The do file "do\_Skill\_Dispersion\_and\_Trade\_Flows\_jul27" contains a Stata code that generates all the figures and tables reported in the paper and online appendix. It also generates the log file that is included in these supplemental materials.

The do file uses two data files as inputs. The main file, "Skill\_Disp\_and\_Trade\_DATA.dta", contains the necessary variables to replicate the reported output, with the exception of Figure A2. Since the latter is based on a different industry classification, we found it more convenient to organize the variables required for this figure in a separate file, "TableA2.dta".

Details on the construction of variables and data sources are can be found in the paper and online appendix.

Names and descriptions of variables included in "Skill\_Disp\_and\_Trade\_DATA.dta"

VARIABLE DESCRIPTION

exporter Exporting country identifier importer Importing country identifier

Qindustry Census02-based industry classification

Inexports Log exports

dexports Dummy = 1 if positive exports

ExIALSbar Mean IALS score

ExIALSressd Std Dev, residual IALS scores
ExIALSpresd Std Dev, predicted IALS scores

ExIALSsd Std Dev, IALS scores

ExIALScv Coefficient of variation, IALS scores

ExIALSprecv Coefficient of variation, predicted IALS scores ExIALSres955 95 - 5 percentile difference, residual IALS scores

ExIALS955 95 - 5 percentile difference, IALS scores

ExIALSn955 95 - 5 percentile difference divided by mean, IALS scores

ExIALSpren955 95 - 5 percentile difference divided by mean, predicted IALS scores

ExIALSresmd Mean difference, residual IALS scores

ExIALSnmd Mean difference divided by mean, IALS scores

ExIALSmd Mean difference, IALS scores

ExIALSprenmd Mean difference divided by mean, predicted IALS scores

Rwagecbar Mean wages, industry rankings Rsdwagec Std Dev wages, industry rankings

Rrsdragec Std Dev residual wages, industry rankings

rsdragec Std Dev residual wages

Rcvwagec Coefficient of variation of wages, industry rankings

cvwagec Coefficient of variation of wages

Rwagec955 95 - 5 percentile difference in wages, industry rankings

Rwagecn955 95 - 5 percentile difference in wages divided by mean, industry rankings

Rrragec955 95 - 5 percentile difference in residual wages divided by mean, industry ranking

Rwagecmd Mean difference in wages, industry rankings

Rwagecnmd Mean difference in wages divided by mean, industry rankings

Rrragecmd Mean difference in residual wages, industry rankings

Ronet Average ranking of ONET complementarity proxies, industry rankings

R2Qteam ONET Teamwork intensity, industry rankings

R2Qcontact ONET Contact intensity, industry rankings

R2Qcomm ONET Communication intensity, industry rankings

R2Qimpact ONET impact on co-workers performance intensity, industry rankings

Qteam50 ONET Teamwork intensity, median score
Qcontact50 ONET Contact intensity, median score

Qcomm50 ONET Communication intensity, median score

Qimpact50 ONET impact on co-workers performance intensity, median score

Improc # of procedures, importing country (HMR 2008)

Imdays # of days, importing country (HMR 2008)

Imcost\_gni\_cap Cost as % of GNI per capita, importing country (HMR 2008)

Exproc # of procedures, exporting country (HMR 2008)

Exdays # of days, exporting country (HMR 2008)

Excost\_gni\_cap Cost as % of GNI per capita, exporting country (HMR 2008)

common\_lang Common Language Dummy legalsystem\_same Common Legal System Dummy

religion\_same Common Religion

border Common Border Dummy
cu Currency Union Dummy
ln\_distance Log of Bilateral Distance
fta Free Trade Area Dummy
colonial Colonial Ties Dummy

gatt\_wto GATT/WTO (# of countries in pair)
n\_islands Islands (# of countries in pair)
n\_landlock Landlocked (# of countries in pair)

Qtopcode Proportion of workers in the industry earning a wage exceeding \$175,000

Qskill1 Skill intensity, US 1996 (Nunn, 2007)
Qcapital Capital intensity, US 1996 (Nunn, 2007)

Qdiff Contract intensity (Nunn, 2007)

ExQc Judicial quality measure: rule of law 1998 (Kaufmann et al 2003)

Exat\_hk Log human capital: from Antweiler and Trefler (2002)
Exat\_kap Log capital/worker: from Antweiler and Trefler (2002)

LaborRig Labor law rigidity (Botero et al. 2004)

cshare1 Percentage of population in the first quintile of the residual IALS distribution cshare5 Percentage of population in the fifth quintile of the residual IALS distribution

Names and descriptions of variables included in "TableA2.dta"

VARIABLE DESCRIPTION

naics\_43 Industry Classification based on NAICS 2002 rsdragec43 standard deviation within industries in the US wageres6STD standard deviation within industries in Canada