Description of Files included:

<u>'cross-sectional regressions.do':</u>

This is a Stata do-file that performs all of the cross-sectional regressions in Section 4 of the paper. It calls on the main dataset, 'data.dta', whose construction is explained in 'Description of dataset constructed from other sources.pdf'. The result is to generate the estimation results in Tables 3-5 as well as the descriptive statistics regarding the relative productivity data in Table 2 and the revealed productivity measures in Table 6. In addition, this file generates the inputs (.csv files) to be called in the counterfactual exercises (performed in Matlab) described below.

<u>'counterfactual exercises.m':</u>

This is a Matlab m-file that calculates each of the counterfactual scenarios in Section 5 of the paper. It calls on various data inputs (.csv files) generated by the above 'cross-sectional regressions.do' file. The result is to generate the calculations in Tables 7 and 8.

<u>'Zfunction.m':</u>

This is a Matlab m-file that is called by the above 'counterfactual exercises.m'.