Two-tier stochastic frontier analysis for the social sciences.

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README for Application ch. 4.4- US military aid, 1992, 2011

Files and their contents

|  |  |
| --- | --- |
| Gretl 2TSF Exp mle code and metrics.inp | Gretl code to replicate the application 4.4(ML estimation and computation of metrics) |
| Gretl 2TSF Exp mle code and metrics.txt | The same, in .txt format |
| Gretl Wang\_2021\_USmilaid\_enhanced.gretl | The gretl session file with the enhanced data (i.e. incl. US political and economic data).  NOTE: the data sample is currently subsampled to match the application presented in the book. Use "restore full sample" to access the whole. |
| App\_4.4\_Wang\_2021\_data\_enhanced.csv | Full data sample in .csv format |
| Wang 2021 2TSF Bargaining power and U.S military aid.pdf | The original article. |

DATA SAMPLE

The data sample contains yearly data on recipient countries of US military aid, years 1992-2011. It also includes political and economic data on US. n = 3700.

| **Label in software** | **Variable description** | **Name in book** | **Comments** |
| --- | --- | --- | --- |
| ccoder | Country identification based on the Correlates of War project,  <https://correlatesofwar.org/data-sets/cow-country-codes/> |  |  |
| year |  |  |  |
| countryname |  |  |  |
| ccode | Identical to ccoder |  |  |
| polity2r | Democracy score | Democracy | See book and original paper |
| agree3un | UN Voting consistency with US | UN voting | See book and original paper |
| HR | Human rights index | Human Rights | See book and original paper |
| lnmanpower | US troops stationed in country, log | US milit manpower (ln) |  |
| leaidc | US economic aid, log | Economic aid (ln) | In 2005 USD |
| lmaidcv | US military aid, log |  | In 2005 USD - Dependent variable |
| lgdppcc | Country GDP per capita, log |  | In 2005 USD |
| lpop | Country population, log | Population (ln) | In 2005 USD |
| lgdpc | Country GDP, log | GDP (ln) | In 2005 USD |
| lexportc | US exports to country, log | US Exports (ln) | In 2005 USD |
| rg1 | 1=Africa |  | Geopolitical Region / baseline |
| rg2 | 1=America | Rg2: America | Geopolitical Region |
| rg3 | 1=Asia | Rg3: Asia | Geopolitical Region |
| rg4 | 1=Europe | Rg4: Europe | Geopolitical Region |
| rg5 | 1=Pacific | Rg5: Pacific | Geopolitical Region |
| terr | 1= years 2002 onwards | War on terror |  |
| POTUS | Control of Presidency | US President | 0=Democrats, 1= Republicans |
| USSenate | Control of US Senate | US Senate | 0=Democrats, 1= Republicans |
| USHouse | Control of US House of Representatives | US House | 0=Democrats, 1= Republicans |
| USunempl | US yearly unemployment rate | US unemployment | In percentages, i.e. 0.035 is written as 3.5 |
| USgrowth | US yearly GDP growth rate | US growth | In percentages |
| USinflation | US yearly inflation | US inflation | In percentages |