

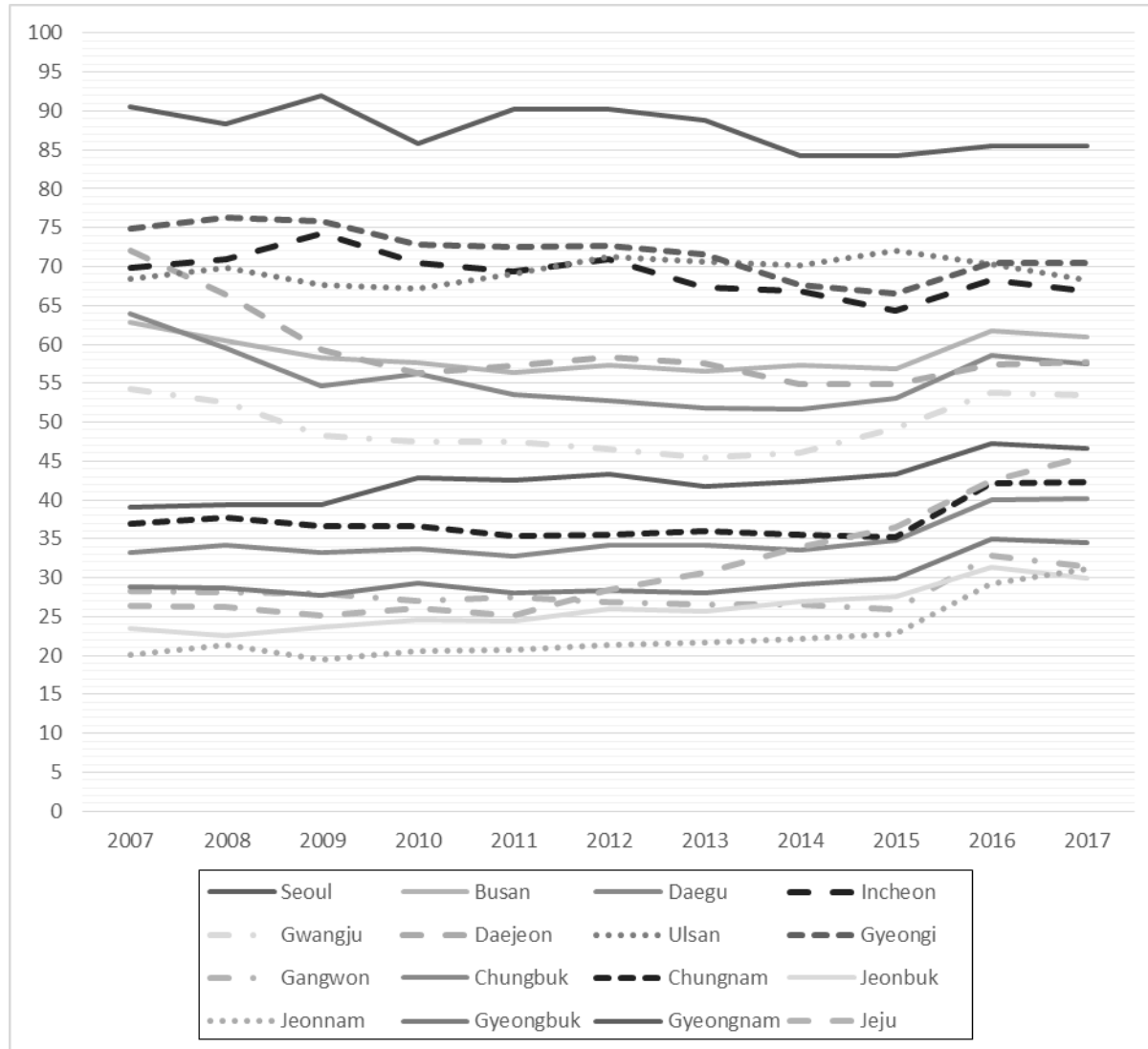
Table 2. Results of Panel Data Analysis

	Trust in Central Government (Central Trust)		Trust in Local Government (Local Trust)	
<i>Fiscal Decentralization</i>				
Fiscal Autonomy Index (Δ)	.010	(.01)	.017**	(.02)
Expenditure Decentralization	3.74	(6.79)	4.22	(8.02)
<i>Government-level</i>				
Political Party	-.024	(.07)	-.00004	(.08)
Unemployment Rate	.036	(.07)	.003	(.08)
GRDP	-.007	(.01)	-.008	(.01)
ln(Population)	1.45	(1.21)	1.17	(1.44)
<i>N</i>	62		62	
<i>F</i>	0.49		0.41	
R-squared	.005		.003	
Hausman Test	Fixed		Fixed	

Note: Standard errors reported in parentheses. *F* indicates the F-statistics and *N* is the number of observations.

*p<.05, **p<.01, ***p<.001

Figure 1. Historical Changes in the Fiscal Autonomy Index



Note: Data was derived from Local Finance Integrated Open System

<http://lofin.mois.go.kr/portal/main.do>

Appendix A. Descriptive Statistics and Measurement of Variables

Variables	2007		2010		2013		2016	
	Mean (SD)	Range (Min ~ Max)	Mean (SD)	Range (Min ~ Max)	Mean (SD)	Range (Min ~ Max)	Mean (SD)	Range (Min ~ Max)
Fiscal Autonomy Index (Δ)	-.016 (.045)	-.220~.064	-2.84 (4.95)	-13.20~6.18	-.014 (.014)	-.052~.074	.032 (.033)	.002~.11
Expenditure Decentralization	.109 (.069)	.023~ .210	.103 (.062)	.022~.196	.101 (.055)	.023~.174	.105 (.062)	.024~.189
Gender	.493 (.500)	0~1	.493 (.500)	0~1	.494 (.500)	0~1	.496 (.500)	0~1
Age	43.17 (14.02)	20~80	44.46 (13.88)	20~79	45.40 (13.70)	20~78	3.17 (1.41)	1~5
Education	4.51 (1.31)	1~8	4.46 (1.28)	1~8	4.56 (1.14)	1~8	4.75 (1.15)	1~8
Income	5.86 (2.70)	1~13	6.54 (2.59)	1~13	8.18 (2.87)	1~15	7.74 (2.51)	1~13
Ideology	3.82 (1.33)	1~7	5.21 (1.75)	0~10	5.13 (1.65)	0~10	5.18 (1.51)	1~10
PNEC	2.05 (.764)	1~5	2.38 (.913)	1~5	2.16 (.780)	1~4	2.33 (.766)	1~4
Political Party	.067 (.25)	0~1	.618 (.49)	0~1	.454 (.50)	0~1	.498 (.50)	0~1
Unemployment Rate	3.23 (.816)	1.7~4.1	3.64 (.930)	1.8~5.1	3.13 (.723)	1.8~4.2	3.72 (.655)	2.1~4.9
GRDP	21.76 (5.46)	13.85~46.4	25.48 (7.20)	13.85~57.19	28.38 (7.75)	18.08~60.09	31.86 (7.75)	20.15~60.96
ln(Population)	15.30 (.814)	13.23~16.22	15.26 (.892)	13.26~16.28	15.32 (.847)	13.29~16.32	15.33 (.857)	13.37~16.36
Trust in Central Government	2.20 (.659)	1~4	2.32 (.683)	1~4	2.29 (.649)	1~4	2.30 (.669)	1~4
Trust in Local Government	2.19 (.666)	1~4	2.43 (.680)	1~4	2.37 (.718)	1~4	2.25 (.707)	1~4

Note: *Gender* was recorded as a dummy variable (1 = *male*, 0 = *female*). *Age* was measured as numerical values (more than 20 years old). *Education* was measured using the question: “What is the highest level of education you have completed?” (0 = *less than primary school*, 9 = *more than doctorate degree*). *Income* was applied as a continuous variable (average monthly household income). *Ideology* was about a respondent’s liberal-versus-conservative political ideology, measured on a standard 7-point scale, with larger values indicating more conservative identification. *PNEC* was measured with the question: “What do you think about current national economic conditions?” and then measured with a 5-point Likert scale, ranging 1 = *very bad* to 5 = *very good*. *Political Party* of local leaders was coded “1” if the local leader in each government was involved in a ruling party; or coded “0” if otherwise. *Unemployment* was measured as an unemployment rate of local government each year. *GRDP* was recorded as the value of gross regional domestic product (in million won) in localities each year. Lastly, *Population* was measured as a natural log term of total residents in each local government.