

STATA Code  
For  
The Economic Significance of National Border Effects<sup>1</sup>

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<sup>1</sup> Board of Governors of the Federal Reserve System. The views expressed in this paper are those of the author, and not necessarily those of the Board of Governors of the Federal Reserve System or the Federal Reserve System. I wish to thank James Harrigan, John Helliwell, James Rauch, and Phil Swagel for provision of data.

**Table 1: Data Description**

No data or code.

**Table 2: Border Effects, Price Wedges, and Elasticities**

No data or code.

**Table 3A: Product Differentiation/ Elasticity Effects (IV)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

- (i) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum bordiit  
(lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* cdum bordiit),  
robust
- (ii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum raperbo2  
(lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* cdum raperbo2),  
robust
- (iii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum rdboboth  
(lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* cdum rdboboth),  
robust
- (iv) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum adboboth  
(lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* cdum adboboth),  
robust

**Table 3B Product Differentiation/ Elasticity Effects (OLS)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

- (i) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum bordiit, robust
- (ii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum raperbo2,  
robust
- (iii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum rdboboth,  
robust
- (iv) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum adboboth,  
robust

**Table 4A: Border Effects, Tariffs, and Price Wedges, as from Table A1a, Border Effects  
Across Industries (IV)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

```
regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum* dis3* adj eudum brd*  
ibord100 (lnexw* lnexk* lnexa* logpopm logdist lnprdmx lnprdrmm dum* dis3* adj  
eudum brd* ibord100), robust
```

**Table 4B: Border Effects, Tariffs, and Price Wedges, as from Table A1a, Border Effects  
Across Industries (OLS)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

```
regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum* dis3* adj eudum brd*  
ibord100, robust
```

**Table 5A: Location and Nationality (3SLS)**

Data file:

Evans Sept03 Table 5.dta

STATA Code:

```
eq imdom1: lndomcn lndompcn lngdpc lngaltc2 lngalt2 lndist dce* t90 t91 t92 t93 t94 chem  
elec food mach pfmet trans local  
eq imfdi1: lnfdicn lnfdipdn lngdpc lngaltc2 lngalt2 lndist dce* t90 t91 t92 t93 t94 chem elec  
food mach pfmet trans local  
eq imdomind: lndomcn lndompcn lngdpc lngaltc2 lngalt2 lndist dce* t90 t91 t92 t93 t94 chem  
elec food mach pfmet trans bor*  
eq imfdiind: lnfdicn lnfdipdn lngdpc lngaltc2 lngalt2 lndist dce* t90 t91 t92 t93 t94 chem elec  
food mach pfmet trans bor*  
  
(i) reg3 imdom1 imfdi1 if year>=1989, endog (lndompcn lngdpc lngaltc2 lngalt2 lnfdipdn)  
exog (lnexw* lnexk* lnexa* lnpopc lnpcalc2 lnpcalt2 lndist dce* t90 t91 t92 t93 t94 chem  
elec food mach pfmet trans local)  
test [imdom1=imfdi1]: local  
  
(ii) reg3 imdomind imfdiind if year>=1989, endog (lndompcn lngdpc lngaltc2 lngalt2  
lnfdipdn) exog (lnexw* lnexk* lnexa* lnpopc lnpcalc2 lnpcalt2 lndist dce* t90 t91 t92 t93  
t94 chem elec food mach pfmet trans bor*)  
test [imdomind=imfdiind]: borchem  
test [imdomind=imfdiind]: borelec  
test [imdomind=imfdiind]: borfood  
test [imdomind=imfdiind]: bormach  
test [imdomind=imfdiind]: borother  
test [imdomind=imfdiind]: borpfmet  
test [imdomind=imfdiind]: bortrans
```

**Table 5B: Location and Nationality (SUR)**

Data file:

Evans Sept03 Table 5.dta

STATA Code:

```
eq imdom1: lndomcn lndompcn lngdpc lngaltc2 lngalt2 Indist dce* t90 t91 t92 t93 t94 chem
elec food mach pfmet trans local
eq imfdi1: lnfdicn lnfdipdn lngdpc lngaltc2 lngalt2 Indist dce* t90 t91 t92 t93 t94 chem elec
food mach pfmet trans local
eq imdomind: lndomcn lndompcn lngdpc lngaltc2 lngalt2 Indist dce* t90 t91 t92 t93 t94 chem
elec food mach pfmet trans bor*
eq imfdiind: lnfdicn lnfdipdn lngdpc lngaltc2 lngalt2 Indist dce* t90 t91 t92 t93 t94 chem elec
food mach pfmet trans bor*
```

- (i) reg3 imdom1 imfdi1 if year>=1989, allexog  
test [imdom1=imfdi1]: local
- (ii) reg3 imdomind imfdiind if year>=1989, allexog  
test [imdomind=imfdiind]: borchem  
test [imdomind=imfdiind]: borelec  
test [imdomind=imfdiind]: borfood  
test [imdomind=imfdiind]: bormach  
test [imdomind=imfdiind]: borother  
test [imdomind=imfdiind]: borpfmet  
test [imdomind=imfdiind]: bortrans

**Table 6A: Transactions Costs Variables (IV)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

- (i) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* cdum), robust
- (ii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang cdum (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* lang cdum), robust
- (iii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* lang adj cdum), robust
- (iv) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum kkpmpmb (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* lang adj cdum kkpmpmb), robust
- (v) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum rlpptmb (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* lang adj cdum rlpptmb), robust
- (vi) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum hypptmb (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* lang adj cdum hypptmb), robust
- (vii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum scMb (lnexw\* lnexk\* lnexa\* logpopm logdist lnprdmx lnprdrmm dum\* dis3\* lang adj cdum scMb), robust

- (viii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kktrstmb (lnexw\* lnexk\* lnexa\* logpopm logdist lnpdrmx lnpdrmm dum\* dis3\* lang adj  
cdum kktrstmb), robust
- (ix) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kkcivcmb (lnexw\* lnexk\* lnexa\* logpopm logdist lnpdrmx lnpdrmm dum\* dis3\* lang  
adj cdum kkcivcmb), robust
- (x) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kkconfm (lnexw\* lnexk\* lnexa\* logpopm logdist lnpdrmx lnpdrmm dum\* dis3\* lang  
adj cdum kkconfm), robust

**Table 6B: Transactions Costs Variables (OLS)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

- (i) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* cdum, robust
- (ii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang cdum, robust
- (iii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum,  
robust
- (iv) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kkpgpmb, robust
- (v) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
rlppthmb, robust
- (vi) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
hypthmb, robust
- (vii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
scMb, robust
- (viii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kktrstmb, robust
- (ix) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kkcivcmb, robust
- (x) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
kkconfm, robust

**Table 7A – Policy Effects (IV)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

- (i) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum  
(lnexw\* lnexk\* lnexa\* logpopm logdist lnpdrmx lnpdrmm dum\* dis3\* lang adj cdum),  
robust
- (ii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* eudum lang adj  
cdum (lnexw\* lnexk\* lnexa\* logpopm logdist lnpdrmx lnpdrmm dum\* dis3\* eudum  
lang adj cdum), robust
- (iii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39 lang  
adj eudum cdum (lnexwf32-lnexwf39 lnexks32-lnexks39 lnexag32-lnexag39 logpopm  
logdist lnpdrmx lnpdrmm dum32-dum39 dis32-dis39 lang adj eudum cdum) if imco~=  
"AUS" & indno ~=100, robust

- (iv) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39 lang  
adj eudum cdum lnavtar (lnexwf32-lnexwf39 lnexks32-lnexks39 lnexag32-lnexag39  
logpopm logdist lnpdrmx lnpdrmm dum32-dum39 dis32-dis39 lang adj eudum cdum  
lnavtar) if imco~= "AUS" & indno ~=100, robust
- (v) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39 lang  
adj eudum cdum ntbs (lnexwf32-lnexwf39 lnexks32-lnexks39 lnexag32-lnexag39  
logpopm logdist lnpdrmx lnpdrmm dum32-dum39 dis32-dis39 lang adj eudum cdum  
ntbs) if imco~= "AUS" & indno ~=100, robust
- (vi) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39  
lang adj eudum cdum lnavtar ntbs (lnexwf32-lnexwf39 lnexks32-lnexks39 lnexag32-  
lnexag39 logpopm logdist lnpdrmx lnpdrmm dum32-dum39 dis32-dis39 lang adj eudum  
cdum lnavtar ntbs) if imco~= "AUS" & indno ~=100, robust

**Table 7B – Policy Effects (OLS)**

Data File:

Evans Sept03 Tables 3 4(A1) 6 7.dta

STATA Code:

- (i) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* lang adj cdum,  
robust
- (ii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum\* dis3\* eudum lang adj  
cdum, robust
- (iii) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39  
lang adj eudum cdum if imco~= "AUS" & indno ~=100, robust
- (iv) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39 lang  
adj eudum cdum lnavtar if imco~= "AUS" & indno ~=100, robust
- (v) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39 lang  
adj eudum cdum ntbs if imco~= "AUS" & indno ~=100, robust
- (vi) regress logship lnprod90 loggdpm logdist lngdrmx lngdrmm dum32-dum39 dis32-dis39  
lang adj eudum cdum lnavtar ntbs if imco~= "AUS" & indno ~=100, robust