

Table 1: Panel ARDL-ECM Estimates (DFE vs MG vs PMG)

	DFE						MG						PMG					
	(1) Baseline	(2) +Covid	(3) +Scarring	(4) Baseline			(5) +Covid	(6) +Scarring			(7) Baseline			(8) +Covid	(9) +Scarring			
Panel A. Long-Run Relationship																		
ln.ntl	0.332*** (0.114)	-0.0617 (0.181)	0.589** (0.283)	0.486*** (0.155)	0.195 (0.334)	-0.713 (1.098)	0.374 (0.379)	0.132 (0.282)	0.426 (1.113)									
covid		-0.0668 (0.0947)			0.0311 (0.165)					-0.120 (0.0847)				-0.0490 (1.113)				
scarring			-0.100 (0.186)			-0.0128 (0.121)												
Panel B. Short-Run Dynamics																		
Error-correction term (ECT)	-0.0374*** (0.00851)	-0.0332*** (0.00955)	-0.0169* (0.00939)	-0.0908*** (0.0154)	-0.0457*** (0.0134)	-0.0395*** (0.0179)	-0.0418 (0.399)	-0.0441 (0.254)	-0.0457 (0.719)									
Lagged $\Delta \ln(\text{prdrb})$																		
L1.	-0.602*** (0.0255)	-0.605*** (0.0263)	-0.654*** (0.0265)	-0.620*** (0.0349)	-0.827*** (0.0472)	-1.029*** (0.0623)	-0.578*** (0.0339)	-0.758*** (0.0415)	-0.931*** (0.0637)									
L2.	-0.551*** (0.0270)	-0.549*** (0.0274)	-0.583*** (0.0277)	-0.597*** (0.0332)	-0.826*** (0.0454)	-1.014*** (0.0633)	-0.539*** (0.0313)	-0.753*** (0.0402)	-0.908*** (0.0644)									
L3.	-0.507*** (0.0265)	-0.500*** (0.0270)	-0.544*** (0.0270)	-0.546*** (0.0400)	-0.755*** (0.0500)	-0.963*** (0.0669)	-0.473*** (0.0363)	-0.683*** (0.0469)	-0.860*** (0.0678)									
L4.	0.264*** (0.0250)	0.267*** (0.0248)	0.270*** (0.0251)	0.199*** (0.0306)	0.0226 (0.0302)	-0.103* (0.0527)	0.278*** (0.0335)	0.0892** (0.0346)	-0.0135 (0.0552)									
Lagged $\Delta \ln(\text{nth})$																		
D	0.0130*** (0.00593)	0.0128*** (0.00556)	0.00275 (0.00526)	-0.00254 (0.00841)	0.0143 (0.00882)	-0.00271 (0.00910)	0.0229*** (0.00659)	0.0131*** (0.00533)	-0.00150 (0.00414)									
L1.	0.0101* (0.00576)	0.00918* (0.00536)	0.000825 (0.00512)	-0.00978 (0.00821)	0.00318 (0.00781)	-0.00671 (0.0101)	0.00867 (0.00590)	0.00244 (0.00558)	-0.00830 (0.00569)									
L2.	0.0170*** (0.00530)	0.0121** (0.00492)	0.00564 (0.00473)	0.00532 (0.00768)	0.00865 (0.00690)	0.00270 (0.00824)	0.0193*** (0.00614)	0.00827* (0.00487)	0.00170 (0.00551)									
L3.	0.00425 (0.00439)	-0.00369 (0.00407)	-0.00491 (0.00392)	-0.00235 (0.00628)	-0.00572 (0.00677)	-0.00299 (0.00794)	0.00577 (0.00524)	0.00668 (0.00546)	-0.00602 (0.00648)									
L4.	-0.00271 (0.00327)	-0.00343 (0.00302)	-0.00439 (0.00290)	0.000898 (0.00454)	-0.00106 (0.00445)	-0.000289 (0.00445)	0.00453 (0.00427)	-0.00145 (0.00363)	-0.00186 (0.00410)									
Covid dynamics (only for +Covid models)																		
D	-0.0346*** (0.00400)	-0.0346*** (0.00367)	(0.00410)	(0.00405)	-0.0346*** (0.00405)	-0.0392*** (0.00384)	(0.00384)	-0.0354*** (0.00259)	-0.0335*** (0.00215)									
L1.										-0.00664* (0.00347)	-0.00248 (0.00385)							
L2.										-0.0392*** (0.00384)	-0.0368*** (0.00353)							
L3.										-0.0312*** (0.00349)	-0.0264*** (0.00338)							
L4.										0.00310 (0.00362)	0.00696 (0.00460)							
Scarring dynamics (only for +Scarring models)																		
D	-0.0563*** (0.00527)	-0.0563*** (0.000834)	(0.00544)	(0.00521)	-0.0707*** (0.00420)	-0.0223*** (0.00420)	-0.0407*** (0.00557)	-0.0380*** (0.00549)	-0.0560*** (0.00491)									
L1.										-0.0230*** (0.00730)	-0.0187*** (0.00642)							
L2.										-0.0748*** (0.00571)	-0.0752*** (0.00571)							
L3.										-0.0770*** (0.00940)	-0.0720*** (0.00799)							
L4.										0.00610 (0.00607)	0.0110* (0.00575)							
Constant										0.438*** (0.0959)	0.372*** (0.105)							
															0.224*** (0.103)			

Standard errors in parentheses. *** p < 0.01, ** p < 0.05, * p < 0.1