README for the Reproducibility Package for

Leveraging Growth Regressions for Country Analysis

Panel dataset on correlates of economic growth: 1970-2019 (version 1.0)

This reproducibility package contains the STATA codes and data necessary to reproduce the results of "Leveraging Growth Regressions for Country Analysis".

- To see which raw data have been used and how they have been transformed, please see: **0_WBPRWP_datacr.do** (which is for documentation only and not necessary for the analysis, which can straight use growthdata_public.dta from this reproducibility package).
- **1_WBPRWP_analysis.do** explains what data to load and contains all relevant commands for generating most of the tables and figures.
- Since the "dominance" analysis (for economic relevance) takes several hours (possibly > 1 day) to compile, we have separated those commands in the file **2_WBPRWP_dominance.do**
- Files with the prefix 3 contain all information for the analysis in section 5.2: the file 3b_WBPRWP_relevance.csv contains the dominance statistics estimated in 2_WBPRWP_dominance.do and the standardized beta coefficients (which are calculated in the Excel file 3a_WBPRWP_relevance.xlsx). Also see the code file **3_Figure1.do** in this repository.

To run the code, set the correct working directory in line 11 of **main.do**. Each sub do-file can also run individually if the section "Global settings" of *main.do* is executed first.

Data statement

This research utilizes data from public sources. While all data used in this paper are publicly available, the dataset "Major Episodes of Political Violence" of the Center for Systemic Peace, is not republishable due to copyright restrictions. Below we outline all sources, weblinks, and corresponding files contained in 0a_secondaryfiles.zip for all data sources:

- **Penn World Tables 10.0**, available at: https://www.rug.nl/ggdc/productivity/pwt/pwt-releases/pwt100 (CC BY 4.0), direct web access though *0_WBPRWP_datacr.do* on lines 15, 35 (for PWT national accounts module), and 589 and 640. [downloaded May 11, 2021]
- **World Bank World Development Indicators** https://datatopics.worldbank.org/world-development-indicators/ (CC BY 4.0); files: *WDI_WBgro_*.xlsx* [downloaded May 11, 2021 – March 15, 2022]
- **Observatory of Economic Complexity (OEC):** https://oec.world/en/resources/bulk-download/international; file: *eci_hs6_hs92_95-18.csv* [downloaded June 1, 2021]
- **IMF Export Diversification and Quality Databases:** https://www.imf.org/external/np/res/dfidimf/diversification.htm; file: *IMF_Export_Diversification.xlsx* [downloaded June 1, 2021]
- **UNCTAD Stat** Merchandise: Product concentration and diversification indices of exports: https://unctadstat.unctad.org/datacentre/dataviewer/US.ConcentDiversIndices (CC Attribution 3.0 IGO); file: *UNCTAD_concentdiversindices_81062638549722.xlsx* [downloaded June 1, 2021]

- **UNCTAD FDI stocks and flows**:
  https://unctadstat.unctad.org/datacentre/dataviewer/US.FdiFlowsStock (CC Attribution 3.0 IGO); files: *UNCTAD_fdiflowsstock_*.xlsx* [downloaded June 1, 2021]
- **Center for Systemic Peace**: Major Episodes of Political Violence:
  www.systemicpeace.org/inscr/MEPVv2018.xls; [downloaded Aug 20, 2021]. The data is public but cannot be redistributed and it is not included in the reproducibility package.
- **Laeven and Valencia Systemic Banking Crises Database II**:
  https://sites.google.com/site/laevenl/data-and-codes; file: *BankingCrises.xlsx* [downloaded Aug 22, 2021]
- **Standardized World Income Inequality Database**, Version 9.1.
  https://fsolt.org/swiid/swiid_downloads/ (CC 0 1.0); file: *swiid9_1_summary.csv* [downloaded Sept 6, 2021]
- **World Bank Climate Change Knowledge Portal**:
  https://climateknowledgeportal.worldbank.org/download-data; file: *CCKP_meantemp_month_tas_1901_2020.csv* [downloaded Aug 20, 2021]

Exhibit-Output Linkage

Input files for exhibits

- **3a_WBPRWP_relevance.xlsx**:
  - Results in tab "dominance" are generated by the results of *2_WBPRWP_dominance.do*
  - Results in tab "std_beta" are generated by lines 146-170 of *1_WBPRWP_analysis.do*
- **3b_WBPRWP_relevance.csv** is generated with results copied manually from 3a_WBPRWP_relevance.xlsx
- **WBgrowthpaper_Fig4_5.xlsx**
  - Tab fig4 is generated from numbers extracted from the results for Table 3
  - Tab fig5 is generated from line 143 of *1_WBPRWP_analysis.do*

Main section of the paper

- **Table 1** (Summary statistics): line 28 in *1_WBPRWP_analysis.do* (section "Run minimum model and provide summary statistics")
- **Table 2** (Main regression models): lines 34-45 in *1_WBPRWP_analysis.do* (section "Different possible models")
- **Figure 1** (Measures of economic relevance): lines 21-30 in *3_Figure1.do*
- **Figure 2** (Parameter heterogeneity across income groups): lines 61-68 in *1_WBPRWP_analysis.do* (section "Group heterogeneity")
- **Figure 3** (Parameter heterogeneity across regional groups): lines 76-85 in *1_WBPRWP_analysis.do* (section "Group heterogeneity")
- **Table 3** (Calculation of growth contributions for Bangladesh in Period 8): hand-made illustrative table.
  - Column (1) corresponds to column (1) in table 2.
  - Columns (2) and (3) are generated by lines 129-130 in *1_WBPRWP_analysis.do*
  - The "persistence" term is generated by lines 133-134
  - The "period dummy" terms are obtained by running *1_WBPRWP_analysis.do* up to line 35 and taking the coefficients for periods 7 and 8.

- o   The remainder is simple calculation as explained in the table itself.
- **Figure 4** (Growth contributions for Bangladesh): manual calculation based on Table 3 (as explained in the note to Figure 4). See *WBgrowthpaper_Fig4_5.xlsx* (tab Fig4).
- **Figure 5** (Income increase …): manual calculation based on central model parameters, see line 143 of *1_WBPRWP_analysis.do* and *WBgrowthpaper_Fig4_5.xlsx* (tab Fig5).

Online appendix:

- **Table A.2** (Standardized beta coefficients): See *3a_WBPRWP_relevance.xlsx*, tab "std_beta" (where estimated coefficients are multiplied with panel within variation). The columns in the tab are generated by the results of *2_WBPRWP_dominance.do* (columns G-H) and lines146-168 of *1_WBPRWP_analysis.do* (columns J-K).
- **Figure A.1** (Measures of economic relevance): lines 39-48 of *3_Figure1.do*.
- **Figure A.2** (LVR plots): lines 93 and 98 in *1_WBPRWP_analysis.do* (sections "Residual diagnostics")
- **Table A.3** (Results …): see the following lines in *1_WBPRWP_analysis.do* (sections "Residual diagnostics" and "Results over periods"):
    - o   Column 1: line 94
    - o   Column 2: line 106
    - o   Column 3: line 105
    - o   Column 4: line 99
    - o   Column 5: line 109
    - o   Column 6: line 108
- **Figure 4** (Plot of time dummies): line 112 in *1_WBPRWP_analysis.do* (section "Results over periods")
- **Table A.4** (System-GMM results): lines 119-121 in *1_WBPRWP_analysis.do* (section "GMM estimation")