

This folder contains the reproducibility package for the Working Paper “Export Promotion as Industrial Policy: The Impact of Export Subsidies in Pakistan” by Stefania Lovo and Gonzalo Varela.

If you run into any troubles running this code or reproducing results, please create an Issue in this repository.

### **Statement about Rights**

We certify that the authors of the manuscript have legitimate access to and permission to use the data used in this manuscript.

### **Computational requirements**

Stata (code was last run with version 18)

Commands to be installed:

- estout
- coefplot
- synth

### **Data availability statement**

Some data cannot be made publicly available.

The data to reproduce the graphs and tables included in the working paper are included in the folder “Input” and were obtained from publicly available sources, with the exception of the exporter transactions data used to produce Figure 5 and Table 2, which cannot be made publicly available.

### **Data sources**

- Export data to the world and to the EU at 6-digit level.
  - Source: UN Comtrade via WITS Portal
  - URL: <https://wits.worldbank.org/WITS/WITS/Default-A.aspx?Page=Default>
  - Access Instructions: Requires free WITS account; select Pakistan as the reporting country, World as partner country, HS6 product level, classification HS 2007, years 2008–2020
  - Date of Access: May 2021
  - Name of Data files:
    - Export\_HS6.csv
    - Export\_toEU\_HS6.csv eu-27 member
- Export data at 8-digit level.
  - Source: Central Bank of Pakistan.
  - Access: The data were received by email, after emailing contacts at the Ministry of Commerce of Pakistan. Researchers can contact the Ministry of Commerce at: [mincom@commerce.gov.pk](mailto:mincom@commerce.gov.pk)
  - Date of Access: April 2021
  - Name of Data files:

- Export\_HS8\_2005\_2009.dta: Variables HS2, HS4, HS6, HS8, year, ExportRs.
  - Export\_HS8\_2010\_2021.dta: Variables: HS8, fiscal year, ExportsRs
  - These data are restricted and not publicly available.
- Data on DDT eligibility compiled from various Statutory Regulatory Ordinances (SROs) issued by the Government of Pakistan. The information has been manually collected and compiled by the authors, and it has been made available for products at 8 and 6 digit level.
  - Date of data creation: April 2021
  - Name of Data files:
    - DDT\_DTLT\_HS6.dta
    - DDT\_HS8.dta
- Exporter transaction data for the period 2005-2010 and 2015-2017.
  - Source: Central Bank of Pakistan
  - Access: The data were received by email, after agreeing on the research with the Research department of the Central Bank of Pakistan. Researchers can contact the Central Bank of Pakistan through the Ministry of Commerce at: mincom@commerce.gov.pk
  - Date of Access: April 2021
  - Name of data Files:
    - These data are restricted and not publicly available.
- Exporter transaction data for the period 2018-2021.
  - Source: Ministry of Commerce of Pakistan.
  - Access: The data were received by email, after emailing contacts at the Ministry of Commerce of Pakistan and the Pakistan Single Window. Researchers can contact the Ministry of Commerce at: mincom@commerce.gov.pk
  - Date of Access: April 2021
  - Name of data Files:
    - These data are restricted and not publicly available.
    - Exporter\_transaction\_2008\_2021.dta.
    - Variables: year, NTN, HS6, export\_value, DDT\_NCH6, HS2, HS2n
- GDP and GDP per capita:
  - Source: World Development Indicators,
  - URL: <https://databank.worldbank.org/source/world-development-indicators>
  - Access Instructions: No account required; select Database World Bank Development Indicators, select Series: GDP (constant 2010 US\$), GDP per capita (constant 2010 US\$), select Time: 2008–2020
  - Date of Access: May 2021
  - Name of Data files:
    - GDP.csv
- GDP deflator
  - Source: World Development Indicators, variable: NY.GDP.DEFL.ZS

- wbopendata, indicator(NY.GDP.DEFL.ZS) country(PAK;) long clear
- Date of Access: May 2021
- Name of Data files:
  - GDPdeflator.dta
- Data on Pakistan exports to top 20 destinations:
  - Source: UN Comtrade via WITS Portal
  - URL: <https://wits.worldbank.org/WITS/WITS/Default-A.aspx?Page=Default>
  - Access Instructions: Requires free WITS account; select Pakistan as the reporting country, select these countries ARE, AUS, BEL, BGD, CAN, CHN, DEU, EGY, ESP, FRA, GBR, HKG, ITA, KOR, LKA, NLD, PRT, TUR, USA, ZAF as partner country, HS6 product level, flow: Export, classification HS 2007, years 2008–2020
  - Date of Access: August 2022
  - Name of Data files:
    - PAK\_export\_to\_top20\_all\_08\_10.csv
    - PAK\_export\_to\_top20\_all\_11\_15.csv
    - PAK\_export\_to\_top20\_all\_16\_19.csv
- Data on imports from Pakistan by top 20 export destinations
  - Source: UN Comtrade via WITS Portal
  - URL: <https://wits.worldbank.org/WITS/WITS/Default-A.aspx?Page=Default>
  - Access Instructions: Requires free WITS account; these countries ARE, AUS, BEL, BGD, CAN, CHN, DEU, EGY, ESP, FRA, GBR, HKG, ITA, KOR, LKA, NLD, PRT, TUR, USA, ZAF as reporter country, select Pakistan as partner country, HS6 product level, flow: Import, classification HS 2007, years 2008–2020
  - Date of Access: August 2022
  - Name of Data files:
    - Top20imports\_from\_PAK\_all\_09\_14.csv
    - Top20imports\_from\_PAK\_all\_15\_19.csv

Exhibit	Files
Figure 1	overview_NC
Figure 2	globalFabricYarnNC_nobar, globalProcessedNC_nobar, globalMadeupsNC_nobar, globalGarmentsNC_nobar, globalNoneligNC_nobars
Figure 3	es_Garments_NC and es_Garments_others_NC
Figure 4	synt_all_NC, synt_Processed_NC, synt_Nonelig_NC, synt_Madeups_NC, synt_Garments_NC
Figure 5	capacity_coeff
Figure 6	des_miss_Nonelig and des_miss_Nonelig_noEU
Figure A1	es_Garments_NC, es_Madeups_NC, es_Processed_NC, es_FabricYarn_NC and es_Garments_others_NC
Figure A2	esgarment_h2
Figure A3	esmadeups_h2

Figure A4	esprocessed_h2
Figure A5	esfabricyarn_h2
Figure A6	synt_NonEligible_HS2
Figure A7	inf_Garments_NC, inf_Madeups_NC, inf_Processed_NC, inf_Nonelig_NC
Figure A8	bc_Garments_NC, bc_Madeups_NC, bc_Processed_NC, bc_Nonelig_NC
Figure A9	placebodate_Garments_NC, placebodate_Madeups_NC, placebodate_Processed_NC, placebodate_Nonelig_NC
Figure A10	synt_Garments_noEU_NC, synt_Madeups_noEU_NC, synt_Processed_noEU_NC, synt_Nonelig_noEU_NC
Figure A11	miss_ev_Nonelig_top10, miss_ev_Nonelig_top10noEU
Figure A12	des_miss_FabricYarn, des_miss_Processed, des_miss_Madeups, des_miss_Garments

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### Instructions to Replicators

The code reproduces the results included in the working paper. To recreate the outputs, follow the steps below.

On the folder you will see one Stata script called Master.do. To run the Stata Master.do, open it and edit line 1 to reflect the path of the repository copy in your computer.

This do-file creates all the graphs and tables included in the working paper, which are saved in the folder “Output”.

The package already includes an ado folder with all the user written packages needed, but if for some reason it does not run, the user can uncomment the line : sysdir set PLUS “ado” and install manually the packages.

You may need to install some of the user-written packages the code uses before it runs. To do so, modify line 3-5 by removing “\*”. This only needs to be done once in every computer.