DATA APPENDIX

This appendix provides a description of all variables included in the datasets archived with ISQ. To replicate the analyses presented in the paper as well as all robustness checks, simply run the "trade blocs regressions.do" do-file, also archived with ISQ. This appendix also gives some supplemental information on the conditional FTA coefficients presented in the paper.

I. Tariff Data (trade blocs tariffs.dta)

Variable	Description
country	Country name
isocode	World Bank country abbreviation
year	Year
smfn	Simple mean MFN tariff
iwmfn	Import-weighted MFN tariff
pwmfn	Output-weighted MFN tariff
lnsmfn	Natural log of smfn
l_lnsmfn	First-period lnsmfn
dlnsmfn	Change in lnsmfn
lniwmfn	Natural log of iwmfn
l_lniwmfn	First-period lniwmfn
dlniwmfn	Change in lniwmfn
lnpwmfn	Natural log of pwmfn
l_lnpwmfn	First-period lnpwmfn
dlnpwmfn	Change in lnpwmfn
lngdppc	Natural log of 1990 GDP per capita
wlrca	Output-weighted RCA-based convergence measure (3-digit ISIC)
wlxm	Output-weighted EXIMP-based convergence measure (3-digit ISIC)
lsitc3	RCA-based convergence measure (3-digit SITC). RCA values are logged but not weighted before correlating across sectors.
wlrcac	Mean-centered wlrca
wlxmc	Mean-centered wlxmc
lsitc3c	Mean-centered lsitc3
tradeshare	Intra-FTA trade as percentage of total trade, 1990-95 average
fsharec	Mean centered tradeshare
f_rca	fsharec × wlrcac
f_xm	fsharec × wlxmc
f_sitc	fsharec × lsitc3c
growth	Percentage change in GDP per capita between tariff observations
dunemp	Change in unemployment rate between tariff observations
dxr	Percentage change in real exchange rate between tariff observations
imf	Number of years during observation period in which country *i* received loans from the International Monetary Fund
polity	Polity score
govcons	Government consumption spending in 1990 as percentage of GDP
cu	Customs union dummy
eu	Dummy for EU customs union arrangements

checks2a	CHECKS2A measure from World Bank Database of Political Institutions
checks3	CHECKS3 measure from World Bank Database of Political Institutions
polcon3	Henisz's POLCON3 measure, 1990-95 average
polcon5	Henisz's POLCON5 measure, 1990-95 average
xicrca	Ratio of output in exporting and import-competing sectors

The variables employed in the paper are described therein. However, the tariff dataset also includes a number of controls used in robustness checks but not discussed in the paper. I briefly describe the rationale for these controls below. To see how my results are affected as these controls are added one at a time, run the "trade blocs regressions.do" do-file.

growth is the percentage change in the home country's real GDP per capita between tariff observations, while *dunemp* is the change in the unemployment rate over this period. Both variables are included in case economic downturns increase protectionist pressures. Source: World Bank *World Development Indicators* (WDI).

dxr is the change in the home country's real exchange rate, included in case currency appreciation increases demands for protection. Source: WDI.

imf is the number of years during the observation period in which the home country received loans from the International Monetary Fund (IMF), included because the IMF often pressures recipients to liberalize trade. Source: IMF *International Financial Statistics*.

polity is the Polity IV 21-point polity measure which ranges from -10 (perfect autocracy) to 10 (perfect democracy). I include this variable because research shows that democracies tend to be more liberal than autocracies.

govcons is government consumption spending as a percentage of GDP, included because research shows that more open economies tend to have higher government spending. Source: WDI.

checks2a, *checks3*, *polcon3*, and *polcon5* are various measures of the number of domestic veto players. All four variables are included because higher numbers of domestic veto players may impede trade liberalization. The *checks* measures are from the World Bank's *Database of Political Institutions*. The *polcon* data are available at http://www-management.wharton.upenn.edu/henisz/.

cu is a general customs union dummy, while *eu* is a dummy for members of the EU customs union. Both variables are included because tariff changes in customs union members may be dominated by the process of convergence toward a common external tariff.

II. NTB Data (trade blocs ntbs.dta)

Variable	Description
isocode	World Bank country abbreviation
year	Year
ntbcov	Non-tariff barrier import coverage ratio
lnntb	Natural log of ntbcov
l_lnntb	First-period lnntb
dlnntb	Change in lnntb
lngdppc	Natural log of 1990 GDP per capita
wlrca	RCA-based convergence measure (3-digit ISIC)
wlxm	EXIMP-based convergence measure (3-digit ISIC)
lsitc3	RCA-based convergence measure (3-digit SITC)
wlrcac	Mean-centered wlrca
wlxmc	Mean-centered wlxmc
lsitc3c	Mean-centered lsitc3
tradeshare	Intra-FTA trade as percentage of total trade, 1990-95 average
fsharec	Mean centered tradeshare
f_rca	fsharec × wlrcac
f_xm	fsharec × wlxmc
f_sitc	fsharec × lsitc3c

III. Note on conditional FTA Trade Share coefficients

Because the estimated model is $\Delta\ln(\text{Tariff})$ [or $\Delta\ln(\text{NTB Coverage})$] = β_1FTA Trade Share + β_2Convergence + β_3(FTA Trade Share × Convergence), the conditional FTA trade share coefficient is ($\beta_1 + \beta_3$Convergence).

The convergence values used to calculate conditional coefficients are as follows:

Tariff Regressions	
RCA Measure	Convergence Value
Lowest Quartile Average	-0.78337
Mean	0
Highest Quartile Average	0.280055
EXIMP Measure	Convergence Value
Lowest Quartile Average	-0.70012
Mean	0
Highest Quartile Average	0.293408

NTB Regressions	
RCA Measure	Convergence Value
Lowest Quartile Average	-0.8287
Mean	0
Highest Quartile Average	0.236197
EXIMP Measure	Convergence Value
Lowest Quartile Average	-0.78898
Mean	0
Highest Quartile Average	0.204546

The standard errors for the conditional coefficients are given by

$$\sqrt{s_{11} + 2 * \text{Convergence} * s_{13} + (\text{Convergence})^2 s_{33}} ,$$

where s_{11} and s_{33} are the variances of β_1 and β_3 above, respectively, and s_{13} is the covariance between β_1 and β_3, taken from the sample estimate of the variance-covariance matrix of predictors (obtained via the post-estimation command "vce" in Stata). Convergence is simply the convergence value for a given conditional coefficient. For more information, see Leona S. Aiken and Stephen G. West (1991) *Multiple Regression: Testing and Interpreting Interactions*. Newbury Park: Sage: Chapter 2.