

"THE GRAVITY EQUATION IN INTERNATIONAL TRADE: AN EXPLANATION"
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INSTRUCTIONS FOR REPLICATING THE EMPIRICAL RESULTS:

This file is called Readme.pdf, and is contained in the root directory of the zip file ReplicationFiles.zip, available from the JPE website.

Once unzipped, the folder "ReplicationFiles" contains all the data and programs necessary to replicate my results, with the exception of 2 datasets that are accessible to researchers subject to approval by the French Statistical Institute. In order to replicate my results, follow these steps:

— 1 : Create the following 2 datasets —

-export92.dta

This dataset contains information on French exporters in 1992. The data is collected by, and available from, the French Customs. The dataset contains the following 3 variables:

siren : the "SIRENE" firm ID
pay : the export destination country code
vfte : the value of exports to that country in 1992

-siren.dta

The dataset contains information on French firms in 1992. The data is collected by, and available from, the French Statistical Institute (INSEE).

The dataset contains the following 2 variables:

siren : the "SIRENE" firm ID
n100 : the industrial sector the firm belongs to

— 2 : Place the datasets in folders —

Place the above 2 files in the following folder:
ReplicationFiles/Build/Input/

— 3 : Clean and organize the raw data —

(1) In STATA, set the correct directory:

cd Your_Computer/ReplicationFiles/Build/Input

(2) Run the STATA do-file:

ReplicationFiles/Build/Input/Build.do

— 4 : Replicate figures 1 and 2, and table 1 —

(1) In STATA, set the correct directory:

cd Your_Computer/ReplicationFiles/Analysis/Input

(2) Run the STATA do-file:

ReplicationFiles/Analysis/Analysis_A.do

(3) Run the STATA do-file:

ReplicationFiles/Analysis/Analysis_B.do

NOTE: It is possible to replicate the results in the paper even if export92.dta and siren.dta are not readily available, using only data aggregated into bins of firms. To do so, follow these steps:

- (1) In STATA, set the correct directory:
 cd Your_Computer/ReplicationFiles/Analysis/Input
- (2) Run the STATA do-file:
 ReplicationFiles/Analysis/Analysis_A_redux.do
- (3) Run the STATA do-file:
 ReplicationFiles/Analysis/Analysis_B_redux.do