

Estimated Effect on $\log(\text{Theil})$

← China joins WTO

0.0

-0.2

-0.4

1998

1999

2000

2001

2002

2003

2004

2005

■ Total effect: $\Delta_t + \gamma_{1t}$

● Direct effect: Δ_t

◆ Indirect effect: γ_{1t}

