SOUTHERN AFRICA TRUST

Impact Assessment Study on the Proposed SADC Resource Mobilisation Framework

Southern Africa Trust

Table of Contents

1. Introduction and background 3
2. Theoretical background 3
3. Research Methodology 5
4. Conclusion 16
5. Limitations of study 17
6. References 17

1. Introduction and background of the study

With the increasing economic activities, SADC has also been implementing economic programs using financial resources from SADC Member States and from Development Partners. According to the Gold Field Financial Report published in 2016, the SADC regional funding model has not worked due to the increase in regional economic activities and a significant financing gap of about 99.3%. The financing gap arises from the fact that the SADC Community currently needs US$64 billion to fund regional infrastructure projects but only US$43.2 million is currently committed to this budget by Member States. In addition to that, commitments from Member States account for only 9.2% while the funding from Development Partners account for 90.8% of the project funding. This situation reflects a significant funding gap.

To mitigate this risk in the SADC region, in 2015, the RISDP Mid Term Review, and the SADC Council of Ministers, directed that alternative sources of financing regional integration programmes and projects should be looked at. Among other sources of financing regional integration programmes and projects: the Import Levy, Tourism Levy, Financial Transaction Tax and Transport Levy were proposed. However, it is important to note that SADC Member States' economics are not the same and therefore might not react the same way to the proposed financing sources. Therefore, a thorough analysis is required at a national level to assess the impact of the proposed financing sources.

The first objective is to review the theoretical and empirical that explains proposed financing sources. The study will focus only on four options namely: Import Levy, Tourism Levy, Financial Transaction Tax and Transport Levy. The second objective of this study is to conduct an impact assessment to analyse the potential effect of the four proposed financing sources on key economic indicators in the respective SADC member countries using an econometric model.

2. Theoretical background

The impact of taxes and levies on economic indicators has been extensively examined in the economic literature. There are two main theories that explain this phenomenon: the endogenous growth theory and exogenous growth theory. The Solow model is a theory of exogenous pioneer by Robert Solow (1956). According to the exogenous growth theory, permanent changes in government policies do not have permanent effect on the growth of output. This implies that changes in a country's tax structure should have only transitory impact on its long-run economic growth. Expanding on Solow's work, Engen and Skinner (1992) believe that taxes and levies can discourage the investment by corporate and individuals.

Second, taxes may discourage work force participation or distort individual choices of acquiring education and skills. Third, taxation can negatively impact productivity growth by reducing research and development (R&D) and the venture capital investments to "hi-tech" industries. Fourth, taxes can influence the marginal productivity of capital by channeling investments from more heavily taxed to those that are taxed less. And finally, taxation can decrease marginal productivity of labour by discouraging workers from working in sectors with high productivity but a heavy tax burden.

According to Romer (1994) the endogenous growth theory also known as the new growth theory was embraced in the 1980-90s by a diverse body of theoretical and empirical work. King and Rebelo (1990) find that national taxation structure can have a significant impact on long-term growth rates because public policies can incentivize or discourage capital accumulation. In other words, changes in tax policy can explain periods of subdued economic growth or high growth. They further explain that within

the endogenous growth framework, one can assess the welfare costs of taxation, unlike the exogenous growth theory.

2.1 Import levy

The increase in trade liberation in the last century has started conversions around import levies. Import levies are normally imposed by the government on imported commodities. In that regard, Joramo (2016) argued that import levies have three primary functions ranging from source of revenue, to protect domestic industries, and to remedy trade distortions. Estevardeordal and Taylor (2013) argue that import levies on imported capital goods and intermediate inputs increased growth rates significantly.

2.2 Tourism levy

Tourism has become a key source of income and employment in many developing countries, therefore tourism and its related issues such as tourism taxes and levies have been addressed in several studies. The purpose of a levy would be to generate a sustainable revenue stream that would be ring-fenced for investment in the development of the tourism sector. Ihalanayake, (2007) analysed the effect of an increase in tourism levy in Australia using a computable general equilibrium (CGE) model and concludes that an increase leads to contraction in the tourism sector, while other sectors expand. Overall, the study concludes that an increase in tourism taxes appears to improve welfare in the long run, though it generates a marginal contraction in overall economic activities in the short run. Gago (2006), analyses the effects of tourism taxation in Spain. The study concludes that a 10% on lodging brings in significant public receipts, increases social welfare and has no effect on the environment. On the other hand, an increase of VAT rates on tourism-related sectors could have the same effects on tourist expenditure but at the costs of greater impact for Spain's economy.

2.3 Transport levy

In the transport sector, various levies can be implemented to generate the required revenue such as the road toll, fuel levy, and international transit levy/cross border fees and import freight port levy. In most cases or countries, the road toll and fuel levy are preferred and implemented. Mabugu, (2009) conducted a study on the impact of fuel levies on the South African economy, arguing that welfare effects of increasing the fuel levy by 10% in South Africa are negative but very small. In 2003, the Bureau of Economic Research (BER) at Stellenbosch University on behalf of the provincial government of the Western Cape, also conducted a similar study. Using a cointegration analysis, Input Output analysis and Tax Incidence analysis, the study reported that an increase in fuel levy would, in general, have minimal impact on macroeconomic aggregates such as the consumer price index (CPI) and gross domestic product (GDP). MacDonald, Reynolds and Van Schoor (2006) conducted a study to examine the effect of a 3% (equivalent to 10 cents per litre) fuel levy increase using a computable general equilibrium (CGE) model. They also conclude that a provincial fuel levy does not have a dramatic effect on the economy. However, the study finds that the fuel levy imposes costs on the economy due to increased intermediate input costs, reduced international trade, real exchange rate appreciation and general multiplier effects. The loss in GDP is, however, large when compared to the amount of revenue gained from the fuel levy.

2.4 Financial Transaction Tax (FTT)

An FTT is simply a tax imposed on the purchase and/or sale of financial securities. FTT rates typically range from 0.3 to 0.5%, although much smaller rates have often been levied in the United States.

Keynes proposed an FTT in 1936 and recently, leading economists such as Tobin (1978), Stiglitz (1989), and Summers and Summers (1989) have supported similar taxes.

Mannaro et al. (2008) used a computer based simulation model to find that FTT increases price volatility. Hakkio, (1994) assessed the impact of the stock market crash of October 1987. He found that the crash was as severe in countries with domestic securities transactions taxes. He also found that over the years, transactions costs have reduced across the world but there is no clear evidence that low tax (reflected in decreasing transactions costs) increased volatility.

More recent papers have also arrived at similar conclusions. Hau (2006) used data from the Paris Stock Exchange to show how transactions costs increased volatility. Studies in the U.K. and U.S. reviewed by Hememlgarn and Nicodeme (2010) also reject the notion that a decrease in transactions costs increases volatility. Some studies on FTT have also been conducted in Asian countries. A study in China by Baltagi et al. (2006) concludes that an increase of 0.2% in stamp tax lowers trading volume by one third. Only in the case of Japan, Liu and Zhu (2009), was a negative relationship between transactions costs and price volatility found. The wider economic impact of FTT varies significantly. However, most of the empirical studies suggest that FTT may be particularly burdensome, Shome, (2011).

3. Research Methodology

Generalized Method of Moments (GMM)

The objective of this study is to investigate the impact of alternative sources on key economic indicators such as GDP, inflation rate and import of SADC members. Most economic issues follow the dynamic oscillation dimension of time series, cross-section or panel structures. The dynamic relationships include the presence of lagged regress and regressors (Balestra & Nerlove, 1966; Baltagi & Levin, 1986; Arellano & Bond, 1991; Islam, 1995). Therefore, the dynamic models for this study follow the assumptions of Arellano-Bond estimator, Arellano-Bover estimator and Blundell-Bond estimator of GMM. Thus, the simplified models are from 1 to 3 as specified by Baltagi and Levin (1992). Following previous studies like Stoilova (2017), the models for this study incorporate certain determining variables that affect the economic growth, inflation and import.

The relationship is econometrically stated as follows:

GDPPC (proxy for economic growth) equations

$$GDPPC_{it} = \emptyset_0 + \emptyset_{1i} GDPPC_{it-1} + \Gamma_{1it}^{\wr} \beta + \varepsilon_{it} \quad (1a)$$

$$\Delta GDPPC_{it1} = \emptyset_1 + \emptyset_{2i} \Delta GDPPC_{it-1} + \Delta\Gamma_{2it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (1b)$$

$\Gamma_{1it}^{\wr}$ =gfcf, fdi, tnrrgdp, custduties, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 1a and 1b to reflect the unbiasness and consistence of the model,

$$GDPPC_{it} = \emptyset_0 + \emptyset_{3i} GDPPC_{it-1} + \Gamma_{3it}^{\wr} \beta + \varepsilon_{it} \quad (2a)$$

$$\Delta GDPPC_{it4} = \emptyset_1 + \emptyset_{5i} \Delta GDPPC_{it-1} + \Delta\Gamma_{5it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (2b)$$

$\Gamma_{3it}^{\wr}$ =gfcf, fdi, tnrrgdp, transptax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 2a and 2b to reflect the unbiasness and consistence of the model.

$$GDPPC_{it} = \emptyset_0 + \emptyset_{6i} GDPPC_{it-1} + \Gamma_{6it}^{\wr} \beta + \varepsilon_{it} \quad (3a)$$

$$\Delta GDPPC_{it7} = \emptyset_1 + \emptyset_{8i} \Delta GDPPC_{it-1} + \Delta\Gamma_{8it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (3b)$$

$\Gamma_{6it}^{\wr}$ =gfcf, fdi, tnrrgdp, tarifpdct, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 3a and 3b to reflect the unbiasness and consistence of the model.

$$GDPPC_{it} = \emptyset_0 + \emptyset_{9i} GDPPC_{it-1} + \Gamma_{9it}^{\wr} \beta + \varepsilon_{it} \quad (4a)$$

$$\Delta GDPPC_{it10} = \emptyset_1 + \emptyset_{11i} \Delta GDPPC_{it-1} + \Delta\Gamma_{11it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (4b)$$

$\Gamma_{9it}^{\wr}$ =gfcf, fdi, tnrrgdp, touristax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 4a and 4b to reflect the unbiasness and consistence of the model.

$$GDPPC_{it} = \emptyset_0 + \emptyset_{12i} GDPPC_{it-1} + \Gamma_{12it}^{\wr} \beta + \varepsilon_{it} \quad (5a)$$
$$\Delta GDPPC_{it13} = \emptyset_1 + \emptyset_{14i} \Delta GDPPC_{it-1} + \Delta\Gamma_{14it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (5b)$$

$\Gamma_{12it}^{\wr}$ =gfcf, fdi, tnrrgdp, finttax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 5a and 6b to reflect the unbiasness and consistence of the model.

Inflation rate equations are given as follows

$$infla_{it} = \emptyset_0 + \emptyset_{1i} infla_{it-1} + \Gamma_{1it}^{\wr} \beta + \varepsilon_{it} \quad (1a)$$
$$\Delta infla_{it1} = \emptyset_1 + \emptyset_{2i} \Delta infla_{it-1} + \Delta\Gamma_{2it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (1b)$$

$\Gamma_{1it}^{\wr}$ =gfcf, fdi, tnrrgdp, custduties, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 1a and 1b to reflect the unbiasness and consistence of the model,

$$infla_{it} = \emptyset_0 + \emptyset_{3i} infla_{it-1} + \Gamma_{3it}^{\wr} \beta + \varepsilon_{it} \quad (2a)$$
$$\Delta infla_{it4} = \emptyset_1 + \emptyset_{5i} \Delta infla_{it-1} + \Delta\Gamma_{5it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (2b)$$

$\Gamma_{3it}^{\wr}$ =gfcf, fdi, tnrrgdp, transptax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 2a and 2b to reflect the unbiasness and consistence of the model.

$$infla_{it} = \emptyset_0 + \emptyset_{6i} infla_{it-1} + \Gamma_{6it}^{\wr} \beta + \varepsilon_{it} \quad (3a)$$
$$\Delta infla_{it7} = \emptyset_1 + \emptyset_{8i} \Delta infla_{it-1} + \Delta\Gamma_{8it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (3b)$$

$\Gamma_{6it}^{\wr}$ =gfcf, fdi, tnrrgdp, tarifpdct, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 3a and 3b to reflect the unbiasness and consistence of the model.

$$infla_{it} = \emptyset_0 + \emptyset_{9i} infla_{it-1} + \Gamma_{9it}^{\wr} \beta + \varepsilon_{it} \quad (4a)$$
$$\Delta infla_{it10} = \emptyset_1 + \emptyset_{11i} \Delta infla_{it-1} + \Delta\Gamma_{11it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (4b)$$

$\Gamma_{9it}^{\wr}$ =gfcf, fdi, tnrrgdp, touristax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 4a and 4b to reflect the unbiasness and consistence of the model.

$$infla_{it} = \emptyset_0 + \emptyset_{12i} infla_{it-1} + \Gamma_{12it}^{\wr} \beta + \varepsilon_{it} \quad (5a)$$
$$\Delta infla_{it13} = \emptyset_1 + \emptyset_{14i} \Delta infla_{it-1} + \Delta\Gamma_{14it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (5b)$$

$\Gamma_{12it}^{\wr}$ =gfcf, fdi, tnrrgdp, finttax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 5a and 6b to reflect the unbiasness and consistence of the model.

Imports equations are given as follows:

$$imgdp_{it} = \emptyset_0 + \emptyset_{1i} imgdp_{it-1} + \Gamma_{1it}^{\wr} \beta + \varepsilon_{it} \quad (1a)$$
$$\Delta imgdp_{it1} = \emptyset_1 + \emptyset_{2i} \Delta imgdp_{it-1} + \Delta\Gamma_{2it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (1b)$$

$\Gamma_{1it}^{\wr}$ =gfcf, fdi, tnrrgdp, custduties, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 1a and 1b to reflect the unbiasness and consistence of the model,

$$imgdp_{it} = \emptyset_0 + \emptyset_{3i} imgdp_{it-1} + \Gamma_{3it}^{\wr} \beta + \varepsilon_{it} \quad (2a)$$
$$\Delta imgdp_{it4} = \emptyset_1 + \emptyset_{5i} \Delta imgdp_{it-1} + \Delta\Gamma_{5it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (2b)$$

$\Gamma_{3it}^{\wr}$ =gfcf, fdi, tnrrgdp, transptax, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 2a and 2b to reflect the unbiasness and consistence of the model.

$$imgdp_{it} = \emptyset_0 + \emptyset_{6i} imgdp_{it-1} + \Gamma_{6it}^{\wr} \beta + \varepsilon_{it} \quad (3a)$$
$$\Delta imgdp_{it7} = \emptyset_1 + \emptyset_{8i} \Delta imgdp_{it-1} + \Delta\Gamma_{8it}^{\wr} \beta + \Delta\varepsilon_{it1} \quad (3b)$$

$\Gamma_{6it}^{\wr}$ =gfcf, fdi, tnrrgdp, tarifpdct, imgdp, exgdp with 1xK dimension, also, ∅ with K×1 dimension. Taking the first difference of 3a and 3b to reflect the unbiasness and consistence of the model.

$imgdp_{it} = \emptyset_0 + \emptyset_{9i} imgdp_{it-1} + \Gamma_{9it}^{\wr} \beta + \varepsilon_{it}$ (4a)

$\Delta imgdp_{it10} = \emptyset_1 + \emptyset_{11i} \Delta imgdp_{it-1} + \Delta\Gamma_{11it}^{\wr} \beta + \Delta\varepsilon_{it1}$ (4b)

$\Gamma_{9it}^{\wr}$ =gfcf, fdi, tnrrgdp, touristax, imgdp, exgdp with 1xK dimension, also, $\emptyset$ with K×1 dimension. Taking the first difference of 4a and 4b to reflect the unbiasness and consistence of the model.

$imgdp_{it} = \emptyset_0 + \emptyset_{12i} imgdp_{it-1} + \Gamma_{12it}^{\wr} \beta + \varepsilon_{it}$ (5a)

$\Delta imgdp_{it13} = \emptyset_1 + \emptyset_{14i} \Delta imgdp_{it-1} + \Delta\Gamma_{14it}^{\wr} \beta + \Delta\varepsilon_{it1}$ (5b)

$\Gamma_{12it}^{\wr}$ =gfcf, fdi, tnrrgdp, finttax, imgdp, exgdp with 1xK dimension, also, $\emptyset$ with K×1 dimension. Taking the first difference of 5a and 6b to reflect the unbiasness and consistence of the model.

Where, gdppc is the GDP per capita (proxy for economic growth); gfcf is the gross fixed capital formation share of GDP (proxy for investment); gdp is gross domestic product; infla is inflation rate; fdi is foreign direct investment; tnrrgdp is total natural resource rent share of GDP; transptax is transportation tax; custduties is custom duties; tarifpdct is tariff on all product; finttax is financial transaction tax; imgdp is the import share of GDP; exgdp is export share of GDP; $\varepsilon_{it} \ldots \varepsilon_{it3}$ is the error term; $i = 1, 2 \ldots N; and\ t = 1, 2 \ldots T$.

This study establishes the dynamic relationships that exist between the variables through the estimation process of Arellano and Bond (1991); Arellano and Bover (1995); Blundell and Bond (1998) for Generalized Method of Moments (GMM). We apply this dynamic panel model in order to evaluate the distinct effect of independent variables on the dependent variable in SADC region. This study uses annual data covering 2000 to 2016 taken for 15 SADC countries. The choice of the period of study is related to the availability of data on interest variables.

3.1 Empirical results and discussion

This study used the GMM and SGMM to estimate the models of this study. To take care of endogeneity and country specific effects that may exist in the models of this study, we focused our attention on the SGMM estimation technique. Table 2 presents the results of the diagnostic tests for the models to establish the validity of our instruments for the estimated models. The dynamic panel models (GMM and SGMM) do not assume normality and allow for heteroscedasticity, which can be controlled through valid instrumentation (Baltagi, 2008). From Column 1 to Column 6 (see Sargan p-values), the Sargan Test for Over-identifying Restrictions does not confirm the validity for some models for one-step GMM and SGMM results in the SADC region. This implies that some instruments of the model are not valid, but the power properties of the models are sufficient for policy-making. The Wald chi-square confirms the joint significance of key instruments in the estimated models from Table 3 to 5. To assess the impact of alternative sources on key economic indicators such as GDP of a country, its inflation rate and import at National level for the 15 Member States, we use a panel vector autoregressive (VAR) model to be estimated are specified as follows:

$$\Delta Lngdppc = \alpha_i + \delta t + \sum_{k=0}^{k} \beta_k X_{it-k} + \sum_{k=0}^{k} \gamma_k Y_{it-k} + \varepsilon_{it} \quad (6)$$

Where, gdppc is the GDP per capita (proxy for economic growth); gfcf is the gross fixed capital formation share of GDP (proxy for investment); infla is inflation rate; fdi is foreign direct investment; tnrrgdp is total natural resource rent share of GDP; touristax is tourism tax; transptax is transportation tax; custduties is custom duties; tarifpdct is tariff on all product; finttax is financial transaction tax; imgdp is the import share of GDP; exgdp is export share of GDP; $\varepsilon_{it} \ldots \varepsilon_{it3}$ is the error term; $i = 1, 2 \ldots N; and\ t = 1, 2 \ldots T$.

Table 2: Diagnostic test for One-Step estimations.

Test	GDPPC (Economic growth) Equation					
	(1)	(2)	(3)	(4)	(5)	(6)
One-Step estimations.	Transptax GMM	Transptax SGMM	Touristax GMM	Touristax SGMM	Finttax GMM	Finttax SGMM
Sargan test	154.569	206.328	-------	206.042	-------	208.458
p-value	(0.002)	(0.000)	-------	(1.000)	-------	(0.000)
	Custom duties	Custom duties	ltarifpdct	ltarifpdct		
	GMM	SGMM	GMM	SGMM		
Sargan test	125.534	182.724	91.156	155.789		
p-value	(0.017)	(0.000)	(0.863)	(0.021)		
	Import Equation					
	Transptax GMM	Transptax SGMM	Touristax GMM	Touristax SGMM	Finttax GMM	Finttax SGMM
Sargan test	133.843	143.919	--------	168.267	-------	169.729
p-value	(0.047)	(0.068)	--------	(0.018)	--------	(0.015)
	Custom duties GMM	Custom duties SGMM	tarifpdct GMM	tarifpdct SGMM		
Sargan test	112.622	132.696	120.939	165.381		
p-value	(0.093)	(0.061)	(0.168)	(0.005)		
	Inflation Equation					
	Transptax GMM	Transptax SGMM	Touristax GMM	Touristax SGMM	Finttax GMM	Finttax SGMM
Sargan test	148.955	162.933	-------	127.248	-------	127.601
p-value	(0.002)	(0.002)	---------	(0.502)	-------	(0.493)
	Custom duties GMM	Custom duties SGMM	tarifpdct GMM	tarifpdct SGMM		
Sargan test	101.663	123.851	120.370	151.946		
p-value	(0.209)	(0.113)	(0.145)	(0.026)		

Note: H0: no autocorrelation. Sargan test of overidentifying restrictions: H0: overidentifying restrictions are valid. *** p<0.01, ** p<0.05, * p<0.1. Source: Author's Computation, 2018.

Table 3 presents One-step GMM and SGMM estimation results for the economic growth equation. In column 2, 4, 6, 8 and 10, for our variables of interest, we examined the impact of transport tax, tourism tax, financial transfer tax, customs duties and tariffs on economic growth, which gives the following summary:

- Column 2 shows that transport tax has a significant negative impact on economic growth by -0.1%;
- Tourism tax, financial transfer tax and custom duties does not have a significant impact on growth;
- Tariffs on all products have a significant impact on growth by 0.1%.

The insignificant impact of tourism and financial transfer taxes can be linked to the fact that it is only a few countries that have implemented them in the SADC region. This implies that the governments that have not implemented them might be losing out on revenue which could contribute to the growth of the region.

Table 3: One-step GMM and SGMM Estimation Results for Economic Growth (GDPPC) Equation

	(1)	(2)	(3)	(4)	(5)	(6)
Variables	Transptax GMM	Transptax SGMM	touristax GMM	touristax SGMM	finttax GMM	finttax SGMM
gdppc (-1)	0.826***	0.932***	0.903***	0.971***	0.903***	0.964***
	(0.020)	(0.010)	(0.020)	(0.013)	(0.020)	(0.010)
gfcf	0.083***	0.079***	0.069***	0.071***	0.069***	0.072***
	(0.009)	(0.008)	(0.010)	(0.009)	(0.010)	(0.009)
fdi	0.000	0.000	-0.000	-0.000	-0.000	-0.000
	(0.000)	(0.000)	(0.001)	(0.001)	(0.001)	(0.001)
tnrrgdp	-0.026***	-0.031***	-0.002	-0.019***	-0.002	-0.019***
	(0.007)	(0.006)	(0.007)	(0.006)	(0.007)	(0.006)
imgdp	-0.083***	-0.082***	-0.043*	-0.056***	-0.043*	-0.055***
	(0.020)	(0.018)	(0.022)	(0.019)	(0.022)	(0.019)
exgdp	0.115***	0.179***	0.092***	0.149***	0.092***	0.149***
	(0.018)	(0.016)	(0.021)	(0.017)	(0.021)	(0.017)
transptax	-0.009**	-0.011***				
	(0.004)	(0.004)				
touristax			0.000	-0.050		
			(0.000)	(0.038)		
finttax					0.000	-0.070
					(0.000)	(0.078)
Constant	1.023***	0.025	0.371**	-0.270***	0.371**	-0.219***
	(0.167)	(0.076)	(0.159)	(0.078)	(0.159)	(0.072)
Observations	155	170	205	221	205	221
Number of Instruments	116	128	125	140	125	140
Wald χ2	2115.68***	18454.05***	2407.18***	16219.77***	2407.18***	16333.70***

Notes: *** p<0.01, ** p<0.05, * p<0.1. Standard errors in Parentheses. GMM: Arellano-Bond dynamic panel-data estimation. SGMM: Arellano-Bover/Blundell-Bond system dynamic panel-data estimation. Source: Author's computations, 2018.

Continuation of Table 3

	(7)	(8)	(9)	(10)
Variables	Custom duties GMM	Custom duties SGMM	ltarifpdct GMM	ltarifpdct SGMM
gdppc (-1)	0.938***	0.955***	0.872***	0.976***
	(0.028)	(0.009)	(0.032)	(0.010)
gfcf	0.052**	0.028*	0.048***	0.044***
	(0.020)	(0.017)	(0.015)	(0.015)
fdi	-0.000	0.000	0.000	-0.000
	(0.001)	(0.000)	(0.001)	(0.001)
tnrrgdp	-0.007	-0.009*	-0.015**	-0.015***
	(0.009)	(0.005)	(0.007)	(0.004)
imgdp	-0.052*	-0.038*	-0.052**	-0.029
	(0.029)	(0.023)	(0.023)	(0.020)
exgdp	0.105***	0.134***	0.111***	0.142***

	(0.024)	(0.018)	(0.019)	(0.016)
transptax				
touristax				
finttax				
custduties	-0.005	0.005		
	(0.011)	(0.008)		
tarifpdct			-0.002	0.010**
			(0.006)	(0.005)
Constant	0.185	-0.059	0.664***	-0.328***
	(0.230)	(0.073)	(0.242)	(0.076)
Observations	121	134	143	178
Number of Instruments	102	117	115	130
Wald χ2	1786.93***	28471.68***	1208.38***	23316.53***

Notes: *** p<0.01, ** p<0.05, * p<0.1. Standard errors in Parentheses. GMM: Arellano-Bond dynamic panel-data estimation. SGMM: Arellano-Bover/Blundell-Bond system dynamic panel-data estimation. Source: Author's computations, 2018.

Table 4 presents One-step GMM and SGMM estimation results for the import equation. In column 2, 4, 6, 8 and 10, for our variables of interest, we examined the impact of transport tax, tourism tax, financial transfer tax, customs duties and tariffs on imports, which gives the following summary:

- Column 2 shows that transport tax has a significant positive impact on import by 0.2%;
- Tourism, financial transfer tax, custom duties and tariff do not have a significant impact on import in SADC.

The insignificant impact of import levy (captured by custom duties and tariff) implies that:

- It doesn't significantly contribute to revenue generation;
- Domestic industries are not well protected; and
- Remedy to trade distortions (punitive function) is weak in the SADC region.

Table 4: One-step GMM and SGMM Estimation Results for Import Equation

	(1)	(2)	(3)	(4)	(5)	(6)
Variables	Transptax GMM	Transptax SGMM	touristax GMM	touristax SGMM	finttax GMM	finttax SGMM
imgdp (-1)	0.350***	0.428***	0.332***	0.391***	0.332***	0.390***
	(0.066)	(0.054)	(0.049)	(0.042)	(0.049)	(0.043)
gfcf	0.147***	0.134***	0.145***	0.142***	0.145***	0.135***
	(0.038)	(0.036)	(0.031)	(0.032)	(0.031)	(0.032)
fdi	0.006***	0.005***	0.007***	0.005***	0.007***	0.005***
	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
tnrrgdp	0.031	-0.032**	0.052**	-0.011	0.052**	-0.013
	(0.028)	(0.014)	(0.024)	(0.012)	(0.024)	(0.012)
exgdp	0.336***	0.371***	0.410***	0.388***	0.410***	0.392***
	(0.062)	(0.049)	(0.054)	(0.042)	(0.054)	(0.042)
transptax	0.029**	0.027**				
	(0.013)	(0.011)				

touristax			0.000	-0.110		
			(0.000)	(0.109)		
finttax					0.000	-0.026
					(0.000)	(0.163)
Constant	0.740**	0.440*	0.553**	0.518***	0.553**	0.512***
	(0.303)	(0.227)	(0.234)	(0.169)	(0.234)	(0.170)
Observations	154	169	204	220	204	220
Number of Instruments	115	127	124	139	124	139
Wald χ2	200.46***	337.01***	355.65***	548.01***	355.65***	548.58***

Notes: *** p<0.01, ** p<0.05, * p<0.1. Standard errors in Parentheses. GMM: Arellano-Bond dynamic panel-data estimation. SGMM: Arellano-Bover/Blundell-Bond system dynamic panel-data estimation. Source: Author's computations, 2018.

Continuation of Table 4

	(7)	(8)	(9)	(10)
Variables	Custom duties GMM	Custom duties SGMM	tarifpdct GMM	tarifpdct SGMM
imgdp (-1)	0.332***	0.399***	0.280***	0.340***
	(0.061)	(0.051)	(0.059)	(0.048)
gfcf	0.255***	0.224***	0.270***	0.248***
	(0.058)	(0.046)	(0.042)	(0.038)
fdi	0.005***	0.005***	0.009***	0.005***
	(0.002)	(0.001)	(0.002)	(0.002)
tnrrgdp	0.008	-0.007	0.016	-0.029***
	(0.028)	(0.010)	(0.023)	(0.011)
exgdp	0.443***	0.389***	0.371***	0.397***
	(0.056)	(0.040)	(0.055)	(0.043)
transptax				
touristax				
finttax				
custduties	-0.005	0.013		
	(0.025)	(0.020)		
tarifpdct			0.007	0.004
			(0.016)	(0.014)
Constant	0.150	0.154	0.544*	0.364*
	(0.270)	(0.190)	(0.285)	(0.200)
Observations	121	134	142	177
Number of Instruments	101	116	114	129
Wald χ2	270.09***	545.14***	225.40***	361.77***

Notes: *** p<0.01, ** p<0.05, * p<0.1. Standard errors in Parentheses. GMM: Arellano-Bond dynamic panel-data estimation. SGMM: Arellano-Bover/Blundell-Bond system dynamic panel-data estimation. Source: Author's computations, 2018.

Table 5 presents One-step GMM and SGMM estimation results for inflation equation. In column 2, 4, 6, 8 and 10, for our variables of interest, we examined the impact of transport tax, tourism tax, financial transfer tax, customs duties and tariffs on inflation, which gives the following summary:

- Column 2 shows that transport tax has a significant positive impact on inflation by 1.0%;
- Tourism tax, financial transfer tax, custom duties and tariff do not have a significant impact on inflation rate in SADC region. The positive impact of transport tax stems from the fact that goods and services in this region pass through this channel.

The insignificant impact of tourism and financial transfer taxes can be linked to the fact that only a few countries have implemented them in the SADC region.

Table 5: One-step GMM and SGMM Estimation Results for Inflation Equation

	(1)	(2)	(3)	(4)	(5)	(6)
Variables	Transptax GMM	touristax GMM	touristax GMM	touristax SGMM	finttax GMM	finttax SGMM
L.infla	0.265***	0.608***	0.461***	0.617***	0.461***	0.615***
	(0.091)	(0.075)	(0.079)	(0.064)	(0.079)	(0.064)
gfcf	-0.224	-0.820***	-0.704***	-1.038***	-0.704***	-1.031***
	(0.238)	(0.224)	(0.215)	(0.196)	(0.215)	(0.196)
fdi	0.008	0.004	0.015	0.004	0.015	0.004
	(0.008)	(0.008)	(0.009)	(0.009)	(0.009)	(0.009)
tnrrgdp	0.342***	0.087	0.316**	0.151**	0.316**	0.147**
	(0.126)	(0.060)	(0.139)	(0.066)	(0.139)	(0.066)
imgdp	0.407	1.039***	1.127***	1.674***	1.127***	1.670***
	(0.381)	(0.397)	(0.392)	(0.386)	(0.392)	(0.386)
exgdp	-0.147	-0.289	-0.516	-0.527	-0.516	-0.543
	(0.331)	(0.307)	(0.373)	(0.342)	(0.373)	(0.341)
transptax	0.258***	0.109*				
	(0.079)	(0.057)				
touristax			0.000	0.502		
			(0.000)	(0.855)		
finttax					0.000	0.063
					(0.000)	(0.770)
Constant	0.274	0.018	0.299	-0.925	0.299	-0.784
	(1.277)	(1.158)	(1.331)	(1.178)	(1.331)	(1.157)
Observations	140	157	184	203	184	203
Number of Instruments	112	124	121	136	121	136
Wald χ2	37.80***	110.69***	52.15***	146.97***	52.15***	146.65***

Notes: *** p<0.01, ** p<0.05, * p<0.1. Standard errors in Parentheses. GMM: Arellano-Bond dynamic panel-data estimation. SGMM: Arellano-Bover/Blundell-Bond system dynamic panel-data estimation. Source: Author's computations, 2018.

Continuation of Table 5

	(7)	(8)	(9)	(10)
Variables	Custom duties GMM	Custom duties SGMM	ltarifpdct GMM	ltarifpdct SGMM
infla (-1)	0.447***	0.502***	0.279***	0.567***
	(0.070)	(0.060)	(0.090)	(0.078)
gfcf	-1.106***	-0.694***	-0.714***	-0.999***
	(0.330)	(0.238)	(0.234)	(0.217)
fdi	0.018**	0.017**	-0.003	-0.012
	(0.009)	(0.008)	(0.010)	(0.009)
tnrrgdp	0.236*	0.122***	0.309***	0.150***
	(0.143)	(0.045)	(0.108)	(0.050)
imgdp	0.765*	0.518	0.929***	1.317***
	(0.454)	(0.410)	(0.347)	(0.338)
exgdp	-0.480	-0.092	-0.293	-0.317
	(0.357)	(0.306)	(0.293)	(0.283)
transptax				
touristax				
finttax				
custduties	0.173	0.129		
	(0.136)	(0.112)		
ltarifpdct			0.058	-0.041
			(0.078)	(0.073)
Constant	2.471*	0.872	0.697	-0.082
	(1.336)	(0.962)	(1.130)	(1.049)
Observations	108	123	136	168
Number of Instruments	99	114	113	128
Wald $\chi 2$	95.71***	163.70***	39.03**	149.87***

Notes: *** p<0.01, ** p<0.05, * p<0.1. Standard errors in Parentheses. GMM: Arellano-Bond dynamic panel-data estimation. SGMM: Arellano-Bover/Blundell-Bond system dynamic panel-data estimation. Source: Author's computations, 2018.

3.2 The impact of import levy, tourism levy, transportation tax and FTT on key economic indicators: National estimate

In this section, we attempt to assess the impact of the four proposed levies on key economic indicators such as GDP, inflation and import. We capture the import levy with both custom duties and tariff. The national results on the three key economic indicators are reported in appendix. Table (6) to (20) displayed the VAR analysis of the abovementioned levies on economic growth for each SADC Member States, while table (21) to (35) exhibit the results of four proposed levies on inflation rate; and table (36) to (50) exhibits the impact of these levies on import of the 15 Member States.

Angola: Table (6), (21) and (36) exhibit the result of the proposed levies economic growth, inflation rate and import respectively. We find that transportation tax, tourism tax, import levy and FTT affect economic growth positively in Angola. A custom duty (import levy) has a negative impact on foreign direct investment; this implies that custom duties and tariff in Angola tend to reduce inflation rate, therefore, protect local economy.

> **Policy implications:** due to significant positive effects of import levy, transportation tax and FTT tax on economic growth, implementing an increase of 0.02% on import levy will have a significant protectionism impact for local industry and reduce poverty in the country.

Botswana: results exhibited in table (7), (22) and (37) respectively represent the analysis conducted on Botswana's economic growth, inflation rate and import. Results show that tourism tax and FTT have a negative impact on economic growth, this negative impact is strong between FTT and investment. Tariff, custom duties and tourism tax have a negative impact on export and tourism, but this effect is not significant.

> **Policy implication:** as the country depends on mining, increasing the import levy by 0.02% does not have significant impact on economic growth, but reducing the tariff and custom duties will enhance the growth. The implementation of a tourism levy has a negative impact on inflation and growth, though this impact is insignificant.

Congo Democratic Republic. We display in table (8), (23) and (38) the impact of proposed on economic growth, inflation rate and import respectively; we observe a strong positive relationship between FTT and economic growth - this could be because of the downturn of the economy due to political crisis. The country relies on remittances. Export is also affected by the proposed levies as well as inflation.

> **Policy implications:** implementing FTT tax in this country will have a significant negative impact on economic growth while non-tariffs will increase inflation rate in this country.

Lesotho: table (9), (24) and (39) exhibit the results for national estimates of the impact of proposed levies on some key economic indicators (GDP, inflation rate and import) respectively. Transportation tax, FTT and tariff have a strong significant negative impact on economic growth. While tourism tax has a negative impact on import, inflation rate, economic growth, foreign direct investment, export and tourism, it has a strong positive significance for tourism.

> **Policy implications:** this country should not implement tourism tax as tourism contributes significantly to the GDP and export.

Madagascar: table (10), (25) and (40) exhibit the impact of the four proposed levies on economic growth, inflation rate and import respectively. Results show that import levy has a slightly negative impact on economic growth, FDI, while custom duties and tariff have a negative impact in almost all the key economic indicators observed.

> **Policy implications:** implementing an increase of 0.02% import tax in this country will reduce the growth and therefore increase poverty and unemployment rate in the country.

Malawi: table (11), (26) and (41) are results of four proposed levies on Malawi's economy. Estimation shows that custom duties and tariff have both negative and significant impact on growth and local product, with tourism tax exhibiting a negative impact on inflation rate, but not significant. FTT increases

inflation rate in the country with significant negative impact on transportation tax. Tourism tax and import levy have a negative impact on growth.

> **Policy recommendations:** this result implies that Malawi is not yet ready to implement an increase of 0.02% import levy, as all the others proposed levies negatively affect the growth.

Mauritius: national estimated results for Mauritius are displayed in table (12), (27) and (42) and represent the analysis on growth, inflation rate and import respectively. We observe that tourism tax has a positive and significant impact on the entire economy as tourism represents more than 40% of GDP. Custom duties and tariff have a negative significant impact on growth, import and inflation rate.

> **Policy implications:** An increase of 0.02% import tax in this country and implementation of tourism tax will improve the growth and reduce poverty.

Mozambique: table (13), (28) and (43) display analysis in Mozambique. Table (13) exhibits the impact of the four proposed levies, showing no significant impact of all levies on the economic growth, inflation rate and import.

> **Policy implications:** Remedy to trade distortions (punitive function) is weak in Mozambique and local industries are not well protected.

Namibia: table (14), (29) and (44) are national level analyses for Namibia, showing that tourism tax and custom duties have a negative impact on growth, while tariff has a positive impact but not significance.

> **Policy implications:** Tourism tax, financial transfer tax, custom duties and tariff do not have a significant impact on inflation rate, import in Namibia. It might be beneficial for the country to impose these levies.

Seychelles: table (15), (30) and (45) display the impact of proposed levies on growth, inflation rate and import respectively. There is a negative impact of custom duties on growth, inflation rate and import, though it is not significant. Others levies (tourism, transportation, FTT) are not significant on growth and are totally insignificant on inflation rate and import.

> **Policy implications:** implementing these levies will have a positive significant impact on growth and import with devastating consequences in inflation rate.

South Africa: table (16), (31) and (46) exhibit the results for South Africa, the four proposed levies have a significant impact on the economic growth. FTT is positive and statistically significant with inflation. Custom duties and tariffs have a positive impact on growth.

> **Policy implications:** conclusively, South Africa's local industries are well protected with total control of inflation rate throughout the mechanism of FTT implementation. Tourism levy implemented by South Africa contributes positively to the growth. South Africa represents a good model in the SADC and we can easily observe the effect of these four levies in its trade pattern.

Swaziland: table (17), (32) and (47) exhibit the result of growth, inflation rate and import respectively. Import levy (custom duties, tariff) and tourism tax have positive impact on growth and import, negative impact on inflation rate. These impacts are not statistically significant but may help the policy maker.

Policy implications: implementing custom duties, tariff and tourism tax in this country will have a positive impact on the economy and also protect local industries and inflation rate.

Tanzania: table (16), (33) and (48) exhibit the result of growth, inflation rate and import respectively in Tanzania. Transport levy, FTT and import levy (custom duties, tariff) and tourism tax have positive impact on growth and imports, and a negative impact on inflation rate. These impacts are not statistically significant but may help the policy maker.

Policy implications: implementing transport levy, FTT and import levy (custom duties, tariff) in this country will have a positive impact on the economy but might increase the inflation rate.

Zambia: table (17), (34) and (49) exhibit the result of growth, inflation rate and import respectively. Transport levy, FTT and import levy (custom duties, tariff) and tourism tax have positive impact on growth and imports. Transport levy, and tourism tax have a positive impact on inflation. Import levy (custom duties, tariff) and FTT have a positive impact on inflation.

Policy implications: implementing transport levy, tourism tax, FTT and import levy (custom duties, tariff) in this country will have a positive impact on the economy. However, transport levy and tourism tax might trigger inflation.

Zimbabwe: table (18), (35) and (50) exhibit the result of growth, inflation rate and import respectively. Transport levy, FTT and import levy (custom duties, tariff) and tourism tax have positive impact on growth and imports. The only impact that is statistically significant is custom duties. All the sources have a positive impact on inflation except transport tax.

Policy implications: implementing transport levy, tourism tax, FTT and import levy (custom duties, tariff) in this country will have a positive impact on the economy, but a transport levy might affect inflation negatively.

4. Conclusion

The objective of this study is to investigate the impact of alternative sources (import levy, tourism tax, financial transfer tax, and transport tax) on key economic indicators of 15 SADC countries in a balanced panel, spanning from 1990 to 2015. This study used One-step GMM and SGMM to estimate the models of this study. The diagnostic test results for One-Step estimations shows that some instruments of the model are not valid, but the power properties of the models are sufficient for policy-making, since the Wald chi-square confirms the joint significance of key instruments in the estimated models.

The key findings of this study:

- Transport tax has a significant negative impact on economic growth;
- Tourism tax, financial transfer tax and custom duties does not have a significant impact on growth;
- Tariffs on all products has a significant impact on growth;
- Transport tax has a significant positive impact on import;
- Tourism, financial transfer tax, custom duties and tariff does not have a significant impact on import;
- Transport tax has a significant positive impact on inflation;
- Tourism tax, financial transfer tax, custom duties and tariff does not have a significant impact on inflation rate in SADC region.

For policy direction, due to backward and forward linkages of the alternative sources of resource mobilisation with the key economic indicators of this study, tourism and financial transfer tax should be implemented in all the SADC countries. For the protection of domestic industries and discouragement of consumption of foreign goods in the region, this study proposes strict measures of tariffs and customs duties. Transport tax should be reduced due to its negative impact on the economy of SADC region.

5. Limitations of the Study

It should be noted that this study was seriously limited due to the unavailability of reliable data to extend the periods; and to investigate the impact of alternative sources on price dices.

6. References

- Arellano, Manuel, and Stephen Bond. "Some tests of specification for panel data: Monte Carlo evidence and an application to employment equations." The review of economic studies 58, no. 2 (1991):277-297.
- Arellano, Manuel, and Olympia Bover. "Another look at the instrumental variable estimation of error-components models." Journal of econometrics 68, no. 1 (1995): 29-51.
- Balestra, Pietro, and Marc Nerlove. "Pooling cross section and time series data in the estimation of a dynamic model: The demand for natural gas." Econometrica: Journal of the Econometric Society (1966): 585-612.
- Baltagi, Badi H., and Dan Levin. "Estimating dynamic demand for cigarettes using panel data: the effects of bootlegging, taxation and advertising reconsidered." The Review of 6.Economics and Statistics (1986): 148-155.
- Baltagi, Badi H., and Dan Levin. "Cigarette taxation: raising revenues and reducing consumption." Structural Change and Economic Dynamics 3, no. 2 (1992): 321-335.
- Baltagi, B.H., Li, D. and Li, Q., 2006. Transaction tax and stock market behavior: evidence from an emerging market. Empirical Economics, 31(2), pp.393-408.
- Baltagi, Badi. Econometric analysis of panel data. John Wiley & Sons, 2008.
- Blundell, Richard, and Stephen Bond. "Initial conditions and moment restrictions in dynamic panel data models." Journal of econometrics 87, no. 1 (1998): 115-143.
- Bureau for Economic Research (2003). The feasibility of a fuel tax levy in the Western Cape. Cape Town, Western Cape Provincial Treasury.
- Engen, E.M. and Skinner, J., 1992. Fiscal policy and economic growth (No. w4223). National Bureau of Economic Research.
- Estevadeordal, A. and Taylor, A.M., 2013. Is the Washington Consensus dead? Growth, openness, and the great liberalization, 1970s–2000s. Review of Economics and Statistics, 95(5), pp.1669-1690.
- Hakkio, C.S. (1994). Should We Throw Sand in the Gears of Financial Markets? Federal Reserve Bank of Kansas City, Economic Review, Second Quarter.
- Hau, H. (2006).The Role of Transaction Costs for Financial Volatility: Evidence from the Paris Bourse. Journal of the European Economic Association 4 (4):862–90.
- Hemmelgarn, T. and Nicodeme, G. (2010).The 2008 Financial Crisis and Taxation Policy‖ Working Paper No. 20, Taxation Papers Series, European Commission, Brussels.
- Islam, Nazrul. "Growth empirics: a panel data approach." The Quarterly Journal of Economics 110, no. 4 (1995): 1127-1170.
- Ihalanayake, R., 2007. Economics of tourism taxation: A study of tourism taxes in Australia (Doctoral dissertation, Victoria University).
- King, R.G. and Rebelo, S., 1990. Public policy and economic growth: developing neoclassical implications. Journal of Political Economy, 98(5, Part 2), pp.S126-S150.
- Joramo, O.M.S., 2016. The Effect of Tariffs on Import (Master's thesis).

- Liu, S. and Zhu, Z., 2009. Transaction costs and price volatility: new evidence from the Tokyo Stock Exchange. Journal of Financial Services Research, 36(1), pp.65-83.
- Mabugu, R. (2009).The economic consequences of a fuel levy reform in South Africa. Financial and Fiscal Commission, Department of Economics, University of Pretoria.
- Romer, P.M., 1994. The origins of endogenous growth. Journal of Economic perspectives, 8(1), pp.3-22.
- Sinclair, M.T., Blake, A. and Gooroochurn, N., 2005. Modelling tourism impacts on small island economies: evidence from Cyprus, Malta and Mauritius. International Research Foundation for Development, World Forum on Small Island Developing States (pp. 10-14).
- Stoilova, Desislava. "Tax structure and economic growth: Evidence from the European
- Union." Contaduría y Administración 62, no. 3 (2017): 1041-1057.
- Shome, P. (2011). Working Paper 254 Financial Transactions Taxes. Indian Council for Research on international Economic relations.
- Solow, R.M. (1956). A Contribution to the Theory of Economic Growth, Quarterly Journal of Economics, 65-94.
- Stiglitz, J.E. (1989).Using Tax Policy to Curb Speculative Short-Term Trading. Journal of Financial Services Research, 3: 101–15.
- Summers, L.H., and Summers, V.P (1989). When Financial Markets Work Too Well: A Cautious Case for a Securities Transactions Tax. Journal of Financial Services Research 3 (2): 261–86.

Table 1: Dataset

Variables	Definition	Source
gdppc	Gross domestic product per capita (proxy for economic growth). Data is in constant 2010 U.S. dollars (GDP per capita (constant 2010 US$))	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
gdp	GDP (constant 2010 US$)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
infla	Inflation, consumer prices (annual %)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
gfcf	Gross fixed capital formation as a percentage share of GDP (proxy for investment). The data is in billion dollars, constant 2010 U.S. dollars.	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
fdi	Foreign direct investment, net inflows (% of GDP)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
tnrrgdp	Total natural resources rents (% of GDP)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
transptax	Other taxes which also captures vehicle and fuel taxes (proxy for transportation tax)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
custduties	Customs and other import duties (% of tax revenue) (proxy for import levy)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
tarifpdct	Tariff rate, applied to all products (proxy for import levy)	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
touristax	Dummy taking 1 if country has started implementing tourism tax and 0 otherwise	Author's computation
finttax	Dummy taking 1 if country has started implementing financial transaction tax and 0 otherwise	Author's computation
imgdp	Imports of goods and services as a percentage share of the GDP	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#
exgdp	Exports of goods and services as a percentage share of the GDP	World Bank, 2016. http://databank.worldbank.org/data/source/world-development-indicators#

Economic growth results for each country

Table 6: Angola OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.304*	0.502**	0.454***	0.452***	0.368*
	(0.122)	(0.161)	(0.131)	(0.138)	(0.186)
fdi	-0.001	-0.019***	-0.018***	-0.017**	-0.020**
	(0.007)	(0.005)	(0.005)	(0.005)	(0.007)
tnrrgdp	0.562	0.229	0.194	0.202	0.085
	(0.328)	(0.352)	(0.335)	(0.353)	(0.390)
imgdp	0.094	0.168	0.144	0.120	0.115
	(0.191)	(0.263)	(0.251)	(0.286)	(0.308)
exgdp	-1.560**	-1.078	-0.975	-0.965	-0.692
	(0.599)	(0.613)	(0.565)	(0.594)	(0.693)
transptax	-8.330				
	(5.303)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				0.022	
				(0.106)	
tarifpdct					0.290
					(0.379)
Constant	35.474*	9.786***	9.677***	9.658***	8.618***
	(16.701)	(1.112)	(1.059)	(1.112)	(1.632)
Observations	12	17	17	17	13
R-squared	0.887	0.906	0.904	0.904	0.891

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 7: Botswana OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.545	-0.391	1.300***	-0.741	1.250*
	(0.630)	(0.349)	(0.336)	(0.323)	(0.611)
fdi	-0.002	-0.009	-0.004	-0.008	-0.002
	(0.010)	(0.005)	(0.007)	(0.005)	(0.012)
tnrrgdp	-0.042	-0.076**	0.039*	-0.033	0.035
	(0.040)	(0.019)	(0.020)	(0.038)	(0.023)
imgdp	0.087	0.349*	-0.151	0.590*	-0.170
	(0.273)	(0.140)	(0.200)	(0.155)	(0.278)
exgdp	0.399	0.186	0.747***	0.129	0.693*
	(0.207)	(0.132)	(0.148)	(0.116)	(0.309)
transptax	-0.004				
	(0.022)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				0.019	
				(0.068)	
tarifpdct					-0.031
					(0.197)
Constant	5.085*	8.259***	1.931*	8.553**	2.382
	(2.066)	(1.191)	(0.941)	(1.036)	(2.304)
Observations	12	11	17	9	15
R-squared	0.863	0.974	0.867	0.985	0.845

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 8: Congo, Dem. Rep. OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.015	0.028	0.339***	0.098	0.120
	(0.107)	(0.072)	(0.066)	(0.076)	(0.000)
fdi	0.007	0.003	-0.005	-0.002	-0.006
	(0.006)	(0.005)	(0.006)	(0.006)	(0.000)
tnrrgdp	0.333	-0.059	0.132	-0.034	0.501
	(0.172)	(0.068)	(0.089)	(0.105)	(0.000)
imgdp	0.033	0.021	-0.311	0.010	-0.442
	(0.373)	(0.110)	(0.191)	(0.141)	(0.000)
exgdp	-0.196	0.092	0.249	0.103	0.387
	(0.343)	(0.142)	(0.234)	(0.182)	(0.000)
transptax	-0.066**				
	(0.018)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.082	
				(0.231)	
tarifpdct					-0.638
					(0.000)
Constant	5.421***	5.384***	4.685***	4.890***	5.550
	(0.415)	(0.204)	(0.181)	(0.649)	(0.000)
Observations	12	11	17	11	7
R-squared	0.926	0.921	0.829	0.870	1.000

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 9: Lesotho OLS Results

	(1)	(2)	(3)	(4)
Variables	Transptax OLS	touristax OLS	finttax OLS	tarifpdct OLS
gfcf	0.472	0.422	0.476*	0.556
	(0.220)	(0.288)	(0.185)	(0.305)
fdi	-0.001	0.005	-0.001	0.003
	(0.011)	(0.023)	(0.009)	(0.014)
tnrrgdp	0.017	0.064	0.017	-0.019
	(0.089)	(0.195)	(0.077)	(0.133)
imgdp	-0.740*	-0.374	-0.752***	-0.726**
	(0.242)	(1.397)	(0.157)	(0.192)
exgdp	0.094	0.227	0.095	0.216
	(0.235)	(0.535)	(0.204)	(0.406)
transptax	-0.021			
	(0.265)			
touristax		-0.000		
		(0.000)		
finttax			-	
tarifpdct				-0.016
				(0.045)
Constant	8.582***	6.598	8.598***	7.847**
	(1.281)	(7.424)	(1.097)	(2.423)
Observations	10	10	10	10
R-squared	0.943	0.944	0.943	0.945

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 10: Madagascar OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.063	0.067	0.090**	0.121*	0.093**
	(0.078)	(0.140)	(0.034)	(0.014)	(0.031)
fdi	0.001	0.005	0.006***	0.003	0.004**
	(0.003)	(0.007)	(0.002)	(0.001)	(0.002)
tnrrgdp	0.026	-0.107	-0.071***	-0.184**	-0.076***
	(0.056)	(0.122)	(0.016)	(0.014)	(0.015)
imgdp	0.098	-0.024	-0.114*	0.100	-0.106*
	(0.216)	(0.241)	(0.060)	(0.026)	(0.055)
exgdp	0.139	0.185	0.244***	-0.062	0.228***
	(0.083)	(0.206)	(0.041)	(0.031)	(0.039)
transptax	0.001				
	(0.057)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				0.196*	
				(0.019)	
tarifpdct					0.023
					(0.013)
Constant	4.942***	5.478**	5.473***	5.052***	5.470***
	(0.650)	(0.286)	(0.096)	(0.049)	(0.088)
Observations	12	8	17	8	17
R-squared	0.903	0.957	0.896	1.000	0.921

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 11: Malawi OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-0.062	0.096	0.094	0.010	0.056
	(0.127)	(0.025)	(0.084)	(0.005)	(0.089)
fdi	-0.006	-0.001	0.010	-0.005	-0.011
	(0.009)	(0.002)	(0.008)	(0.001)	(0.011)
tnrrgdp	-0.090	-0.105	-0.324*	-0.025	-0.022
	(0.188)	(0.030)	(0.174)	(0.008)	(0.184)
imgdp	-0.320	-0.182	0.001	-0.378*	-0.544
	(0.226)	(0.096)	(0.214)	(0.042)	(0.351)
exgdp	0.481**	0.106	0.490**	0.426*	0.256
	(0.159)	(0.066)	(0.186)	(0.036)	(0.194)
transptax	0.012				
	(0.075)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				-0.226**	
				(0.015)	
ltarifpdct					-0.343**
					(0.120)
Constant	6.085***	6.534**	4.864***	6.677***	7.792***
	(0.852)	(0.175)	(0.506)	(0.069)	(1.113)
Observations	12	8	17	8	13
R-squared	0.817	0.994	0.709	0.999	0.860

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 12: Mauritius OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.919*	0.683	0.595	-0.219	0.131
	(0.366)	(0.436)	(0.389)	(0.330)	(0.271)
fdi	0.020*	0.003	0.002	-0.001	0.003
	(0.008)	(0.010)	(0.009)	(0.006)	(0.005)
tnrrgdp	-0.198***	-0.214**	-0.190***	-0.024	-0.084*
	(0.043)	(0.071)	(0.059)	(0.058)	(0.045)
imgdp	0.045	0.192	0.314	0.648**	-0.331
	(0.332)	(0.431)	(0.322)	(0.229)	(0.254)
exgdp	-0.443	-0.652	-0.799**	-0.728***	-0.178
	(0.308)	(0.393)	(0.270)	(0.179)	(0.218)
transptax	-0.215*				
	(0.086)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				-0.078***	
				(0.020)	
tarifpdct					-0.098***
					(0.022)
Constant	6.970***	7.432***	7.952***	9.849***	10.194***
	(1.538)	(1.834)	(1.573)	(1.145)	(1.098)
Observations	12	16	17	17	16
R-squared	0.987	0.952	0.953	0.982	0.984

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 13: Mozambique OLS Results

	(1)	(2)	(3)	(4)
Variables	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-5.032**	-0.394	-0.269	-2.989
	(1.881)	(0.000)	(0.000)	(1.471)
fdi	-0.019	-0.046	-0.048	0.005
	(0.026)	(0.000)	(0.000)	(0.019)
tnrrgdp	1.692	1.627	2.656	0.099
	(0.884)	(0.000)	(0.000)	(0.821)
imgdp	0.863	1.317	1.390	1.939
	(3.278)	(0.000)	(0.000)	(2.125)
exgdp	-0.177	-0.068	-0.057	-0.262
	(0.422)	(0.000)	(0.000)	(0.274)
touristax	0.000			
	(0.000)			
finttax		0.000		
		(0.000)		
custduties			2.412	
			(0.000)	
tarifpdct				0.003
				(0.089)
Constant	25.363**	-2.474	-14.393	12.184
	(7.584)	(0.000)	(0.000)	(6.424)
Observations	12	7	7	11
R-squared	0.875	1.000	1.000	0.734

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 14: Namibia OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.021	-0.229	0.189	0.197	0.094
	(0.057)	(0.000)	(0.152)	(0.159)	(0.179)
fdi	0.006*	-0.000	-0.002	-0.002	-0.005
	(0.003)	(0.000)	(0.005)	(0.005)	(0.006)
tnrrgdp	0.114***	-0.079	0.164***	0.166***	0.153***
	(0.015)	(0.000)	(0.026)	(0.027)	(0.027)
imgdp	0.045	0.543	0.168	0.153	0.272
	(0.082)	(0.000)	(0.145)	(0.156)	(0.169)
exgdp	-0.411***	-0.883	-0.559***	-0.552**	-0.605*
	(0.071)	(0.000)	(0.170)	(0.178)	(0.279)
transptax	-0.168***				
	(0.032)				
touristax		-0.000			
		(0.000)			
tfinttax			-		
custduties				-0.037	
				(0.092)	
tarifpdct					0.005
					(0.083)
Constant	9.936***	10.591	9.246***	9.382***	9.336***
	(0.262)	(0.000)	(0.686)	(0.790)	(1.174)
Observations	12	7	17	17	15
R-squared	0.990	1.000	0.939	0.940	0.937

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 15: Seychelles OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
lgfcf	0.667	0.711	0.350*	0.537	0.027
	(0.304)	(0.366)	(0.159)	(0.245)	(0.000)
fdi	0.001	-0.000	0.001	0.002	0.014
	(0.003)	(0.003)	(0.003)	(0.003)	(0.000)
tnrrgdp	0.020	-0.039	0.113	0.332	
	(0.522)	(0.551)	(0.344)	(0.394)	
imgdp	-0.825	-0.483	-0.821	-0.780	-0.548
	(1.022)	(0.983)	(0.820)	(0.729)	(0.000)
exgdp	0.916	0.769	0.980	-0.000	
	(1.181)	(1.408)	(0.913)	(0.852)	
transptax	0.039				
	(0.040)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				-0.099	
				(0.085)	
tnrrgdp					-
exgdp					-
tarifpdct					-
Constant	6.753	5.545	7.702*	12.024	11.461
	(8.152)	(10.044)	(3.728)	(5.333)	(0.000)
Observations	9	10	13	10	4
R-squared	0.779	0.742	0.565	0.821	1.000

Note: Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

Table 16: South Africa OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-0.125	0.441**	0.502**	0.644***	0.411*
	(0.108)	(0.192)	(0.182)	(0.160)	(0.206)
fdi	-0.006	-0.008	-0.012	-0.012	-0.009
	(0.006)	(0.010)	(0.009)	(0.007)	(0.009)
tnrrgdp	0.005	-0.007	0.012	-0.011	0.022
	(0.021)	(0.090)	(0.050)	(0.042)	(0.051)
imgdp	0.233	0.246	0.246	-0.345	0.355
	(0.140)	(0.321)	(0.286)	(0.332)	(0.308)
exgdp	0.184	-0.099	-0.155	0.399	-0.405
	(0.212)	(0.440)	(0.299)	(0.329)	(0.397)
transptax	-0.079***				
	(0.012)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.223**	
				(0.088)	
tarifpdct					-0.169
					(0.176)
Constant	7.960***	7.038***	7.064***	6.514***	8.041***
	(0.285)	(0.871)	(0.599)	(0.537)	(1.183)
Observations	12	16	17	17	17
R-squared	0.952	0.866	0.849	0.908	0.862

Note; Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 17: Swaziland OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-0.196	-0.336*	-0.434***	-0.418**	-0.535**
	(0.307)	(0.158)	(0.138)	(0.144)	(0.231)
fdi	0.005	-0.001	0.001	0.001	-0.000
	(0.006)	(0.004)	(0.004)	(0.004)	(0.005)
tnrrgdp	0.006	0.079	-0.018	-0.007	-0.027
	(0.038)	(0.055)	(0.038)	(0.038)	(0.040)
imgdp	-0.198	0.078	0.097	0.147	0.266
	(0.305)	(0.402)	(0.188)	(0.380)	(0.290)
exgdp	0.122	-0.198	-0.071	-0.145	-0.054
	(0.166)	(0.189)	(0.094)	(0.182)	(0.120)
transptax	-0.060				
	(0.220)				
touristax		0.000**			
		(0.000)			
finttax			-		
custduties				0.142**	
				(0.051)	
tarifpdct					-0.009
					(0.009)
Constant	9.152***	9.447***	9.267***	8.699***	8.795***
	(0.799)	(0.678)	(0.361)	(0.621)	(0.664)
Observations	12	13	17	13	15
R-squared	0.892	0.969	0.954	0.972	0.948

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 18: Tanzania OLS Results

	(1)	(2)	(3)
Variables	Transptax OLS	finttax OLS	tarifpdct OLS
gfcf	0.773	0.620***	0.754**
	(0.537)	(0.117)	(0.236)
fdi	0.015	0.009	-0.012
	(0.032)	(0.020)	(0.026)
tnrrgdp	0.046	0.021	-0.158
	(0.370)	(0.178)	(0.271)
imgdp	-0.251	-0.263	-0.313
	(0.289)	(0.188)	(0.227)
exgdp	0.539	0.337	0.817
	(0.664)	(0.253)	(0.471)
transptax	-0.219		
	(0.756)		
finttax		-	
tarifpdct			0.437
			(0.311)
Constant	3.428**	4.271***	2.108
	(1.304)	(0.616)	(1.567)
Observations	12	17	14
R-squared	0.641	0.866	0.856

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 19: Zambia OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.019	-0.148	-0.016	0.093	-0.044
	(0.000)	(0.000)	(0.060)	(0.000)	(0.000)
fdi	-0.000	0.038	-0.003	-0.004	-0.001
	(0.000)	(0.000)	(0.003)	(0.000)	(0.000)
tnrrgdp	-0.277	-1.392	-0.128	-0.268	-0.153
	(0.000)	(0.000)	(0.121)	(0.000)	(0.000)
imgdp	-0.095	0.389	0.199	0.182	0.130
	(0.000)	(0.000)	(0.161)	(0.000)	(0.000)
exgdp	0.461	-2.021	-0.134	-0.048	
	(0.000)	(0.000)	(0.313)	(0.000)	
transptax	0.046				
	(0.000)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.163	
				(0.000)	
exgdp					-
tarifpdct					0.176
					(0.000)
Constant	6.700	16.769	7.563*	7.023	7.255
	(0.000)	(0.000)	(0.640)	(0.000)	(0.000)
Observations	7	7	7	7	6
R-squared	1.000	1.000	0.987	1.000	1.000

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 20: Zimbabwe OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.019	0.045	0.045	-0.091	-0.035
	(0.054)	(0.041)	(0.041)	(0.000)	(0.127)
fdi	0.122**	0.079**	0.079**	-0.041	0.120
	(0.044)	(0.026)	(0.026)	(0.000)	(0.071)
tnrrgdp	0.351	-0.271**	-0.271**		-0.368**
	(0.360)	(0.088)	(0.088)		(0.112)
imgdp	-0.363	-0.565***	-0.565***		-0.473
	(0.234)	(0.172)	(0.172)		(0.386)
exgdp	-0.069	0.424***	0.424***		0.193
	(0.299)	(0.130)	(0.130)		(0.202)
transptax	-0.185				
	(0.115)				
touristax		-			
finttax			-		
tnrrgdp				-	
imgdp				-	
exgdp				-	
custduties				-0.600	
				(0.000)	
tarifpdct					0.057
					(0.082)
Constant	7.711***	7.833***	7.833***	9.026	8.505***
	(0.566)	(0.482)	(0.482)	(0.000)	(0.527)
Observations	12	17	17	4	10
R-squared	0.871	0.909	0.909	1.000	0.968

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Inflation rate results for each country

Table 21: Angola OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-1.827**	-1.082	-1.105	-0.932	-1.384
	(0.642)	(1.215)	(0.975)	(0.706)	(0.952)
fdi	0.028	0.082*	0.082**	0.045	0.079*
	(0.039)	(0.040)	(0.036)	(0.028)	(0.037)
tnrrgdp	2.262	0.860	0.844	0.193	1.513
	(1.731)	(2.657)	(2.491)	(1.810)	(2.001)
imgdp	-0.115	0.525	0.513	2.451	0.036
	(1.007)	(1.986)	(1.866)	(1.468)	(1.579)
exgdp	-3.515	-0.125	-0.077	-0.965	-1.496
	(3.160)	(4.625)	(4.200)	(3.046)	(3.556)
transptax	-19.120				
	(27.952)				
Touristax		-0.000			
		(0.000)			
finttax			-		
custduties				-1.802***	
				(0.541)	
tarifpdct					-0.375
					(1.941)
Constant	69.370	0.998	0.947	2.550	7.602
	(88.036)	(8.387)	(7.869)	(5.704)	(8.367)
Observations	12	17	17	17	13
R-squared	0.645	0.706	0.706	0.861	0.708

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 22: Botswana OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-2.955	-5.324	-3.314**	-2.588	-3.209
	(3.425)	(5.174)	(1.274)	(6.091)	(2.305)
fdi	0.023	0.005	0.047	0.041	0.035
	(0.055)	(0.071)	(0.028)	(0.091)	(0.044)
tnrrgdp	0.204	0.174	0.157*	-0.028	0.173*
	(0.216)	(0.276)	(0.075)	(0.707)	(0.086)
imgdp	1.279	1.824	0.935	0.447	1.085
	(1.482)	(2.067)	(0.761)	(2.926)	(1.049)
exgdp	-1.198	-2.009	-1.502**	-1.620	-1.249
	(1.127)	(1.951)	(0.564)	(2.181)	(1.165)
transptax	-0.059				
	(0.122)				
Touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.284	
				(1.281)	
tarifpdct					0.171
					(0.742)
Constant	11.439	20.489	15.184***	14.375	13.317
	(11.231)	(17.645)	(3.572)	(19.511)	(8.698)
Observations	12	11	17	9	15
R-squared	0.759	0.754	0.684	0.603	0.696

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 23: Congo, Dem. Rep. OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-2.000	-3.663	-1.600	-2.458	-1.655
	(1.907)	(2.271)	(1.210)	(2.004)	(0.000)
fdi	0.073	0.288	0.182	0.194	0.082
	(0.105)	(0.171)	(0.103)	(0.147)	(0.000)
tnrrgdp	0.995	-3.576	-2.096	-3.473	
	(2.930)	(2.147)	(1.354)	(2.788)	
imgdp	-6.485	3.961	2.417	3.853	-4.873
	(5.591)	(3.486)	(3.124)	(3.751)	(0.000)
exgdp	4.198	-5.089	-3.935	-4.944	2.969
	(5.347)	(4.507)	(3.728)	(4.831)	(0.000)
transptax	0.532				
	(0.363)				
Touristax		0.001			
		(0.001)			
finttax			-		
custduties				2.392	
				(6.126)	
tnrrgdp					-
ltarifpdct					-5.279
					(0.000)
Constant	10.109	24.769**	17.363***	13.701	26.449
	(7.318)	(6.466)	(3.070)	(17.208)	(0.000)
Observations	9	11	14	11	6
R-squared	0.861	0.869	0.765	0.849	1.000

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 24: Lesotho OLS Results

	(1)	(2)	(3)	(4)
Variables	Transptax OLS	touristax OLS	finttax OLS	tarifpdct OLS
lgfcf	-0.070	-2.138	0.222	3.849*
	(2.180)	(2.264)	(1.923)	(1.450)
fdi	-0.052	0.212	-0.031	0.128
	(0.111)	(0.178)	(0.094)	(0.067)
tnrrgdp	0.970	3.075	0.977	-0.671
	(0.876)	(1.531)	(0.796)	(0.632)
imgdp	2.537	18.380	1.657	2.862*
	(2.398)	(10.984)	(1.631)	(0.915)
exgdp	1.144	7.034	1.217	6.703**
	(2.328)	(4.207)	(2.114)	(1.933)
transptax	-1.449			
	(2.619)			
touristax		-0.000		
		(0.000)		
finttax			-	
tarifpdct				-0.739**
				(0.215)
Constant	-13.582	-100.811	-12.483	-46.624**
	(12.677)	(58.368)	(11.384)	(11.532)
Observations	10	10	10	10
R-squared	0.633	0.773	0.595	0.918

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 25: Madagascar OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-0.167	-0.609	-0.023	-1.055	-0.006
	(0.317)	(0.000)	(0.403)	(0.000)	(0.414)
fdi	-0.015	-0.048	-0.092***	-0.050	-0.102***
	(0.014)	(0.000)	(0.020)	(0.000)	(0.026)
tnrrgdp	0.874**	-0.067	-0.050	-1.143	-0.076
	(0.230)	(0.000)	(0.195)	(0.000)	(0.203)
imgdp	-0.884	2.898	1.780**	4.660	1.820**
	(0.883)	(0.000)	(0.698)	(0.000)	(0.718)
exgdp	-1.453***	-2.593	-1.804***	-0.788	-1.890***
	(0.339)	(0.000)	(0.488)	(0.000)	(0.514)
transptax	2.037***				
	(0.232)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				-4.302	
				(0.000)	
tarifpdct					0.121
					(0.167)
Constant	7.710**	2.765	2.363*	9.874	2.348*
	(2.657)	(0.000)	(1.126)	(0.000)	(1.154)
Observations	12	7	16	7	16
R-squared	0.984	1.000	0.797	1.000	0.809

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 26: Malawi OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-1.521**	-1.059	-1.140***	-0.858	-0.806
	(0.447)	(0.510)	(0.301)	(0.242)	(0.450)
fdi	-0.035	-0.078	-0.037	-0.065	0.005
	(0.032)	(0.045)	(0.029)	(0.048)	(0.055)
tnrrgdp	0.169	1.286	0.271	1.098	-0.026
	(0.663)	(0.609)	(0.625)	(0.413)	(0.928)
imgdp	1.682*	-1.868	1.659*	-1.196	2.364
	(0.797)	(1.948)	(0.768)	(2.198)	(1.770)
exgdp	0.358	2.999	0.472	2.034	0.978
	(0.563)	(1.349)	(0.668)	(1.871)	(0.976)
transptax	-0.407				
	(0.266)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.654	
				(0.779)	
tarifpdct					0.547
					(0.607)
Constant	-0.293	-0.112	-2.134	-0.791	-7.792
	(3.011)	(3.555)	(1.820)	(3.594)	(5.610)
Observations	12	8	17	8	13
R-squared	0.923	0.993	0.774	0.994	0.832

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 27: Mauritius OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-5.584	0.104	0.685	6.094*	2.986
	(5.461)	(2.650)	(2.901)	(2.828)	(2.967)
fdi	0.016	-0.057	-0.061	-0.043	-0.067
	(0.118)	(0.058)	(0.066)	(0.050)	(0.060)
tnrrgdp	0.940	0.396	0.319	-0.787	-0.211
	(0.640)	(0.434)	(0.441)	(0.494)	(0.489)
imgdp	12.837**	2.838	5.278*	3.062	8.644**
	(4.946)	(2.621)	(2.404)	(1.961)	(2.783)
exgdp	-6.848	1.994	-0.109	-0.576	-3.292
	(4.587)	(2.393)	(2.011)	(1.530)	(2.387)
transptax	1.259				
	(1.279)				
touristax		0.000*			
		(0.000)			
finttax			-		
custduties				0.517**	
				(0.171)	
tarifpdct					0.494*
					(0.246)
Constant	-4.687	-18.050	-20.163	-32.759***	-31.593**
	(22.919)	(11.155)	(11.730)	(9.801)	(12.024)
Observations	12	16	17	17	16
R-squared	0.895	0.841	0.749	0.869	0.830

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 28: Mozambique OLS Results

	(1)	(2)	(3)	(4)
Variables	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
lgfcf	1.662	-0.091	0.119	1.690
	(1.260)	(0.000)	(0.000)	(1.592)
fdi	-0.031	-0.042	-0.046	-0.041
	(0.018)	(0.000)	(0.000)	(0.021)
tnrrgdp	1.460*	0.589	2.318	1.384
	(0.592)	(0.000)	(0.000)	(0.888)
imgdp	-0.453	2.957	3.079	1.281
	(2.196)	(0.000)	(0.000)	(2.299)
exgdp	0.234	-0.423	-0.406	-0.028
	(0.283)	(0.000)	(0.000)	(0.296)
touristax	0.000			
	(0.000)			
finttax		0.000		
		(0.000)		
custduties			4.052	
			(0.000)	
tarifpdct				-0.096
				(0.097)
Constant	-8.381	-6.475	-26.499	-12.993
	(5.079)	(0.000)	(0.000)	(6.949)
Observations	12	7	7	11
R-squared	0.915	1.000	1.000	0.877

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 29: Namibia OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.292	-5.852	-0.387	-1.038	-0.081
	(0.834)	(0.000)	(0.962)	(0.759)	(0.957)
fdi	0.047	-0.094	-0.020	-0.044	-0.027
	(0.038)	(0.000)	(0.036)	(0.029)	(0.037)
tnrrgdp	0.357	-1.222	-0.070	0.021	-0.061
	(0.222)	(0.000)	(0.195)	(0.149)	(0.208)
imgdp	-1.241	13.116	1.362	2.096**	1.347
	(1.196)	(0.000)	(0.891)	(0.720)	(0.931)
exgdp	3.305**	-1.619	1.761	1.140	3.568*
	(1.034)	(0.000)	(1.075)	(0.837)	(1.562)
transptax	-1.095*				
	(0.463)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				1.232**	
				(0.457)	
tarifpdct					-0.724
					(0.480)
Constant	-6.087	-26.250	-9.052*	-11.933***	-16.813**
	(3.814)	(0.000)	(4.248)	(3.354)	(6.639)
Observations	12	7	14	14	13
R-squared	0.856	1.000	0.658	0.832	0.760

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 30: Seychelles OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	10.059	-0.605	-0.157	-2.722	0.078
	(0.000)	(5.038)	(2.367)	(3.680)	(0.000)
fdi	0.023	0.007	-0.005	0.024	-0.013
	(0.000)	(0.027)	(0.040)	(0.028)	(0.000)
tnrrgdp	15.665	4.580	0.965	6.990	
	(0.000)	(6.179)	(5.338)	(6.036)	
imgdp	-55.968	-12.742	-0.411	-13.960	
	(0.000)	(14.299)	(12.778)	(13.693)	
exgdp	52.793	15.711	8.037	7.535	
	(0.000)	(15.995)	(12.825)	(9.539)	
transptax	1.001				
	(0.000)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				-0.479	
				(0.845)	
tnrrgdp					-
imgdp					-
exgdp					-
tarifpdct					-
Constant	18.038	0.511	-30.217	56.867	1.636
	(0.000)	(88.489)	(53.644)	(60.692)	(0.000)
Observations	7	8	11	8	3
R-squared	1.000	0.924	0.443	0.933	1.000

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 31: South Africa OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	2.647*	2.357**	2.076*	1.907	1.877
	(1.226)	(0.982)	(1.052)	(1.169)	(1.236)
fdi	0.050	0.046	0.021	0.021	0.028
	(0.067)	(0.049)	(0.051)	(0.053)	(0.056)
tnrrgdp	-0.037	-1.235**	-0.442	-0.416	-0.420
	(0.242)	(0.459)	(0.287)	(0.306)	(0.306)
imgdp	-1.114	-5.134**	-3.617*	-2.913	-3.381*
	(1.580)	(1.641)	(1.650)	(2.429)	(1.849)
exgdp	2.533	11.218***	7.764***	7.105**	7.219**
	(2.400)	(2.248)	(1.724)	(2.409)	(2.382)
transptax	0.091				
	(0.140)				
touristax		0.000*			
		(0.000)			
finttax			-		
custduties				-0.265	
				(0.647)	
tarifpdct					-0.367
					(1.054)
Constant	-11.141**	-24.589***	-17.742***	-17.087***	-15.612*
	(3.218)	(4.449)	(3.456)	(3.934)	(7.092)
Observations	12	16	17	17	17
R-squared	0.889	0.850	0.775	0.779	0.778

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 32: Swaziland OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-3.760	-2.866	-0.849	-1.398	-4.691**
	(3.025)	(2.524)	(1.716)	(2.756)	(1.802)
fdi	-0.014	0.048	0.025	0.028	-0.012
	(0.056)	(0.061)	(0.052)	(0.069)	(0.040)
tnrrgdp	1.148**	-0.045	0.995*	0.919	1.258***
	(0.375)	(0.880)	(0.469)	(0.724)	(0.315)
imgdp	3.067	6.232	1.316	3.486	5.641**
	(3.000)	(6.421)	(2.340)	(7.282)	(2.261)
exgdp	1.055	-1.390	-0.347	-1.391	-0.063
	(1.636)	(3.022)	(1.168)	(3.488)	(0.934)
transptax	1.849				
	(2.164)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				0.410	
				(0.972)	
tarifpdct					-0.088
					(0.073)
Constant	-8.881	-10.551	-1.029	-6.083	-9.861*
	(7.870)	(10.818)	(4.486)	(11.891)	(5.177)
Observations	12	13	17	13	15
R-squared	0.742	0.602	0.457	0.473	0.796

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 33: Tanzania OLS Results

	(1)	(2)	(3)
Variables	Transptax OLS	finttax OLS	tarifpdct OLS
gfcf	-1.097	-0.082	0.990
	(1.259)	(0.448)	(0.772)
fdi	-0.078	0.026	-0.067
	(0.076)	(0.075)	(0.085)
tnrrgdp	1.754*	0.806	0.933
	(0.868)	(0.679)	(0.887)
imgdp	0.677	1.296*	0.850
	(0.678)	(0.717)	(0.742)
exgdp	-1.909	-1.175	-0.536
	(1.557)	(0.966)	(1.543)
transptax	3.562		
	(1.771)		
finttax		-	
tarifpdct			1.788
			(1.018)
Constant	-0.324	-0.233	-7.836
	(3.058)	(2.352)	(5.129)
Observations	12	17	14
R-squared	0.822	0.583	0.726

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 34: Zambia OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-0.926	0.268	-0.675	-1.460	0.551
	(0.000)	(0.000)	(0.434)	(0.000)	(0.000)
fdi	-0.095	-0.371	-0.076	-0.065	-0.031
	(0.000)	(0.000)	(0.024)	(0.000)	(0.000)
tnrrgdp	2.195	10.194	1.126	2.129	-2.985
	(0.000)	(0.000)	(0.867)	(0.000)	(0.000)
imgdp	4.365	0.893	2.255	2.379	-2.613
	(0.000)	(0.000)	(1.155)	(0.000)	(0.000)
exgdp	-13.815	3.995	-9.541	-10.159	
	(0.000)	(0.000)	(2.246)	(0.000)	
transptax	-0.331				
	(0.000)				
touristax		-0.000			
		(0.000)			
finttax			-		
custduties				-1.168	
				(0.000)	
exgdp					-
tarifpdct					-0.313
					(0.000)
Constant	34.444	-37.808	28.245	32.126	19.091
	(0.000)	(0.000)	(4.595)	(0.000)	(0.000)
Observations	7	7	7	7	6
R-squared	1.000	1.000	0.991	1.000	1.000

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Table 35: Zimbabwe OLS Results

	(1)	(2)	(3)	(4)	(5)
Variables	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-3.154	-0.084	-0.084		-1.957
	(0.000)	(0.661)	(0.661)		(0.801)
fdi	-0.433	-0.764	-0.764	0.113	-0.450
	(0.000)	(0.538)	(0.538)	(0.000)	(0.430)
tnrrgdp	2.196	5.981***	5.981***		4.982*
	(0.000)	(1.419)	(1.419)		(0.649)
imgdp	6.963	-12.369**	-12.369**		-10.274
	(0.000)	(3.569)	(3.569)		(2.478)
exgdp	-1.197	7.703*	7.703*	-0.761	5.540
	(0.000)	(3.366)	(3.366)	(0.000)	(2.859)
transptax	3.834				
	(0.000)				
touristax		-			
finttax			-		
gfcf				-	
tnrrgdp				-	
imgdp				-	
custduties				-	
tarifpdct					1.100
					(0.831)
Constant	-26.603	12.861	12.861	3.684	16.367
	(0.000)	(12.647)	(12.647)	(0.000)	(8.658)
Observations	7	12	12	3	8
R-squared	1.000	0.920	0.920	1.000	0.999

Note: Standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Import results for each country

Table 36: Angola OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.038	0.020	0.079	0.052	0.007
	(0.260)	(0.184)	(0.149)	(0.144)	(0.228)
fdi	0.008	0.014**	0.013***	0.014***	0.011
	(0.016)	(0.005)	(0.004)	(0.004)	(0.008)
tnrrgdp	-0.187	-0.314	-0.280	-0.183	-0.324
	(0.698)	(0.392)	(0.377)	(0.368)	(0.463)
exgdp	0.535	1.014	0.920	0.847	1.073
	(1.262)	(0.632)	(0.593)	(0.571)	(0.748)
transptax	-6.441				
	(11.024)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.146	
				(0.102)	
tarifpdct					0.218
					(0.457)
Constant	20.806	0.658	0.810	0.553	0.066
	(34.669)	(1.258)	(1.195)	(1.160)	(2.003)
Observations	12	17	17	17	13
R-squared	0.597	0.825	0.820	0.848	0.705

Table 37: Botswana OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	1.959***	2.375***	1.498***	1.795*	-0.000
	(0.500)	(0.353)	(0.217)	(0.609)	(0.000)
fdi	0.018	0.022	-0.002	0.008	-0.000
	(0.013)	(0.012)	(0.011)	(0.017)	(0.000)
tnrrgdp	0.058	0.088	0.005	-0.068	0.000
	(0.055)	(0.045)	(0.028)	(0.134)	(0.000)
exgdp	0.488*	0.740**	0.280	0.288	-0.000
	(0.238)	(0.262)	(0.198)	(0.397)	(0.000)
transptax	0.002				
	(0.034)				
Touristax		-0.000			
		(0.000)			
finttax			-		
custduties				-0.022	
				(0.252)	
imgdp					1.000
					(0.000)
tarifpdct					-0.000
					(0.000)
Constant	-4.918*	-7.262**	-2.363*	-3.238	0.000
	(2.353)	(2.007)	(1.171)	(3.365)	(0.000)
Observations	12	11	17	9	15
R-squared	0.893	0.910	0.810	0.931	1.000

Table 38: Congo, Dem. Rep. OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.046	0.322	0.137	0.280	0.058
	(0.116)	(0.253)	(0.092)	(0.203)	(0.202)
fdi	-0.007	-0.018	-0.010	-0.014	0.002
	(0.006)	(0.020)	(0.009)	(0.016)	(0.017)
tnrrgdp	0.143	0.024	-0.080	0.060	0.588
	(0.180)	(0.275)	(0.132)	(0.331)	(0.617)
exgdp	0.856***	1.020**	1.061***	1.014**	0.648
	(0.137)	(0.355)	(0.177)	(0.355)	(0.471)
transptax	0.029				
	(0.016)				
Touristax		-0.000			
		(0.000)			
finttax			-		
custduties				-0.201	
				(0.725)	
tarifpdct					0.389
					(0.988)
Constant	-0.050	-0.693	-0.091	-0.002	-1.742
	(0.454)	(0.769)	(0.272)	(2.052)	(2.993)
Observations	12	11	17	11	7
R-squared	0.965	0.967	0.956	0.967	0.975

Table 39: Lesotho OLS Results

	(1)	(2)	(3)	(4)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	tarifpdct OLS
gfcf	0.405	0.146	0.462	-0.045
	(0.407)	(0.073)	(0.485)	(0.792)
fdi	0.014	-0.014**	0.007	-0.013
	(0.022)	(0.004)	(0.026)	(0.036)
tnrrgdp	-0.116	-0.127**	-0.212	0.018
	(0.173)	(0.029)	(0.197)	(0.345)
exgdp	0.493	-0.329**	0.817	0.033
	(0.418)	(0.098)	(0.450)	(1.056)
transptax	0.725			
	(0.409)			
Touristax		0.000***		
		(0.000)		
finttax			-	
tarifpdct				0.090
				(0.108)
Constant	0.724	5.200***	0.311	4.402
	(2.619)	(0.548)	(3.118)	(5.903)
Observations	10	10	10	10
R-squared	0.734	0.992	0.524	0.594

Table 40: Madagascar OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.302***	-0.058	0.476***	-0.131	0.470***
	(0.079)	(0.410)	(0.089)	(0.371)	(0.095)
fdi	0.004	0.012	0.010	0.015	0.011
	(0.006)	(0.019)	(0.007)	(0.016)	(0.010)
tnrrgdp	-0.048	0.402	0.047	0.451	0.051
	(0.104)	(0.217)	(0.077)	(0.200)	(0.081)
exgdp	0.005	0.811*	0.529***	1.068	0.539***
	(0.157)	(0.197)	(0.127)	(0.372)	(0.137)
transptax	0.104				
	(0.099)				
Touristax		0.000			
		(0.000)			
finttax			-		
custduties				-0.342	
				(0.448)	
tarifpdct					-0.018
					(0.070)
Constant	2.828***	0.410	0.363	1.036	0.363
	(0.419)	(0.787)	(0.447)	(1.105)	(0.466)
Observations	12	8	17	8	17
R-squared	0.982	0.972	0.900	0.978	0.901

Table 41: Malawi OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	-0.167	0.101	0.154	-0.000	0.085
	(0.219)	(0.171)	(0.104)	(0.000)	(0.091)
fdi	-0.019	-0.021*	-0.003	-0.000	-0.021*
	(0.014)	(0.006)	(0.011)	(0.000)	(0.009)
tnrrgdp	0.380	-0.068	0.223	-0.000	0.308*
	(0.302)	(0.216)	(0.226)	(0.000)	(0.160)
exgdp	0.132	0.628*	0.317	0.000	0.197
	(0.283)	(0.207)	(0.234)	(0.000)	(0.195)
transptax	-0.070				
	(0.133)				
Touristax		-0.000			
		(0.000)			
finttax			-		
imgdp				1.000	
				(0.000)	
custduties				-0.000	
				(0.000)	
tarifpdct					-0.233**
					(0.095)
Constant	3.007**	1.639	1.712***	0.000	2.611***
	(0.932)	(0.567)	(0.473)	(0.000)	(0.680)
Observations	12	8	17	8	13
R-squared	0.656	0.978	0.624	1.000	0.866

Table 42: Mauritius OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.428	0.632**	0.856***	1.075***	0.354
	(0.415)	(0.249)	(0.246)	(0.290)	(0.318)
fdi	0.003	0.005	0.006	0.006	0.004
	(0.010)	(0.007)	(0.008)	(0.007)	(0.007)
tnrrgdp	-0.063	-0.113**	-0.132***	-0.183***	-0.036
	(0.046)	(0.038)	(0.037)	(0.052)	(0.054)
exgdp	0.812***	0.775***	0.637***	0.520**	0.715***
	(0.183)	(0.152)	(0.156)	(0.175)	(0.150)
transptax	-0.007				
	(0.106)				
touristax		0.000*			
		(0.000)			
finttax			-		
custduties				0.032	
				(0.024)	
tarifpdct					-0.045*
					(0.024)
Constant	-0.735	-1.715	-1.776	-2.318	0.011
	(1.868)	(1.232)	(1.312)	(1.335)	(1.366)
Observations	12	16	17	17	16
R-squared	0.906	0.794	0.682	0.726	0.770

Table 43: Mozambique OLS Results

	(1)	(2)	(3)	(4)
VARIABLES	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.434**	0.785	0.752	0.433
	(0.153)	(1.298)	(1.409)	(0.242)
fdi	0.006**	0.004	0.003	0.005
	(0.002)	(0.005)	(0.004)	(0.003)
tnrrgdp	-0.222**	-0.317	-0.179	-0.184
	(0.062)	(0.744)	(0.141)	(0.152)
exgdp	0.082*	0.061	0.067	0.081
	(0.041)	(0.136)	(0.132)	(0.045)
Touristax	0.000			
	(0.000)			
finttax		0.000		
		(0.000)		
custduties			0.235	
			(1.799)	
tarifpdct				0.014
				(0.018)
Constant	0.879	-0.772	-1.723	0.843
	(0.873)	(6.819)	(14.091)	(1.298)
Observations	12	7	7	11
R-squared	0.862	0.813	0.810	0.695

Table 44: Namibia OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.430	0.299	0.838***	0.824***	0.872***
	(0.224)	(0.066)	(0.180)	(0.183)	(0.198)
fdi	0.012	0.001	-0.009	-0.006	-0.003
	(0.012)	(0.003)	(0.010)	(0.010)	(0.012)
tnrrgdp	0.092	0.248	-0.016	-0.010	0.008
	(0.066)	(0.127)	(0.051)	(0.052)	(0.054)
exgdp	0.646**	0.118	0.662**	0.648**	0.537
	(0.235)	(0.172)	(0.278)	(0.283)	(0.520)
transptax	-0.295**				
	(0.102)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				-0.140	
				(0.173)	
tarifpdct					0.040
					(0.163)
Constant	0.411	2.387	-1.073	-0.495	-0.775
	(1.291)	(0.876)	(1.326)	(1.523)	(2.295)
Observations	12	7	17	17	15
R-squared	0.907	0.990	0.793	0.804	0.828

Table 45: Seychelles OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.043	-0.004	0.151***	0.124	-0.129
	(0.170)	(0.186)	(0.043)	(0.156)	(0.000)
fdi	0.001	0.002	0.001	0.001	0.005
	(0.001)	(0.001)	(0.001)	(0.002)	(0.000)
tnrrgdp	0.308	0.352	0.080	0.260	
	(0.235)	(0.218)	(0.146)	(0.237)	
exgdp	0.112	-0.152	0.745**	0.380	
	(0.664)	(0.712)	(0.293)	(0.553)	
transptax	0.013				
	(0.021)				
ouristax		-0.000			
		(0.000)			
finttax			-		
custduties				-0.030	
				(0.057)	
tnrrgdp					-
exgdp					-
tarifpdct					1.408
					(0.000)
Constant	4.601	6.074	0.897	3.082	0.165
	(3.762)	(4.105)	(1.576)	(3.316)	(0.000)
Observations	9	10	13	10	4
R-squared	0.832	0.915	0.892	0.893	1.000

Table 46: South Africa OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.060	0.376**	0.423***	0.331***	0.479***
	(0.316)	(0.147)	(0.138)	(0.105)	(0.141)
fdi	0.004	-0.005	-0.010	-0.005	-0.013
	(0.017)	(0.009)	(0.008)	(0.006)	(0.008)
tnrrgdp	-0.067	-0.075	0.028	-0.005	0.012
	(0.056)	(0.085)	(0.050)	(0.038)	(0.050)
exgdp	1.308***	1.106***	0.838***	0.887***	1.035***
	(0.315)	(0.255)	(0.180)	(0.134)	(0.231)
transptax	0.037				
	(0.033)				
Touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.188***	
				(0.057)	
tarifpdct					0.209
					(0.160)
Constant	-1.142	-1.431*	-0.732	-0.831*	-1.844*
	(0.689)	(0.728)	(0.566)	(0.419)	(1.014)
Observations	12	16	17	17	17
R-squared	0.904	0.915	0.897	0.948	0.911

Table 47: Swaziland OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.888***	0.318***	0.613***	0.304***	0.718***
	(0.195)	(0.087)	(0.116)	(0.085)	(0.116)
fdi	-0.001	-0.002	-0.007	-0.002	0.003
	(0.008)	(0.004)	(0.006)	(0.004)	(0.006)
tnrrgdp	0.034	0.072	0.062	0.053	0.022
	(0.049)	(0.044)	(0.055)	(0.032)	(0.046)
exgdp	-0.027	0.400***	0.190	0.422***	0.010
	(0.222)	(0.093)	(0.133)	(0.086)	(0.138)
transptax	-0.044				
	(0.294)				
Touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.022	
				(0.050)	
tarifpdct					0.015
					(0.010)
Constant	1.897**	1.634***	1.673***	1.523***	2.115***
	(0.740)	(0.155)	(0.270)	(0.222)	(0.292)
Observations	12	13	17	13	15
R-squared	0.967	0.989	0.965	0.988	0.979

Table 48: Tanzania OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.888***	0.318***	0.613***	0.304***	0.718***
	(0.195)	(0.087)	(0.116)	(0.085)	(0.116)
fdi	-0.001	-0.002	-0.007	-0.002	0.003
	(0.008)	(0.004)	(0.006)	(0.004)	(0.006)
tnrrgdp	0.034	0.072	0.062	0.053	0.022
	(0.049)	(0.044)	(0.055)	(0.032)	(0.046)
exgdp	-0.027	0.400***	0.190	0.422***	0.010
	(0.222)	(0.093)	(0.133)	(0.086)	(0.138)
transptax	-0.044				
	(0.294)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				0.022	
				(0.050)	
tarifpdct					0.015
					(0.010)
Constant	1.897**	1.634***	1.673***	1.523***	2.115***
	(0.740)	(0.155)	(0.270)	(0.222)	(0.292)
Observations	12	13	17	13	15
R-squared	0.967	0.989	0.965	0.988	0.979

Table 49: Zambia OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
fdi	-0.018	0.302	-0.020	0.010	0.001
	(0.040)	(0.190)	(0.035)	(0.019)	(0.049)
tnrrgdp	-0.135	-10.203	-0.438	0.963	0.060
	(0.718)	(5.712)	(0.465)	(0.475)	(0.859)
exgdp	-1.045	-11.715	-1.563	-0.683	-0.749
	(1.667)	(6.011)	(1.281)	(0.667)	(1.862)
transptax	0.183				
	(0.297)				
touristax		0.000			
		(0.000)			
finttax			-		
custduties				-1.314*	
				(0.394)	
tarifpdct					1.875
					(1.968)
Constant	7.474	67.812	10.476*	5.710	3.543
	(6.906)	(33.647)	(4.352)	(2.524)	(9.061)
Observations	7	7	7	7	6
R-squared	0.691	0.851	0.632	0.944	0.806

Table 50: Zimbabwe OLS Results

	(1)	(2)	(3)	(4)	(5)
VARIABLES	Transptax OLS	touristax OLS	finttax OLS	Custom duties OLS	tarifpdct OLS
gfcf	0.155*	0.127**	0.127**	0.465	0.279**
	(0.070)	(0.057)	(0.057)	(0.000)	(0.088)
fdi	-0.055	0.043	0.043	0.039	0.150**
	(0.074)	(0.042)	(0.042)	(0.000)	(0.053)
tnrrgdp	-0.124	0.383***	0.383***		0.227*
	(0.625)	(0.097)	(0.097)		(0.090)
exgdp	0.714	0.353*	0.353*		0.404*
	(0.430)	(0.192)	(0.192)		(0.166)
transptax	0.082				
	(0.197)				
touristax		-			
finttax			-		
tnrrgdp				-	
exgdp				-	
custduties				-0.061	
				(0.000)	
tarifpdct					0.152
					(0.073)
Constant	1.328	1.448*	1.448*	2.923	0.677
	(0.824)	(0.690)	(0.690)	(0.000)	(0.592)
Observations	12	17	17	4	10
R-squared	0.685	0.747	0.747	1.000	0.954