

Table 4: Reform Factor Analysis (factor loadings)

Reform	Main Dimensions of Reform				
	Government Quality	Market Reform	Government Intervention	Fiscal Policy	Monetary Policy
Rule of Law	0.881	-0.360		0.118	-0.222
Control of Corruption	0.867	-0.337		0.169	-0.212
Government Effectiveness	0.859	-0.359	-0.121	0.121	-0.221
Political Stability	0.852		-0.255	0.110	-0.180
Informal Markets	-0.782	0.460			0.183
Property Rights	-0.743	0.551			0.172
Trade Policy	-0.727	0.457			-0.300
Regulatory Quality	0.708	-0.562	-0.304		-0.163
Voice and Accountability	0.670	-0.438	-0.378	0.267	
Wages and Prices	-0.282	0.840	0.223		0.134
Banking and Finance	-0.409	0.781	0.185		0.111
Foreign Investment	-0.330	0.779	0.316	-	
Regulation	-0.613	0.624		0.113	0.139
Government Intervention	-0.116	0.372	0.818	0.253	
Fiscal Burden	0.139		0.154	0.951	
Monetary Policy	-0.494	0.247			0.771

Notes: Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 8 iterations.