README on replication files for "European integration: Do country borders within the EU still matter for trade in manufactured goods?" or "European integration: A comprehensive quantification of the country border effect on trade in manufactured goods" or EU integration and structural gravity: A comprehensive quantification of the border effect on trade.

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This document outlines the Stata files needed to reproduce the results. The code is written to run on Stata 16. All replication files can be accessed with the *batch_file.do*. This file is organized as follows.

1 Data

The data used in this application is taken from `http://wiod.org/home`. The combined data of both the release 2013 and the release 2016 and for all sectors are found in the file *WIOD.dta*. The file *make_WIOD_long_manu.do* collapses the combined WIOD data to the manufacturing sector and adds several dummy variables.

The file *make_RTA_lagsleads.do* uses Mario Larch's RTA database (`https://www.ewf.uni-bayreuth.de/en/research/RTA-data/index.html`) and creates lags and leads for RTA's used for anticipation and phase-in effects. The resulting file *RTA_lagsleads.dta* is merged to the main data file *WIOD_long_manu.dta*.

2 Counterfactual experiments

In the folder *Counterfactual_experiments* you find three files that perform the counterfactual experiments describe in the paper. The files *EU_integration_nolevel.do* and *EU_integration_level.do* run the counterfactual experiment I that quantify EU integration without and with the initial integration level. The file *EU_trade_potential.do* runs the counterfactual experiment II which calculated the EU's trade potential. These files call the procedures stored in the file *Mata*. The results are then stored in the file *Estimates*.

Figures and tables are created by calling the above mentioned result files. In order to create all figures and tables, the counterfactual experiments must be run first. Graphs are then stored in the file *Figures_and_tables*. Otherwise, all figures and tables can be created using the estimates used in the paper. These are found in the files named "...*_paper*" and contain 1000 bootstrapped estimates. The addressing of these original data has to be changed directly in the file that creates the desired figure or table. For replication it might be useful to know that the calculations with so many bootstrap runs can take up to a week (i.e. *EU_integration_nolevel.do* and *EU_integration_nolevel.do*, *EU_trade_potential.do* takes around 3 days).

Last, the files that run the robustness checks are found in *Robustness*. Calculation also with many bootstrap runs is rather fast.