This document explains the steps necessary to replicate the data, figures, and tables used in Kraay r al. (2023).
[version PRWP June 1, 2023]
https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099934305302318791

Operating System: Microsoft Windows 10 Enterprise (v. 21H2)
Progamming Language: Stata MP v17.0
Runtime (approximate): 1-2 hour

Empirics folder path: "\Kraayetal_ReplicationPackage\"

Empirics folder structure: 00-Master.do   [Reference to all folder paths and globals and packages neccessary to run the individual do files.]
                                                        [Update the global dir (line #22) to the local folder path.]
                                01-dofiles   [do files; see detail below]
                                02-rawdata   [input data files; see detail below]
                                03-intermediate   [datasets for figures and tables]
                                04-output   [final figures and tables]

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***************** INPUT DATA FILES ******************
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Input data folder path: "\Kraayetal_ReplicationPackage\02-rawdata\"

1. Global dataset with 1000 bins per country
        - Source: https://datacatalog.worldbank.org/int/search/dataset/0064304/1000_binned_global_distribution
        - Filename: GlobalDist1000bins_1990-2019.dta
        - Description: Welfare data for 218 World Bank economies, each with 1000 bins
                        Years included -- 1990-2019
                        ID variables   -- code, year
                        Variable list -- code; year; region_code (PIP-regions); welf (average daily welfare of bin in 2017 PPP US$); pop (population in millions)
        - Note: Welfare values are average incomes of each bin; file also includes population in each bin. The distribution is at

the national level for all countries.

2. PIP poverty and population estimates (see also file "00b-PIPdata.do" in the Do Files section below to generate these data files)
        - Filename: PIP_CountryLineupData_02012023.dta -- contains country headcounts at $2.15, lineup means, and population for all lineup years
        - Filename: PIP_CountryPopulation_02012023.dta -- contains country populations for all WB economies 1977-2020
        - Filename: PIP_GlobalData_02012023.dta -- contains global headcounts at $2.15, mean, and population for 1981-2019
        - Filename: PIP_RegionalPopulation_02012023.dta -- contains regional population 1977-2020

3. Shared prosperity dataset
        - Source: https://pip.worldbank.org/shared-prosperity
        - Filename: PSPR ShP Final.dta
        - Description: Global database for shared prosperity (10th edition).
                        countains overall mean of the distribution and mean of the bottom 40 percent for a set of comparable surveys
                        Year: c.2014--2019

4. CLASS.dta
        - Source: https://github.com/PovcalNet-Team/Class
        - Description: Historical and current country classifications by income, IDA, IBRD, FCS

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********************** DO FILES **********************
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Do files folder path: "\Kraayetal_ReplicationPackage\01-do\"

*** Note all do files can be run from the "00-Master.do". ***

********************** MAIN DATA **********************

00b-PIPdata.do
        Query PIP lineup indicators and population data for 1990-2019 by country, region, and global.

        OUTPUT: saved in "02-rawdata" folder
                i.   PIP_CountryLineupData_02012023.dta
                ii. PIP_CountryPopulation_02012023.dta
                iii. PIP_GlobalData_02012023.dta
                iv. PIP_RegionalPopulation_02012023

00c-GlobalBinnedData.do
        Downloads binned global distribution from Mahler r al. (2022).

01a-Global-Data-Main.do
        Estimates welfare, poverty, and inequality estimates at the
global level for years 1990-2019.

        OUTPUT: saved in "03-intermediatedata" folder
                i. GlobalData_Main.dta

01b-Country-Data-Main.do
        Estimates welfare, poverty, and inequality estimates at the
country level for user selected year.

        OUTPUT: saved in "03-intermediatedata" folder
                i. CountryData_Main`year'.dta
                (years data saved 1990, 2011-2019)

01c-Region-Data-Main.do
        Estimates welfare, poverty, and inequality estimates at the
regional level for user selected year.

        OUTPUT: saved in "03-intermediatedata" folder
                i. RegionData_Main`year'.dta
                (years data saved 1990,2000,2010,2019)

01d-IncomeGroup-Data-Main.do
        Estimates welfare, poverty, and inequality estimates at the WB
income group level for user selected year.

        OUTPUT: saved in "03-intermediatedata" folder
                i. IncGroupData_Main`year'.dta
                (years data saved 2019)

********************* TABLES *********************

*** Note: The numbers in the filename of the tables and figures
correspond to the numbers in the paper ***

Tables do files folder path: "\Kraayetal_ReplicationPackage\01-do\"

02a-Table 3_1.do
        Compares global trends of various welfare, poverty, and
inequality measures for years 1990, 2000, 2010, and 2019.

02b-Table 3_2.do
        Compares country trends above for select countries in the last

survey year.

02c-Table 4_1.do
        Calculates prosperity gap values in 2019 by region and income
groups and for select countries.

OUTPUT: all tables saved in Excel file in folder
"\Kraayetal_ReplicationPackage\04-output\"

********************* FIGURES *********************

Figures do files folder path: "\Kraayetal_ReplicationPackage\01-do\"

03a-Figure 3_1.do
        Plots the global GIC for the 1990-2019 period (Panel A) and
the elasticities of the W measure and comparators (Panel B).

03b-Figure 3_2.do
        Plots the global GIC for the 1990-2019 period (Panel A) and
the elasticities of the P measure and comparators (Panel B).

03c-Figure 3_3.do
        Plots the contribution of each global percentile to the change
in the P measure and comparators using $6.85 threshold.

03d-Figure 4_1.do
        Trend in the global prosperity gap.

03e-Figure 4_2.do
        Regional decomposition of the global prosperity gap for years
1990, 2000, 2010, and 2019.

03f-Figure 4_3.do
        Comparison of cross-country growth in the prosperity gap,
mean, and the mean of the bottom 40 percent for
                Panel A: 1990-2019 period, and
                Panel B: most recent comparable spells.

03g-Figure 4_4.do
        HIC threshold as the justification for $25/day prosperity gap
threshold.

03h-Figure 4_5.do
        Trends in the global prosperity gap using various poverty
thresholds.

04a-Figure C.1.do
        Cumulative contribution of each percentile to total W and

mean.

04a-Figure C.2.do
        Cumulative contribution of each percentile to total P and comparator measures.

04a-Figure E.1.do
        Elasticities of the P measure and comparators using $2.15/day threshold.

04a-Figure E.2.do
        Contribution of each percentile to the change in P measure and comparators using $2.15/day threshold.

05-VariousStats.do
        Replicates stats not included in tables and figures but used in the paper.

OUTPUT: all figures saved in folder "\Kraayetal_ReplicationPackage\04-output\"