Fentanyl Consumption and Peasants Income

Preliminar regression

	(1)	(2)	(3)	(4)	(5)
			Income		
	Survey	Avg	Small	Medium	Big
Panel A: Full sample					
Log number of deaths (US) caused, among others, by fentanyl	-0.009	0.032	0.014	0.015	-0.564
	(0.048)	(0.021)	(0.016)	(0.047)	(0.383)
Log number of deaths (US) caused, among others, by fentanyl	0.007	-0.107	-0.159***	-0.393***	1.240
	(0.084)	(0.067)	(0.034)	(0.084)	(1.019)
State CPI	0.008	-0.001	-0.006***	-0.016***	-0.122
	(0.006)	(0.004)	(0.001)	(0.003)	(0.067)
Participation rate	0.000	-0.002	0.000	0.000	-0.001
	(0.002)	(0.003)	(0.000)	(0.001)	(0.015)
Log Exchange rate (COP/USD)	-0.055	0.225	0.197***	0.584***	2.745**
	(0.091)	(0.157)	(0.014)	(0.050)	(1.039)
Economic Performance Index	0.008***	-0.003**	0.004***	0.010***	0.031
	(0.002)	(0.001)	(0.000)	(0.001)	(0.021)
Observations	950	819	819	819	819
R-squared	0.556	0.342	0.518	0.576	0.837
State F.E.	✓	✓	✓	✓	✓
Month F.E.	✓	✓	✓	✓	✓
Panel B: Sub sample from 2019					
Log number of deaths (US) caused, among others, by fentanyl	-0.084	-0.202**	-0.253***	-0.592**	-1.253
	(0.078)	(0.079)	(0.062)	(0.174)	(1.544)
Log number of deaths (US) caused, among others, by fentanyl	0.172	0.113	0.277**	0.661	2.834
	(0.229)	(0.089)	(0.113)	(0.353)	(2.522)
State CPI	0.006	0.009*	-0.003	-0.010	-0.110
	(0.020)	(0.004)	(0.005)	(0.013)	(0.168)
Participation rate	0.003	-0.000	-0.001	-0.002	-0.010
	(0.003)	(0.001)	(0.000)	(0.001)	(0.011)
Log Exchange rate (COP/USD)	0.141	0.482**	-0.284	-0.672	-0.172
	(0.411)	(0.155)	(0.202)	(0.433)	(4.611)
Economic Performance Index	0.007**	-0.001	-0.001	-0.003	0.017
	(0.003)	(0.001)	(0.002)	(0.004)	(0.036)
Observations	362	252	252	252	252
R-squared	0.525	0.765	0.672	0.671	0.871
State F.E.	✓	✓	✓	✓	✓
Month F.E.	✓	✓	✓	✓	✓

*** p<0.01, ** p<0.05, * p<0.1

Table 1

Note: This table reports the regression of income as a function of fentanyl and cocaine related deaths in the US. Column 1 shows the dependent variable as the traditional approach using survey data for average rural household income. Columns 2-5 use satellite light intensity data, in particular column 2 uses the average light intensity, column 3 establishes a classification of small villages. column 4 for medium-size villages and column 5 for big cities. All columns include state and monthly fixed effects and control by standard macroeconomic variables that affects the business cycle. Unit of observation is state

x month.