

The folder "Codes and Data" contains the relevant matlab codes and data for the project "Unobservable Skill Dispersion and Comparative Advantage":

Matlab code:

- "main.m" is the main body code that carries out the calibration, benchmark and counterfactual analysis.
- "equib.m" is the m-function that simulate the bilateral trade flows.
- "TFP-A.m" is the m-function that compute the fundamental productivity A's using the score data.

Data:

- "X1.mat" bilateral trade flows data
- "alpha.mat" consumption shares for the differentiated sectors
- "scores.mat" raw data with a normalization
- "nrescore.mat" residual data with a normalization
- "W.mat" weights of raw score data
- "W-n.mat" weights of residual score data
- "L.mat" population
- "lambda-new" lambda's calibrated by $\gamma=0.3, 0.5$ and 0.7 using wage or total compensation data

Note that the data are sorted alphabetically by the name of countries and industries.

Results: results in the paper are saved in "total1.mat", "total2.mat", "total3.mat" for the cases of $\gamma=0.3, 0.5$ and 0.7 respectively.