

Web Appendix Tables and Figures

Table A2: Summary Statistics

	Mean	StDev	Median
Value of output	1,402	10,379	271
Gross Fixed Asset	1,122	6,815	170
Net Fixed Assets	758	4,700	112
Revalued Gross Fixed Assets	1,867	11,039	278
Salaries and Wages	100	499	17
Power and Fuel Expenses	76	342	9
Raw Material Expenses	823	8,240	150

Notes: The total number of observations is 32,422. All values are in millions of 1993-94 Indian Rupees.

Table A3: Trade Liberalization and Total Factor Productivity: Alternative Productivity Measures

Dependent Variable	TFP (OLS)				TFP (Cost shares)				Labor Productivity			Average Days of Finished Goods Stock				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
<i>Panel A: Output Tariffs</i>																
Lagged Output Tariff	-0.084***	-0.058***	-0.048***	-0.066***	-0.216***	-0.178***	-0.101***	-0.272***	-0.363***	-0.233***	-0.179***	-0.158***	0.201**	0.151*	0.069	0.092*
	[0.016]	[0.015]	[0.013]	[0.014]	[0.054]	[0.058]	[0.035]	[0.045]	[0.056]	[0.051]	[0.044]	[0.042]	[0.093]	[0.085]	[0.058]	[0.056]
Observations	14,808	14,808	8,639	6,355	14,806	14,806	8,638	6,354	14,601	14,601	8,444	6,193	12,206	12,206	6,654	4,786
<i>Panel B.: Effective Rates of Protection</i>																
Lagged ERP	-0.044***	-0.027***	-0.019**	-0.031***	-0.087***	-0.068*	-0.018	-0.116***	-0.192***	-0.115***	-0.079***	-0.065***	0.132**	0.085	0.02	0.029
	[0.010]	[0.009]	[0.008]	[0.008]	[0.033]	[0.035]	[0.021]	[0.026]	[0.034]	[0.031]	[0.028]	[0.023]	[0.057]	[0.052]	[0.036]	[0.036]
Observations	14,648	14,648	8,539	6,279	14,646	14,646	8,538	6,278	14,441	14,441	8,344	6,117	12,071	12,071	6,573	4,725
<i>Panel C: Output and Input Tariffs</i>																
Lagged Output Tariff	-0.057***	-0.040**	-0.034**	-0.057***	-0.053	0.008	0.021	-0.167***	-0.294***	-0.140**	-0.112**	-0.108**	0.191*	0.116	0.011	0.03
	[0.017]	[0.016]	[0.015]	[0.015]	[0.058]	[0.064]	[0.037]	[0.045]	[0.061]	[0.055]	[0.048]	[0.042]	[0.103]	[0.094]	[0.063]	[0.063]
Lagged Input Tariff	-0.593***	-0.375***	-0.215**	-0.226*	-3.242***	-3.813***	-2.376***	-2.433***	-1.691***	-2.098***	-1.303***	-1.088***	0.193	0.641*	0.877**	0.877**
	[0.101]	[0.096]	[0.102]	[0.116]	[0.339]	[0.371]	[0.254]	[0.294]	[0.312]	[0.299]	[0.247]	[0.263]	[0.411]	[0.383]	[0.348]	[0.362]
Observations	14,648	14,648	8,539	6,279	14,646	14,646	8,538	6,278	14,441	14,441	8,344	6,117	12,071	12,071	6,573	4,725
Industry FEs	yes				yes				yes				yes			
Firm FEs		yes	yes	yes		yes	yes	yes		yes	yes	yes		yes	yes	yes
Year FEs	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
AR1			yes	yes			yes	yes			yes	yes			yes	yes
AR2				yes				yes				yes				yes

Note: Table reports regressions of alternative firm productivity measures on trade policy measures. All regressions include firm age and age squared, and columns 1, 5, 9 and 13 control for ownership and size. Robust standard errors in parentheses. Standard errors are clustered at the firm level in the specification that do not use the Arellano-Bond estimator. Significance: * 10 percent; ** 5 percent; *** 1 percent.

Figure A1: Tariff Changes, 1988-2001

(In percent of total HS code)

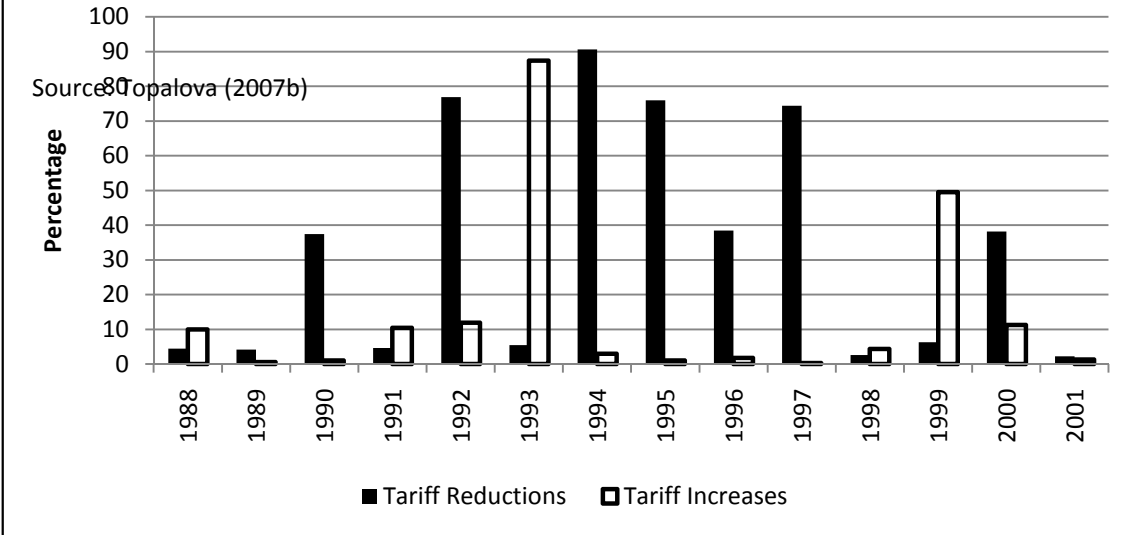


Figure A2, Panel A: Tariffs by Industrial Use-Based Category

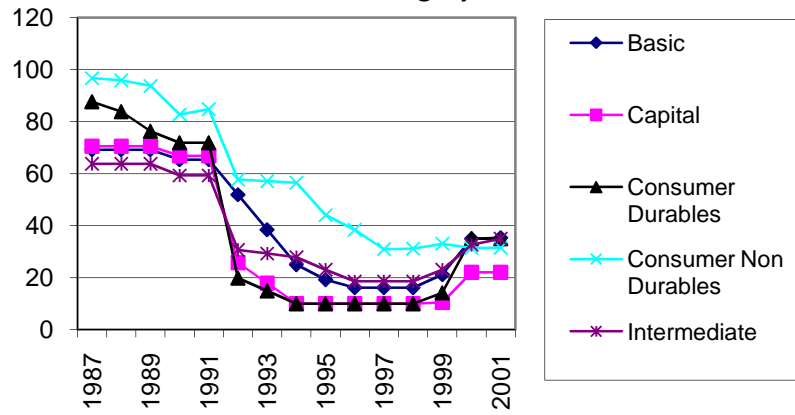


Figure A2, Panel B: Share of Free HS Lines by Industrial Use-Based Category

