Codebook for Ahmadov Export Diversification dataset, 1962-2010

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1 Description

This dataset provides information on export diversification of 166 countries from 1962 to 2010. Export diversification is expressed as the inverse of Herfindahl–Hirschman index (HHI) of export concentration. HHI is a measure of the degree of market concentration. As a measure of specialization, it outperforms others (Palan, 2010). I used two sources for calculating HHI, reported below.

For 1962-2000, I constructed export diversification data based on detailed bilateral trade flows from NBER-United Nations Trade Data, 1962-2000 (Feenstra et al., 2005). It reports trade by commodity organized by 4-digit group level of SITC Revision 2. I extracted world export value data for each commodity by country, i.e. a country i's exports to all other countries. When several values were reported for each SITC product for any given country in a given year (starting from 1984), I first calculated the sum of their values. I then calculated the number of exported commodities, followed by the total exports' value, followed by the square of the ratio of the value of each type of commodity in the total value for exports for a given country in a given year. Drawing on these calculations, I used them calculate HHI for each country in a given year from 1962 to 2000 using the conventional formula:

$$H_j = \frac{\sqrt{\sum_{i=1}^{n} \left(\frac{x_i}{X}\right)^2} - \sqrt{1/n}}{1 - \sqrt{1/n}}$$

where
H_j is the country index of export concentration,
x_i is the value of exports of commodity i,

X is the sum of all x_i, and

n is the number of commodities (SITC Revision 2 at 4-digit group level).

These data and UNCTAD data for 1995-2010 are very strongly correlated. For 1995-2000 period I used constructed data, followed by UNCTAD data from 2001 onward. For more details and usage, see Ahmadov (2012) and Ahmadov (2014).

2 Summary Statistics

Table 1: Summary Statistics

Variable	Obs	Mean	Min	Max	Label
country	6778	.	.	.	Country name
ccyr2	6778	.	.	.	Country-year
iso_o	6778	.	.	.	ISO country abbreviation
iso	6596	.	4	894	Country specific international ISO code
ccode	6778	.	2	950	Alpha country code
year	6778	1987.66	1962	2010	Year
hhiexpocon	6778	.3484139	.042433	.9946254	HHI of Export Concentration, constructed from Feenstra et al. 2005, UNCTAD 2012
hhiexpodive	6778	.6515861	.0053746	.957567	Export Diversification: inverse HHIExpoCon, constructed from Feenstra et al. 2005, UNCTAD 2012

References

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