Replication files for "Judicial Efficiency and Firm Productivity: Evidence from a World Database of Judicial Reforms"

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This ReadMe paper describes all the steps needed to replicate the reuslts of the paper.

The important do-file is Instructions.do. This do-file goes through all the steps of data cleaning, management, and analysis to produce all the tables and figures of the paper.

- Insert the appropriate path at the beginning of Instructions.do
- "Preparation World development indicators.do": download from World Development Indicators of all countries all years from 1990 to 2017 of GDP per capita PPP constant 2011, Net ODA received per capita (current US$), GDP per person employed (constant 2011 PPP $) to generate "GDP per capita_clean2.dta"
- "Preparation Doing business_Full data.do": Dowload the full dataset of the Doing business project to generate "Doing business_Full data_clean.dta"
- "Preparation Polity IV.do": downloads p4v2015.xls from the Polity IV website to generate "Polity IV.dta"
- "Doing business_quality speed access.do": generates "Doing business_p_betaT_l.dta" and produces the maps of the word with the suing condition (Figure 2) and the renegotiation condition (Figure 5)
- "Preparation Enterprise Surveys standardized dataset.do": it uses use "New_Comprehensive_July_5_2016_Vers which I uploaded here for replication purpose. The do-file works on the standardized dataset to prepare "Enterprise surveys_clean.dta" (and prepares "Enterprise surveys_clean2.dta", with one line per country-year to organize the dataset of judicial reforms)
- :Preparation Other reforms.do": prepares the other reforms: education, health

- "Preparation Judicial reforms.do": prepares the judicial reforms. It uses the IATI dataset to merge it with "Enterprise surveys_clean2.dta" (with one line per country-year) and keeps only the reforms in between a baseline and endline year of Enterprise Surveys. Then, it prepares the main explanatory variable, i.e., a dichotmus variable for a comprehnsive judicail reform.
- "Preparation Judiciary dependence.do": generates the indicators of Relationship-specific investment with Germany and Sweden. Generates Figures 3a and 3b
- "Preparation Contract intensive.do": generates the indicators of Relationship-specific investment with Nunn (2007) data
- "Merge Enterprise Surveys standardized dataset_judicial reforms.do": merges judicial reforms with the Enterprise Survey standardized dataset
- The next part adds the earlier waves of data not in the standardized dataset to check for common pre-trends. The files are not standardized, not in a single dataset. First one has to unzip the folder called Enterprise surveys_Panel data whihc contains the download of all the panel datasets available on the World Bank Enterprise Surveys website.
- "Append Enterprise surveys panel data.do": this do-files appends together all the panel datasets of the World Bank Enterprise Surveys. It creates "panel_data_clean.dta"
- "Preparation Enterprise surveys earlier waves.do": it creates "panel_data_clean2.dta" and prepares "panel_data_clean3.dta", with one line per country-year for the merge with the judicial reforms
- "Preparation Judicial reforms_earlier waves.do": prepares the judicial reforms
- "Merge Enterprise surveys earlier waves_judicial reforms.do": merges with judicial reforms
- "Merge standardized data_earlier waves.do": merges standardized dataset and earlier waves of data
- "Analysis.do": creates Table3, 4, 5, E1, H1, C1, G1
- "Table1.do": creates Table1
- "Table C2C3.do": creates Table C2, C3
- "Table D1D2D3.do": creates Table D1, D2, and D3

- "Figures.do": creates Figure B1
- "Judicial_reforms_Map world.do": creates Figure C7 Map of judicial reforms
- "Figure 2 Triple differences.do": creates Figure 2
- "Figure E1E2 Suing condition and Polity.do": creates Figures E1 and E2