Instructions to replicate results in Limão, Nuno. 2016. "Preferential Trade Agreements" in: *Handbook of Commercial Policy*, edited by K. Bagwell and R. Staiger, Elsevier.

Data sources and construction: see Online Appendix.doc

Files included (all except PTA depth and breadth tables, see below)

- limao_handbook_pta.dta: dyadic panel dataset in STATA 13 format

- limao_handbook_pta.do: STATA do file that replicates the empirical results in the chapter

Instructions for replication

- Open Replication_limao_handbook_pta.zip and unzip by dragging out the limao_handbook_pta folder

- Open \program\limao_handbook_pta.do with STATA and fill in the directory you downloaded the zip file to in line 14. For example, if you download to C:\Users\replicate line 14 would be

    global master   "C:\Users\replicate"

- The program uses 4 user-written commands that do not come with STATA by default (estout, outreg2, reghdfe, rowsort, and tabout). If you do not have this commands installed or are not sure you have the most updated versions, we recommend you install them by uncommenting lines 21-27

- After these steps you can run the do file. The program takes 12 minutes to run in an 8g ram laptop. All the output will be saved in the \output directory

Output files

- The program limao_handbook_pta.do will generate all the regression output, figures, summary statistics included in the chapter and save them in the folder \output.

    o tab_sum_1.csv: Naive gravity summary statistics (for Table 2)

    o tab_sum_2.csv: Structural gravity summary statistics (for Table 2)

    o tab_sum_3.csv: Summary statistics (for table 3)

    o tab_sum_4.csv: Average bilateral applied tariff by agreement type (for table 3)

    o tab2.xls: Regression output from Table 2 in the chapter

    o tab3.xls: Regression output from Table 3 in the chapter

    o figure2.pdf: Figure 2 in the chapter

    o figure_online.pdf: Figure in online appendix II

    o tab4.xls: Regression output for non-constant trade elasticity (section 4 in chapter)

Instructions to replicate PTA depth and breadth tables

Files included

- wtr11-anatomy_ptas_e.dta: dataset of the World Trade Report 2011 in STATA 11 format containing the anatomy of PTAs used to create tables 1 and A1 in the chapter

- Tables_1_A1.do: STATA do file that replicates the two tables

- The \output directory is empty and will be the location of the output .csv files once the user runs Tables_1_A1.do

Instructions for replication

- Open \program\ Tables_1_A1.do with STATA and fill in the directory you downloaded the zip file to in line 14. For example, if you download to C:\Users\replicate line 14 would be

    global master   "C:\Users\replicate"

- After this step you can run the do file. All the outputs will be saved in the \output directory.

Output files

- The program Tables_1_A1.do will generate two summary statistics tables included in the chapter and save them in the folder \output.

    o table_1.csv: Table 1, Depth and breadth in economic policy cooperation

    o table_A1.csv: Appendix Table A1, Shares of provisions in PTAs as of 2011