Selective Inclusion and Colonial Institutions: Rethinking the Settler–Extractive Distinction in Long-Run Development*

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Abstract

The institutional approach to development typically classifies colonial institutions as inclusive or extractive. This categorization is based on formal design. This classification often overlooks how rights and protections were distributed within societies, assuming access rather than measuring it.

This paper develops a Selective Inclusion framework, arguing that colonial regimes frequently built formally capable institutions while restricting access for indigenous and majority populations. To operationalize this idea, I construct a Partial Access Index (PAI) measured at independence for a sample of 62 former colonies. The index codes access in four domains: political franchise, access to executive constraints, legal uniformity, and educational-economic participation.

Descriptive evidence reveals a Settler Colony Paradox: countries commonly treated as benchmarks of inclusive institutions often exhibited substantial exclusion of non-settler populations. Empirically, higher institutional access is associated with lower long-term income inequality. Robustness checks, including jackknife and region-exclusion tests, confirm that this relationship is not driven by outliers. The pattern is non-linear and region-specific. Latin America exhibits high inequality under partial inclusion. Sub-Saharan Africa exhibits

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high inequality under low access.

These findings suggest that formal institutional strength can coexist with restricted access, and that who is included matters as much as what institutions exist. The distinction of institutional form from institutional access clarifies the persistent distributional consequences of colonial rule.
Keywords: Colonial institutions, Institutional access, Selective inclusion, Income inequality, Settler colonies, Extractive institutions, Political economy of development, Historical persistence, Post-colonial development, Institutional inequality

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1. Introduction

1.1. Background: Institutions and Persistent Global Inequality

Large differences in income and living standards between countries remain a central issue in economics and development studies. The gap between rich and poor countries has persisted for decades. In many cases, this gap has increased rather than decreased. This persistence raises important questions about the historical origins of global inequality.

An influential explanation focuses on institutions. The institutional approach creates a meaningful view point towards this. That view suggests that political and economic institutions shape incentives and economic behavior. Institutions that protect property rights encourage investment. In addition, Institutions that constrain political power reduce the capture of the elite. Broad participation in economic activity is expected to support long-term growth. In contrast, institutions that concentrate power often lead to extraction and stagnation.

A key contribution to this literature is Acemoglu, Johnson, and Robinson (2001). They argue that colonial institutions explain a large share of income differences between countries. Their argument links institutional development to European colonization strategies. Settlement patterns played a central role.

Institutions similar to those in Europe were established where European settlement was feasible. Where settlement was limited, colonial rule relied on extractive institutions. These institutional differences persisted after independence and continue to affect long-term economic outcomes.

This framework has had a strong influence on both academic research and policy debates. Later work formalized the distinction between inclusive and extractive institutions (Acemoglu and Robinson, 2012). Institutional reform is now widely seen as a key element of development policy.

At the same time, much of the institutional literature focuses on aggregate national outcomes. Income per capita is the main variable of interest. Institutions are usually evaluated using state-level indicators and formal characteristics. Less attention is paid to how institutions operated within societies. In particular, access to institutions in practice is rarely examined.

This limitation is important. Institutional arrangements can generate high average income while producing persistent internal inequality. Growth and inequality do not always move together. To understand long-term development, it is therefore necessary to examine not only income levels but also distributional outcomes. Income inequality provides a critical lens for evaluating how institutions affected different groups within society.

1.2. Colonial Institutions and the Question of Inclusion

Colonial history plays a central role in institutional explanations of development. It is widely used to explain why institutional paths diverged across countries. A key distinction in this literature is between settler colonies and extractive colonies. This distinction reflects differences in colonial strategies and institutional design.

Settler colonies are typically described as cases where European powers replicated institutions from their home countries. These institutions included systems of property rights, courts, and political representation. Extractive colonies, by contrast, are characterized by institutions designed for control and resource extraction. Political power was concentrated and economic activity was organized to benefit the colonial center.

This distinction has a strong analytical appeal. Former settler colonies tend to exhibit stronger protection of property rights. They also tend to show higher income levels today. As a result, these countries are often treated as benchmark cases of inclusive institutions in comparative development research.

An important assumption underlies this interpretation. Once inclusive institutions are established, it is assumed that they apply broadly within national borders. Institutional quality is usually measured at the state level. Internal variation in access is rarely considered. The question of who was actually included in these institutions is often left unexamined.

This assumption is particularly problematic in societies with deep social divisions. These divisions may be of racial, ethnic, or colonial origin. Institutions can appear inclusive in formal terms, while access remains uneven in practice. Political rights may differ between groups. Legal protection may not be uniform. Access to education and land may remain highly unequal even under a common institutional framework.

These observations motivate a closer examination of institutional inclusion. Institutions should not be treated as uniformly inclusive or extractive. It becomes necessary to examine how access was distributed within societies. This requires moving beyond institutional form and aggregate classifications. The internal reach of colonial institutions must be considered directly.

Much of the institutional literature evaluates development using income per capita. Income captures only one dimension of development. Institutional arrangements can generate high income levels while producing persistent inequality. For this reason, the analysis places special emphasis on distributional outcomes. Income inequality is used as a key outcome variable to assess how institutional access shaped long-term development.

1.3. Research Question

This paper asks a simple but underexplored question. Were colonial institutions that are classified as inclusive actually inclusive in practice? Did institutional access matter for long-term development outcomes?

Rather than asking whether institutions matter for growth in general, the analysis focuses on who benefited from these institutions. The paper examines whether colonial powers constructed institutional systems that extended meaningful access to indigenous and majority populations. It also examines whether variation in access shaped long-term income distribution and inequality.

This question is important because the empirical success of the institutional framework is based on a strong assumption. Inclusive institutions are assumed to operate broadly within societies. If institutions are a general driver of development, their effects should not be limited to a narrow segment of the population. Testing this assumption requires direct evidence of institutional access.

Most existing studies evaluate institutions using formal characteristics. They focus on constitutional rules, political constraints, or property rights at the national level. These measures capture institutional form. They do not capture how institutions functioned in practice or who could actually use them.

This paper shifts attention from the institutional form to institutional access. The focus is not on whether institutions existed, but on who was able to access them and under what conditions. This approach allows for a reassessment of how colonial institutions influenced both economic growth and inequality.

By directly examining access, the paper contributes to a more precise understanding of institutional persistence. It allows analysis to distinguish between formal inclusion and effective inclusion. This distinction is central to understanding why some countries achieved growth while experiencing persistent inequality.

1.4. Conceptual Approach - Selective Inclusion

This paper adopts a conceptual approach that distinguishes between institutional form and institutional access. This distinction is central to the research question. Institutions may appear inclusive in their formal design. However, access in practice can remain selective for particular social or ethnic groups.

Political rights, legal protection, education, and access to land can differ between social groups. This can occur even in a common institutional framework. Formal rules may apply nationally, but their reach may vary within society.

This perspective is referred to as Selective Inclusion. The concept captures the idea that institutional expansion often occurred unevenly. Inclusion was extended in some domains and withheld in others. Access was also unevenly distributed among populations. These patterns were not accidental. They reflected political constraints, economic incentives, and administrative priorities during colonial rule and after independence.

Selective inclusion allows institutions to support aggregate economic performance without universal participation. It is evident that secure property rights, legal predictability, and public investment can promote the growth of a country. However, these benefits may apply only to a limited segment of the population. In many colonial settings, this segment consisted primarily of settlers or local elites.

At the same time, exclusion from key institutions persisted for large parts of the population. Political participation remained restricted. Legal equality was often incomplete. The access to education and land was unequally distributed. As a result, growth and inequality could coexist over long periods.

This approach does not reject the importance of institutions for development. Instead, it refines the institutional framework by focusing on how institutions operated within societies. Selective inclusion provides a mechanism through which development outcomes diverge across income and inequality dimensions.

The concept helps explain why countries with similar institutional forms can display very different distributional results. It also clarifies why institutional reforms that partially expand access may increase inequality rather than reduce it.

The theoretical foundations of this perspective are developed in Section 3. The remainder of the paper applies this framework to reassess colonial institutions and their long-term consequences for income distribution.

1.5. Empirical Strategy and Preview of Findings

The paper reassesses colonial institutions using a new measure of institutional access. The focus is not on institutional labels or formal classifications. Instead, the focus is on an analysis that examines who had access to institutions in practice.

To do this, the paper constructs a Partial Access Index. The index measures access in four institutional domains: political participation, legal uniformity, educational access, and economic access. Each domain is coded at or near the time of independence. Access varies by degree rather than by a simple binary distinction.

The empirical analysis proceeds in three stages.

First, institutional access is described across countries. The index and its components are examined in detail. This exercise shows that broad institutional access to independence was uncommon. Most countries combined inclusion in some domains with exclusion in others. Fully inclusive institutional systems were rare.

Second, institutional access is compared with standard colonial classifications, particularly the settler–extractive distinction proposed by Acemoglu, Johnson, and Robinson (2001). This comparison reveals an important divergence. Countries commonly classified as institutionally inclusive often show limited access for majority populations. Settler colonies, in particular, tend to exhibit lower average access. This pattern challenges one of the main assumptions. The assumption that challenged settled institutions was broadly inclusive in practice.

Third, the analysis examines long-term inequality outcomes. Cross-country regressions relate institutional access to income inequality measured several decades after independence. Higher institutional access is associated with lower inequality. This relationship remains robust after controlling for income levels, regional fixed effects, and colonial origin.

The results also reveal strong regional heterogeneity. In Latin America, medium levels of institutional access are associated with higher inequality. This reflects partial and segmented inclusion. Another significant region is Sub-Saharan Africa. In that particular region, low institutional access is associated with greater inequality, reflecting exclusion and elite concentration. These patterns are not captured by pooled estimates alone.

In general, the findings suggest that institutions can support economic performance without expanding broad access. They also show that access-based measures capture distributional dynamics. These dynamics are not visible in income outcomes alone. This has important implications for how colonial institutions are evaluated and compared.

1.6. Contribution

This paper makes three contributions to the literature. These contributions are to institutions and development.

First, it reframes institutional inclusion in terms of access, rather than formal design. Existing studies often treat institutions as inclusive or extractive at the state level. This paper shows that such classifications can hide an important variation within societies. By focusing on access in practice, the analysis distinguishes between institutional form and institutional reach. This distinction is often assumed, but rarely measured directly.

Second, the paper introduces a new historical measure of institutional access. The Partial Access Index captures the access between political, legal, educational, and land institutions. It allows access to vary by degree and by domain. The measure is applied to a common sample of former colonies. This permits a direct reassessment of widely used colonial classifications. The approach complements existing frameworks by revealing patterns that state-level indicators do not capture.

Third, the paper links institutional access to long-term outcomes of inequality. The status of the settler colony remains strongly associated with the levels of aggregate income, consistent with the existing literature. By contrast, institutional access is more closely related to inequality. Higher access is associated with lower inequality, although the effect is modest. This distinction helps explain why strong national economic performance can coexist with persistent internal inequality.

Taken together, these contributions refine how colonial institutions are evaluated. They clarify the limits of classifications based only on institutional form. This paper highlights a mechanism through which growth and exclusion can coexist by shifting attention to access. This perspective extends the institution and development literature without challenging its core insights.

The analysis does not attempt to identify causal effects. Instrumental variables are not used. The contribution is interpretive and empirical. A historically grounded measure of access is introduced to reassess existing claims. The goal is to clarify how colonial institutions operated in practice and why this matters for inequality.

2. Literature Review

2.1. Institutions and Long-Run Development

Institutions are widely viewed as a key determinant of long-term economic development. Early work emphasized the role of formal rules in shaping incentives and reducing uncertainty (North, 1990). Secure property rights and predictable legal systems support investment. Constraints on political power limit rent extraction.

This view gained strong empirical support. Cross-country studies show a robust association between institutional quality and income per capita (Hall and Jones, 1999; Rodrik, Subramanian, and Trebbi, 2004). Institutions are typically treated as persistent features of the economy.

A central contribution is Acemoglu, Johnson, and Robinson (2001). They link income differences between countries with colonial institutions. Their argument focuses on European settlement patterns. Where settlement was feasible, colonial powers established institutions similar to those in Europe. Where settlement was limited, institutions were designed for extraction.

These institutional differences persisted after independence. They continue to shape long-term economic outcomes. Later work formalized this argument through the distinction between inclusive and extractive institutions (Acemoglu and Robinson, 2012). Inclusive institutions allow for broad participation in economic and political life. Extractive institutions concentrate power and resources.

This framework has had a major influence on research and policy. Institutional reform is often presented as central to development. Most empirical studies focus on aggregate income outcomes. Institutions are measured at the national level. Internal access differences receive little attention.

2.2. Colonial Institutions and the Settler–Extractive Distinction

A central component of the institutional explanation for development is the distinction between settler and extractive colonies. The colonial strategies differed according to local conditions in the framework developed by Acemoglu, Johnson, and Robinson (2001). Where European settlement was feasible, colonial powers established institutions similar to those of Europe. Where settlement was limited, colonial rule focused on extraction and control.

Settler colonies are typically described as cases with strong protection of Many areas. As an example, settler colonies were described as having strong property rights, representative political institutions, and constraints on executive authority. Countries such as the United States, Canada, Australia, and New Zealand are often cited as canonical examples. These institutional arrangements are assumed to have supported long-term economic growth and higher income levels.

By contrast, extractive colonies are characterized by centralized authority and institutions designed to facilitate resource extraction. In these settings, investments in human capital were limited, political participation was restricted, and labor coercion was common. Many countries in Sub-Saharan Africa, South

Asia, and the Caribbean fall into this category.

This distinction has been influential in empirical research. Former settler colonies tend to score highly on standard measures of institutional quality and exhibit substantially higher income per capita than former extractive colonies (Engerman and Sokoloff, 2002; Acemoglu et al., 2005). As a result, the settler–extractive classification is often treated as a proxy for institutional inclusiveness.

An implicit assumption underlies this interpretation. Once institutions with broader access are established, they are assumed to apply broadly within national borders. Institutional quality is typically measured at the state level and internal variation in access is rarely examined. Settler colonies are therefore treated as unambiguous cases of inclusive institutions, while extractive colonies are treated as their opposite.

This assumption simplifies cross-country comparisons. However, it abstracts from the internal distribution of institutional access. Who benefited from these institutions and under what conditions is often left implicit. This omission becomes especially important in societies characterized by deep racial, ethnic, or colonial divisions.

2.3. Limits of State-Level Institutional Classifications

Most empirical work on institutions relies on state-level indicators. Measures of institutional form or access typically describe national legal systems, political arrangements, or constraints on executive authority. These indicators are useful for broad comparison, but they implicitly assume that institutions apply uniformly within countries.

This assumption is rarely questioned. Once institutions are classified as inclusive, access is treated as universal. Differences within countries—across regions, social groups, or racial categories—are generally abstracted away. As a result, institutional classifications often confuse one important thing. That is, formal institutional design with effective participation.

This limitation is particularly relevant in post-colonial contexts. Many societies inherited institutional frameworks that combined formal equality with differentiated access in practice. Legal protections could exist alongside the customary rule. Political institutions could coexist with administrative exclusions. Education systems could expand while remaining segregated.

State-level classifications are not wrong, but incomplete. They capture the structure of institutions without addressing their reach. Institutional measures based solely on form can misrepresent the inclusiveness of the institutional environment.This happens when access varies systematically within countries,

Recognizing this limitation does not undermine the literature on institutions-and-development. Instead, it highlights the need for complementary approaches that account for internal variation in access. This perspective provides a basis for integrating insights from other strands of scholarship that emphasize power, hierarchy, and exclusion.

2.4. Post-Colonial and Dependency Perspectives

A separate strand of literature emphasizes the unequal and exploitative nature of colonial rule. Early dependency theorists argued that colonialism integrated peripheral economies into global markets. This link was done in ways that benefited metropolitan centers while constraining local development (Frank, 1967; Amin, 1976). From this perspective, underdevelopment reflects historical extraction and structural dependence, rather than weak institutions alone.

Historical studies of colonial governance support this view. Rodney (1972) showed that colonial administrations in Africa built infrastructure and legal systems. However, these systems were designed primarily to facilitate resource extraction. Similar patterns are documented in South Asia and the Caribbean. in those regions, colonial institutions prioritized metropolitan interests over domestic economic transformation (Patnaik and Patnaik, 2016).

Political theorists have also highlighted institutional exclusion under colonial rule. Mamdani (1996) described colonial states as bifurcated systems. Settlers and colonial officials were governed by civil law. In contrast,indigenous populations were ruled by customary authorities. Crucially, in this colonial context, the recognition of customary law was not a form of cultural inclusion. It was a mechanism of exclusion. The state withheld access to the civil rights, contract enforcement, and property protections available under the civil legal code. This was done by relegating indigenous populations to "customary" jurisdictions.This structure limited political participation and weakened legal accountability

These perspectives place power, hierarchy, and race at the center of colonial analysis. However, they are often treated separately from the institutions-and-development literature. Although they document exclusion in detail, they are less frequently incorporated into empirical frameworks that link institutions to long-term economic outcomes.

Bringing these traditions together reveals a key limitation of state-level institutional measures. Formal institutions can coexist with systematic exclusion. Understanding colonial legacy therefore requires attention not only to institutional form, but also to who had access in practice.

2.5. Race, Inclusion, and Internal Inequality

A smaller body of research examines inequality within former settler colonies. Studies of Indigenous populations in countries such as Australia, Canada, and the United States document persistent gaps in many areas. These areas include income, education, health, and political representation despite high national income levels and strong formal institutions (Borjas, 1999; Cornell and Kalt, 2000).

These patterns suggest that institutional access was uneven from the beginning. Legal inclusion and formal citizenship did not translate into equal participation in economic or political life. Institutions that functioned effectively for settler populations often operated differently. Especially for Indigenous and marginalized groups.

The scholarship on settler colonialism emphasizes this dynamic. Wolfe (2006) argues that settler colonialism is not defined only by extraction. He argues that it is defined by the replacement of Indigenous populations and the construction of institutions for a new settler society. From this perspective, institutional success at the national level can coexist with persistent internal exclusion.

Despite this evidence, internal inequality within settler societies is rarely incorporated into empirical classifications of institutional quality. The institutions-and-development literature continues to treat settler colonies as benchmarks of inclusion, without systematically examining who benefited from institutional arrangements and who remained excluded.

2.6. Gap in the Literature

The literature on institutions-and-development has been highly successful in explaining persistent differences in economic performance between countries. By linking contemporary outcomes with colonial-era institutions, this work has shown that history shapes development in durable ways. At the same time, this literature largely evaluates institutions at the state level and treats institutional inclusion as uniform within national borders.

Institutional classifications such as the settler–extractive distinction rest on an implicit assumption: once institutions with broader access are established, they apply broadly in practice. Internal variation in access—across social groups or institutional domains—is rarely examined directly. As a result, the institutional form is often treated as equivalent to the institutional reach.

This assumption contrasts sharply with insights from post-colonial and historical scholarship. These works of literature document that colonial institutions were frequently layered and exclusionary. This nature was common even where formal institutional structures appeared modern or inclusive. Political rights, legal protection, education, and land access were often extended selectively. However, such patterns are rarely incorporated into comparative empirical analyzes linking institutions to long-term outcomes.

A further limitation is the tendency to model institutional effects as smooth and monotonic. This leaves little room for institutional arrangements characterized by partial or uneven inclusion. However, historically, many colonial societies combined inclusion in some domains with exclusion in others. The distributional consequences of such intermediate regimes, particularly in terms of inequality, remain underexplored.

This paper addresses these gaps by shifting attention from institutional form to institutional access. Introduces a multidimensional measure that captures who had access to key institutions at independence. In addition, this paper links this measure to the long-term outcomes of inequality. In doing so, the analysis refines existing institutional classifications and shows that selective inclusion—rather than uniform access—plays a central role in shaping persistent inequality.

3. Conceptual Framework

3.1. Institutions, Access, and Development

Institutions play a central role in explaining long-term development. Much of the literature focuses on formal characteristics. These include constitutions, legal systems, and political arrangements. Such features are often used to classify institutions as inclusive or extractive. They are also used to explain cross-country income differences (Acemoglu, Johnson, & Robinson, 2001).

Formal institutions do not determine the results on their own. What matters is how institutions are accessed in practice. Laws, courts, schools, and political systems may exist. Access to them can still differ between social groups. In such cases, institutions may appear inclusive in form. Participation may remain restricted.

The distinction between institutions and access has been emphasized in historical and political economic research. Colonial and post-colonial states often combined formal legal equality with differentiated rights in practice (North, Wallis & Weingast, 2009; Mamdani, 1996). As a result of this, institutional arrangements that appeared similar on paper. However, produced different social and economic outcomes.

Access matters because institutions shape incentives only for those who can use them. Secure property rights encourage investment when they apply broadly. They do not have the same effect when limited to a narrow group. Political participation restricts elites when access is inclusive. It does not do so when participation is restricted or symbolic. Education systems increase productivity when access is general. They reinforce hierarchy when schooling is segregated.

Focusing on access shifts attention from the existence of institutions to the groups they serve. This perspective helps explain why some countries experienced sustained growth. However, persistent inequality. It also helps to explain why formal reforms did not always produce broad-based development. Hence, It is evident that understanding institutional access is essential for explaining long-run development patterns.

3.2. Selective Inclusion

Institutional access rarely expands evenly across domains. Inclusion usually occurs selectively. This reflects the incentives faced by the political and economic elites. It also reflects existing constraints. Some forms of access expand early. Other forms remain restricted for long periods.

Political inclusion is often the least costly dimension to expand. Voting rights can be extended. Representative institutions can be introduced. These changes increase legitimacy. They do not immediately threaten control over economic resources. In contrast, access to land affects wealth distribution. Access to education affects social mobility. Legal protection can alter power relations. These dimensions face stronger resistance.

Historical accounts of institutional development document this pattern. Colonial administrations introduced political reforms. At the same time, they preserved economic hierarchies (Mamdani, 1996; Lange, 2009). Post-colonial governments followed similar paths. Inclusion existed. It was partial. It was designed to stabilize the rule. It was not designed to transform social relations.

Selective inclusion explains why formal reforms often produced limited distributive change. Political participation expanded. Access to productive assets remained concentrated. Legal equality was declared. Parallel legal regimes continued to operate. Education systems expanded. Schooling remained segregated or unequal in quality.

The result is a set of institutional arrangements with mixed features. Inclusive elements coexist with exclusionary ones. These arrangements are not temporary. They can persist for decades. They shape long-term development pathways. Understanding selective inclusion is therefore essential. It helps explain how institutions affect growth. It also helps to explain the inequality.

3.3. Institutional Domains and Complementarities

Institutional access is multidimensional. Access in one domain does not guaranty access in another. Several factors influence development through different channels. The main factors which influence development are Political rights, legal protection, access to economic resources, and education. The access to economic resources includes the ownership of land.

These domains are complementary. Political participation has a greater effect when individuals have legal standing. It also requires economic security. Legal protection matters more when individuals have enforceable claims over assets. Education increases productivity when skills can be used in the economy. This requires legal and political access. Exclusion in one domain can weaken inclusion in others.

Historical experience shows these interactions clearly. Political reforms often expanded the exercise of power. Land access was not addressed. Education was also neglected. These reforms had limited effects on economic participation. Legal equality was sometimes declared. Access to the courts remained restricted. Schooling opportunities were limited. Under these conditions, inequality persisted.

Complementarity also explains why partial inclusion can last. The access may expand in one domain. Other domains remain restricted. The advantages of the elite are preserved. The appearance of reform is maintained. Institutions support growth for some groups. Redistribution and mobility remain limited.

For these reasons, institutional inclusion cannot be measured using a single indicator. The access must be evaluated in multiple domains. This approach provides a clearer picture of institutional functioning. It also explains why countries with similar formal institutions can follow different development paths.

3.4. Persistence of Institutional Access

Institutional access at independence often persisted after formal decolonization. In most former colonies, early post-independence governments inherited colonial legal and administrative systems. These systems were usually kept because they were already in place and functioning. Major reforms were costly and politically difficult. In many cases, independence constitutions and institutional rules were designed by the colonial power or negotiated in metropolitan centers. They did not emerge from local distributional conflicts. For this reason, the structure of institutional access at independence was largely exogenous to short-run inequality dynamics in the new state.

Many core rules therefore remained largely unchanged. Land tenure arrangements persisted. The legal codes continued to govern access to courts and contracts. Education systems expanded slowly and unevenly. As a result, the distribution of access established under colonial rule often carried over into the post-independence period.

Political factors reinforced this continuity. In several cases, colonial-era elites or intermediaries became part of the post-independence governing coalition. They played a central role in the drafting of constitutions and early legislation. This reduced incentives for broad-based institutional reform. This is observed even where formal political rights were extended.

Economic constraints also mattered. Groups excluded from land ownership, schooling, or legal protection at independence faced long-term disadvantages. Limited access to assets and skills constrained mobility over time. These initial gaps were difficult to reverse quickly.This was seen even during periods of economic growth.

Taken together, these patterns imply that institutional access at independence shaped long-term distributional outcomes. Access influenced who could benefit from growth, not only whether growth occurred. This persistence provides a basis for examining inequality several decades after independence, even without claiming a fully causal identification strategy.

3.5. Colonial Institutions and Inherited Access

Patterns of institutional access did not begin at independence. They were shaped under colonial rule. These patterns often continued after independence. Formal political authority changed. Access to key institutions often did not.

Colonial administrations operated through layered systems. There were formal legal institutions. Formal political institutions also existed. Customs authorities operated alongside them. The indirect rule was common. The legal regimes were often racially differentiated. These arrangements determined who could own the land. They also determined who could access the courts. Education access was shaped in the same way. Access differed between populations.

Independence did not remove these structures automatically. The new states often retained colonial administrative systems. The legal codes remained in place. Property regimes were rarely transformed. Expanding access across all domains required a major redistribution. It also required confrontation with powerful interests. In many cases, this did not occur. As a result, the inherited access patterns persisted.

This persistence helps to explain the limited effects of some institutional reforms. The constitutions declared equality. Access constraints remained. Political inclusion expanded in some cases. Land tenure systems did not change. Education access also remained unequal. Institutional change was layered. It was not transformative.

Understanding colonial inheritance is necessary for interpreting post-independence outcomes. Institutional access at independence reflects inherited structures. It also reflects new political choices. Continuity links colonial institutions to long-term development pathways.

3.6. Implications for Institutional Classification

These conceptual points have implications for the way institutions are classified in comparative development research. Much of the literature relies on broad categories. These categories distinguish institutions with broader access from extractive institutions. The distinction is based on formal characteristics. Such classifications capture variation in institutional design. They often ignore differences in access.

Access can vary between institutional domains. It does not always move together. Binary classifications therefore miss important heterogeneity. Countries with similar formal institutions can differ in participation. Political participation may differ. Legal access may differ. Economic participation may also differ. Classifications based solely on form may overstate inclusion in some cases. In others, they may be underestimated.

This issue is especially relevant for classifications based on colonial experience. Distinctions such as settler and non-settler colonies capture differences in institutional transplantation. They do not capture how access was distributed within societies. Institutions may resemble European systems in form. Access may still be limited to a narrow population. In such cases, formal similarity is a poor guide to inclusion in practice.

An access-based perspective does not reject existing institutional frameworks. It complements them. The focus shifts from institutional structure to institutional reach. Measurement of access across multiple domains allows for a more direct assessment of inclusion and exclusion. It also captures inherited institutional patterns.

These implications motivate the empirical analysis that follows. The next section introduces a multidimensional measure of institutional access. This measure is applied to a common sample of former colonies. This approach allows for a reassessment of how institutions relate to income and inequality when access is considered directly.

4. Data and Methodology

4.1. Sample and Scope

The analysis focuses on former colonies included in the sample used by Acemoglu, Johnson, and Robinson (2001). This choice provides a common empirical baseline. It allows a direct comparison with the canonical institutions and the development framework. The final sample includes countries from Africa. It also includes Asia and Latin America. Settler colonies, often described as Neo-Europes, are also included. The sample sizes differ between tables. This is due to variation in the availability of data for income and inequality measures.

Institutional access is evaluated at or near the time of independence. This period reflects the moment when colonial institutional arrangements were inherited by new states. In cases of gradual reform, coding reflects conditions in the early post-independence period. Later policy changes are not considered.

The unit of analysis is the country. Subnational variation is not explicitly modeled. Regional heterogeneity is not modeled at the subnational level. Cross-regional differences are taken into account using regional fixed effects and interaction specifications in the empirical analysis. These features are discussed when they help to interpret the results. Countries are included based on the availability of historical evidence on institutional access. Outcome data for income and inequality are also required.

The scope of the analysis is intentionally limited. The objective is not to provide a complete institutional history of each country. The objective is to identify broad access patterns in key institutional domains. This approach supports the comparability gap between countries. It also maintains a close link to historically grounded evidence.

4.2. Measuring Institutional Access

Institutions are often classified by their formal design. Constitutions are used for this purpose. Legal systems are also used. Political structures are also included. These features are used to distinguish inclusive from extractive arrangements. This approach assumes that formal institutions lead to broad access in practice.

The focus here is different. The analysis does not ask whether institutions exist. It asks who can use them. Institutional access refers to the participation of different social groups. Participation occurs in political institutions. It also occurs in legal and economic institutions. This distinction is important. Access can differ even when formal institutions appear similar.

Historical accounts of colonial governance highlight this gap. Political institutions were sometimes expanded. Land rights remained restricted. Education access was limited. Legal protection was also uneven (Mamdani, 1996; Lange, 2009). Formal inclusion therefore coexisted with substantive exclusion.

Direct measurement of access helps capture these differences. Institutions can be compared by their reach. They can also be compared by their structure. This is especially important in post-colonial settings. The new states inherited institutional frameworks. These frameworks were layered onto older stratification systems.

Therefore, a multidimensional approach is necessary. Access in one domain does not imply access in another. Political rights expanded at different times. Land ownership followed a different path. The legal protection also differed. Education access varied between groups. Treating these domains separately provides a clearer picture of institutional inclusion. Detailed coding rules and principles are reported in Appendix A

4.3. Institutional Access Dimensions

Institutional access refers to who could actually use state institutions at independence. The analysis separates the existence of the institution from the access of the institution. The focus is on access in practice, not formal design.

Access is measured across four domains. These domains capture the core areas of political, legal, and economic participation. They are political franchise, constraints on executive power, legal uniformity, and educational and access.

Political franchise measures whether broad segments of the population could participate in national elections. Constraints on executive power capture whether institutional limits on discretionary rule existed and applied broadly across the population, rather than being restricted to specific groups. Legal uniformity measures whether the same legal system was applied across populations or whether parallel legal regimes existed. Educational access capture whether non-elite groups could access schooling and participate in the formal economy.

These domains are chosen because they directly shape participation and inequality. Together, they capture variation in institutional reach that is not reflected in standard state-level indicators. Coding rules and historical sources are documented in Appendix A and the domain-specific appendices.

4.4. Constructing the Partial Access Index

The Partial Access Index aggregates the four access domains into a single measure. Each domain is coded on a scale of 0 to 2. A value of zero indicates exclusion. A value of two indicates broad access. Intermediate values capture partial access.

The index ranges from 0 to 8. Higher values indicate broader institutional access at independence. The index reflects de jure access rather than institutional performance. It captures formal eligibility and coverage, not enforcement or outcomes.

All coding is based on conditions at or near independence. Later reforms are not incorporated. This ensures that the measure reflects inherited institutional structures rather than post-independence policy choices.

The index is designed to allow comparison between countries while preserving variation between domains. Countries often combined inclusion in some areas with exclusion in others. The index captures this pattern directly.

Detailed coding decisions for each domain are documented in Appendix A and the domain-specific appendices (Appendices B– E). Appendix F reports robustness checks and Appendix G provides external validation of the Partial Access Index.

The robustness of the results to alternative index constructions, including the exclusion of the legal uniformity domain, is examined in Appendix H.

The education domain captures institutional access rules and formal inclusion within colonial education systems, rather than educational attainment or human capital outcomes.

4.5. Outcome Variables

The analysis focuses on long-term income inequality as the primary outcome of development. Income levels are included as a control variable. This distinction reflects the argument of the paper. Institutional access is expected to shape distributional outcomes more directly than aggregate income.

Income levels are measured using log GDP per capita in constant 2015 US dollars from the World Development Indicators, following the standard approach in the institutional literature (Acemoglu, Johnson, and Robinson, 2001). This measure is standard in the institutional literature. It allows for a direct comparison with canonical results. GDP per capita reflects contemporary income levels and is treated as the result of long-term institutional arrangements. Short-term policy choices are not the focus.

Income inequality is measured using the Gini index from the World Development Indicators. Two inequality measures are constructed. The first measure is contemporary. It is defined as the average Gini index from 1995 to 2015. This period balances data availability and captures stable distributional outcomes. The income inequality is measured over the period 1995–2015 due to data availability.However, the analysis focuses on institutional access rules at independence. These access rules are widely documented to persist through path-dependent political and educational structures.

The second inequality measure reflects early post-independence conditions. Inequality data are limited for the years immediately after independence. The early inequality is therefore defined as the average Gini index over the first available ten-year window after independence. This approach follows standard practice in cross-country research and avoids extrapolation of missing data.

All variables are merged at the country level using standard country codes. No interpolation is applied. Observations are included only when outcome data are available. Sample sizes are explicitly reported in all results.

4.6. Empirical Strategy

The empirical analysis examines how institutional access to independence is related to long-term income inequality. Inequality is measured using the average Gini coefficient over the period 1995–2015. This long window reduces short-term volatility and measurement noise.

The baseline specification relates inequality to the Partial Access Index while controlling for log GDP per capita. Regional fixed effects are included to account for broad structural differences between world regions. All models are estimated using ordinary least squares with heteroskedasticity-robust standard errors.

To assess non-linearity, institutional access is modeled in multiple ways. First, a quadratic specification tests whether the relationship is smooth and continuous. Second, access is grouped into discrete tiers to allow inequality to differ between qualitatively distinct institutional regimes.

Additional specifications allow the effects of institutional access to vary across regions. Interaction terms are introduced to examine whether similar access levels operate through different mechanisms in different historical contexts.

Finally, robustness checks include specifications with fixed effects of the colonizer. These controls account for shared colonial origins and allow institutional access to vary within colonial groups.

4.7. Summary of Empirical Findings

The empirical results show that the relationship between institutional access and inequality is not linear. A quadratic specification does not capture this relationship well. Inequality does not change smoothly with institutional access.

When access is modeled using discrete tiers, a clearer pattern emerges. Countries with greater institutional access tend to exhibit lower inequality. By contrast, Countries with limited institutional access often display higher inequality, though the magnitude and mechanism vary between regions. Medium-access regimes often fall in between, but their position varies by region.

Regional heterogeneity plays a central role. In Latin America, inequality is highest under partial institutional inclusion. In Sub-Saharan Africa, inequality is highest under low institutional access. These patterns indicate that similar access levels can generate different outcomes depending on the historical and regional context.

The results remain robust when controlling for colonial origin. Institutional access continues to explain inequality within colonial groups, indicating that the findings are not driven solely by colonial identity.

In general, the evidence points to the existence of distinct institutional inequality regimes. Inequality depends not only on whether institutions exist but also on who can access them and under what conditions.

The analysis exploits this historical persistence by relating institutional access at independence to long-term inequality outcomes.This was done controlling for income levels and broad regional and colonial differences.

5. Empirical Results

5.1. Overview and Empirical Strategy

This section examines the relationship between institutional access at independence and long-term income inequality. Inequality is measured using the average Gini coefficient over the period 1995–2015. Institutional access is captured by the Partial Access Index, which summarizes access to political, legal, educational, and economic institutions at the moment of independence (see Appendices A to D). The analysis focuses on how these inherited institutional arrangements shape distributional outcomes many decades later.

The empirical strategy proceeds in several steps. First, the relationship between institutional access and inequality is examined using standard regression specifications. Both continuous and non-linear forms of institutional access are considered. This allows an assessment of whether inequality changes smoothly with institutional access or whether more complex patterns emerge. All regressions control for log GDP per capita and include regional fixed effects to account for broad structural differences across world regions.

Second, institutional access is modeled using discrete access tiers. This approach allows inequality to differ across qualitatively distinct institutional regimes rather than assuming a single continuous effect. The predicted inequality levels are computed to facilitate interpretation. These estimates provide initial evidence of non-linear patterns in the data.

Third, the analysis explicitly considers regional heterogeneity. Historical and institutional conditions differ substantially between regions and the distributional consequences of institutional access can vary accordingly. Interaction terms between institutional access tiers and regional indicators are introduced to capture these differences. This approach allows identifying region-specific inequality mechanisms that are not visible in pooled estimates.

Together, this strategy allows for a systematic evaluation of whether inequality is associated with exclusion, partial inclusion, or broad institutional access. The results highlight how the distributional effects of institutions differ from their effects on average income and underscore the importance of accounting for both non-linearity and regional context.

5.2. Testing Non-Linearity Using a Quadratic Specification

This subsection examines whether the relationships between two factors are non-linear. Those two factors are institutional access and income inequality. This is done using a quadratic specification. Institutional access enters the regression through both its linear and squared terms. The dependent variable is the average Gini coefficient over the period 1995–2015. All specifications control for log GDP per capita and include regional fixed effects.

The results are reported in Table 1. Neither the linear nor the squared term of institutional access is statistically significant. The estimated coefficients are small in magnitude and imprecisely estimated. This suggests that a simple quadratic functional form does not adequately capture the relationship between institutional access and inequality. By contrast, the regional fixed effects remain large and statistically significant. This is particularly observed in Latin America and Sub-Saharan Africa.

The quadratic specification does not provide evidence of a smooth non-linear relationship between institutional access and inequality. This suggests that any non-linearity may not be continuous or symmetric. Instead, the relationship appears to operate across distinct institutional regimes rather than through gradual changes in access. For this reason, the next subsection adopts a tiered specification that allows inequality to vary between qualitatively different levels of institutional access.

Table 1: Quadratic specification of institutional access and income inequality

	Dependent variable: Gini coefficient (1995–2015 average)		
Variable	Coefficient	Robust SE	p-value
Institutional access (PAI)	-0.226	1.782	0.899
Institutional access^2 (PAI^2)	-0.103	0.176	0.557
Log GDP per capita	1.775	1.596	0.266
Latin America & Caribbean	16.446***	3.649	< 0.001
Sub-Saharan Africa	14.143**	6.348	0.026
Middle East & North Africa	1.000	4.372	0.819
South Asia	2.042	6.349	0.748
East Asia & Pacific	5.512	6.557	0.401
Observations		62	
R^2		0.566	

Notes: The dependent variable is the average Gini coefficient over the period 1995–2015. Institutional access is measured using the Partial Access Index (PAI) and enters the regression in both linear and squared form. GDP per capita is measured in constant 2015 US dollars and enters the regression in logarithmic form. Regional fixed effects are included, with advanced economies as the omitted category. Robust (HC1) standard errors are reported. All regressions are estimated using Ordinary Least Squares (OLS). Statistical significance is denoted by $^{***}p < 0.01$, $^{**}p < 0.05$, and $^{*}p < 0.10$.

5.3. Non-Linearity in Institutional Access and Inequality

This subsection examines whether the relationships between two factors are non-linear. These factors are institutional access and income inequality . Existing theories often suggest that more inclusive institutions reduce inequality. However, institutional access expands unevenly across social groups. Its distributional effects may not follow a smooth or monotonic pattern. To explore this possibility, institutional access is modeled using discrete access tiers rather than a continuous index.

Institutional access is grouped into three categories based on the Partial Access Index (PAI). Low-access regimes correspond to PAI values between 0 and 2, medium-access regimes to values between 3 and 5, and high-access regimes to values between 6 and 8. High-access countries serve as the reference group. The dependent variable is the average Gini coefficient over the period 1995–2015. All specifications control for log GDP per capita and include regional fixed effects.

The regression results are reported in Table 2. The estimates indicate that inequality does not decline monotonically with institutional access. Most importantly, countries with medium levels of institutional access exhibit significantly higher inequality than high-access countries. Low-access countries also display higher inequality relative to high-access countries, although this difference is not statistically significant in the pooled specification.

To aid in interpretation, Table 3 reports model-implied predicted Gini coefficients by institutional access tier based on the estimates in Table 2. The predicted values show a clear ordering across regimes. Inequality is highest in low-access regimes and lowest in high-access regimes. Inequality in medium-access regimes occupying an intermediate position. These predicted values suggest that exclusionary institutional arrangements are associated with the highest levels of inequality, while broader institutional access is associated with lower inequality on average.

Taken together, the tiered estimates provide evidence of a non-linear relationship between institutional access and inequality. Inequality does not reach its minimum at intermediate levels of access. Instead, it declines as institutional access becomes more extensive. At the same time, the magnitude of the regional fixed effects remains large. This is observed particularly in Latin America and Sub-Saharan Africa. This indicates that pooled estimates may mask important regional differences in how institutional access translates into inequality. The next subsection therefore examines whether the non-linear pattern identified here reflects distinct regional mechanisms rather than a single global process.

The robustness checks in Appendix F confirm that these results are not driven by outliers. Crucially, the 'low access' penalty remains significant even when excluding Sub-Saharan Africa (Table F.6), indicating that the link between exclusion and inequality holds globally, not just in the poorest region.

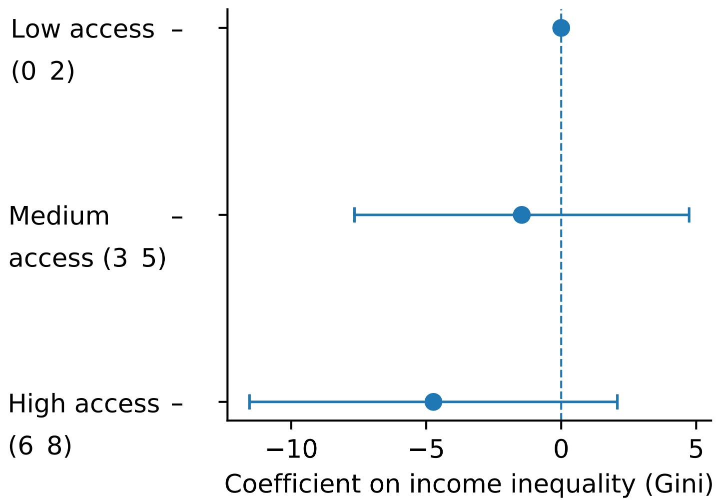
Figure 1 shows that high-access regimes are associated with significantly lower income inequality relative to low-access regimes, while inequality outcomes in medium-access regimes are not statistically distinguishable from those in low-access regimes.

Table 2: Non-linearity via institutional access tiers

	Dependent variable: Gini coefficient (1995–2015 average)		
Variable	Coefficient	Robust SE	p-value
Low access (PAI 0–2)	4.73	3.48	0.17
Medium access (PAI 3–5)	3.27^{**}	1.44	0.023
Log GDP per capita	1.66	1.60	0.30
East Asia & Pacific	4.69	6.54	0.47
Latin America & Caribbean	16.06^{***}	3.85	< 0.001
Middle East & North Africa	0.66	4.71	0.89
South Asia	1.73	6.48	0.79
Sub-Saharan Africa	12.60^{**}	6.35	0.047
Observations		62	
R^2		0.55	

Notes: Institutional access is measured using the Partial Access Index (PAI) and grouped into low (0–2), medium (3–5), and high (6–8) access categories, with high access as the reference group. GDP per capita is measured in constant 2015 US dollars and enters the regression in logarithmic form. Regional fixed effects are included, with advanced economies as the omitted category. Robust (HC1) standard errors are reported. All regressions are estimated using Ordinary Least Squares (OLS). Statistical significance is denoted by $^{***}p < 0.01$, $^{**}p < 0.05$, and $^{*}p < 0.10$.

Figure 1: Institutional access and income inequality (coefficient plot).



Coefficients represent the predicted change in the Gini index relative to the Low Access (PAI 0–2) category. The figure visualizes the tier-based regression results reported in Table 2, with the reference group re-centered from High Access to Low Access for ease of interpretation. Error bars indicate 95% confidence intervals based on HC1 robust standard errors.

Table 3: Predicted income inequality by institutional access tier

Institutional access tier	Predicted Gini	Lower 95% CI	Upper 95% CI
Low access (PAI 0–2)	45.83	40.11	51.55
Medium access (PAI 3–5)	44.37	42.71	46.03
High access (PAI 6–8)	41.10	38.58	43.61

Notes: Predicted Gini coefficients are model-implied values based on the tiered specification reported in Table 2. Confidence intervals are computed using robust (HC1) standard errors.

5.4. Regional Composition and the Limits of Pooled Estimates

The results presented in the previous sections are based on pooled cross-country regressions. This approach is useful for identifying average relationships. However, it may conceal important regional differences. The countries inherited different institutional structures at independence, and these structures interacted with local economic and social conditions. As a result, the inequality effects of institutional access may vary systematically between regions.

Two regions are particularly relevant in this respect. Latin America has long been characterized by high income inequality and stratified access to political and economic institutions. Sub-Saharan Africa, on the contrary, entered independence with substantially lower average income levels and limited economic diversification. These differences suggest that similar levels of institutional access may operate through distinct mechanisms in each region.

Pooled estimates implicitly assume that institutional access affects inequality in the same way across countries. This assumption may be overly restrictive. If inequality arises from partial inclusion in some regions and from exclusion in others, a single global coefficient will be averaged over distinct processes. In such cases, the estimated relationship may be unstable or difficult to interpret.

To address this concern, the analysis allows the effect of institutional access to vary between regions. Interaction terms between institutional access tiers and regional indicators are introduced. This approach makes it possible to identify whether inequality peaks at different levels of access in different regions. The following subsection presents the results of this heterogeneity analysis.

5.5. Partial Inclusion as a Mechanism

5.5.1. Partial Inclusion and Inequality in Latin America

This subsection examines whether the tiered pattern is consistent with the Latin American context. Latin America has persistently high income inequality, and the pooled results may reflect this regional structure. The baseline tiered specification includes regional fixed effects, which allow inequality levels to differ across regions.

The results are reported in Table 4, which presents the tiered model with regional interaction terms. The interaction estimates show that the inequality effect of institutional access is not uniform across regions. Within Latin America, countries with medium levels of institutional access exhibit significantly higher inequality than high-access countries. The implied difference is large in magnitude and statistically significant. In contrast, low-access countries are not statistically different from high-access countries within the region.

This pattern suggests that inequality in Latin America is not driven by complete institutional exclusion. Instead, it is associated with partial and uneven access. In medium-access regimes, two features tend to coexist. Those two features are formal inclusion in some institutional domains and persistent exclusion in others. This configuration allows certain groups to benefit from the expansion of economic opportunities. However, large segments of the population remain excluded. As a result, income dispersion increases.

These findings are consistent with historical accounts of elite capture and segmented inclusion in Latin America. Institutional reforms often expanded access selectively rather than universally. Political rights, education, and legal protections were extended unevenly between social groups. These arrangements supported economic growth. However, they also reinforced inequality. The results indicate that partial inclusion can generate greater inequality than full exclusion or broad institutional access within the Latin American context.

Table 4: Institutional access tiers and inequality: regional interaction model

	Dependent variable: Gini coefficient (1995–2015 average)		
Variable	Coefficient	Robust SE	p-value
Low access (PAI 0–2)	0.27	4.52	0.952
Medium access (PAI 3–5)	4.16^{**}	1.79	0.020
Low access × Sub-Saharan Africa	7.48	4.69	0.111
Medium access × Sub-Saharan Africa	−3.25	2.58	0.208
Log GDP per capita	2.02	1.67	0.226
Latin America & Caribbean	16.50^{***}	3.87	< 0.001
Sub-Saharan Africa	16.12^{**}	6.95	0.020
Middle East & North Africa	3.74	5.25	0.477
South Asia	2.90	6.73	0.666
East Asia & Pacific	8.82	6.35	0.165
Observations	62		
R^2	0.585		

Notes: Institutional access is measured using the Partial Access Index (PAI) and grouped into low (0–2), medium (3–5), and high (6–8) access categories, with high access as the reference group. Advanced economies constitute the omitted regional category. Regional interaction terms allow the effect of institutional access to vary across regions. GDP per capita is measured in constant 2015 US dollars and enters the regression in logarithmic form. Robust (HC1) standard errors are reported. All regressions are estimated using Ordinary Least Squares (OLS). Statistical significance is denoted by $^{***}p < 0.01$, $^{**}p < 0.05$, and $^{*}p < 0.10$.

5.5.2. Exclusion and Inequality in Sub-Saharan Africa

This subsection examines the relationship between institutional access and income inequality within Sub-Saharan Africa. Unlike Latin America, most of the countries in the region entered independence with very limited access to political, legal, and economic institutions. Income levels were low and economic structures were narrow. For this reason, the dynamics of inequality in the region may follow a distinct pattern.

To explore this possibility, the tiered institutional access model is augmented with interaction terms between access tiers and a dummy of Sub-Saharan Africa. The results are reported in Table 4. The estimates show a clear contrast to the Latin American case. Within Sub-Saharan Africa, countries with low institutional access exhibit greater inequality relative to countries with high-access. The implied difference is large in magnitude and statistically significant. In contrast, Medium-access countries are not statistically different from high-access countries.

These results suggest that inequality in Sub-Saharan Africa is mainly driven by institutional exclusion rather than partial inclusion. In low-access settings, political power and economic opportunities are highly concentrated. At the same time, limited economic diversification restricts upward mobility for the majority of the population. This combination generates inequality even in the absence of broad-based economic growth.

The findings are consistent with historical accounts of post-independence institutional trajectories in the region. Weak constraints on executive power, limited legal uniformity, and restricted access to education persisted after independence. These institutional features allowed elites to appropriate scarce economic rents while most of the population remained excluded. In this context, inequality arises from exclusion and concentration rather than from segmented inclusion.

Taken together, the results of Sub-Saharan Africa indicate that low institutional access can be associated with high inequality when exclusion is combined with elite control over limited economic resources. This pattern differs sharply from Latin America, where inequality peaks under partial inclusion. The contrast highlights the importance of regional context in shaping the inequality effects of inherited institutions.

5.5.3. Distinct Institutional Inequality Regimes

The results presented above indicate that the relationship between institutional access and income inequality is not uniform between countries or regions. Instead, distinct institutional configurations generate inequality through different mechanisms. Tiered estimates and regional interaction models show that similar levels of institutional access can have different distributional consequences depending on the historical and regional context.

In Latin America, inequality is highest under medium levels of institutional access. Partial inclusion expands economic opportunities for some groups while leaving others excluded, producing a large income dispersion. The results of the interaction show that this pattern is not driven by income differences alone but reflects the structure of access inherited at independence. Inequality in the region is therefore associated with segmented inclusion rather than complete exclusion.

In Sub-Saharan Africa, the pattern is different. Inequality is highest under low institutional access. In this context, exclusion combines with limited economic diversification and elite control over scarce resources, generating inequality even when overall income levels remain low. Medium-access regimes do not exhibit the same inequality penalty in this region, suggesting that exclusion, rather than partial inclusion, is the dominant mechanism.

The specification including fixed effects of colonizers (Table 5) further clarifies these patterns. Once colonial origin remains constant, low institutional access remains strongly associated with higher inequality. This result confirms that the observed inequality effects are not reducible to colonial identity alone. Instead, they reflect differences in the degree of institutional access inherited at independence within colonial groups.

Taken together, these results indicate the presence of distinct institutional inequality regimes. Inequality does not move uniformly with institutional access. Instead, it depends on how access is allocated and which groups are included. Partial inclusion and exclusion generate inequality through different mechanisms, and pooled estimates that ignore this heterogeneity may conceal these processes.

The findings also show that institutions influence inequality differently than they influence average income. Although broad institutional access is generally associated with lower inequality, intermediate or exclusionary arrangements can generate high inequality through distinct historical paths. Recognizing these different regimes is, therefore, crucial for understanding the long-run distributional effects of institutions.

The robustness of these patterns to alternative sample compositions is examined in Appendix F (Tables F.6–F.7).

Table 5: Institutional access, inequality, and colonial origins

	Dependent variable: Average Gini coefficient (1995–2015)		
Variable	Coefficient	Robust SE	p-value
Low institutional access (PAI 0–2)	8.80**	3.87	0.023
Medium institutional access (PAI 3–5)	3.91*	2.05	0.056
Log GDP per capita	1.67	1.65	0.313
East Asia & Pacific	1.13	4.97	0.821
Latin America & Caribbean	16.74***	5.11	0.001
Middle East & North Africa	3.61	5.35	0.500
South Asia	1.66	6.79	0.807
Sub-Saharan Africa	13.60**	6.82	0.046
Colonizer fixed effects		Yes	
Observations		62	
R^2		0.661	

Notes: The dependent variable is the average Gini coefficient over the period 1995–2015. Institutional access is measured using the Partial Access Index (PAI) and grouped into low (0–2), medium (3–5), and high (6–8) access categories, with high access as the reference group. GDP per capita is measured in constant 2015 US dollars and enters the regression in logarithmic form. Regional fixed effects and colonizer fixed effects are included to account for broad structural and historical differences across countries. Robust (HC1) standard errors are reported. All regressions are estimated using Ordinary Least Squares (OLS). Statistical significance is denoted by $^{***}p < 0.01$, $^{**}p < 0.05$, and $^{*}p < 0.10$.

5.6. Discussion and Implications

The results presented in this section highlight that the relationship between institutions and inequality is more complex than a simple inclusive–extractive distinction. Institutional access at independence affects long-term inequality through different mechanisms depending on how access is distributed and on the regional context. Inequality does not respond uniformly to increases in institutional access; instead, it reflects the interaction between access, exclusion, and historical conditions.

The findings show that partial institutional inclusion can generate high inequality. This outcome is particularly evident in Latin America, where selective access to political, legal, and economic institutions expanded opportunities for some groups while leaving others excluded. These institutional arrangements supported economic growth but also increased income dispersion. In contrast, Sub-Saharan Africa exhibits a different pattern. There, low institutional access is associated with higher inequality, reflecting exclusion combined with elite control over limited economic resources. Medium-access regimes do not produce comparable inequality effects in this context.

These results help reconcile mixed findings in the literature on institutions and inequality.

Existing work often focuses on average income outcomes and treats institutions as monotonic drivers of development. The present analysis suggests that institutions can reduce poverty while simultaneously increasing inequality when access expands unevenly. This distinction helps explain why countries with similar institutional scores can exhibit very different distributional results.

The findings also have implications for theories of institutional persistence. Institutions inherited at independence shape not only long-term development levels, but also the structure of inequality. Partial reforms that expand access without broad inclusion may generate persistent inequality, even when economic growth occurs. By contrast, broad-based access appears to be associated with a lower inequality between regions.

From a policy perspective, the results indicate that institutional reform alone is not sufficient to reduce inequality. What matters is how access is distributed. Reforms that expand access in a selective or uneven manner may increase inequality, particularly in contexts characterized by strong elite capture. Efforts to reduce inequality, therefore, need to consider who gains access to institutions, not only whether formal access exists.

In general, the analysis highlights the importance of distinguishing between exclusion, partial inclusion, and broad institutional access when examining the long-term effects of institutions. Inequality arises not only from weak or absent institutions, but also from the uneven extension of access. This perspective complements existing research on institutions and development and underscores the need to focus more explicitly on distributional outcomes in institutional analysis.

Consistent with this interpretation, Appendix G shows that institutional access is positively but imperfectly correlated with standard democracy measures, underscoring that access captures a distinct institutional dimension.

5.6.1. Selective inclusion and the measurement of inequality in settler colonies

An important qualification concerns the interpretation of inequality in former settler colonies. Standard Gini coefficients measure the the income dispersion between recorded households and market participants. In many settler societies, Indigenous populations were excluded from land ownership, formal employment, and, in some cases, from national economic censuses. Measured inequality therefore often reflects income differences within the settler population rather than inequality between settlers and excluded groups.

The low measured inequality in these settings should not be taken as evidence of broad institutional inclusion. Instead, it may reflect the statistical absence or marginal economic weight of excluded populations. In this sense, low inequality can coexist with deep and persistent exclusion.

This limitation reinforces the central argument of the paper. Inequality measures describe the distribution of income among those with access to economic institutions. They do not capture the boundaries of the access itself. The Partial Access Index addresses this gap by focusing on institutional inclusion at independence, regardless of whether excluded groups were later incorporated into national income statistics.

6. Discussion

6.1. Rethinking "institutions with broader access": Form versus Access

Much of the literature treats institutions as inclusive or extractive. It is done on the basis of their formal design. Constitutions, legal codes, and political systems are often taken as evidence of inclusion. This approach implicitly assumes that formal institutional arrangements translate into broad access in practice.

Our results challenge this assumption. Across former colonies, formal institutional similarity masks large differences in who could actually access core institutions. Political rights were sometimes extended early, but access to land, education, and legal protection often remained restricted. Inclusion in one domain frequently coexisted with exclusion in others.

This distinction between institutional form and institutional access helps explain several long-standing puzzles in the literature. Countries classified institutionally "as "inclusive" can exhibit strong economic performance while maintaining deep social and economic divisions. Conversely, some non-settler colonies adopted inclusive political institutions without achieving broad-based access to complementary institutions.

Settler colonies illustrate this pattern clearly. In these cases adopted institutions are very close to those of European metropoles. However, access to these institutions was highly uneven. Indigenous populations were often excluded from land ownership and educated in segregated systems. In addition, Indigenous populations are governed by differentiated legal regimes. Formal inclusion did not imply equal access.

These findings suggest that institutional inclusion should not be inferred from institutional form alone. Access matters. Who can vote, who can own land, who is educated, and who is subject to the same law are distinct questions. Treating them as equivalent risks overstating the extent of inclusion and understating the persistence of exclusion.

This paper shifts attention institutional from form to institutional access. the analysis reframes how institutions are evaluated in historical development research. Institutions may appear inclusive on paper while remaining exclusionary in practice. Understanding this gap is central to explaining both growth and inequality in post-colonial societies.

6.2. Selective Inclusion as a Development Strategy

Institutional inclusion did not expand evenly between domains. Access was often extended selectively. This reflected political incentives. It also reflected economic incentives faced by colonial and post-colonial elites. Access was granted in some areas. It was restricted in others. This allowed elites to promote growth. Complete redistribution of power or resources was avoided.

Political inclusion was often the first dimension to expand. Voting rights were extended early in many cases. Representative institutions were also introduced. These changes increased legitimacy. The cost was relatively low. Other forms of access remained constrained. Land rights posed greater risks. Education posed similar risks. Secure land ownership could change wealth distribution. Integrated schooling could increase social mobility. These outcomes threatened elite interests.

This pattern is consistent with historical accounts of colonial governance. Political institutions were often introduced first. Indirect rule systems remained in place. Legal dualism also persisted. Education systems remained segregated (Mamdani, 1996; Lange, 2009). Inclusion existed. It was partial. It was aimed at stabilizing the rule. It did not aim to transform the social structure.

Selective inclusion helps explain the limits of formal reform after independence. The new governments inherited these institutional arrangements. Access expanded in visible domains. Deeper economic exclusions remained. Social exclusions also remained. Political participation increased in some cases. Land reform did not follow. Education reform was limited. Inequality could therefore increase rather than decline (Engerman & Sokoloff, 1997; Acemoglu & Robinson, 2012).

The results in this paper follow this logic. Few countries achieved equal access across multiple institutional domains. Most countries show mixed profiles. Inclusive elements coexist with exclusionary ones. These patterns are not accidental. They reflect strategic choices. Inclusion was expanded where feasible. Exclusion remained where it was advantageous.

Viewing institutional development through selective inclusion changes the focus of analysis. The key question is not whether institutions exist. The question is who they serve. This perspective helps explain why economic growth and political reform coexist with persistent inequality in many post-colonial societies.

6.3. Why Settler Colonies "Succeed" without Inclusion

Settler colonies occupy an important position in the literature on institutions and development. In the AJR framework, they are treated as cases in which institutions with broader access were successfully transplanted. This interpretation helps explain their relatively high income levels today (Acemoglu, Johnson, & Robinson, 2001). The results of this paper do not challenge this association. Instead, they clarified how it works.

The settler colonies developed institutional arrangements that were effective for a limited group. Property rights were secure for settler populations. The legal systems were stable within the settlement communities. Education systems have invested heavily in human capital. This investment was largely directed toward non-indigenous groups. These institutional features supported investment and productivity. They also supported long-term economic growth.

At the same time, access to these institutions was uneven. Indigenous populations were often excluded from land ownership. Education was often provided through segregated systems. Legal governance is usually operated through differentiated regimes. Political inclusion, when it occurred, was delayed or constrained in practice. As a result, institutions that appeared inclusive in form remained selective in access.

This pattern helps explain why settler colonies combine high aggregate income levels with persistent exclusion. Economic growth did not require universal inclusion. It required secure access for groups integrated into the colonial economy. The exclusion was not incidental. It was part of how these institutional systems functioned.

The inequality results reinforce this interpretation. Settler colonies tend to exhibit a lower measured income inequality, especially in earlier periods. This reflects the exclusion of large segments of the population from the income distribution. It does not reflect broad-based access to economic opportunity (Engerman & Sokoloff, 1997). The lower inequality in these cases should not be interpreted as evidence of inclusive development.

In this way, the success of settler colonies is consistent with selective inclusion. The institutions were strong, but not universal. They promoted growth while preserving existing social hierarchies. Recognizing this distinction helps reconcile the empirical success of the AJR framework with the exclusionary patterns documented in this paper.

6.4. The Latin American Paradox: Liberal Forms, Colonial Assets

The regression results show a strong Latin American effect. The Latin America dummy is large and statistically significant ($\beta = 17.79$, $p < 0.001$). This indicates a baseline level of inequality that is not explained by institutional access in the model. Countries in the region combine relatively high Partial Access Index scores with persistently high income inequality.

This pattern is consistent with the historical literature. Engerman and Sokoloff (1997) argue that several factors shaped long-run development paths in the Americas. These factors include early inequality in land ownership, labor systems, and political power. High inequality can persist even when formal institutions appear modern. Institutional form alone is therefore not sufficient to explain distributional outcomes.

Many Latin American states adopted liberal legal institutions relatively early. Civil codes based on European models standardized private law. They also removed formal legal distinctions. In several cases, political inclusion expanded earlier than in other colonial regions. These changes contribute to higher access scores on the index. However, they did not alter the underlying distribution of assets inherited from the colonial period.

Land reform illustrates this tension. Liberal reforms often promoted private property. They dismantled communal or corporate landholding systems. In practice, these reforms could facilitate transfers of land to private elites. This outcome depended on pre-existing inequality in land ownership, labor systems, and political power. Also, This depended on enforcement and local conditions. In some cases, new legal institutions were used to formalize existing hierarchies rather than dismantle them. As a result, access to political and legal institutions expanded while access to the economic base remained highly unequal.

This pattern highlights a limitation of formal inclusion. Expanding access in political and legal domains may not reduce inequality. This is especially the case when the asset concentration is extreme. In Latin America, institutions could take liberal forms while exclusion persisted in practice. This helps explain the large regional inequality premium captured by the Latin America coefficient in the regression results.

6.5. Inclusive Access and Inequality

Income inequality provides a clear lens for assessing selective institutional access. Aggregate income can increase even when access is restricted. The income distribution responds more directly to who can participate in economic and social institutions.

The results show a consistent association between inclusive access and lower inequality. This pattern appears in contemporary inequality measures. It also appears in early post-independence outcomes. The number of inclusive cases is small. However, the direction of the relationship is stable. This holds across specifications. It also holds across time windows.

These findings help explain why growth and inequality often diverge in post-colonial settings. Institutions can support investment for a limited population. Productivity can increase for that group. The average income can rise. Broad-based gains may not occur. When access to land is restricted, inequality persists. The same applies to education and legal protection (Acemoglu & Robinson, 2012).

The contrast with settler colonies is informative. The lower measured inequality reflects a narrow social base. Income was distributed within that group. The access to economic opportunities was not broad. Exclusion from institutions often meant exclusion from income itself. Inequality measures can therefore be misleading. They must be interpreted alongside access patterns.

By linking access directly to inequality, the analysis highlights a missing dimension of development. Income measures alone are incomplete. Broad access aligns more closely with shared gains. Selective inclusion supports growth. Disparities persist. This distinction is central to understanding long-term development paths.

6.6. Implications for Institutional Measurement

These findings have implications for how institutions are measured in comparative development research. Much of the existing literature relies on broad classifications or aggregate indices. These measures treat institutions as uniform across populations. They capture important aspects of institutional design. However, they often overlook the variation in access.

The results indicate that the binary distinctions between inclusive and extractive institutions are too coarse. Countries with similar formal institutions can differ substantially in who can use them. Political rights, legal protection, education, and land ownership do not always expand together. Treating these dimensions as interchangeable can lead to misclassification of institutional environments.

An access-based approach provides a useful complement to existing measures. Focuses on who can participate in key institutions. This focus captures aspects of institutional performance that are directly relevant for inequality and long-term development. This perspective is consistent with historical accounts of stratified citizenship. In addition, it has differentiated legal status in colonial and post-colonial settings (Mamdani, 1996; Lange, 2009).

The analysis does not suggest that access-based measures should replace existing institutional indicators. Formal institutions remain important. However, combining institutional form measures with access measures is very important. This is so because it offers a more complete view of institutional functioning. This is especially relevant in settings where institutional reforms were layered onto pre-existing structures of exclusion.

Future research can extend this approach to additional domains. Access to finance may follow similar patterns. Access to public services may also be uneven. Bureaucratic positions may exhibit comparable forms of selective inclusion. Incorporating access into institutional measurement can help explain persistent disparities that are not fully accounted for by conventional institutional indices (Acemoglu & Robinson, 2012).

6.7. Limitations and Scope Conditions

Several limitations of the analysis should be acknowledged. The first limitation concerns the sample size. The number of countries classified as institutionally inclusive is small. This outcome reflects the conservative nature of the definition based on access. It does not reflect the sampling error. However, it limits the statistical precision in outcome regressions. The results should therefore be interpreted as descriptive associations. They should not be interpreted as causal estimates.

A second limitation relates to the codification of institutional access. The coding relies on historical sources. These sources often require judgment. This is especially true in cases where institutions gradually evolved. It is also relevant where institutional arrangements differed between regions within countries. To address this concern, the coding rules were applied conservatively. They were also applied consistently across all cases. When there was ambiguity, access was coded as unequal. This approach biases the analysis against finding inclusion.

A third limitation concerns data availability. Measures of income inequality are limited for the early post-independence period. This constraint requires the use of the first available post-independence window. The timing of this window varies between countries. This approach follows standard practice. However, it introduces heterogeneity in the measurement timing.

A final limitation relates to the scope of the institutional domains considered. The analysis focuses on political freedom, land rights, legal uniformity, and education. These domains capture central aspects of institutional access. They do not cover all institutions relevant for development. Other forms of access may also matter. Access to finance is an example. Access to public employment is another. Social protection may follow similar patterns. These domains warrant further study.

These limitations do not weaken the central findings. If anything, they suggest that the documented patterns are conservative. Expanding access-based measurement and improving historical data coverage remain important directions for future research.

6.8. Policy Implications: Beyond "Best Practice" Reform

These findings have direct implications for development policy. International organizations often promote institutional reform through "good governance" agendas. Aid and technical assistance are often tied to formal institutional changes. These include property rights legislation, court reforms, and administrative restructuring. Such reforms are primarily focused on the institutional form.

The results suggest that this approach is incomplete. Formal institutional reform does not guaranty wider access. Reforms that ignore access can reproduce exclusionary outcomes. In some cases, they may reinforce existing inequalities.

For example, strengthening land titling systems can improve formal property rights. However, if legal costs or administrative barriers prevent majority populations from accessing these systems, the reform benefits only a narrow group. Elite capture may increase. This outcome mirrors the selective inclusion patterns observed during the colonial period.

Similar risks arise in judicial reform. Central courts may be modernized. Customary or local legal systems may remain under-resourced. Legal dualism can therefore persist or deepen. Access to legal protection remains unequal even when formal institutions appear to improve.

These findings imply a shift in policy focus. Development efforts should move beyond assessing whether institutions exist. They should examine who can use them. Tracking access to land, courts, education, and political participation is essential. Access metrics for marginalized populations should be treated as a core indicator of institutional success.

6.9. Conclusion

This paper revisits the relationship between institutions and long-term development. It shifts attention from institutional form to institutional access. A multidimensional measure of access is used. The measure captures access to political franchise, land rights, legal uniformity, and education at or near independence.

The results show that broad institutional access was rare among former colonies. Most countries combined inclusion in some domains with exclusion in others. Equal access across multiple domains was uncommon. Formal institutional similarity therefore masks substantial variation in who could actually use key institutions.

The analysis highlights a clear gap between institutional form and institutional access. Settler colonies are often treated as reference cases for inclusive institutions. The results do not support this interpretation. These societies developed strong institutions for a limited population group. Access for indigenous and majority populations remained restricted. Economic success in these cases reflects selective access rather than universal inclusion.

The findings also clarify the relationship between institutions and inequality. Higher institutional access is associated with lower long-term inequality.

By contrast, aggregate income levels are less sensitive to access. This helps explain why growth and political reform can coexist with persistent inequality. Institutions can support economic performance without expanding broad participation.

These results have implications for how institutional development is evaluated. Institutional reforms often focus on formal design. Access is not always addressed directly. Such reforms may generate growth while leaving the underlying inequalities intact. Measurement of access provides a more complete view of how institutions operate in practice and why their distributional consequences differ.

The analysis is descriptive. It does not identify causal effects. However, the patterns are consistent across specifications and time periods. They suggest that who institutions include matters as much as the institutions themselves. Understanding this distinction is essential for interpreting the long-term legacy of colonial institutions.

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Appendix A. Construction of the Partial Access Index (PAI)

This appendix provides a consolidated summary of the construction of the Partial Access Index (PAI). The purpose of this appendix is to offer a transparent overview of how the individual institutional access components described in Appendices B to E are combined into a single composite measure. No additional coding decisions are introduced here; this appendix is purely mechanical and descriptive.

Appendix A.1. Conceptual Definition

The Partial Access Index (PAI) measures the degree to which populations in former colonies had formal access to the main political, legal, and socioeconomic institutions at or immediately after independence. The index is explicitly designed to capture access in practice rather than institutional performance or post-independence outcomes. It reflects *de jure* inclusion at the moment of institutional inheritance.

The index aggregates access across four institutional domains:

1. Political access (franchise)
2. Constraints on executive power
3. Legal uniformity
4. Educational access

Each domain is coded independently using historically grounded criteria and primary legal or constitutional sources, as detailed in the corresponding appendices.

Appendix A.2. Coding Scale

Each institutional domain is coded on a three-point ordinal scale:

- **0** – No meaningful access for the majority population
- **1** – Partial or restricted access
- **2** – Broad or near-universal formal access

Scores are assigned based on conditions prevailing at independence or, where appropriate, within a narrow post-independence window explicitly justified in the domain-specific appendix. Post-independence institutional reforms or outcomes are not incorporated.

Appendix A.3. Aggregation Rule

The Partial Access Index is constructed as the unweighted sum of the four domain scores:

$$\mathrm{PAI}_i = P_i + E_i + L_i + S_i, \tag{A.1}$$

where P_i denotes political access, E_i denotes constraints on executive power, L_i denotes legal uniformity, and S_i denotes educational access.

The resulting index ranges from 0 (complete exclusion in all domains) to 8 (wide access in all domains).

Appendix A.4. Interpretation

Higher PAI values indicate broader institutional access at independence, whereas lower values reflect exclusionary institutional arrangements. Importantly, intermediate values capture selective inclusion, where access is extended in some domains but withheld in others. This feature allows the index to distinguish between the formal presence of institutions and the distribution of access within societies.

The PAI is not intended as a measure of institutional quality, effectiveness, or long-term performance. Its purpose is to characterize the initial access structure inherited at independence, which subsequent sections of the paper relate to long-term inequality outcomes.

Appendix A.5. Relationship to Domain-Specific Appendices

Detailed coding rules, source hierarchies, and country-level justifications for each component are provided in the following appendices:

- Appendix B: Political franchise at independence
- Appendix C: Constraints on executive power at independence
- Appendix D: Legal uniformity at independence
- Appendix E: Educational access at independence

This appendix should be read as a synthesis of those materials rather than a substitute for them.

This appendix is included for transparency and ease of replication. All coding decisions are made independently within each institutional domain and are documented in full in the corresponding appendices.

Appendix B. Political Franchise at Independence

Appendix B.1. Definition and Coding Rules

This appendix documents the construction of the *Franchise* variable, which captures the extent of *de jure* political inclusion at the moment of national independence. The measure records who was legally entitled to vote in elections for the national legislature at independence, irrespective of electoral competitiveness, party pluralism, or post-independence political developments.

The franchise variable is coded on a three-point ordinal scale (0–2), using rules fixed *ex ante* and applied uniformly across all countries.

Appendix B.2. Franchise Scale

- **Franchise = 0 (Restricted Franchise).** Voting rights were limited to a narrow elite. Legal restrictions—such as property, income, literacy, race, ethnicity, or gender—excluded a majority of the adult population, including a majority of adult males.

- **Franchise = 1 (Partial Franchise).** Most adult males were legally enfranchised, but significant legal exclusions remained. This category includes male-only suffrage, literacy requirements, or regionally differentiated franchises that excluded large populations.
- **Franchise = 2 (Broad Franchise).** Universal adult suffrage existed at independence. All adult men and women were legally entitled to vote, with no formal exclusions based on race, ethnicity, religion, property, income or literacy.

Appendix B.3. Scope Conditions

- The unit of analysis is the national legislature.
- Only *de jure* legal eligibility is considered; turnout, coercion, or electoral fairness are not.
- One-party rule, authoritarian governance, or post-independence restrictions do not affect the score unless encoded in law at independence.
- Where independence followed a transition period, franchise rules in force at or immediately prior to independence are used.

Appendix B.4. Sources

Coding relies on a fixed hierarchy of sources:

1. Independence constitutions and independence acts
2. Late-colonial electoral laws governing independence elections
3. Comparative suffrage History
4. Country-level constitutional and political histories

Cases relying primarily on country-level historical sources are flagged for transparency.

Appendix B.5. Country-Level Coding

Restricted Franchise (Score = 0)

Countries coded as 0 inherited or adopted electoral systems at independence that restricted voting rights to a narrow elite, excluding a majority of adult males and all women.

These include early Latin American republics with property and literacy requirements (e.g., Bolivia, Brazil, Chile, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru, Venezuela), settler-dominated regimes (South Africa), and post-partition states that initially retained restrictive colonial franchises (Pakistan, India). In these cases, voting rights were legally limited by property, education, race, or gender, resulting in highly restricted political inclusion.

Partial Franchise (Score = 1)

Countries coded as 1 legally enfranchised a majority of adult males at independence, but retained significant exclusions.

This category includes:

- male-only suffrage (e.g., Sudan),
- literacy-based restrictions despite women's enfranchisement (e.g., the Philippines),
- regionally differentiated franchises excluding large populations (e.g., Nigeria),
- early settler democracies with gradual expansion of suffrage (Argentina, Costa Rica, Uruguay, Canada, United States, Australia),
- revolutionary states with incomplete legal inclusion (Haiti).

In these cases, political inclusion was broader than elite rule but remained legally incomplete.

Broad Franchise (Score = 2)

The countries coded 2 operated under universal adult suffrage at independence, with no formal legal exclusions based on gender, race, ethnicity, religion, property or literacy.

This category includes most late-decolonizing African and Asian states where universal suffrage was introduced during late-colonial reforms or immediately at independence (e.g., Ghana, Kenya, Tanzania, Uganda, Senegal, Algeria, Vietnam), as well as cases where universal suffrage pre-dated independence (Sri Lanka, New Zealand). Although many of these countries later experienced authoritarian consolidation or one-party rule, the legal franchise at independence was fully inclusive.

Appendix B.6. Summary

The Franchise variable captures initial political inclusion rather than democratic performance. By fixing coding rules *ex ante* and applying them mechanically across all cases, the measure avoids endogeneity with later political or economic outcomes. Together with Legal Uniformity, the franchise measure helps identify how colonial and early institutional choices shaped long-term development trajectories.

Appendix C. Constraints on Executive Power at Independence

Appendix C.1. Conceptual Definition

Executive Constraints measure the extent to which the chief executive's authority was legally constrained by other institutions at the moment of independence. The variable captures *de jure* institutional limits rather than democratic performance, political competition, or subsequent regime outcomes.

The core question is

> To what extent could the chief executive act unilaterally at independence, versus being legally checked by other institutions with independent authority?

Appendix C.2. Unit of Analysis and Temporal Scope

- **Unit of analysis:** Chief executive at independence (President, Prime Minister, Monarch, or Governor-General exercising domestic executive authority).

- **Timing:** Institutional structure in force at the moment of independence (or equivalent sovereignty transition).

- **Rule:** Later coups, constitutional amendments, authoritarian consolidation, or democratic breakdowns are explicitly ignored.

Transitional constitutions and independence settlements are coded only if they governed the independence moment.

Appendix C.3. What Counts as an Executive Constraint

A constraint is a formal, legally binding limitation on executive authority that:

1. is specified in constitutional or foundational legal documents, and
2. is imposed by another institution with independent authority.

Only formal constraints are considered.

Appendix C.4. Institutions Considered as Sources of Constraint

Executive authority may be constrained by the following institutions at independence:

A. Legislature

- Power to block or amend executive legislation

- Authority to approve budgets or taxation

- Ability to remove or sanction the executive (e.g., vote of no confidence, impeachment)

- Advisory bodies do not count

B. Judiciary

- Existence of courts with security of tenure
- Authority to interpret law and adjudicate disputes involving the executive
- Constitutional or judicial review strengthens constraints but is not required for partial constraints

C. Constitutional or Legal Framework

- Explicit separation of powers
- Codified limits on executive decree or emergency powers
- Defined executive accountability mechanisms

D. Federal or Subnational Autonomy (Where Applicable)

- Constitutionally protected powers of states, provinces, or regions
- Limits on executive authority over subnational governance

Appendix C.5. Explicit Exclusions

To preserve conceptual clarity, the following do **not** count as executive constraints:

- Informal norms or political traditions
- Colonial oversight retained after independence
- Opposition parties or political competition
- Military balance of power
- Quality of enforcement
- Later constitutional amendments or regime outcomes

Appendix C.6. Operational Checklist (Binary Indicators)

For each country, five yes/no checklist items are evaluated using constitutional or foundational legal documents:

1. **Independent Legislature (C1):** Does a legislature exist with formal authority to block or amend executive legislation?
2. **Executive Accountability to Legislature (C2):** Can the executive be legally removed or sanctioned by the legislature (e.g., impeachment, vote of no confidence)?
3. **Judicial Constraint (C3):** Does an independent judiciary exist with authority to interpret law and adjudicate disputes involving the executive?
4. **Limits on Executive Decree or Emergency Powers (C4):** Are executive decree powers or emergency authorities explicitly limited by law?
5. **Constitutional or Federal Checks (C5):** Are there constitutionally protected powers outside executive control (separation of powers or federalism)?

Tie-Breaker Rules

- Legislature without sanctioning power → C2 = No
- Courts without independence or authority over executive acts → C3 = No
- Undefined or unlimited emergency powers → C4 = No
- Colonial oversight does not count as a constraint

Appendix C.7. Scoring Scale

The Checklist results are mechanically collapsed into a 0–1–2 scale, symmetric with other components of the Partial Access Index:

- **EC = 0 (Unconstrained Executive):** 0 or 1 checklist items satisfied; no institution can effectively block or sanction the executive.

- **EC = 1 (Partially Constrained Executive):** 2 or 3 checklist items satisfied; constraints exist formally but are incomplete, weakly specified, or easily overridden.

- **EC = 2 (Strongly Constrained Executive):** 4 or 5 checklist items satisfied; at least two independent institutions (typically legislature and judiciary) can legally block or sanction the executive.

No subjective balancing is permitted.

Appendix C.8. Source Hierarchy

Executive Constraints are coded using a pre-committed source hierarchy applied uniformly across all countries:

1. Independence constitutions and independence acts
2. Transitional constitutions and independence settlements (if the primary text is provisional or silent)
3. Comparative constitutional compilations and legal commentaries
4. Scholarly analyzes of constitutional design
5. Country-level constitutional histories (used only as a last resort and flagged for transparency)

No single dataset is relied upon. Outcome-based democracy indices are explicitly excluded.

Appendix C.9. Replication Principle

A third party can reproduce every Executive Constraints score by:

1. Reading the independence constitution or settlement,
2. Answering the five checklist questions,
3. Applying the mechanical scoring rule.

No assumptions about democratic quality, political behavior, or later outcomes are required.

Appendix D. Legal Uniformity at Independence

Appendix D.1. Conceptual Definition

Legal Uniformity measures whether, at the moment of independence (or an equivalent sovereignty reference point), a country operated under a single, unified judicial system or under formally recognized parallel legal regimes differentiated by population status (race, religion, ethnicity, customary status, or region).

Note the interpretation as follows. In this historical framework, legal pluralism is treated as a restriction of access. The existence of parallel customary or religious courts often functioned as a 'bifurcated state' (Mamdani, 1996). This excluded specific populations from the national civil-law system that carries rights rather than granting them autonomous privileges.

The variable captures *de jure* judicial structure rather than enforcement quality, access in practice, or subsequent institutional reforms.

Appendix D.2. Coding Scale

Legal Uniformity is coded as a binary variable:

- **LU = 2 (Legally Uniform System).** A single national court hierarchy applied to the population as a whole. Customary or religious norms may influence substantive law, but no parallel state-recognized courts with population-specific jurisdiction existed at independence.

- **LU = 0 (Legally Plural System).** The state formally recognized parallel courts or legal regimes with jurisdiction defined by religion, race, ethnicity, customary status, or region (e.g., customary courts, Sharia courts, racially segregated courts).

Note: A value of 1 is not used.

Appendix D.3. Unit of Analysis and Timing

- **Unit of analysis:** National judicial system.
- **Timing:** Moment of independence or equivalent sovereignty transition.
- **Reference rule:** Colonial or prior regimes are relevant only insofar as their legal structures persisted at independence.

Appendix D.4. Explicit Inclusions and Exclusions

Included (Count Toward LU = 0)

- State-recognized religious courts (e.g., Sharia, rabbinical courts)
- Customary or native courts with population-specific jurisdiction
- Racially differentiated courts or legal regimes
- Personal-law systems legally tied to religion or status

Excluded (Do Not Reduce LU)

- Informal customary practice without state recognition
- Unequal enforcement or repression
- Specialized courts with narrow subject-matter jurisdiction (e.g., land courts)
- Authoritarian governance or one-party rule

Appendix D.5. Colonial and Institutional Attribution Rule

Colonial power refers to the authority that shaped the legal and administrative institutions in force at the moment of independence, not the first historical colonizer.

Examples include:

- Philippines (1946): United States (not Spain)
- Egypt (1922): United Kingdom (protectorate institutions)
- Sudan (1956): United Kingdom / Egypt (Anglo–Egyptian Condominium)
- United States (1776): United Kingdom

Appendix D.6. Special Clarification: Dominican Republic

Although Spain was the earlier colonial ruler, the Dominican Republic's legal and administrative institutions at independence in 1844 were inherited from Haitian rule (1822–1844). Colonial attribution therefore follows Haiti for institutional inheritance.

This is the only Latin American case requiring explicit clarification.

Appendix D.7. Source Hierarchy

Legal Uniformity is coded using a fixed source hierarchy applied uniformly across all countries:

1. Independence constitutions and foundational legal acts
2. Late-colonial or predecessor regime judicial legislation
3. AJR replication materials and comparative institutional datasets
4. Country-level legal and constitutional histories

Cases relying primarily on country-level histories are flagged for transparency.

Appendix E. Educational Access at Independence

Appendix E.1. Conceptual Definition

Educational Access captures the extent to which colonial and early post-independence institutional arrangements provided legally recognized, state-sanctioned access to education for the population at the moment of independence. The concept focuses on formal institutional inclusion rather than educational outcomes, enrollment rates, literacy levels, or post-independence policy reforms.

Educational Access is treated as a core institutional channel through which colonial regimes shaped long-run political and economic participation by determining who could legally acquire state-recognized skills, credentials, and qualifications at independence.

Appendix E.2. Measurement Principle

Educational Access is coded at the year of independence for each country. The coding reflects legal and institutional structures rather than *de facto* educational attainment or later expansions of education systems.

The measure captures whether education functioned as:

- a broadly accessible institutional gateway into administration and professions, or
- a restricted, segmented, or exclusionary system serving a narrow elite.

Appendix E.3. Coding Criteria

Educational Access is constructed using four binary institutional criteria evaluated at independence:

1. **State-Recognized Education System (E1).** Whether a formal, state-recognized education system existed at independence (including primary, secondary, or higher education administered or officially recognized by the state).
   - 1 = Yes
   - 0 = No
2. **Legal Access for the Native Population (E2).** Whether access to state-recognized education was legally open to the native population, without formal racial, ethnic, religious, or status-based prohibitions.
   - 1 = Yes
   - 0 = No
3. **Absence of Formally Segmented Educational Regimes (E3).** Whether education was administered under a unified legal framework rather than through formally segmented or legally differentiated regimes (e.g., settler versus native systems, racial schooling laws, indigenous versus colonial tracks).

- 1 = Unified regime
- 0 = Segmented or dual regime

This criterion captures institutional segmentation rather than inequalities in educational outcomes.

4. **Recognition of Educational Credentials (E4).** Whether educational credentials accessible at independence were formally recognized as pathways into public administration, professional occupations, or state authority.

   - 1 = Yes
   - 0 = No

   Recognition refers to formal institutional acceptance of credentials rather than equal probability of access or equal outcomes across populations.

Appendix E.4. Score Construction

Each country receives a checklist score ranging from 0 to 4 based on the sum of E1–E4.

This checklist is collapsed into a three-level Educational Access score:

Checklist total	Educational Access score
0–1	0 (Highly exclusionary)
2–3	1 (Partial access)
4	2 (Broad access)

This collapse ensures consistency with the other components of the Partial Access Index and avoids overstating fine-grained institutional distinctions.

Appendix E.5. Interpretation of Scores

- **Score = 0 (Highly exclusionary).** Education existed but was legally restricted, institutionally segmented, or excluded the majority population from recognized credentials (e.g., Indonesia, Kenya, Vietnam).

- **Score = 1 (Partial access).** Education was formally open but segmented, elite-oriented, or weakly institutionalized, limiting broad access to recognized credentials (e.g., Senegal, Nigeria, Peru).
- **Score = 2 (Broad access).** Education was state-recognized, legally open, institutionally unified, and credentials were recognized as pathways into state and professional roles (e.g., India, Sri Lanka, Philippines).

Appendix E.6. Sources

Educational Access coding draws on a harmonized set of historical sources, including:

- UNESCO, *World Survey of Education* (historical volumes)
- Colonial education ordinances and administrative reports
- Early post-independence constitutional and education statutes
- Secondary historical literature on colonial institutions and education systems

Sources are applied consistently across countries, with country-specific citations documented in the country-level coding tables.

Appendix E.7. Scope and Limitations

This measure:

- does not capture literacy rates, enrollment ratios, or educational quality,
- does not reflect post-independence education reforms, and
- focuses exclusively on institutional access at independence.

Educational Access captures whether education constituted a recognized institutional gateway into state authority and professional participation at independence rather than subsequent educational expansion.

Appendix E.8. Role in the Partial Access Index

Educational Access constitutes one of four institutional components of the Partial Access Index, alongside:

1. Legal Uniformity
2. Franchise
3. Executive Constraints
4. Educational Access

Together, these components capture distinct but complementary institutional channels through which colonial legacies shaped political inclusion and long-run development outcomes.

Appendix F. Robustness to Sample Composition

This appendix examines whether the main results are sensitive to sample composition. Given the relatively small cross-country sample and the inclusion of multiple fixed effects, two complementary robustness checks are conducted. The first assesses sensitivity to regional composition, and the second evaluates sensitivity to individual country influence.

Appendix F.1. Regional Exclusion Tests

Table F.6 reports estimates from the baseline tiered institutional access specification re-estimated after sequentially excluding one region at a time. All remaining regressors, including log GDP per capita and fixed effects, are kept unchanged.

The results show that the coefficients on institutional access tiers retain their sign and are of similar magnitude across all region-exclusion exercises. In particular, the positive association between low institutional access and income inequality remains stable. This indicates that the main findings are not driven by any single region, such as Latin America or Sub-Saharan Africa.

Appendix F.2. Jackknife Robustness Tests

Table F.7 presents results from a leave-one-country-out (jackknife) robustness exercise. The baseline specification—including log GDP per capita, regional fixed effects, and colonizer fixed effects—is re-estimated 62 times, each time excluding one country from the sample.

The table reports summary statistics across these iterations. The coefficients on both low-access and medium-access institutional tiers remain positive in all regressions and are statistically significant in the vast majority of cases. The narrow range of coefficient estimates around the baseline values indicates that the results are not driven by any single influential observation.

Taken together, the robustness checks in Tables F.6 and F.7 confirm that the core findings are stable to alternative sample compositions and are not an artifact of regional concentration or outlier influence.

Table F.6: Leave-one-region-out robustness: Tiered institutional access and inequality

Specification	N	Low access (PAI 0–2)	Medium access (PAI 3–5)	R^2
Full sample	62	4.73 (3.48)	3.27^{**} (1.44)	0.553
Drop ADV	59	4.32 (3.52)	2.86^{*} (1.57)	0.523
Drop EAP	59	7.93^{***} (2.81)	3.27^{**} (1.46)	0.572
Drop LAC	43	2.57 (3.80)	0.28 (1.75)	0.435
Drop MENA	58	4.96 (4.16)	3.28^{**} (1.44)	0.517
Drop SA	58	6.20^{*} (3.47)	4.86^{***} (1.41)	0.489
Drop SSA	33	−1.30 (4.34)	3.18^{*} (1.67)	0.827

Notes: The dependent variable is the average Gini coefficient over the period 1995–2015. Each row reports estimates from the tiered institutional access model re-estimated after excluding the indicated region. Controls include log GDP per capita and regional fixed effects (except the dropped region). Robust (HC1) standard errors are reported in parentheses. $^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.10$.

Table F.7: Jackknife robustness: Stability of institutional access coefficients

Institutional access tier	Positive coef.	Significant ($p < 0.10$)	Min	Max	Mean
Low access (PAI 0–2)	100%	98%	6.62	10.44	8.80
Medium access (PAI 3–5)	100%	94%	2.94	4.68	3.91

Notes: Each row reports summary statistics from 62 regressions, each excluding one country from the baseline sample. All regressions are estimated using OLS with heteroskedasticity-robust (HC1) standard errors. All specifications include controls for log GDP per capita, regional fixed effects (advanced economies as the omitted category), and colonizer fixed effects. Significance shares are computed using two-sided tests at the 10% level. Mean coefficients are reported for comparison with baseline estimates.

Appendix G. Validation of the Partial Access Index

This appendix assesses the external validity of the Partial Access Index (PAI) by comparing it to established measures of political institutions. Because the PAI is explicitly anchored at the moment of independence and captures institutional access at or immediately following independence, validation relies on institutional measures observed at the same historical moment rather than on contemporary democracy scores.

To this end, the PAI is compared to two widely used indicators from the Polity IV project: executive constraints (*xconst*) and the composite democracy score (*polity2*). For each country, Polity values are taken from the first available post-independence observation and averaged over the first five available years where possible. This procedure minimizes short-run volatility while preserving the historical timing of institutional inheritance.

Appendix G.1. Correlation with standard democracy measures

Table G.8 reports pairwise Pearson correlations between the Partial Access Index and the two Polity IV indicators for the sample of former colonies used in the main analysis. The results show a positive but moderate correlation between the PAI and executive constraints (*xconst*), as well as between the PAI and the overall democracy score (*polity2*).

The magnitude of these correlations indicates that the PAI is related to established measures of political institutions, but not redundant with them. This pattern is consistent with the conceptual distinction emphasized in the paper: while Polity IV captures formal political constraints at the state level, the PAI measures access to institutions across political, legal, educational, and economic domains, with explicit attention to who was included in practice.

The low correlation (0.25) is expected and theoretical consistent. Polity IV measures the constraints on the ruler (Form), while PAI measures the reach of the state (Access). A country can have a constrained executive (High Polity) but deny land rights to 80% of the population (Low PAI). The divergence is not measurement error. It is the quantification of the 'selective inclusion' phenomenon itself.

Appendix G.2. Visual evidence of conceptual distinction

Figure G.2 and Figure G.3 provide a graphical representation of the relationship between the PAI and the Polity IV measures. Figure G.2 plots the Partial Access Index against executive constraints (*xconst*), while Figure G.3 plots the PAI against the Polity IV democracy score (*polity2*). In both figures, the solid line represents the linear fit.

The scatter plots reveal substantial dispersion around the fitted lines. Several countries that score relatively highly on Polity IV measures exhibit only medium or low levels of institutional access according to the PAI. These cases correspond to settings in which formal political institutions existed but access to key institutional domains remained uneven or restricted for large segments of the population.

This visual evidence supports the central claim of the paper. Standard democracy measures capture important aspects of institutional form, but they do not fully reflect the distribution of access within societies. The PAI therefore adds information that is systematically missed by conventional institutional indicators.

Appendix G.3. Interpretation

Taken together, the correlation results and the scatter plots confirm that the Partial Access Index is neither orthogonal to nor subsumed by existing democracy measures. Instead, it captures a related but distinct dimension of institutional structure. This distinction is essential for understanding why countries with similar formal institutions can exhibit sharply different inequality outcomes.

The validation exercise reinforces the interpretation of the main results. Institutional access at independence varied substantially even among countries commonly classified as institutionally inclusive. These differences are visible in the PAI but only weakly reflected in standard democracy indices, underscoring the value of the access-based approach adopted in this paper.

Table G.8: Correlation between institutional access and standard democracy measures

	(1) PAI	(2) xconst	(3) polity2
(1) Partial Access Index (PAI)	1.00	0.25^{*}	0.29^{**}
(2) Executive Constraints (xconst)	0.25^{*}	1.00	0.84^{***}
(3) Democracy Score (polity2)	0.29^{**}	0.84^{***}	1.00

Notes: This table reports pairwise Pearson correlation coefficients between the Partial Access Index (PAI) and standard Polity IV democracy measures for former colonies in the main analysis sample ($N = 62$). Polity IV *xconst* captures constraints on executive authority, and *polity2* measures overall democracy on a -10 to $+10$ scale. Institutional measures are taken at the first available post-independence observation and averaged over the first five available years where possible. Correlations are computed using pairwise deletion due to limited missing data in Polity IV variables. Statistical significance is denoted by $^{***}p < 0.01$, $^{**}p < 0.05$, and $^{*}p < 0.10$.

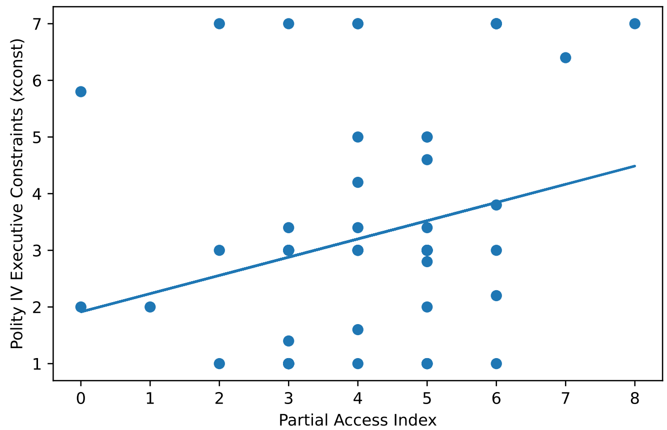

Figure G.2: Institutional access and executive constraints

Notes: This figure presents a scatter plot of the Partial Access Index (PAI) and Polity IV executive constraints (*xconst*). Polity values are measured at the first available post-independence observation and averaged over the first five available years where possible. Countries without available Polity IV data are omitted. The solid line shows the linear fit.

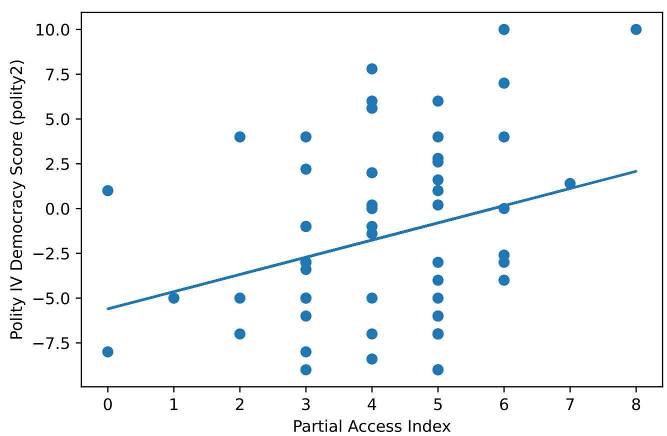

Figure G.3: Institutional access and democracy

Notes: This figure presents a scatter plot of the Partial Access Index (PAI) and the Polity IV democracy score (*polity2*). Polity values are measured at the first available post-independence observation and averaged over the first five available years where possible. Countries without available Polity IV data are omitted. The solid line shows the linear fit.

Appendix H. Robustness to Index Construction and Legal Uniformity

This appendix examines the robustness of the main results to alternative constructions of the Partial Access Index (PAI), with particular attention to the legal uniformity domain.

Appendix H.1. Motivation

In the baseline specification, the Partial Access Index aggregates four domains of institutional access at the time of independence: political participation, executive accountability, legal uniformity, and educational access. Legal uniformity is coded as a binary variable, indicating whether the colonial state formally recognized population-specific legal jurisdictions (such as customary courts or personal law regimes) alongside unified legal institutions.

This coding reflects a conceptual distinction rather than a measurement convenience. In colonial settings, the formal recognition of parallel legal systems represented a qualitative institutional break that undermined uniform legal access in the de jure sense relevant to institutional persistence. Although the form and scope of legal pluralism varied between colonies, any state-recognized population-specific jurisdiction constituted a categorical segmentation of legal access rather than a marginal difference.

To assess whether the inclusion or binary coding of legal uniformity affects the empirical results, this appendix reports a set of robustness checks that exclude the legal domain entirely from the index.

Each access domain in the index is equally weighted to maintain transparency and interpretability. The robustness checks reported in this appendix show that the main results are not driven by this weighting choice.

Appendix H.2. Reduced Partial Access Index (0–6)

The reduced index excludes the legal uniformity domain and aggregates the remaining three dimensions of institutional access: political participation, executive accountability, and educational access. Each domain is scored using the same scale as in the baseline index, yielding a reduced Partial Access Index ranging from 0 to 6.

All regressions using the reduced index are estimated on the same country sample as the baseline analysis and include the same set of controls and fixed effects, unless otherwise noted. This allows for direct comparison across index constructions.

Appendix H.3. Results Using the Reduced Index

Tables H1–H4 report the main regression specifications re-estimated using the reduced Partial Access Index.

Table H1 reports baseline regressions with fixed regional effects. Table H2 presents tier-based specifications that classify countries into low-, medium-, and high-access regimes using the reduced index. Table H3 includes colonizer fixed effects to examine whether the results are driven by colonial origin. Table H4 reports results excluding settler colonies.

Across specifications, the sign and overall interpretation of the results remain consistent with the baseline analysis. Although coefficient magnitudes vary across models, the main patterns remain unchanged. In particular, the non-linear relationship between institutional access and income inequality persists when the legal domain is excluded, and coefficients are attenuated when colonizer fixed effects are included.

Appendix H.4. Interpretation

These results suggest that the main findings are not driven by the inclusion or coding of the legal uniformity domain. Instead, variation in political and educational access accounts for much of the observed association between institutional access and long-run income inequality. The robustness of the results supports the interpretation that selective institutional inclusion, rather than the formal existence of institutions alone, plays an important role in shaping persistent distributional outcomes in post-colonial societies.

Table H.9: Institutional access and inequality: baseline specifications and alternative index constructions

	(1)	(2)	(3)
Partial Access Index (0–8)	-1.053^{*}		
	(0.552)		
PAI (0–6, excluding legal domain)		-0.643	-1.032^{*}
		(0.545)	(0.558)
Log GDP per capita	1.829	1.665	0.537
	(1.564)	(1.620)	(0.842)
Region fixed effects	Yes	Yes	No
Observations	62	62	62
R^2	0.564	0.543	0.057

Notes: Dependent variable is the average Gini coefficient (1995–2015). Robust (HC1) standard errors are reported in parentheses. The Partial Access Index (0–6) excludes the legal uniformity domain from the baseline index. Columns (1)–(2) include regional fixed effects; column (3) excludes fixed effects. $^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.10$.

Table H.10: Institutional access tiers and income inequality

	Gini (1995–2015)
Medium access (tier)	-6.120^{***}
	(1.785)
High access (tier)	-2.089
	(2.318)
Log GDP per capita	1.969
	(1.528)
Observations	62
R^2	0.603
Region fixed effects	Yes

Notes: Dependent variable is the average Gini coefficient (1995–2015). Medium and high access indicate institutional-access tiers based on the reduced Partial Access Index (0–6); the omitted category is the low-access tier. Robust (HC1) standard errors are reported in parentheses. $^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.10$.

Table H.11: Institutional access and inequality: colonizer fixed effects

	(1)	(2)
Partial Access Index (0–8)	-0.094	
	(0.864)	
PAI (0–6, excluding legal domain)		0.171
		(1.156)
Log GDP per capita	-0.502	-0.521
	(0.904)	(0.843)
Observations	62	62
R^2	0.378	0.378
Colonizer fixed effects	Yes	Yes

Notes: Dependent variable is the average Gini coefficient (1995–2015). Column (1) uses the baseline Partial Access Index (0–8). Column (2) uses a reduced index excluding the legal uniformity domain. Robust (HC1) standard errors are reported in parentheses. All regressions include colonizer fixed effects and are estimated using Ordinary Least Squares (OLS).

Table H.12: Institutional access and inequality: excluding settler colonies

	(1)	(2)
PAI (0–6, excluding legal domain)	-0.643	-0.399
	(0.545)	(0.509)
Log GDP per capita	1.665	0.436
	(1.620)	(1.367)
Region fixed effects	Yes	Yes
Observations	62	56
R^2	0.543	0.556

Notes: Dependent variable is the average Gini coefficient (1995–2015). Column (1) reports the baseline specification using the reduced Partial Access Index (0–6) with regional fixed effects. Column (2) re-estimates the same specification after excluding settler colonies (Settler_Colony $\neq 1$). Robust (HC1) standard errors are reported in parentheses. $^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.10$.