

Replication files

Bluhm et al. (2018) “Poverty Accounting”

March, 2018

These files contain the complete replication materials for Bluhm, de Crombrugghe and Szirmai (2018) Poverty Accounting, as published in the *European Economic Review*.

Most of the original data derives from the 2005 PPP version of *PovcalNet* (as of March 2013). We have omitted the basic data wrangling and merging steps. The files in this folder will produce all tables and figures as reported in the article, including the supplementary materials.

Please note that nearly all files require the user to install `fhetprob` which implements the estimator used in the paper. To install the software type the following at Stata’s dot prompt:

```
net install fhetprob, from(http://www.richard-bluhm.com/stata/)
```

To get the example data and pdf documentation (installs in current directory):

```
net get fhetprob, from(http://www.richard-bluhm.com/stata/)
```

Several files use the `parallel` back-end to speed up the simulations. You may install it using `ssc install parallel` at Stata’s dot prompt. The code is currently set up to run with 10 cores. The parameter `parallel setclusters 10, force` needs to be adjusted to reflect the physical or virtual number of cores on your system if these are less than ten. Note that you will then also have to remove some of the seeds used for each core and will therefore obtain slightly different standard errors during bootstrapping.

The replication files must be run in the appropriate order `01_*` to `14_*` in order to create all files required for the subsequent files to run. Files `01_*` to `03_*` and parts of `14_*` produce all the main tables and figures. The remainder creates the results reported in the supplementary materials.

Interim data files will be saved in `data`, figures and tables in the eponymous folders, the folders `includes` and `mc_distributions` provide additional sources files that do not need to be modified by the user. For example, they contain the command `xtcross` which can be used for panel level cross-validation and is based on the user-written command `crossfold`.

Note that the publication quality graphs were made using *R* and the `tikzDevice` back-end which requires \LaTeX , among other things. It could be easier to just reproduce these figures in Stata at the appropriate point in the code.

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