

Table 2: Descriptive statistics

Variables	Obs	Mean	Std. Dev.	Min	Max
Log(FDI)	549	5.591211	0.4215709	-1.839352	7.249561
Log(remittances)	550	6.191947	0.3486743	-0.8348733	7.161528
Log(aid)	598	4.292293	0.4454119	2.899052	6.153531
Log(other flows)	570	7.372105	0.358694	-0.8100761	7.780177
Log(portfolio)	558	6.993121	0.3951974	-2.199669	7.237709
Log(total flows)	567	6.27252	0.3398315	-0.3081539	7.184275
Log(REER)	552	4.787605	0.5994099	3.524452	11.83555
Total flows instability	557	9.326372	14.93246	0.0303224	123.5963
Trade	578	56.96595	38.99618	9.436654	510.855
Terms of trade	529	114.9497	49.55432	22.14194	488.4496
Balassa index	451	119.532	37.7183	72.18857	326.8341
Log(GDPPC)	570	6.918076	1.054014	4.450716	9.037553
Polity2	562	0.727847	6.130204	-9.8	10
Natural rents	580	11.10079	12.54401	0.000499	69.99982
Government consumption	556	14.14722	5.87593	2.80376	40.65649
GDP growth	574	3.7714	4.16064	-42.4511	33.347