This file contains all necessary BOUNDED GROWTH regression results for the November 2002 version of the paper. The first 7 regressions look at combinations of fixed effects and sample selection ("restricted sample" excludes obs which were quota constrained in 91 or 98). Regression 8 is the basic OLS fixed effects regression, which is followed by two different computations of the standard errors (White and bootstrap). Regression 11 is robust regression, and 12 is an unreported failed attempt at LAD. Lastly, regressions 13-15 look at the effects of weighted LS; beginning-period import weights (regression 13) support the model, while weights that use end-period imports don't (14 & 15). In all cases, I have deleted nuisance fixed effect parameter estimates from the file. The original log file is created by running "regressions 1a and 2a.do".

```
--------------------------------------------------------------------------
      log:  C:\Papers\Trade and Time\data\October 2002 calculations\regression
> s 1a.log
  log type:  text
 opened on:  19 Nov 2002, 09:52:59

. use "C:\Papers\Trade and Time\data\October 2002 calculations\OTEXA census rep
> len data version 2a wide.dta", clear
(Census & OTEXA data merged)

. set matsize 500


.
. * Exploratory regressions on full sample
```

. * 1. No fixed effects, full sample

```
.         reg GimportsQ18 closerep dbarrier18

      Source |       SS       df       MS              Number of obs =    3177
-------------+------------------------------           F(  2,  3174) =   77.31
       Model | 2218336.38      2  1109168.19           Prob > F      = 0.0000
    Residual | 45539023.0   3174  14347.5183           R-squared     = 0.0465
-------------+------------------------------           Adj R-squared = 0.0458
       Total | 47757359.4   3176  15036.9519           Root MSE      = 119.78


------------------------------------------------------------------------------
  GimportsQ18 |      Coef.   Std. Err.       t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   .8537991   .2513739      3.40   0.001     .3609273    1.346671
  dbarrier18 |  -1.725727    .150478    -11.47   0.000    -2.020771   -1.430683
       _cons |    15.8907   2.286086      6.95   0.000     11.40834    20.37305
------------------------------------------------------------------------------
```

. * 2. Country fixed effects only, full sample

```
.         xtreg GimportsQ18 closerep dbarrier18, fe i(ctrynum)

Fixed-effects (within) regression            Number of obs      =      3177
Group variable (i) : ctrynum                 Number of groups   =       120

R-sq:  within  = 0.0290                      Obs per group: min =         1
       between = 0.0249                                      avg =      26.5
       overall = 0.0462                                      max =        74

                                             F(2,3055)          =     45.69
corr(u_i, Xb)  = 0.0615                       Prob > F          =    0.0000


------------------------------------------------------------------------------
  GimportsQ18 |      Coef.   Std. Err.       t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |    .920221    .290069      3.17   0.002     .3514708    1.488971
  dbarrier18 |  -1.444909   .1607948     -8.99   0.000    -1.760186   -1.129632
       _cons |   17.00431   2.147133      7.92   0.000     12.79434    21.21428
-------------+----------------------------------------------------------------
     sigma_u |  83.650567
     sigma_e |   107.4575
```

```
         rho |  .37733048   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:      F(119, 3055) =      7.47          Prob > F = 0.0000
```

. * 3. Commodity fixed effects only, full sample

```
.            xtreg GimportsQ18 closerep dbarrier18, fe i(commodit)

Fixed-effects (within) regression               Number of obs      =      3177
Group variable (i) : commodit                   Number of groups   =        74

R-sq:  within  = 0.0449                          Obs per group: min =         7
       between = 0.0632                                         avg =      42.9
       overall = 0.0464                                         max =        90

                                                 F(2,3101)          =     72.93
corr(u_i, Xb)  = 0.0269                           Prob > F           =    0.0000

------------------------------------------------------------------------------
 GimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   .8771153   .2624442     3.34   0.001     .3625333    1.391697
  dbarrier18 |   -1.65437   .1490564   -11.10   0.000    -1.946629   -1.362111
       _cons |   16.15866   2.234643     7.23   0.000     11.77713    20.54019
-------------+----------------------------------------------------------------
     sigma_u |  37.541634
     sigma_e |  116.44967
         rho |  .09414721   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:      F(73, 3101) =      3.52          Prob > F = 0.0000
```

. * 4. All fixed effects, full sample

```
.            xtreg GimportsQ18 closerep dbarrier18 comm1-comm74, fe i(ctrynum)

Fixed-effects (within) regression               Number of obs      =      3177
Group variable (i) : ctrynum                    Number of groups   =       120

R-sq:  within  = 0.1323                          Obs per group: min =         1
       between = 0.0000                                         avg =      26.5
       overall = 0.1150                                         max =        74

                                                 F(75,2982)         =      6.06
corr(u_i, Xb)  = 0.0088                           Prob > F           =    0.0000

------------------------------------------------------------------------------
 GimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   .9820785   .3088948     3.18   0.001     .3764099    1.587747
  dbarrier18 |  -1.291901   .1574438    -8.21   0.000     -1.60061   -.9831912
-------------+----------------------------------------------------------------
     sigma_u |  86.812324
     sigma_e |  102.82028
         rho |  .41618165   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:      F(119, 2982) =      8.37          Prob > F = 0.0000
.
. * Exploratory regressions on restricted sample
```

. * 5. No fixed effects, restricted sample

```
.            reg GimportsQ18 closerep dbarrier18 if insample

      Source |       SS       df       MS              Number of obs =    2753
-------------+------------------------------           F(  2,  2750) =   66.71
       Model |  2046439.35      2  1023219.67          Prob > F      =  0.0000
    Residual |  42177908.4   2750  15337.4212          R-squared     =  0.0463
-------------+------------------------------           Adj R-squared =  0.0456
       Total |  44224347.7   2752  16069.8938          Root MSE      =  123.84

------------------------------------------------------------------------------
 GimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
```

```
------------+----------------------------------------------------------------
   closerep |  .8691481   .2675134      3.25   0.001     .3446007    1.393696
  dbarrier18 | -1.676334    .157347    -10.65   0.000    -1.984864   -1.367804
       _cons |  14.72624   2.537878      5.80   0.000     9.749904    19.70258
------------+----------------------------------------------------------------
```

. * 6. Country fixed effects only, restricted sample

```
.            xtreg GimportsQ18 closerep dbarrier18 if insample, fe i(ctrynum)

Fixed-effects (within) regression            Number of obs      =       2753
Group variable (i) : ctrynum                 Number of groups   =        120

R-sq:  within  = 0.0299                       Obs per group: min =          1
       between = 0.0237                                      avg =       22.9
       overall = 0.0460                                      max =         74

                                              F(2,2631)          =      40.61
corr(u_i, Xb)  = 0.0553                        Prob > F           =     0.0000

------------+----------------------------------------------------------------
 GimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------+----------------------------------------------------------------
   closerep |  .9648427   .3055302      3.16   0.002     .3657388    1.563947
  dbarrier18 | -1.414193    .168184     -8.41   0.000    -1.743979   -1.084407
       _cons |  15.67292   2.376978      6.59   0.000     11.01199    20.33386
------------+----------------------------------------------------------------
    sigma_u |  84.429203
    sigma_e |  110.91144
        rho |  .36687714   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(119, 2631) =      6.70          Prob > F = 0.0000
```

. * 7. Commodity fixed effects only, restricted sample

```
.            xtreg GimportsQ18 closerep dbarrier18 if insample, fe i(commodit)

Fixed-effects (within) regression            Number of obs      =       2753
Group variable (i) : commodit                Number of groups   =         74

R-sq:  within  = 0.0443                       Obs per group: min =          7
       between = 0.0751                                      avg =       37.2
       overall = 0.0463                                      max =         79

                                              F(2,2677)          =      61.99
corr(u_i, Xb)  = 0.0290                        Prob > F           =     0.0000

------------+----------------------------------------------------------------
 GimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------+----------------------------------------------------------------
   closerep |  .8729534   .2827559      3.09   0.002     .3185115    1.427395
  dbarrier18 | -1.608271   .1564722    -10.28   0.000    -1.915089   -1.301452
       _cons |  15.02581   2.493746      6.03   0.000     10.13595    19.91568
------------+----------------------------------------------------------------
    sigma_u |  36.499508
    sigma_e |  120.88075
        rho |  .08355388   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(73, 2677) =      2.87          Prob > F = 0.0000.
```

3

. * 8. The core regression: all fixed effects, restricted sample
```
.            xtreg GimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe i(
> ctrynum)

Fixed-effects (within) regression            Number of obs      =      2753
Group variable (i) : ctrynum                 Number of groups   =       120

R-sq:  within  = 0.1273                       Obs per group: min =         1
       between = 0.0006                                      avg =      22.9
       overall = 0.1105                                      max =        74

                                              F(75,2558)         =      4.98
corr(u_i, Xb)  = 0.0051                       Prob > F           =    0.0000

------------------------------------------------------------------------------
 GimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   1.043602   .3317308     3.15   0.002     .3931134    1.69409
  dbarrier18 |  -1.269298   .1656069    -7.66   0.000    -1.594035  -.9445612
-------------+----------------------------------------------------------------
     sigma_u |  88.189236
     sigma_e |  106.68857
         rho |  .40591993   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(119, 2558) =      7.38          Prob > F = 0.0000


.
. * Sensitivity analysis of core regression
```
. * 9. White standard errors
```
.            reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample, robust

Regression with robust standard errors         Number of obs =      2753
                                               F(183,  2558) =         .
                                               Prob > F      =         .
                                               R-squared     =    0.3416
                                               Root MSE      =    106.69


------------------------------------------------------------------------------
             |               Robust
 GimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   1.043602   .2784137     3.75   0.000     .4976625   1.589541
  dbarrier18 |  -1.269298   .1791923    -7.08   0.000    -1.620675  -.9179216
------------------------------------------------------------------------------
```

. * 10. Bootstrap standard errors, 500 replications
```
.            bs "xtreg GimportsQ18 closerep dbarrier18 comm1-comm74 if insample, f
> e i(ctrynum)" "_b[closerep] _b[dbarrier18]", reps(500)

command:      xtreg GimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe
>  i(ctrynum)
statistics:  _b[closerep] _b[dbarrier18]
(4441 observations deleted)
(obs=2753)


Bootstrap statistics

Variable |   Reps   Observed       Bias    Std. Err.    [95% Conf. Interval]
---------+-------------------------------------------------------------------
    bs1 |    500   1.043602  -.0104885   .2751187     .5030678  1.584135   (N)
        |                                             .4926565  1.565605   (P)
        |                                             .4781288  1.557555  (BC)
---------+-------------------------------------------------------------------
    bs2 |    500  -1.269298  -.0336921   .1864025    -1.635529 -.9030679   (N)
        |                                            -1.701937  -.956478   (P)
        |                                            -1.658439 -.9076456  (BC)
-----------------------------------------------------------------------------
                        N = normal, P = percentile, BC = bias-corrected
```
4

. * 11. robust regression

```
Robust regression estimates                         Number of obs =     2753
                                                    F(194,  2558) =     7.31
                                                    Prob > F       =   0.0000


------------------------------------------------------------------------------
  GimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
     closerep |  1.050799   .3491139     3.01   0.003     .3662245    1.735374
    dbarrier18 | -1.361933   .1742849    -7.81   0.000    -1.703687   -1.020179
```

. * 13. Weighted by beginning-period import values

```
.         reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=impor
> ts91]
(sum of wgt is   7.4923e+09)

      Source |       SS       df       MS              Number of obs =     2753
-------------+------------------------------           F(194,  2558) =    24.01
       Model |  17770796.9   194  91602.0459           Prob > F       =   0.0000
    Residual |  9758834.49  2558  3815.02521           R-squared      =   0.6455
-------------+------------------------------           Adj R-squared  =   0.6186
       Total |  27529631.4  2752  10003.4998           Root MSE       =   61.766

------------------------------------------------------------------------------
  GimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
     closerep |  .8444457    .216642     3.90   0.000     .4196342    1.269257
    dbarrier18 | -2.060749   .3614256    -5.70   0.000    -2.769465   -1.352032
------------------------------------------------------------------------------
```

. * 14. Weighted by end-period import values

```
.         reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=impor
> ts98]
(sum of wgt is   1.5146e+10)

      Source |       SS       df       MS              Number of obs =     2753
-------------+------------------------------           F(195,  2557) =    27.87
       Model |  11319348.2   195  58047.9397           Prob > F       =   0.0000
    Residual |  5324950.64  2557  2082.49927           R-squared      =   0.6801
-------------+------------------------------           Adj R-squared  =   0.6557
       Total |  16644298.9  2752  6048.07372           Root MSE       =   45.634

------------------------------------------------------------------------------
  GimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
     closerep | -.3748505    .135504    -2.77   0.006    -.6405592   -.1091418
    dbarrier18 | -1.134573   .1998908    -5.68   0.000    -1.526538   -.7426091
------------------------------------------------------------------------------
```

. * 15. Weighted by geometric average of beginning and end-period import values

```
.         reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=sqrt(
> imports91*imports98)]
(sum of wgt is   8.5771e+09)

      Source |       SS       df       MS              Number of obs =     2753
-------------+------------------------------           F(194,  2558) =    23.60
       Model |  13483069.3   194  69500.3574           Prob > F       =   0.0000
    Residual |  7532262.52  2558  2944.59051           R-squared      =   0.6416
-------------+------------------------------           Adj R-squared  =   0.6144
       Total |  21015331.9  2752  7636.38512           Root MSE       =   54.264

------------------------------------------------------------------------------
  GimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
     closerep |  .0607976   .1704182     0.36   0.721    -.2733739    .3949692
    dbarrier18 | -1.995823   .3248987    -6.14   0.000    -2.632914   -1.358732
```

5

C:\Papers\Trade and Time\data\October 2002 calculations\regressions 2.doc

This file contains all necessary REGULAR GROWTH regression results for the November 2002 version of the paper. The first 7 regressions look at combinations of fixed effects and sample selection ("restricted sample" excludes obs which were quota constrained in 91 or 98). Regression 8 is the basic OLS fixed effects regression, which is followed by two different computations of the standard errors (White and bootstrap). Regression 11 is robust regression, and 12 is a failed attempt at LAD. Lastly, regressions 13-15 look at the effects of weighted LS; beginning-period import weights (regression 13) don't support the model, while weights that use end-period imports do (14 & 15). In all cases, I have deleted nuisance fixed effect parameter estimates from the file. The original log file is created by running "regressions 1a and 2a.do".

```
-------------------------------------------------------------------------
      log:  C:\Papers\Trade and Time\data\October 2002 calculations\regression
> s 2a.log
  log type:  text
 opened on:  19 Nov 2002, 10:28:04

. use "C:\Papers\Trade and Time\data\October 2002 calculations\OTEXA census rep
> len data version 2a wide.dta", clear
(Census & OTEXA data merged)


. * Exploratory regressions on full sample
```
. * 1. No fixed effects, full sample
```
.         reg gimportsQ18 closerep dbarrier18

     Source |       SS       df       MS              Number of obs =    3172
------------+------------------------------           F(  2,  3169) =   12.26
      Model | 16434463.0      2  8217231.49           Prob > F      =  0.0000
   Residual | 2.1247e+09   3169  670477.828           R-squared     =  0.0077
------------+------------------------------           Adj R-squared =  0.0070
      Total | 2.1412e+09   3171  675237.685           Root MSE      =  818.83


-------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.       t    P>|t|    [95% Conf. Interval]
-------------+-----------------------------------------------------------------
    closerep |  4.827735    1.71857     2.81   0.005    1.458113    8.197357
  dbarrier18 | -3.821167   1.030053    -3.71   0.000   -5.840806   -1.801528
       _cons |  35.52344   15.63877     2.27   0.023    4.860302    66.18657
-------------------------------------------------------------------------------
```

. * 2. Country fixed effects only, full sample
```
.         xtreg gimportsQ18 closerep dbarrier18, fe i(ctrynum)

Fixed-effects (within) regression              Number of obs      =      3172
Group variable (i) : ctrynum                   Number of groups   =       120

R-sq:  within  = 0.0080                        Obs per group: min =         1
       between = 0.0122                                        avg =      26.4
       overall = 0.0076                                        max =        74

                                               F(2,3050)          =     12.35
corr(u_i, Xb)  = -0.1280                       Prob > F           =    0.0000


-------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.       t    P>|t|    [95% Conf. Interval]
-------------+-----------------------------------------------------------------
    closerep |  7.122158   2.201657     3.23   0.001    2.805276    11.43904
  dbarrier18 | -4.574014   1.222592    -3.74   0.000   -6.971202   -2.176827
       _cons |  26.77055    16.3093     1.64   0.101   -5.207776    58.74887
-------------+-----------------------------------------------------------------
     sigma_u |  227.38907
     sigma_e |   815.6146
         rho |  .07212081   (fraction of variance due to u_i)
-------------------------------------------------------------------------------
```

```
F test that all u_i=0:     F(119, 3050) =      1.21          Prob > F = 0.0634
```

. * 3. Commodity fixed effects only, full sample
```
.          xtreg gimportsQ18 closerep dbarrier18, fe i(commodit)

Fixed-effects (within) regression            Number of obs      =       3172
Group variable (i) : commodit                Number of groups   =         74

R-sq:  within  = 0.0079                       Obs per group: min =          7
       between = 0.0288                                      avg =       42.9
       overall = 0.0077                                      max =         90

                                              F(2,3096)          =      12.31
corr(u_i, Xb)  = -0.0213                      Prob > F           =     0.0000

------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |  5.112749    1.84369     2.77   0.006      1.49777    8.727728
  dbarrier18 | -3.917822   1.048174    -3.74   0.000    -5.973009   -1.862636
       _cons |  34.42201    15.7092     2.19   0.029     3.620507    65.22351
-------------+----------------------------------------------------------------
     sigma_u |  126.81465
     sigma_e |  818.05522
         rho |  .02346716   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(73, 3096) =      1.08          Prob > F = 0.2983
```

. * 4. All fixed effects, full sample
```
.          xtreg gimportsQ18 closerep dbarrier18 comm1-comm74, fe i(ctrynum)

Fixed-effects (within) regression            Number of obs      =       3172
Group variable (i) : ctrynum                 Number of groups   =        120

R-sq:  within  = 0.0347                       Obs per group: min =          1
       between = 0.0033                                      avg =       26.4
       overall = 0.0312                                      max =         74

                                              F(75,2977)         =       1.43
corr(u_i, Xb)  = -0.0911                      Prob > F           =     0.0099

------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |    7.3823   2.446589     3.02   0.003     2.585124    12.17948
  dbarrier18 | -4.628422   1.248451    -3.71   0.000    -7.076337   -2.180507
-------------+----------------------------------------------------------------
     sigma_u |  231.77971
     sigma_e |  814.37792
         rho |  .07493282   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(119, 2977) =      1.24          Prob > F = 0.0452

.
. * Exploratory regressions on restricted sample
```
. * 5. No fixed effects, restricted sample
```
.          reg gimportsQ18 closerep dbarrier18 if insample

      Source |       SS       df       MS              Number of obs =     2748
-------------+------------------------------           F(  2,  2745) =    11.96
       Model |  16900964.8      2  8450482.40          Prob > F      =   0.0000
    Residual |  1.9402e+09   2745  706819.357          R-squared     =   0.0086
-------------+------------------------------           Adj R-squared =   0.0079
       Total |  1.9571e+09   2747  712457.262          Root MSE      =   840.73


------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
```

```
    closerep |   5.143363    1.81624     2.83   0.005    1.582028    8.704699
   dbarrier18 |  -3.898755   1.069628    -3.64   0.000   -5.996112   -1.801398
        _cons |    36.7847    17.2428     2.13   0.033    2.974534    70.59487
------------------------------------------------------------------------------
```

. * 6. Country fixed effects only, restricted sample

```
.            xtreg gimportsQ18 closerep dbarrier18 if insample, fe i(ctrynum)

Fixed-effects (within) regression            Number of obs      =      2748
Group variable (i) : ctrynum                 Number of groups   =       120

R-sq:  within  = 0.0099                      Obs per group: min =         1
       between = 0.0062                                      avg =      22.9
       overall = 0.0086                                      max =        74

                                             F(2,2626)          =     13.08
corr(u_i, Xb)  = -0.1154                      Prob > F           =    0.0000

------------------------------------------------------------------------------
  gimportsQ18 |     Coef.   Std. Err.      t    P>|t|    [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   7.501955   2.279349     3.29   0.001    3.032452    11.97146
   dbarrier18 |  -4.879425   1.256965    -3.88   0.000   -7.344168   -2.414683
        _cons |   26.29982   17.74845     1.48   0.139    -8.50254    61.10218
-------------+----------------------------------------------------------------
     sigma_u |  286.12648
     sigma_e |  827.43325
         rho |  .10680607   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(119, 2626) =      1.75          Prob > F = 0.0000
```

. * 7. Commodity fixed effects only, restricted sample

```
.            xtreg gimportsQ18 closerep dbarrier18 if insample, fe i(commodit)

Fixed-effects (within) regression            Number of obs      =      2748
Group variable (i) : commodit                Number of groups   =        74

R-sq:  within  = 0.0088                      Obs per group: min =         6
       between = 0.0249                                      avg =      37.1
       overall = 0.0086                                      max =        79

                                             F(2,2672)          =     11.93
corr(u_i, Xb)  = -0.0208                      Prob > F           =    0.0000

------------------------------------------------------------------------------
  gimportsQ18 |     Coef.   Std. Err.      t    P>|t|    [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   5.417184   1.963036     2.76   0.006     1.56796    9.266408
   dbarrier18 |  -4.012928    1.08736    -3.69   0.000    -6.14508   -1.880776
        _cons |     35.566   17.32683     2.05   0.040    1.590652    69.54135
-------------+----------------------------------------------------------------
     sigma_u |  144.37131
     sigma_e |  839.20633
         rho |   .0287447   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(73, 2672) =      1.14          Prob > F = 0.2034
.
```

3

. * 8. The core regression: all fixed effects, restricted sample

```
.         xtreg gimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe i(
> ctrynum)

Fixed-effects (within) regression          Number of obs      =      2748
Group variable (i) : ctrynum               Number of groups   =       120

R-sq:  within  = 0.0411                     Obs per group: min =         1
       between = 0.0040                                    avg =      22.9
       overall = 0.0368                                    max =        74

                                            F(75,2553)         =      1.46
corr(u_i, Xb)  = -0.0712                     Prob > F           =    0.0067

------------------------------------------------------------------------------
 gimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   7.869281   2.567806     3.06   0.002     2.834087    12.90447
  dbarrier18 |  -4.916829   1.283302    -3.83   0.000    -7.433247   -2.400411
-------------+----------------------------------------------------------------
     sigma_u |  287.73288
     sigma_e |  825.83136
         rho |  .10825254   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0:     F(119, 2553) =     1.73          Prob > F = 0.0000
.
. * Sensitivity analysis of core regression
```

. * 9. White standard errors

```
.         reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample, robust

Regression with robust standard errors       Number of obs =     2748
                                             F(181,  2553) =        .
                                             Prob > F       =        .
                                             R-squared      =   0.1104
                                             Root MSE       =   825.83

------------------------------------------------------------------------------
             |               Robust
 gimportsQ18 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |   7.869281    4.56528     1.72   0.085    -1.082748    16.82131
  dbarrier18 |  -4.916829   2.490092    -1.97   0.048    -9.799634   -.0340245
------------------------------------------------------------------------------
```

. * 10. Bootstrap standard errors, 500 replications

```
.         bs "xtreg gimportsQ18 closerep dbarrier18 comm1-comm74 if insample, f
> e i(ctrynum)" "_b[closerep] _b[dbarrier18]", reps(500)

command:      xtreg gimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe
>  i(ctrynum)
statistics:   _b[closerep] _b[dbarrier18]
(4446 observations deleted)
(obs=2748)


Bootstrap statistics

Variable |   Reps   Observed       Bias   Std. Err.   [95% Conf. Interval]
---------+-------------------------------------------------------------------
    bs1 |    500   7.869281   -.2149743   4.377865    -.732038   16.4706   (N)
        |                                              .1715173  17.55238  (P)
        |                                              .6742306  18.46937  (BC)
---------+-------------------------------------------------------------------
    bs2 |    500  -4.916829   -.0403724   2.469112   -9.767967  -.0656915  (N)
        |                                             -10.30446 -.5350095  (P)
        |                                             -10.51103  -.542952  (BC)
---------+-------------------------------------------------------------------
                          N = normal, P = percentile, BC = bias-corrected
```

. * 11. robust regression
```
.         rreg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample

Robust regression estimates                      Number of obs =    2748
                                                 F(194,  2553) = 4955.65
                                                 Prob > F      =  0.0000


------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |  .0145626     .00499     2.92   0.004     .0047778    .0243474
  dbarrier18 | -.0136898    .0024938   -5.49   0.000    -.0185799   -.0087997
```

.
. * 13. Weighted by beginning-period import values
```
.         reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=impor
> ts91]
(sum of wgt is   7.4923e+09)

      Source |       SS       df       MS              Number of obs =    2748
-------------+------------------------------           F(195,  2552) =    0.56
       Model |  41833.606   195  214.531313           Prob > F      =  1.0000
    Residual | 985404.256  2552  386.130194           R-squared     =  0.0407
-------------+------------------------------           Adj R-squared = -0.0326
       Total | 1027237.86  2747  373.948985           Root MSE      =   19.65


------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |  .0304511   .0689851     0.44   0.659    -.1048214    .1657236
  dbarrier18 | -.1321137   .1150891    -1.15   0.251    -.3577912    .0935638
```

. * 14. Weighted by end-period import values
```
.         reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=impor
> ts98]
(sum of wgt is   1.5146e+10)

      Source |       SS       df       MS              Number of obs =    2748
-------------+------------------------------           F(194,  2553) =    7.52
       Model |  1.2895e+09   194  6646910.12          Prob > F      =  0.0000
    Residual |  2.2556e+09  2553  883510.036          R-squared     =  0.3637
-------------+------------------------------           Adj R-squared =  0.3154
       Total |  3.5451e+09  2747  1290535.74          Root MSE      =  939.95


------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |  15.07973   2.793574     5.40   0.000     9.601834    20.55764
  dbarrier18 | -74.72768   4.121052   -18.13   0.000    -82.80863   -66.64674
```

. * 15. Weighted by geometric average of beginning and end-period import values
```
.         reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=sqrt(
> imports91*imports98)]
(sum of wgt is   8.5771e+09)

      Source |       SS       df       MS              Number of obs =    2748
-------------+------------------------------           F(195,  2552) =    0.50
       Model |  2306033.65   195  11825.8136          Prob > F      =  1.0000
    Residual |  60815817.1  2552  23830.6493          R-squared     =  0.0365
-------------+------------------------------           Adj R-squared = -0.0371
       Total |  63121850.7  2747  22978.4677          Root MSE      =   154.37


------------------------------------------------------------------------------
 gimportsQ18 |     Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
    closerep |  1.243098   .4852503     2.56   0.010     .2915741    2.194623
  dbarrier18 | -3.016161   .9251429    -3.26   0.001    -4.830269   -1.202054
```

5

```
                              regressions 1a and 2a.do
/* This file runs regressions for the November version of the paper.
   It is identical to 'regressions 1.do' plus `regressions 2.do',
   except that the dataset has had one grossly
   wrong observation deleted, and the LAD regressions are dropped.
*/

capture log close
* The dependent variable is bounded growth.
log using "regressions 1a", replace
set more off

use "C:\Papers\Trade and Time\data\October 2002 calculations\OTEXA census replen
data version 2a wide.dta", clear
set matsize 500

* Exploratory regressions on full sample
* 1. No fixed effects, full sample
        reg GimportsQ18 closerep dbarrier18
* 2. Country fixed effects only, full sample
        xtreg GimportsQ18 closerep dbarrier18, fe i(ctrynum)
* 3. Commodity fixed effects only, full sample
        xtreg GimportsQ18 closerep dbarrier18, fe i(commodit)
* 4. All fixed effects, full sample
        xtreg GimportsQ18 closerep dbarrier18 comm1-comm74, fe i(ctrynum)

* Exploratory regressions on restricted sample
* 5. No fixed effects, restricted sample
        reg GimportsQ18 closerep dbarrier18 if insample
* 6. Country fixed effects only, restricted sample
        xtreg GimportsQ18 closerep dbarrier18 if insample, fe i(ctrynum)
* 7. Commodity fixed effects only, restricted sample
        xtreg GimportsQ18 closerep dbarrier18 if insample, fe i(commodit)

* 8. The core regression: all fixed effects, restricted sample
        xtreg GimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe
i(ctrynum)

* Sensitivity analysis of core regression
* 9. white standard errors
        reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample, robust
* 10. Bootstrap standard errors, 500 replications
        bs "xtreg GimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe
i(ctrynum)" "_b[closerep] _b[dbarrier18]", reps(500)
* 11. robust regression
        rreg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample

* 13. Weighted by beginning-period import values
        reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=imports91]
* 14. Weighted by end-period import values
        reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=imports98]
* 15. Weighted by geometric average of beginning and end-period import values
        reg GimportsQ18 closerep dbarrier18 cty1-comm74 if insample
[aw=sqrt(imports91*imports98)]

capture log close

* The dependent variable is regular growth.
log using "regressions 2a", replace

* Exploratory regressions on full sample
* 1. No fixed effects, full sample
        reg gimportsQ18 closerep dbarrier18
* 2. Country fixed effects only, full sample
```
Page 1

```
        xtreg gimportsQ18 closerep dbarrier18, fe i(ctrynum)
* 3. Commodity fixed effects only, full sample
        xtreg gimportsQ18 closerep dbarrier18, fe i(commodit)
* 4. All fixed effects, full sample
        xtreg gimportsQ18 closerep dbarrier18 comm1-comm74, fe i(ctrynum)

* Exploratory regressions on restricted sample
* 5. No fixed effects, restricted sample
        reg gimportsQ18 closerep dbarrier18 if insample
* 6. Country fixed effects only, restricted sample
        xtreg gimportsQ18 closerep dbarrier18 if insample, fe i(ctrynum)
* 7. Commodity fixed effects only, restricted sample
        xtreg gimportsQ18 closerep dbarrier18 if insample, fe i(commodit)

* 8. The core regression: all fixed effects, restricted sample
        xtreg gimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe
i(ctrynum)

* Sensitivity analysis of core regression
* 9. White standard errors
        reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample, robust
* 10. Bootstrap standard errors, 500 replications
        bs "xtreg gimportsQ18 closerep dbarrier18 comm1-comm74 if insample, fe
i(ctrynum)" "_b[closerep] _b[dbarrier18]", reps(500)
* 11. robust regression
        rreg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample

* 13. Weighted by beginning-period import values
        reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=imports91]
* 14. Weighted by end-period import values
        reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample [aw=imports98]
* 15. Weighted by geometric average of beginning and end-period import values
        reg gimportsQ18 closerep dbarrier18 cty1-comm74 if insample
[aw=sqrt(imports91*imports98)]

capture log close

do `regressions 4'
```