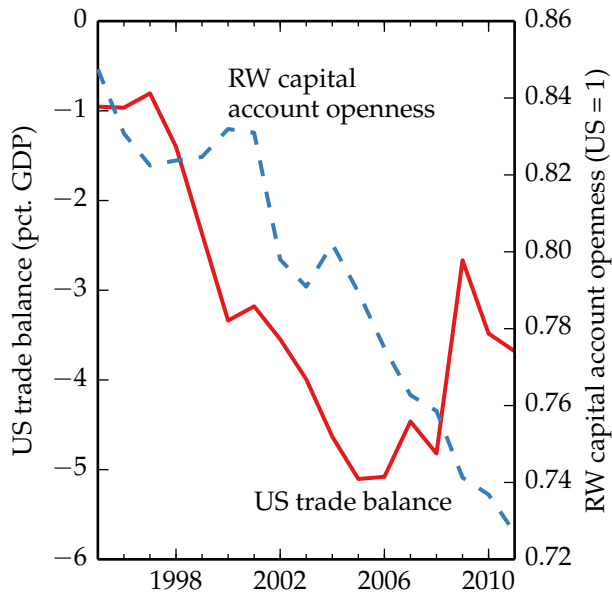
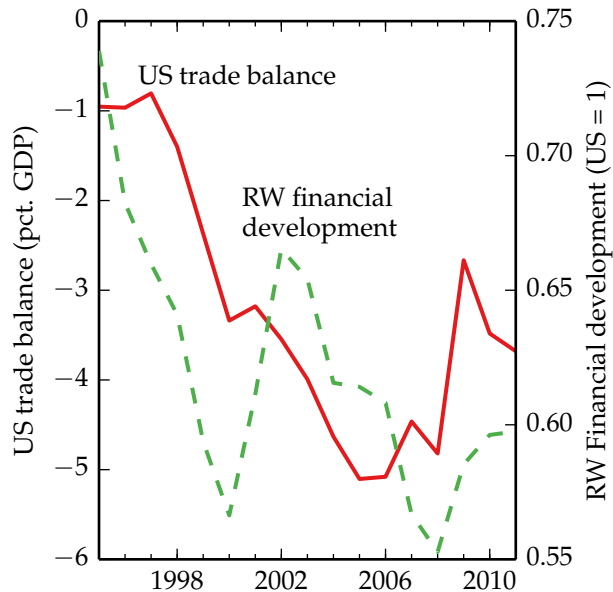


(a) Capital account openness



(b) Financial development



Notes: Solid red lines in both panels plot the U.S. trade balance as a fraction of U.S. GDP (left axis). Dashed lines in panels (a) and (b), respectively, plot the rest of the world's capital account openness and financial development relative to those of the United States (right axes). The former is based on the *KAOPEN* variable from the Chinn and Ito (2006) dataset, while the latter is based on *PCRDBOFGDP* from the Beck et al. (2000) dataset.