

README for the Services Gravity Modeling Data

This data release accompanies USITC Publication 4889, *U.S.-Mexico-Canada Trade Agreement: Likely Impact on the U.S. Economy and on Specific Industry Sectors*, USITC investigation no. TPA 105-003. The data were used to perform the gravity analysis for the international data transfer and cross-border services analyses described in appendix H of the report. All the data in this release come from public sources. The data cover 120 countries and 13 services sectors (see table 2) for the years 2014–2016. The included variables are listed in table 1 below.

Recommended citation for this dataset:

U.S. International Trade Commission (USITC). *U.S.-Mexico-Canada Trade Agreement: Likely Impact on the U.S. Economy and on Specific Industry Sectors*, USITC Publication 4889. Washington, DC: USITC, April 2019. <https://www.usitc.gov/publications/332/pub4889.pdf>.

Table 1 Description of variable names

Variable name	Description
importer	Country code of the importer ^a
exporter	Country code of the exporter ^a
service_code	Code identifying service sector (see table 2 for code description)
year	Year of observation
legal_common	Indicator for a common legal origin ^b
importer_STRI	Services Trade Restrictiveness Index (STRI) for the sector in the importing country ^c
trade_over_imp_gdp	Bilateral trade flow divided by importer GDP ^d
The following variables were taken from the USITC’s Dynamic Gravity dataset, which provides a full description of the variables and the original data sources:^a	
contiguity	Indicator for a shared border
agree_pta_services	Indicator for a preferential trade agreement covering services
member_eu_joint	Indicator that both countries belong to the European Union
common_language	Indicator for a shared common language
log_dist	The natural log of the distance (in km) between the countries
colony	Indicator for a colonial relationship between the countries

^a Gurevich and Herman, “The Dynamic Gravity Dataset,” 2018, available at <https://gravity.usitc.gov>.

^b This bilateral variable is based on five unilateral variables (legor_uk, legor_fr, legor_ge, legor_sc, and legor_so) from La Porta, Lopez-de-Silanes, and Shleifer, “The Economic Consequences of Legal Origins,” 2008, available at <http://faculty.tuck.dartmouth.edu/rafael-laporta/research-publications>.

^c OECD, STRI Policy Simulator (accessed September 28, 2018), available at <http://sim.oecd.org/>.

^d Trade data was from OECD, EBOPS database (accessed September 28, 2018), available at https://stats.oecd.org/Index.aspx?DataSetCode=TISP_EBOPS2010. GDP data was from Gurevich and Herman, “The Dynamic Gravity Dataset,” 2018, available at <https://gravity.usitc.gov>.

Table 2 Description of services codes

Services code	Description
1	Accounting services
2	Air transport services
5	Financial services
6	Computer services
7	Construction services
9	Logistics services
11	Insurance and pension services
12	Legal services
17	Sea transport services
18	Audiovisual and related services
19	Rail transport services
20	Road transport services
22	Telecommunications services

Note: Service sector codes are based on the OECD EBOPS categories. OECD STRI categories were mapped to these sectors to the best extent possible. Some services sectors were not included in the data release or analysis due to data limitations.