Steps to reproduce the estimations results (Stata do.file)

a. Data should be stored in panel format in excel

b. Import data into Stata, store/save into Stata format

c. Create the geographical weight matrix and stored them in Stata format

    i. Load data, Stata format (Line 4)

    ii. Set your data in a panel format in Stata (Line 5-6)

    iii. Install the spatial weight matrix packages (Line 7)

    iv. Geographical distance matrix (Line 11-13)

d. Create the financial and economic distance matrices and stored them in Stata format

    i. FDI distance matrix (Line 37)

    ii. Trade distance matrix (Line 39)

    iii. Debt distance matrix (Line 41)

    iv. PPP distance matrix (Line 43)

    v. UIRP distance matrix (Line 45)

e. Export the matrices to excel and manually change the diagonal into zero (Line 49-53)

f. Import the modified (weight) matrices back into Stata (Copy data in excel file and paste into Stata), store them

g. Create the spatial matrices

    i. Debt (Line 60-63)

    ii. FDI (Line 82-85)

    iii. Trade (104-107)

    iv. PPP (126-129)

h. Estimation of the dynamic Spatial Durbin Model (SMD)

    i. Load data, Stata format (Line 16)

    ii. Set data in panel format (Line 18)

        ** Using Geographical weight matrix (Line 20-26)

        ** Using Debt weight matrix (Line 66-76)

        ** Using FDI weight matrix (Line 81-98

        ** Using Trade weight matrix (Line 110-120)

        ** Using PPP weight matrix (Line 125-142)

        ** Using UIRP weight matrix (Line146-163)

Note: Raw data available upon request