0	1	0	0	1	
Honduras	HND	0	0	1	0	0	1	0	0	1	
Indonesia	IDN	0	0	1	0	1	0	0	0	1	
India	IND	0	0	1	0	1	0	0	0	1	
Ireland	IRL	1	0	0	1	0	0	1	0	0	
Italy	ITA	1	0	0	1	0	0	1	0	0	
Korea Republic	KOR	0	1	0	0	1	0	0	1	0	
Sri Lanka	LKA	0	1	0	0	1	0	0	0	1	
Mexico	MEX	0	0	1	0	1	0	0	0	1	
Myanmar	MMR	0	0	1	0	1	0	0	0	1	
Malaysia	MYS	0	0	1	0	1	0	0	0	1	
Nicaragua	NIC	0	0	1	0	0	1	0	0	1	
Netherlands	NLD	1	0	0	1	0	0	0	1	0	
Norway	NOR	1	0	0	1	0	0	1	0	0	
New Zealand	NZL	1	0	0	1	0	0	0	1	0	
Pakistan	PAK	0	1	0	0	1	0	0	0	1	
Panama	PAN	0	0	1	0	1	0	0	0	1	
Peru	PER	0	1	0	0	1	0	0	0	1	
Philippines	PHL	0	0	1	0	1	0	0	0	1	
Portugal	PRT	1	0	0	1	0	0	0	1	0	
Paraguay	PRY	0	0	1	0	0	1	0	0	1	
El Salvador	SLV	0	0	1	0	1	0	0	0	1	
Sweden	SWE	1	0	0	1	0	0	1	0	0	
Thailand	THA	0	0	1	0	1	0	0	0	1	
Uruguay	URY	1	0	0	1	0	0	1	0	0	
United States	USA	1	0	0	1	0	0	1	0	0	
Venezuela	VEN	0	0	1	0	1	0	0	0	1	

List of 47 countries that represent the baseline sample in Acemoglu and Johnson (2007). Intermediate countries correspond to countries that do not satisfy criteria for post-transitional in 1940, but satisfy criteria by 1980. Classification according to criterion 1, LE > 50, in 1940 and in 1980 in column (1), LE < 50 in 1940 and LE > 50 in 1980 in column (2), and LE < 50 in 1940 and in 1980 in column (3). Classification according to criterion 2, sustained fertility drop, in 1940 and in 1980 in column (4), no sustained fertility drop in 1940 but sustained fertility drop in 1980 in column (5), and no sustained fertility drop in 1940 and in 1980 in column (6). Classification according to criterion 3, CBR < $\frac{30}{1000}$, in 1940 and in 1980 in column (1), CBR > $\frac{30}{1000}$ in 1940 and CBR < $\frac{30}{1000}$ in 1980 in column (2), and CBR > $\frac{30}{1000}$ in 1940 and in 1980 in column (3). See also main text for description of the classification criteria.

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Table 8: Effect of Life Expectancy: Testing Neglected Non-Linearities

Dependent Variable	Panel (A): log Population					
Sample	1940-1980			1940-2000		
	(1)	(2)	(3)	(4)	(5)	(6)
	OLS	OLS	2SLS	OLS	OLS	2SLS
Log life expectancy	1.618*** [0.179]		1.669*** [0.336]	2.007*** [0.209]		1.959*** [0.354]
Predicted Mortality Change		0.743*** [0.154]			1.093*** [0.212]	
Number of countries	47	47	47	47	47	47
IVRESET p-value (2df)	0.014	0.011	0.046	0.018	0.033	0.057
IVRESET p-value (3df)	0.019	0.039	0.017	0.017	0.109	0.048

Dependent Variable	Panel (B): log GDP per capita					
Sample	1940-1980			1940-2000		
	(1)	(2)	(3)	(4)	(5)	(6)
	OLS	OLS	2SLS	OLS	OLS	2SLS
Log life expectancy	-0.813*** [0.258]		-1.316*** [0.357]	-1.158*** [0.265]		-1.508*** [0.407]
Predicted Mortality Change		-0.586*** [0.147]			-0.842*** [0.198]	
Number of countries	47	47	47	47	47	47
IVRESET p-value (2df)	0.001	0.008	0.538	0.479	0.310	0.693
IVRESET p-value (3df)	0.001	0.001	0.012	0.031	0.027	0.460

Results from OLS (columns 1 and 4), reduced form (columns 2 and 5) and 2SLS (columns 3 and 6) regressions; the instrument is predicted mortality change (see text). Robust, small sample corrected standard errors are in brackets. All regressions are in levels for 47 countries, with two observations per country. All specifications include a full set of year and country fixed effects. For the 2SLS specifications in column (3), the Shea partial R-square is 0.504 and the partial F-statistic is 47.3, for the 2SLS specifications in column (6), the Shea partial R-square is 0.576 and the partial F-statistic is 59.6. ***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

Table 9: Causal Effect of Life Expectancy: Alternative Classification Criteria

Panel (A): log GDP per Capita								
Period Criterion	1940-1980				1940-2000			
	1,2a,3		1,2,3a		1,2a,3		1,2,3a	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Life Exp.	-0.839*		-1.084**		-1.203*		-1.348**	
	[0.445]		[0.425]		[0.672]		[0.563]	
Ln Life Exp.*Post	1.309*	2.234***	0.776	1.787*	0.808	2.642***	0.517	1.833**
	[0.700]	[0.728]	[0.669]	[0.917]	[1.044]	[0.856]	[0.832]	[0.775]
Ln Life Exp.*Pre		-2.349*		-1.725**		-3.202*		-2.029**
		[1.361]		[0.694]		[1.680]		[0.926]
Time Trend	1.072***		1.207***		1.657***		1.754***	
	[0.195]		[0.175]		[0.396]		[0.319]	
Time Trend*Post		0.686***		0.763***		0.835***		1.055***
		[0.143]		[0.165]		[0.223]		[0.178]
Time Trend*Pre		1.788***		1.506***		2.827***		2.146***
		[0.637]		[0.307]		[0.963]		[0.527]
Chow-Test: Equality of π		$p < 0.005$		$p < 0.004$		$p < 0.004$		$p < 0.003$
Chow-Test: Equality of μ		$p < 0.098$		$p < 0.039$		$p < 0.051$		$p < 0.056$
Shea Partial R^2								
Shea Partial R^2 Pre	0.30	0.20	0.34	0.28	0.37	0.31	0.42	0.45
Shea Partial R^2 Post	0.40	0.35	0.45	0.35	0.45	0.39	0.50	0.33
First Stage F-Stat.								
First Stage F-Stat Pre	31.3	5.40	31.9	14.3	42.8	9.76	43.7	21.4
First Stage F-Stat Post	67.1	4.85	56.2	3.44	80.5	5.82	68.8	4.25
Number of countries	47	47	47	47	47	47	47	47

Panel (B): log Population								
Period Criterion	1940-1980				1940-2000			
	1,2a,3		1,2,3a		1,2a,3		1,2,3a	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Life Exp.	1.022***		1.125***		1.130***		1.307***	
	[0.376]		[0.337]		[0.405]		[0.359]	
Ln Life Exp.*Post	-1.777***	-1.088*	-1.817***	-0.523	-2.197***	-1.583*	-2.114***	-0.846
	[0.390]	[0.623]	[0.343]	[0.546]	[0.444]	[0.805]	[0.380]	[0.766]
Ln Life Exp.*Pre		1.306		1.074**		1.470*		1.317**
		[0.883]		[0.489]		[0.783]		[0.490]
Time Trend	0.490***		0.435***		0.703***		0.587***	
	[0.162]		[0.131]		[0.222]		[0.177]	
Time Trend*Post		0.563***		0.399***		0.843***		0.597***
		[0.145]		[0.126]		[0.231]		[0.211]
Time Trend*Pre		0.355		0.459**		0.504		0.581**
		[0.397]		[0.204]		[0.435]		[0.253]
Chow-Test: Equality of π		$p < 0.032$		$p < 0.035$		$p < 0.001$		$p < 0.022$
Chow-Test: Equality of μ		$p < 0.626$		$p < 0.804$		$p < 0.496$		$p < 0.961$
Shea Partial R^2								
Shea Partial R^2 Pre	0.30	0.20	0.34	0.28	0.37	0.31	0.42	0.45
Shea Partial R^2 Post	0.40	0.35	0.45	0.35	0.45	0.39	0.50	0.33
First Stage F-Stat.								
First Stage F-Stat Pre	31.3	5.40	31.9	14.3	42.8	9.76	43.7	21.4
First Stage F-Stat Post	67.1	4.85	56.2	3.44	80.5	5.82	68.8	4.25
Number of countries	47	47	47	47	47	47	47	47

Results from 2SLS regressions, the dependent variable is log GDP per capita, y , in panel A, the dependent variable is log population, $\ln N$ in Panel B; the instrument is predicted mortality change (see text). Robust, small sample corrected standard errors are in brackets. All regressions are in long-difference specifications with two observations per country, for 1940 and 1980 (columns 1-4), and for 1940 and 2000 (columns 5-8), respectively. All specifications include a full set of year and country fixed effects. Classification of Pre-Transitional in 1940 and Post-Transitional in 1940 according to the analysis in Section 3. First stage F-tests correspond to the partial F test of the instrument. ***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

Table 10: Causal Effect of Life Expectancy on Log GDP Per Capita: Rich and Poor Countries

Dependent Variable Criterion	Ln GDP per Capita				Ln Population			
	1940-1980		1940-2000		1940-1980		1940-2000	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Life Exp.	-3.031*** [1.113]		-3.081*** [1.106]		2.152** [0.817]		2.228*** [0.690]	
Ln Life Exp.*Post	-6.160** [2.950]	11.21** [5.477]	-5.283** [2.374]	14.25 [9.443]	1.736 [2.093]	0.52 [5.984]	0.905 [1.556]	0.225 [11.59]
Ln Life Exp.*Pre		-2.352*** [0.803]		-2.702*** [0.981]		2.040*** [0.684]		2.180*** [0.629]
Time Trend	2.116*** [0.477]		2.750*** [0.584]		-0.0874 [0.329]		-0.010 [0.341]	
Time Trend*Post		-0.502 [0.742]		-1.226 [1.638]		0.345 [0.815]		0.501 [2.093]
Time Trend*Pre		1.815*** [0.337]		2.543*** [0.519]		-0.0378 [0.270]		0.017 [0.307]
Chow-Test: Equality of π		$p < 0.018$		$p < 0.081$		$p < 0.802$		$p < 0.867$
Chow-Test: Equality of μ		$p < 0.007$		$p < 0.034$		$p < 0.658$		$p < 0.820$
Shea Partial R^2								
Shea Partial R^2 Pre	0.18	0.28	0.28	0.11	0.18	0.28	0.28	0.11
Shea Partial R^2 Post	0.24	0.27	0.37	0.37	0.24	0.27	0.37	0.37
First Stage F-Stat.								
First Stage F-Stat Pre	74.7	13.8	84.3	20.6	74.7	13.8	84.3	20.6
First Stage F-Stat Post	37.4	3.67	48.5	1.97	37.4	3.67	48.5	1.97
Number of countries	47	47	47	47	47	47	47	47

Results from 2SLS regressions, the dependent variable in columns (1)-(4) is log GDP per capita, y , in columns (5)-(8) is log population, $\ln N$; the instrument is predicted mortality change (see text). Criteria for splitting the sample is initial income (rich vs. poor/non-rich), see Acemoglu and Johnson (2007) for details. Robust, small sample corrected standard errors are in brackets. All regressions are in long-difference specifications with two observations per country. All specifications include a full set of year and country fixed effects. The samples correspond to the base sample of Acemoglu and Johnson (2007), the results replicate their results in Table 9A(3), 9A(4) and Table 8A(3), 8A(4), respectively. First stage F-tests correspond to the partial F test of the instrument. ***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

Table 11: Causal Effect of Life Expectancy: Instrumented Demographic Classification in 1940

Panel (A): log GDP per Capita 1940-1980						
Criterion	1,2a,3			1,2,3a		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Life Exp.	0.309 [0.434]	1.109 [0.771]	-0.068 [0.520]	-0.027 [0.591]	0.363 [0.674]	-0.613 [0.432]
Ln Life Exp.*Post	3.340*** [0.867]		2.759* [1.369]	2.763** [1.195]		2.278*** [0.734]
Time Trend	0.523** [0.198]	0.163 [0.376]	0.725*** [0.260]	0.717** [0.275]	0.546* [0.323]	1.018*** [0.208]
Time Trend*Post		0.839*** [0.281]	-0.069 [0.381]		0.625** [0.261]	-0.203 [0.263]
Shea Partial R^2	0.50	0.41	0.65	0.46	0.53	0.77
Shea Partial R^2 Post		0.37	0.70		0.44	0.75
Shea Partial R^2 Interact	0.42		0.75	0.35		0.84
Hansen J-test p-value	0.58	0.44	0.52	0.39	0.30	0.28
Number of countries	47	47	47	47	47	47
Panel (B): log GDP per Capita 1940-2000						
Ln Life Exp.	-0.184 [0.528]	-0.272 [1.062]	-1.027 [0.813]	-0.585 [0.591]	-0.302 [0.752]	-1.052* [0.556]
Ln Life Exp.*Post	2.442** [1.032]		3.246** [1.364]	1.701 [1.252]		2.803** [1.079]
Time Trend	1.069*** [0.343]	1.163* [0.677]	1.594*** [0.521]	1.337*** [0.364]	1.183** [0.468]	1.621*** [0.350]
Time Trend*Post		0.439 [0.508]	-0.606 [0.584]		0.500 [0.387]	-0.515 [0.455]
Shea Partial R^2	0.50	0.39	0.65	0.48	0.50	0.76
Shea Partial R^2 Post		0.34	0.71		0.40	0.73
Shea Partial R^2 Interact	0.40		0.76	0.36		0.81
Hansen J-test p-value	0.25	0.20	0.33	0.10	0.14	0.40
Number of countries	47	47	47	47	47	47

Results from 2SLS regressions, the dependent variable is log GDP per capita, y ; the instrument for change in log life expectancy is predicted mortality change taken from Acemoglu and Johnson (2007), the instrument for pre-/post-transitional is the set of geographic instruments used by Lorentzen et al. (2008), see text for details. Robust, small sample corrected standard errors are in brackets. All regressions are in long-difference specifications with two observations per country, for 1940 and 1980 in panel (A), and for 1940 and 2000 in panel (B), respectively. All specifications include a full set of year and country fixed effects. The estimates correspond to the specifications in Table 2. Classification of Pre-Transitional in 1940 and Post-Transitional in 1940 according to the analysis in Section 3. First stage F-tests correspond to the partial F test of the instrument. ***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

Table 12: Causal Effect of Life Expectancy: Instrumented Demographic Classification in 1940

Panel (A): log Population 1940-1980						
Criterion	1,2a,3			1,2,3a		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Life Exp.	1.065*** [0.314]	0.625 [0.424]	0.821** [0.382]	0.925** [0.405]	0.684* [0.359]	0.901*** [0.277]
Ln Life Exp.*Post	-1.936*** [0.557]		-1.551 [1.042]	-2.518*** [0.874]		-0.982 [0.679]
Time Trend	0.487*** [0.146]	0.704*** [0.207]	0.597*** [0.194]	0.548*** [0.189]	0.676*** [0.172]	0.550*** [0.141]
Time Trend*Post		-0.527*** [0.171]	-0.138 [0.300]		-0.601*** [0.135]	-0.268 [0.213]
Shea Partial R^2	0.50	0.41	0.65	0.46	0.53	0.77
Shea Partial R^2 Post		0.37	0.70		0.44	0.75
Shea Partial R^2 Interact	0.42		0.75	0.35		0.84
Hansen J-test p-value	0.58	0.44	0.52	0.39	0.30	0.28
Number of countries	47	47	47	47	47	47
Panel (B): log Population 1940-2000						
Ln Life Exp.	1.069*** [0.349]	0.638 [0.502]	0.889* [0.503]	1.007** [0.462]	0.744 [0.467]	1.099*** [0.356]
Ln Life Exp.*Post	-2.572*** [0.656]		-1.975 [1.267]	-3.029*** [0.947]		-1.273 [0.869]
Time Trend	0.764*** [0.206]	1.023*** [0.306]	0.859*** [0.310]	0.787*** [0.270]	0.955*** [0.278]	0.720*** [0.220]
Time Trend*Post		-0.798*** [0.247]	-0.187 [0.466]		-0.879*** [0.214]	-0.329 [0.338]
Shea Partial R^2	0.50	0.39	0.65	0.48	0.50	0.76
Shea Partial R^2 Post		0.34	0.71		0.40	0.73
Shea Partial R^2 Interact	0.40		0.76	0.36		0.81
Hansen J-test p-value	0.25	0.20	0.33	0.10	0.14	0.40
Number of countries	47	47	47	47	47	47

Results from 2SLS regressions, the dependent variable is log population, $\ln N$; the instrument for change in log life expectancy is predicted mortality change taken from Acemoglu and Johnson (2007), the instrument for pre-/post-transitional is the set of geographic instruments used by Lorentzen et al. (2008), see text for details. Robust, small sample corrected standard errors are in brackets. All regressions are in long-difference specifications with two observations per country, for 1940 and 1980 in panel (A), and for 1940 and 2000 in panel (B), respectively. All specifications include a full set of year and country fixed effects. The estimates correspond to the specifications in Table 3. Classification of Pre-Transitional in 1940 and Post-Transitional in 1940 according to the analysis in Section 3. First stage F-tests correspond to the partial F test of the instrument. ***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

Table 13: Effect of Life Expectancy on GDP Per Capita Growth: Initial Conditions

Period	Change in log GDP per Capita					
	1940-1980			1940-2000		
	(1)	(2)	(3)	(4)	(5)	(6)
Change in Log Life Expectancy	3.719*** [0.780]	3.532*** [0.794]	3.890*** [0.830]	3.268* [1.812]	3.050* [1.736]	6.027*** [1.686]
Change in Log Life Expectancy*Post		1.258** [0.467]	1.034** [0.441]		0.709 [0.858]	0.242 [0.579]
Initial Log Life Expectancy	3.057*** [0.447]	2.585*** [0.521]	3.284*** [0.686]	3.414** [1.409]	2.983** [1.376]	7.357*** [1.472]
Interaction Life Expectancy (Change * Lagged Level)			-0.169 [0.106]			-0.827*** [0.148]
Initial Log GDP per Capita						
Time Trend	-12.21*** [1.969]	-10.41*** [2.243]	-11.91*** [2.336]	-13.35** [6.209]	-11.66* [6.015]	-23.37*** [5.862]
Shea Partial R^2	0.74 0.78	0.75/0.59 0.74	0.74/0.61 0.66	0.74 0.76	0.75/0.60 0.74	0.75/0.63 0.69
First Stage F-Stat.	15.8 35.6	14.2/37.3 48.4	6.41/9.71 14.0	19.9 35.6	16.1/50.3 48.4	4.24/12.2 14.0
Number of countries	47	47	47	47	47	47

2SLS regression. Dependent variable in columns is log GDP per capita. The instrument for change in log life expectancy is from Acemoglu and Johnson (2007), the instrument for initial log life expectancy is from Lorentzen et al. (2008), see text for details. Robust, small sample corrected standard errors in brackets. Regressions in long-difference with two observations per country, for 1940 and 1980 in panel (A), and for 1940 and 2000 in panel (B). Classification of Pre-Transitional in 1940 and Post-Transitional in 1940 according to classifications 1, 2a and 3 following the analysis in Section 3.***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

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Table 14: Effect of Life Expectancy on Population Growth: Initial Conditions

Period	Change in log Population					
	1940-1980			1940-2000		
	(1)	(2)	(3)	(4)	(5)	(6)
Change in Log Life Expectancy	1.139 [1.016]	1.348 [0.863]	1.088 [0.942]	1.074 [2.046]	1.591 [1.699]	0.793 [1.904]
Change in Log Life Expectancy*Post		-1.418*** [0.399]	-1.415*** [0.424]		-1.710*** [0.503]	-1.628*** [0.490]
Initial Log Life Expectancy	-0.484 [0.653]	0.0598 [0.569]	-0.425 [0.737]	-0.903 [1.575]	0.115 [1.342]	-1.098 [1.662]
Interaction Life Expectancy (Change * Lagged Level)			0.141* [0.0837]			0.249** [0.117]
Initial Log GDP per Capita						
Time Trend	2.184 [2.867]	0.12 [2.470]	0.988 [2.808]	4.006 [6.954]	0.0152 [5.882]	3.107 [6.676]
Shea Partial R^2	0.74 0.78	0.75/0.59 0.74	0.74/0.61 0.66	0.74 0.76	0.75/0.60 0.74	0.75/0.63 0.69
First Stage F-Stat.	15.8 35.6	14.2/37.3 48.4	6.41/9.71 14.0	19.9 35.6	16.1/50.3 48.4	4.24/12.2 14.0
Number of countries	47	47	47	47	47	47

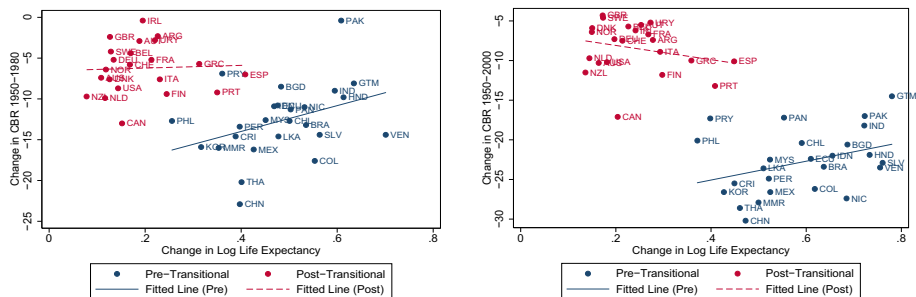
2SLS regression. Dependent variable in columns is log GDP per capita. The instrument for change in log life expectancy is from Acemoglu and Johnson (2007), the instrument for initial log life expectancy is from by Lorentzen et al. (2008), see text for details. Robust, small sample corrected standard errors in brackets. Regressions in long-difference with two observations per country, for 1940 and 1980 in panel (A), and for 1940 and 2000 in panel (B). Classification of Pre-Transitional in 1940 and Post-Transitional in 1940 according to classifications 1, 2a and 3 following the analysis in Section 3.***, **, * indicate significance at 1-, 5-, and 10-percent level, respectively.

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Figure 10: Demographic Transition: Crude Birth Rates

Figure 11: Changes in Life Expectancy and Crude Birth Rates



(a) Change in Crude Birth Rate 1950-1980 (b) Change in Crude Birth Rate 1950-2000

Change in log Life Expectancy on change in Crude Birth Rates for the years 1940-1980, and 1940-2000. Classification according to criteria 1, 2, 3, see Table 6 and main text for detailed description of the classification criteria. Data Source: UN Population Statistics.

Figure 12: Weight Function for Weighted Estimates

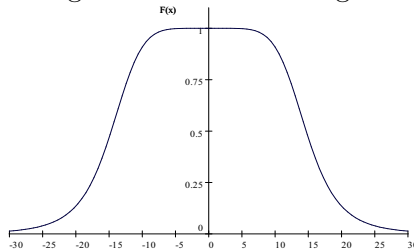


Illustration of the log-logistic weighting function that is used in the weighted estimations. The function has form $F(x) = 1 - ax^b / (1 + ax^b)$, where x is the difference in ranks of initial conditions with respect to the reference country, $a = 10^{-7}$ and $b = 6$.