Replication Package for "Risk-Taking Adaptation to Macroeconomic Experiences", by Remy Levin and Daniela Vidart

Overview

The code in this replication package constructs the results found in the empirical section of the paper, and its corresponding appendices in the Online Appendix.

Data Availability Statement

The results found in the empirical section of the paper, and corresponding appendices, combine the following data:

- Data from the 1st–5th waves of the Indonesian Family Life Survey (IFLS). This data may be obtained by registering at https://www.rand.org/well-being/social-and-behavioral-policy/data/FLS/IFLS.html.
- Data from the 1st–3rd waves of the Mexican Family Life Survey. This data can be freely downloaded from https://ennvih-mxfls.org/english/index.html.
- State-level GDP growth data in Indonesia and Mexico (found in data/Indo_prov_timeseries.dta and data/Mex_prov_timeseries.dta in this package).
- Country-level GDP growth data in Indonesia and Mexico (found in data/Indo_timeseries.dta and data/Mex_timeseries.dta in this package).
- State-level CPI data in Indonesia and Mexico (found in data/Indo_prov_cpi2007.dta, data/Indo_prov_cpi2014.dta, and data/Mex_prov_cpi.dta in this package).
- Country-wide CPI and population data in Mexico (found in data/Mex_cpi.dta and data/Mex_pop.dta in this package).
- Municipal homicide rate data built by Brown et al. (2019) (found in data/Mex_munic_homicideBROWNETAL.dta in this package).
- Share of households with an earthen floor in their homes in each year in Mexico and other relevant variables (found in data/Mex_prov_earthfloor.dta in this package, built using IPUMS data).[1]
- Indonesian geographic crosswalk (found in data/IndoCrosswalk.dta in this package).

[1]Specifically, this is built using the Mexican population and housing censuses of 1990, 2000, and 2010 and the population and dwelling counts of 2005. Code to build this data available upon request.

– Indonesian and Mexican shapefiles (found in data/shpfiles in this package).

– Risk aversion bounds for individuals in Indonesia and Mexico (found in data/Indo_-bounds.dta and data/Mex_bounds.dta in this package, Matlab code for these bounds available upon request).

Description of programs/code

A main Stata file, named main_empirical.do, runs all the results found in the empirical section of this paper, and corresponding appendices. In your local machine, make sure to type the right paths indicated in this file.

References

Brown, R., Montalva, V., Thomas, D., and Velasquez, A. (2019). Impact of Violent Crime on Risk Aversion: Evidence from the Mexican Drug War. *Review of Economics and Statistics*, 5(101):892–904.