This is a README file for MS #14032. The data provided represent the variables as they were used in the regressions. The original dataset includes information at the airline-market-aircraft-type-month-year level. The data provided here is at the airline-market-month-year level, after filters as described in the paper have been applied. Most of the data analysis was performed using Eviews 7.0 interface. The data analysis techniques used are described in the paper as well.

The original dataset (excluding demographics and other control variables) can be downloaded free of charge from:

http://www.transtats.bts.gov/Tables.asp?DB_ID=111&DB_Name=Air%20Carrier%20Statistics%20%28Form%2041%20Traffic%29-%20All%20Carriers&DB_Short_Name=Air%20Carriers

The relevant table is T100 International Segment (All Carriers). From that table, extract traffic to countries within EU27 plus Switzerland and Norway, and apply all the filters and aggregation as described in the paper.

Data Dictionary

Variable	Definition
AIRLINEAPM	This variable defines the cross-section in the airline-market fixed effects specifications. The structure of the variable is as follows. The first 2-3 symbols signify the IATA airline code; the next six symbols correspond to IATA codes of the two endpoint airports.
APM	This variable defines airport-pair market in question. The six letters correspond to the 3-letter IATA codes of the two endpoint airports.
CARRIER	This variable contains 2-3 symbol IATA airline code
COUNTRY	Name of the EU country where the European airport is located.
FREQUENCY	Total monthly flight frequency at the airline-airport-pair market level
HHIPAX	The conventional Herfindhal-Hirschmann index, calculated based on the passenger volumes
IMMIMM	One of the key indicator variables: defines services by an immunized alliance partner between hub airports of the alliance partners with antitrust immunity
LOAD	Passenger load factor
MAJOR	Indicator variable for a legacy carrier, as defined in the paper. This variable is to be used to construct the corresponding sub-samples, present in all tables.
MEANINC	Geometric average of US and EU enpoints' real per capita income
MEANPOP	Geometric average of US and EU enpoints' population
MONTH	Number of month in the year
MONTHSONMARKET	Total number of months a given airline-market cross-section is encountered in the dataset. This variable is used to identify "steady" services (Table 3)

OPENSKY	Indicator variable for existence of an open skies agreement between the US and a given EU country
OWNNON	One of the key indicator variables: defines services by an immunized alliance partner between the hub airport of the same alliance partner to an airport that is not a hub for any immunized alliance partner
OWNOTHER	One of the key indicator variables: defines services by an immunized alliance partner from a hub airport of the same alliance partner to a hub airport of a competing alliance
PASSENGERS	Monthly total number of passengers, airline-market level
SEATS	Monthly total number of seats offered, airline-market level
TOOTHER	One of the key indicator variables: defines services to a hub airport of an immunized alliance partner by an airline that is not a member of a competing alliance, or by an airline that is a member of the competing alliance, if the service is NOT from the corresponding airline's hub airport
TOTFREQUENCY	Total monthly flight frequency at the market level
TOTPASSENGERS	Total monthly passenger volume at the market level
TOTPASSENGERSLAG	Lagged total monthly market-level passenger volume - an instrument for HHI
TOTSEATS	Total monthly offered seats, market level
TRADE	Annual trade volume between the US and the corresponding EU country
VISAWAIVER	An indicator for the visa waiver programme
YEAR	Year