

## Supplemental Appendix

In this supplemental appendix, I first show that the results are not sensitive to the particular method chosen to deal with the presence of zero trade flows, before presenting the results of the robustness checks described in the text. I consider several models to deal with zero trade flows because there exist important trade-offs inherent in each, and I note that this is an area of ongoing research. While the results of an observational study such as those presented here should be seen as neither necessary nor sufficient for theory validation, their robustness provides greater confidence in the basic findings.

First, the Poisson pseudo-maximum likelihood (PML) estimator and the Gamma PML estimator have also been suggested as methods to deal with zero trade flows. While the primary goal of these models is to treat the problems of heteroskedasticity that are caused by log-linearizing the error term, PML estimators provide the additional benefit of incorporating zero trade flows (Santos Silva and Tenreyro 2006). Unfortunately, these estimators, along with the negative binomial model, suffer from the incidental parameters problem with two-way fixed effects, which results in biased estimates, as proven by Charbonneau (2013) and noted by Head and Mayer (2013). Additionally, solutions to this problem are not available with a continuous dependent variable (Charbonneau 2013). Nonetheless, I present results using PML below, though these results should be treated cautiously. The Park-type test which is proposed by Santos Silva and Tenreyro (2006) rejects the null hypothesis that the Poisson PML variance assumption is appropriate, rendering the gamma distribution the more efficient estimator. Further, since some scholars show that the Poisson may yield biased estimates when many observations are censored,<sup>1</sup> I present results from gamma PML estimation.

Some scholars deal with the issue of zero trade observations by modeling it as a corner-

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<sup>1</sup>See Gómez-Herrera (2012) for an overview.

solution problem using the Tobit model (Felbermayr and Kohler 2006).<sup>2</sup> Martin and Pham (2008) find that Tobit and Heckman estimators are preferable to alternative estimators when considering data generating processes including threshold values.<sup>3</sup> However, Santos Silva and Tenreyro (2011) show that Martin and Pham (2008) do not use a multiplicative data generating process, thus failing to incorporate the central problem with linear estimation when heteroskedasticity is present. Further, it is important to note that in this model, as well as the negative binomial model, the results may depend on the units of measurement, such that the results may change depending on, for example, whether the dependent variable is measured in millions or billions of dollars. Therefore, scholars typically recommend avoiding the use of these models (Head and Mayer 2013).

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<sup>2</sup>I use random effects, as a sufficient statistic permitting me to condition the fixed effects out of the likelihood does not exist.

<sup>3</sup>Some scholars employ a Heckman Selection Model for which *Common Religion* is the excluded variable, following Helpman, Melitz and Rubinstein (2008) who argue that this variable affects the fixed costs associated with exporting goods, but does not affect the variable costs. However, the parameter estimated using this specification differs from the parameter of interest in this paper.

Table A1: Summary Statistics for Main Analysis.

Variable	Mean	Std. Dev.
Log Imports	8.481	7.924
Large Power Difference	0.493	0.500
Nonallied	0.880	0.325
Dissimilar Regime Types	0.484	0.500
Both in WTO	0.420	0.494
One in WTO	0.450	0.497
Log(GDP <sub>i</sub> )	10.169	2.014
Log(GDP <sub>j</sub> )	10.187	2.008
Log(GDPPC <sub>i</sub> )	1.341	1.058
Log(GDPPC <sub>j</sub> )	1.339	1.061
Current Colony	0.001	0.010
Current Colonizer	0.001	0.010
RTA	0.077	0.267
GSP <sub>i</sub>	0.108	0.310
GSP <sub>j</sub>	0.109	0.311
Currency Union	0.022	0.147
Log(Distance)	0.783	4.154
Border	0.023	0.150
Landlocked	0.337	0.527
Islands	0.329	0.527
Same Language	0.113	0.317
Same Religion	0.498	0.499
Colony	0.007	0.084
Colonizer	0.007	0.084
Common Colonizer	0.155	0.362
N		846188

Table A2: Summary Statistics for Contract Intensity

	Mean	Std. Dev.	N
Log Imports	5.610	3.389	2896707
Contract Intensity X WTO	0.397	0.283	2896707
Both in WTO	0.805	0.396	2896707
One in WTO	0.186	0.389	2896707
Log(GDP <sub>i</sub> )	12.135	1.878	2896707
Log(GDP <sub>j</sub> )	12.981	1.742	2896707
Log(GDPPC <sub>i</sub> )	2.268	0.965	2896707
Log(GDPPC <sub>j</sub> )	2.617	0.763	2896707
Log(Distance)	8.327	0.965	2896707
Intraindustry	0.324	0.316	2815529
Border	0.077	0.266	2896707
Landlocked	0.155	0.382	2896707
Islands	0.381	0.556	2896707
Same Language	0.130	0.336	2896707
Same Religion	0.622	0.485	2896707
Colony	0.065	0.247	2896707
Colonizer	0.025	0.155	2896707
Common Colonizer	0.103	0.304	2896707
RTA	0.324	0.468	2896707
GSP <sub>i</sub>	0.127	0.333	2896707
GSP <sub>j</sub>	0.292	0.455	2896707
Currency Union	0.016	0.127	2896707

Table A3: Summary Statistics for Fixed Capital Investment

	Mean	Std. Dev.	N
Log Fixed Capital Investment	22.280	2.223	4327
WTO Member	0.813	0.390	4327
Log(GDP/PC)	2.722	2.771	4327
Log(GDP)	13.122	5.607	4327
Interest Rate	6.404	19.390	2791
Log(GDP Growth)	1.383	0.846	3626
Democracy	0.562	0.496	4327

Table A4: Gamma Specification

	1	2	3
Lg Power Diff X WTO	0.116** (0.045)		
Large Power Difference	-0.061 (0.037)	-0.016 (0.032)	-0.016 (0.032)
Nonallied X WTO		0.243*** (0.062)	
Nonallied	0.116* (0.046)	-0.005 (0.057)	0.114* (0.046)
Dissimilar Reg X WTO			0.116** (0.041)
Dissimilar Regime Types	-0.007 (0.022)	-0.012 (0.022)	-0.058* (0.029)
Both in WTO	0.254*** (0.058)	0.099 (0.069)	0.252*** (0.056)
One in WTO	0.119** (0.042)	0.122** (0.043)	0.118** (0.042)
Log(GDP) <sub>i</sub>	1.193*** (0.076)	1.178*** (0.076)	1.181*** (0.076)
Log(GDP) <sub>j</sub>	1.139*** (0.079)	1.118*** (0.080)	1.128*** (0.080)
Log(GDPPC) <sub>i</sub>	-0.075 (0.072)	-0.062 (0.073)	-0.062 (0.072)
Log(GDPPC) <sub>j</sub>	-0.007 (0.078)	0.010 (0.078)	0.004 (0.078)
Log(Distance)	-1.430*** (0.026)	-1.430*** (0.026)	-1.430*** (0.026)
Border	0.578*** (0.096)	0.567*** (0.096)	0.580*** (0.096)
Landlocked	-0.912 (0.495)	-1.033* (0.495)	-0.972* (0.495)
Islands	1.174 (0.682)	0.989 (0.683)	1.073 (0.682)
Same Language	0.164** (0.057)	0.141* (0.058)	0.164** (0.057)
Same Religion	0.154*** (0.035)	0.145*** (0.035)	0.149*** (0.035)
Colony	1.768*** (0.127)	1.799*** (0.128)	1.775*** (0.127)
Colonizer	1.290*** (0.141)	1.312*** (0.141)	1.287*** (0.141)
Common Colonizer	0.684*** (0.051)	0.691*** (0.051)	0.685*** (0.051)
Current Colony	0.598** (0.194)	0.545** (0.188)	0.579** (0.192)
Current Colonizer	0.961*** (0.209)	0.909*** (0.207)	0.943*** (0.208)
RTA	0.482*** (0.041)	0.502*** (0.041)	0.483*** (0.041)
GSP <sub>i</sub>	0.333*** (0.039)	0.319*** (0.038)	0.324*** (0.039)
GSP <sub>j</sub>	0.412*** (0.044)	0.398*** (0.044)	0.400*** (0.044)
Currency Union	0.917*** (0.105)	0.919*** (0.105)	0.917*** (0.105)
Constant	3.018 (1.890)	3.711 (1.902)	3.373 (1.895)
N	846188	846188	846188

Notes: Estimates from Gamma PML. The unit of observation is the directed dyad-year and the dependent variable is imports. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year, importer, and exporter fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A5: Random Effects EK Tobit

	1	2	3
Lg Power Diff X WTO	0.384*** (0.020)		
Large Power Difference	-0.289*** (0.018)	-0.138*** (0.017)	-0.138*** (0.017)
Nonallied X WTO		0.062* (0.027)	
Nonallied	-0.688*** (0.022)	-0.726*** (0.027)	-0.689*** (0.022)
Dissimilar Reg X WTO			0.047** (0.017)
Dissimilar Regime Types	0.057*** (0.010)	0.054*** (0.010)	0.031* (0.013)
Both in WTO	0.597*** (0.024)	0.733*** (0.031)	0.764*** (0.023)
One in WTO	0.491*** (0.018)	0.473*** (0.018)	0.473*** (0.018)
Log(GDP) <sub>i</sub>	1.190*** (0.011)	1.190*** (0.011)	1.191*** (0.011)
Log(GDP) <sub>j</sub>	1.466*** (0.011)	1.465*** (0.011)	1.466*** (0.011)
Log(GDPPC) <sub>i</sub>	0.606*** (0.015)	0.616*** (0.015)	0.616*** (0.015)
Log(GDPPC) <sub>j</sub>	0.494*** (0.015)	0.505*** (0.015)	0.506*** (0.015)
RTA	0.505*** (0.017)	0.508*** (0.017)	0.504*** (0.017)
GSP <sub>i</sub>	0.488*** (0.019)	0.485*** (0.019)	0.486*** (0.019)
GSP <sub>j</sub>	0.289*** (0.019)	0.287*** (0.019)	0.288*** (0.019)
Currency Union	1.982*** (0.072)	1.986*** (0.072)	1.988*** (0.072)
Current Colony	-0.193 (0.295)	-0.253 (0.295)	-0.250 (0.295)
Current Colonizer	-0.371 (0.287)	-0.432 (0.287)	-0.428 (0.287)
Constant	-18.898*** (0.163)	-18.955*** (0.164)	-18.982*** (0.163)
N	843979	843979	843979

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data cover 1948-2003. All specifications include year fixed effects and directed dyad random effects, as a sufficient statistic permitting me to condition the fixed effects out of the likelihood does not exist. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A6: Omitting Great Powers

	1	2	3
Lg Power Diff X WTO	0.849*** (0.074)		
Large Power Difference	-0.572*** (0.072)	-0.285*** (0.066)	-0.284*** (0.066)
Nonallied X WTO		0.591*** (0.106)	
Nonallied	-0.259* (0.105)	-0.580*** (0.121)	-0.252* (0.105)
Dissimilar Reg X WTO			0.215*** (0.057)
Dissimilar Regime Types	0.146*** (0.033)	0.140*** (0.033)	0.053 (0.041)
Both in WTO	0.609*** (0.082)	0.455*** (0.116)	0.867*** (0.084)
One in WTO	0.602*** (0.064)	0.585*** (0.064)	0.584*** (0.064)
Log(GDP) <sub>i</sub>	1.747*** (0.132)	1.688*** (0.133)	1.708*** (0.133)
Log(GDP) <sub>j</sub>	2.539*** (0.137)	2.479*** (0.137)	2.498*** (0.137)
Log(GDPPC) <sub>i</sub>	0.355** (0.124)	0.435*** (0.124)	0.420*** (0.124)
Log(GDPPC) <sub>j</sub>	-0.581*** (0.130)	-0.500*** (0.131)	-0.513*** (0.131)
Current Colony	-1.259 (1.777)	-1.379 (1.781)	-1.400 (1.782)
Current Colonizer	-0.392 (1.998)	-0.513 (2.012)	-0.530 (2.011)
RTA	0.502*** (0.076)	0.560*** (0.077)	0.522*** (0.077)
GSP <sub>i</sub>	0.820*** (0.097)	0.790*** (0.097)	0.804*** (0.097)
GSP <sub>j</sub>	0.598*** (0.095)	0.570*** (0.094)	0.584*** (0.094)
Currency Union	2.095*** (0.352)	2.092*** (0.349)	2.102*** (0.350)
Constant	-35.388*** (1.760)	-34.174*** (1.779)	-34.792*** (1.768)
R-Squared	0.669	0.669	0.669
N	768610	768610	768610

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A7: Omitting Great Powers

	1	2	3
Lg Power Diff X WTO	0.412*** (0.072)		
Large Power Difference	-0.127 (0.071)	0.028 (0.064)	0.027 (0.064)
Nonallied X WTO		0.569*** (0.108)	
Nonallied	-0.039 (0.108)	-0.348** (0.121)	-0.040 (0.108)
Dissimilar Reg X WTO			0.250*** (0.052)
Dissimilar Regime Types	0.017 (0.030)	0.014 (0.030)	-0.093* (0.038)
Both in WTO	-0.220** (0.080)	-0.541*** (0.124)	-0.150 (0.079)
Current Colony	-2.343 (1.610)	-2.415 (1.613)	-2.409 (1.611)
Current Colonizer	-0.833 (1.975)	-0.908 (1.982)	-0.898 (1.977)
RTA	0.458*** (0.075)	0.487*** (0.075)	0.446*** (0.075)
GSP <sub>i</sub>	1.002*** (0.137)	0.965*** (0.137)	0.994*** (0.137)
GSP <sub>j</sub>	0.828*** (0.136)	0.792*** (0.136)	0.820*** (0.136)
Currency Union	2.106*** (0.315)	2.098*** (0.315)	2.109*** (0.315)
N	768610	768610	768610

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.



Table A8: Omitting Great Powers

	1	2	3
Lg Power Diff X WTO	0.198*** (0.055)		
Large Power Difference	-0.089 (0.047)	-0.001 (0.041)	-0.004 (0.041)
Nonallied X WTO		0.936*** (0.084)	
Nonallied	-0.103 (0.064)	-0.541*** (0.078)	-0.105 (0.064)
Dissimilar Reg X WTO			0.205*** (0.048)
Dissimilar Regime Types	0.077** (0.027)	0.060* (0.027)	-0.021 (0.036)
Both in WTO	0.576*** (0.065)	-0.099 (0.091)	0.576*** (0.065)
One in WTO	0.277*** (0.051)	0.322*** (0.051)	0.285*** (0.051)
Log(GDP) <sub>i</sub>	1.258*** (0.093)	1.207*** (0.093)	1.246*** (0.093)
Log(GDP) <sub>j</sub>	1.418*** (0.098)	1.376*** (0.099)	1.403*** (0.098)
Log(GDPPC) <sub>i</sub>	0.578*** (0.087)	0.620*** (0.087)	0.595*** (0.087)
Log(GDPPC) <sub>j</sub>	0.544*** (0.094)	0.575*** (0.094)	0.564*** (0.094)
Log(Distance)	-2.105*** (0.037)	-2.115*** (0.037)	-2.106*** (0.037)
RTA	0.969*** (0.057)	1.033*** (0.057)	0.972*** (0.057)
Border	0.347* (0.154)	0.317* (0.152)	0.348* (0.154)
Landlocked	-0.152 (0.363)	-0.175 (0.365)	-0.151 (0.363)
Islands	0.865 (0.552)	0.744 (0.551)	0.825 (0.551)
Same Language	0.745*** (0.075)	0.642*** (0.076)	0.743*** (0.075)
Same Religion	0.429*** (0.042)	0.405*** (0.042)	0.417*** (0.042)
Colony	1.541*** (0.354)	1.630*** (0.348)	1.540*** (0.353)
Colonizer	0.877* (0.344)	0.964** (0.336)	0.876* (0.343)
Common Colonizer	1.017*** (0.065)	1.029*** (0.065)	1.019*** (0.065)
Current Colony	2.981*** (0.994)	2.914** (0.991)	2.940** (0.999)
Current Colonizer	3.574*** (0.847)	3.514*** (0.846)	3.538*** (0.849)
GSP <sub>i</sub>	1.717*** (0.061)	1.645*** (0.061)	1.702*** (0.061)
GSP <sub>j</sub>	1.698*** (0.064)	1.622*** (0.063)	1.683*** (0.064)
Currency Union	1.533*** (0.135)	1.579*** (0.136)	1.538*** (0.135)
Constant	-3.101 (1.586)	-1.800 (1.594)	-2.826 (1.588)
N	766616	766616	766616

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A9: Controlling for Similar Interests

	1	2
Dissimilar Reg X WTO	0.249*** (0.054)	0.289*** (0.055)
Dissimilar Regime Types	0.043 (0.040)	0.026 (0.040)
Similar Interests (UN Measure)	0.013*** (0.001)	
Similar Interests (Tau Measure)		0.529*** (0.141)
Large Power Difference	-0.252*** (0.065)	-0.240*** (0.067)
Nonallied	-0.409*** (0.095)	-0.201 (0.108)
Both in WTO	1.012*** (0.081)	0.963*** (0.084)
One in WTO	0.707*** (0.063)	0.708*** (0.065)
Log(GDP) <sub>i</sub>	1.998*** (0.122)	1.897*** (0.128)
Log(GDP) <sub>j</sub>	2.718*** (0.126)	2.727*** (0.132)
Log(GDPPC) <sub>i</sub>	0.044 (0.113)	0.248* (0.119)
Log(GDPPC) <sub>j</sub>	-0.857*** (0.119)	-0.721*** (0.125)
Current Colony	-0.359 (0.572)	-0.498 (0.571)
Current Colonizer	-0.528 (0.732)	-0.818 (0.768)
RTA	0.489*** (0.072)	0.500*** (0.074)
GSP <sub>i</sub>	0.595*** (0.085)	0.607*** (0.086)
GSP <sub>j</sub>	0.457*** (0.084)	0.497*** (0.085)
Currency Union	2.170*** (0.313)	2.228*** (0.314)
Constant	-38.405*** (1.644)	-38.788*** (1.701)
R-Squared	0.707	0.706
N	846188	791044

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*\*”, and “\*\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A10: Controlling for Similar Interests

	1	2
Dissimilar Reg X WTO	0.430*** (0.075)	0.330*** (0.051)
Dissimilar Regime Types	-0.219*** (0.055)	-0.114** (0.037)
Similar Interests (UN Measure)	0.101 (0.111)	
Similar Interests (Tau Measure)		0.872*** (0.138)
Large Power Difference	0.029 (0.090)	0.061 (0.064)
Nonallied	-0.117 (0.156)	0.406*** (0.118)
Both in WTO	-0.104 (0.114)	-0.171* (0.079)
Current Colony	0.110 (1.050)	-0.388 (0.688)
Current Colonizer	0.423 (0.794)	-0.799 (0.660)
RTA	0.523*** (0.107)	0.514*** (0.072)
GSP <sub>i</sub>	0.671*** (0.201)	0.700*** (0.119)
GSP <sub>j</sub>	0.536*** (0.158)	0.577*** (0.119)
Currency Union	2.555*** (0.422)	1.949*** (0.284)
N	385781	791044

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A11: Controlling for Similar Interests

	1	2
Dissimilar Reg X WTO	0.171** (0.061)	0.312*** (0.045)
Dissimilar Regime Types	-0.029 (0.047)	0.029 (0.033)
Similar Interests (UN Measure)	-0.291*** (0.075)	
Similar Interests (Tau Measure)		0.833*** (0.085)
Large Power Difference	0.142** (0.053)	0.098* (0.040)
Nonallied	-0.026 (0.085)	0.499*** (0.068)
Both in WTO	0.515*** (0.088)	0.496*** (0.061)
One in WTO	0.263*** (0.072)	0.316*** (0.048)
Log(GDP) <sub>i</sub>	1.088*** (0.131)	0.972*** (0.085)
Log(GDP) <sub>j</sub>	1.406 (.)	1.091*** (0.090)
Log(GDPPC) <sub>i</sub>	0.183 (0.121)	0.880*** (0.080)
Log(GDPPC) <sub>j</sub>	0.469*** (0.122)	0.874*** (0.087)
Log(Distance)	-1.618*** (0.065)	-1.882*** (0.035)
RTA	0.866*** (0.073)	0.905*** (0.055)
Border	0.853*** (0.197)	0.315* (0.147)
Landlocked	0.325 (0.336)	-2.142*** (0.516)
Islands	0.720 (0.578)	-1.950* (0.805)
Same Language	0.783*** (0.093)	0.678*** (0.071)
Same Religion	0.445*** (0.068)	0.379*** (0.040)
Colony	0.946** (0.311)	1.670*** (0.204)
Colonizer	1.605*** (0.242)	1.302*** (0.219)
Common Colonizer	1.020*** (0.083)	0.973*** (0.061)
Current Colony	0.396 (0.932)	0.950* (0.421)
Current Colonizer	1.513*** (0.382)	0.709 (0.871)
GSP <sub>i</sub>	1.693*** (0.082)	1.664*** (0.052)
GSP <sub>j</sub>	1.489*** (0.069)	1.718*** (0.055)
Currency Union	1.224*** (0.152)	1.461*** (0.121)
Constant	-2.986 (2.173)	3.449* (1.726)
N	385527	788835

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A12: Interacting with Initial Trade

	1	2	3
Lg Power Diff X WTO	0.881*** (0.074)		
Large Power Difference	-0.571*** (0.074)	-0.261*** (0.065)	-0.261*** (0.065)
Nonallied X WTO		0.300** (0.108)	
Nonallied	-0.570*** (0.093)	-0.708*** (0.114)	-0.554*** (0.094)
Dissimilar Reg X WTO			0.185** (0.057)
Dissimilar Regime Types	0.132*** (0.032)	0.128*** (0.032)	0.042 (0.042)
Initial Trade X Lg Power Diff X WTO	-0.054*** (0.011)		
Initial Trade X Lg Power Diff	0.032* (0.013)		
Initial Trade X Nonallied X WTO		0.002 (0.018)	
Initial Trade X Nonallied		-0.005 (0.020)	
Initial Trade X Dissimilar Reg X WTO			0.007 (0.009)
Initial Trade X Dissimilar Reg			0.001 (0.007)
Initial Trade X WTO	-0.140*** (0.010)	-0.166*** (0.014)	-0.169*** (0.007)
Both in WTO	0.994*** (0.081)	1.121*** (0.117)	1.296*** (0.082)
One in WTO	0.707*** (0.062)	0.679*** (0.062)	0.682*** (0.062)
Log(GDP) <sub>i</sub>	1.848*** (0.121)	1.800*** (0.122)	1.802*** (0.121)
Log(GDP) <sub>j</sub>	2.612*** (0.125)	2.563*** (0.126)	2.564*** (0.126)
Log(GDPPC) <sub>i</sub>	0.174 (0.112)	0.246* (0.113)	0.246* (0.113)
Log(GDPPC) <sub>j</sub>	-0.683*** (0.118)	-0.610*** (0.119)	-0.608*** (0.119)
Current Colony	-0.046 (0.581)	-0.212 (0.572)	-0.193 (0.574)
Current Colonizer	-0.433 (0.792)	-0.601 (0.778)	-0.579 (0.781)
RTA	0.534*** (0.072)	0.568*** (0.073)	0.552*** (0.072)
GSP <sub>i</sub>	0.615*** (0.084)	0.602*** (0.085)	0.604*** (0.084)
GSP <sub>j</sub>	0.508*** (0.083)	0.498*** (0.084)	0.500*** (0.083)
Currency Union	2.129*** (0.318)	2.118*** (0.316)	2.129*** (0.316)
Constant	-36.640*** (1.638)	-35.791*** (1.668)	-35.904*** (1.645)
R-Squared	0.707	0.707	0.707
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1949-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A13: Interacting with Initial Trade

	1	2	3
Lg Power Diff X WTO	0.562*** (0.070)		
Large Power Difference	-0.115 (0.072)	0.063 (0.061)	0.064 (0.062)
Nonallied X WTO		0.308** (0.109)	
Nonallied	-0.130 (0.097)	-0.278* (0.117)	-0.133 (0.097)
Dissimilar Reg X WTO			0.263*** (0.052)
Dissimilar Regime Types	0.016 (0.029)	0.015 (0.029)	-0.128** (0.039)
Initial Trade X Lg Power Diff X WTO	-0.028* (0.011)		
Initial Trade X Lg Power Diff	-0.006 (0.012)		
Initial Trade X Nonallied X WTO		-0.006 (0.016)	
Initial Trade X Nonallied		-0.003 (0.017)	
Initial Trade X Dissimilar Reg X WTO			0.008 (0.010)
Initial Trade X Dissimilar Reg			0.010 (0.007)
Initial Trade X WTO	-0.155*** (0.011)	-0.165*** (0.013)	-0.170*** (0.008)
Both in WTO	0.099 (0.081)	0.112 (0.125)	0.250** (0.079)
Current Colony	-0.056 (0.688)	-0.158 (0.695)	-0.133 (0.694)
Current Colonizer	-0.539 (0.666)	-0.644 (0.664)	-0.617 (0.665)
RTA	0.515*** (0.070)	0.521*** (0.070)	0.505*** (0.070)
GSP <sub>i</sub>	0.709*** (0.116)	0.705*** (0.116)	0.696*** (0.116)
GSP <sub>j</sub>	0.585*** (0.117)	0.582*** (0.118)	0.572*** (0.117)
Currency Union	1.872*** (0.288)	1.855*** (0.287)	1.866*** (0.287)
N	844123	844123	844123

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A14: Interacting with Initial Trade

	1	2	3
Lg Power Diff X WTO	0.231*** (0.053)		
Large Power Difference	0.021 (0.045)	0.119** (0.038)	0.103** (0.039)
Nonallied X WTO		0.750*** (0.084)	
Nonallied	-0.088 (0.056)	-0.718*** (0.069)	-0.086 (0.056)
Dissimilar Reg X WTO			0.182*** (0.047)
Dissimilar Regime Types	0.151*** (0.025)	0.147*** (0.025)	-0.003 (0.034)
Initial Trade X Lg Power Diff X WTO	-0.079*** (0.009)		
Initial Trade X Lg Power Diff	0.034*** (0.006)		
Initial Trade X Nonallied X WTO		0.026** (0.009)	
Initial Trade X Nonallied		0.061*** (0.006)	
Initial Trade X Dissimilar Reg X WTO			0.021* (0.008)
Initial Trade X Dissimilar Reg			0.026*** (0.006)
Initial Trade X WTO	0.017* (0.007)	-0.062*** (0.007)	-0.034*** (0.005)
Both in WTO	0.626*** (0.061)	0.163 (0.090)	0.644*** (0.061)
One in WTO	0.290*** (0.048)	0.340*** (0.048)	0.303*** (0.048)
Log(GDP) <sub>i</sub>	1.040*** (0.082)	0.910*** (0.083)	1.021*** (0.082)
Log(GDP) <sub>j</sub>	1.172*** (0.087)	1.053*** (0.087)	1.148*** (0.087)
Log(GDPPC) <sub>i</sub>	0.735*** (0.077)	0.849*** (0.077)	0.758*** (0.077)
Log(GDPPC) <sub>j</sub>	0.778*** (0.083)	0.876*** (0.084)	0.803*** (0.083)
Log(Distance)	-1.935*** (0.034)	-1.932*** (0.034)	-1.937*** (0.034)
RTA	0.917*** (0.053)	0.991*** (0.052)	0.930*** (0.053)
Border	0.305* (0.146)	0.328* (0.143)	0.324* (0.146)
Landlocked	-1.570** (0.497)	-2.267*** (0.500)	-1.747*** (0.500)
Islands	-1.395 (0.774)	-2.394** (0.777)	-1.629* (0.776)
Same Language	0.778*** (0.069)	0.674*** (0.069)	0.778*** (0.069)
Same Religion	0.403*** (0.039)	0.333*** (0.039)	0.386*** (0.039)
Colony	1.596*** (0.193)	1.642*** (0.192)	1.593*** (0.196)
Colonizer	1.247*** (0.210)	1.314*** (0.213)	1.237*** (0.213)
Common Colonizer	0.950*** (0.061)	0.954*** (0.061)	0.953*** (0.061)
Current Colony	0.993* (0.418)	1.034* (0.408)	0.972* (0.408)
Current Colonizer	0.703 (0.880)	0.727 (0.868)	0.694 (0.867)
GSP <sub>i</sub>	1.729*** (0.052)	1.628*** (0.051)	1.689*** (0.052)
GSP <sub>j</sub>	1.773*** (0.054)	1.668*** (0.054)	1.732*** (0.054)
Currency Union	1.433*** (0.121)	1.406*** (0.121)	1.420*** (0.121)
Constant	2.793 (1.673)	6.931*** (1.708)	3.544* (1.684)
N	843979	843979	843979

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A15: Comparing Effects of GATT vs. WTO

	1	2	3
Lg Power Diff X WTO	0.166* (0.068)		
Large Power Difference	-0.273* (0.132)	-0.205 (0.130)	-0.197 (0.130)
Nonallied X WTO		0.392*** (0.080)	
Nonallied	-0.514* (0.243)	-0.748** (0.241)	-0.494* (0.243)
Dissimilar Reg X WTO			0.006 (0.066)
Dissimilar Regime Types	-0.015 (0.066)	-0.009 (0.066)	-0.022 (0.074)
Both in WTO	-0.022 (0.095)	-0.243* (0.101)	0.075 (0.084)
Log(GDP) <sub>i</sub>	1.788*** (0.436)	1.572*** (0.437)	1.722*** (0.440)
Log(GDP) <sub>j</sub>	3.430*** (0.438)	3.218*** (0.440)	3.366*** (0.441)
Log(GDPPC) <sub>i</sub>	-0.621 (0.424)	-0.367 (0.425)	-0.540 (0.427)
Log(GDPPC) <sub>j</sub>	-3.213*** (0.448)	-2.962*** (0.450)	-3.133*** (0.450)
RTA	0.032 (0.121)	0.165 (0.120)	0.027 (0.120)
GSP <sub>i</sub>	0.465** (0.148)	0.444** (0.148)	0.456** (0.149)
GSP <sub>j</sub>	0.087 (0.184)	0.068 (0.184)	0.078 (0.185)
Currency Union	3.405*** (0.075)	3.474*** (0.071)	3.459*** (0.071)
Constant	-38.098*** (5.933)	-34.129*** (5.974)	-36.991*** (6.026)
R-Squared	0.808	0.808	0.808
N	94648	94648	94648

Notes: Estimates from OLS regression. “WTO” is an indicator of years 1995-2000, during which the WTO had replaced the GATT. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1990-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.



Table A16: Comparing Effects of GATT vs. WTO

	1	2	3
Lg Power Diff X WTO	0.183* (0.086)		
Large Power Difference	0.041 (0.128)	0.132 (0.123)	0.134 (0.123)
Nonallied X WTO		0.144 (0.090)	
Nonallied	-0.725** (0.253)	-0.808** (0.256)	-0.703* (0.254)
Dissimilar Reg X WTO			0.028 (0.069)
Dissimilar Regime Types	-0.066 (0.065)	-0.062 (0.066)	-0.082 (0.072)
RTA	-0.164 (0.130)	-0.117 (0.132)	-0.163* (0.130)
GSP <sub>i</sub>	-0.066 (0.194)	-0.065 (0.194)	-0.061 (0.194)
GSP <sub>j</sub>	-0.490* (0.201)	-0.488* (0.201)	-0.484* (0.201)
Currency Union	2.986*** (0.450)	3.019*** (0.450)	3.017*** (0.450)
N	94648	94648	82152

Notes: Estimates from OLS regression. “WTO” is an indicator of years 1995-2000, during which the WTO had replaced the GATT. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A17: Selection Model

	1	2	3
Lg Power Diff X WTO	1.192*** (0.186)		
Large Power Difference	-1.195*** (0.165)	-0.279*** (0.066)	-0.278*** (0.066)
Nonallied X WTO		0.931** (0.288)	
Nonallied	-0.425*** (0.096)	-1.237*** (0.278)	-0.421*** (0.096)
Dissimilar Reg X WTO			0.267 (0.150)
Dissimilar Regime Types	0.175*** (0.032)	0.168*** (0.032)	-0.048 (0.133)
Both in WTO	1.254*** (0.159)	1.090*** (0.280)	1.781*** (0.149)
One in WTO	0.075* (0.038)	0.061 (0.038)	0.070 (0.038)
Log(GDP) <sub>i</sub>	1.974*** (0.124)	1.943*** (0.124)	1.948*** (0.124)
Log(GDP) <sub>j</sub>	2.793*** (0.128)	2.764*** (0.129)	2.767*** (0.129)
Log(GDPPC) <sub>i</sub>	0.094 (0.115)	0.135 (0.115)	0.137 (0.116)
Log(GDPPC) <sub>j</sub>	-0.851*** (0.122)	-0.811*** (0.122)	-0.806*** (0.122)
Current Colony	-0.673 (0.569)	-0.667 (0.568)	-0.667 (0.568)
Current Colonizer	-1.002 (0.757)	-0.998 (0.756)	-0.994 (0.757)
RTA	0.498*** (0.073)	0.523*** (0.073)	0.503*** (0.073)
GSP <sub>i</sub>	0.595*** (0.086)	0.575*** (0.086)	0.588*** (0.086)
GSP <sub>j</sub>	0.479*** (0.085)	0.459*** (0.085)	0.473*** (0.085)
Currency Union	2.239*** (0.316)	2.238*** (0.314)	2.258*** (0.314)
Constant	-40.022***	-39.275***	-39.995***
R-Squared	0.706	0.706	0.706
N	818134	818134	818134

Notes: Estimates from OLS regression. “Both in WTO” is the probability of joint WTO membership, estimated using a selection model. Details of the model are described in the “Selection into WTO” section of the Supplemental Appendix. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A18: Redefining Large Power Difference

	1	2
Lg Power Diff X WTO	0.787*** (0.067)	1.412*** (0.130)
Large Power Difference	-0.622*** (0.065)	-1.598*** (0.239)
Nonallied	-0.435*** (0.095)	-0.426*** (0.095)
Dissimilar Regime Types	0.155*** (0.032)	0.157*** (0.032)
Both in WTO	0.670*** (0.083)	0.519*** (0.092)
One in WTO	0.739*** (0.063)	0.759*** (0.063)
Log(GDP) <sub>i</sub>	2.021*** (0.122)	2.072*** (0.123)
Log(GDP) <sub>j</sub>	2.796*** (0.126)	2.847*** (0.127)
Log(GDPPC) <sub>i</sub>	0.037 (0.113)	-0.007 (0.114)
Log(GDPPC) <sub>j</sub>	-0.834*** (0.119)	-0.878*** (0.120)
Current Colony	-0.304 (0.573)	-0.188 (0.578)
Current Colonizer	-0.677 (0.777)	-0.561 (0.787)
RTA	0.475*** (0.072)	0.485*** (0.072)
GSP <sub>i</sub>	0.593*** (0.085)	0.572*** (0.086)
GSP <sub>j</sub>	0.482*** (0.085)	0.460*** (0.085)
Currency Union	2.175*** (0.314)	2.180*** (0.315)
Constant	-40.076*** (1.630)	-40.669*** (1.651)
R-Squared	0.706	0.706
N	846188	846188

Notes: Estimates from OLS regression. Large Power Difference is defined as the one-third of dyads with the largest difference in the first column, and as a continuous, ordinal measure in the second column. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A19: Redefining Large Power Difference

	1	2
Lg Power Diff X WTO	0.494*** (0.063)	1.040*** (0.126)
Large Power Difference	-0.333*** (0.060)	-0.977*** (0.231)
Nonallied	-0.033 (0.098)	-0.030 (0.098)
Dissimilar Regime Types	0.030 (0.029)	0.032 (0.029)
Both in WTO	-0.309*** (0.083)	-0.509*** (0.095)
Current Colony	-0.256 (0.687)	-0.207 (0.681)
Current Colonizer	-0.678 (0.657)	-0.629 (0.658)
RTA	0.497*** (0.070)	0.501*** (0.070)
GSP <sub>i</sub>	0.731*** (0.117)	0.720*** (0.117)
GSP <sub>j</sub>	0.615*** (0.118)	0.604*** (0.118)
Currency Union	1.912*** (0.284)	1.916*** (0.284)
N	846188	846188

Notes: Estimates from OLS regression. Large Power Difference is defined as the one-third of dyads with the largest difference in the first column, and as a continuous, ordinal measure in the second column. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A20: Redefining Large Power Difference

	1	2
Lg Power Diff X WTO	0.105* (0.053)	0.017 (0.090)
Large Power Diff	-0.047 (0.044)	0.441*** (0.095)
Nonallied	-0.058 (0.056)	-0.061 (0.056)
Dissimilar Regime Types	0.167*** (0.025)	0.167*** (0.025)
Both in WTO	0.590*** (0.065)	0.656*** (0.070)
One in WTO	0.292*** (0.048)	0.287*** (0.048)
Log(GDP) <sub>i</sub>	1.079*** (0.082)	1.039*** (0.082)
Log(GDP) <sub>j</sub>	1.214*** (0.087)	1.166*** (0.087)
Log(GDPPC) <sub>i</sub>	0.718*** (0.077)	0.738*** (0.077)
Log(GDPPC) <sub>j</sub>	0.754*** (0.083)	0.781*** (0.083)
Log(Distance)	-1.939*** (0.034)	-1.947*** (0.034)
RTA	0.916*** (0.053)	0.925*** (0.053)
Border	0.309* (0.147)	0.311* (0.147)
Landlocked	-1.393** (0.499)	-1.397** (0.499)
Islands	-1.101 (0.775)	-1.245 (0.776)
Same Language	0.786*** (0.069)	0.796*** (0.069)
Same Religion	0.414*** (0.039)	0.408*** (0.039)
Colony	1.592*** (0.197)	1.575*** (0.196)
Colonizer	1.236*** (0.215)	1.214*** (0.213)
Common Colonizer	0.953*** (0.061)	0.955*** (0.061)
Current Colony	1.028* (0.402)	0.977* (0.400)
Current Colonizer	0.749 (0.858)	0.694 (0.858)
GSP <sub>i</sub>	1.748*** (0.052)	1.737*** (0.052)
GSP <sub>j</sub>	1.792*** (0.054)	1.780*** (0.054)
Currency Union	1.416*** (0.121)	1.435*** (0.121)
Constant	1.718 (1.671)	2.360 (1.672)
N	843979	843979

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. Large Power Difference is defined as the one-third of dyads with the largest difference in the first column, and as a continuous, ordinal measure in the second column. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A21: Alternative Measures of IVs

	1	2	3
Lg Power Diff X WTO	0.611*** (0.063)		
Large Power Difference	-0.787*** (0.051)	-0.238*** (0.067)	-0.217** (0.070)
Similarity X Both in WTO		-0.196 (0.113)	
Similarity		0.787*** (0.141)	
Dissimilar Reg X WTO			0.604*** (0.095)
Dissimilar Regime Types	0.147*** (0.032)	0.147*** (0.033)	-0.072 (0.072)
Nonallied	-0.409*** (0.095)		-0.470*** (0.108)
Both in WTO	0.900*** (0.079)	1.111*** (0.080)	0.989*** (0.094)
One in WTO	0.753*** (0.063)	0.699*** (0.065)	0.746*** (0.070)
Log(GDP) <sub>i</sub>	2.093*** (0.121)	1.875*** (0.127)	2.017*** (0.132)
Log(GDP) <sub>j</sub>	2.874*** (0.125)	2.705*** (0.131)	2.852*** (0.136)
Log(GDPPC) <sub>i</sub>	-0.035 (0.113)	0.268* (0.118)	0.138 (0.125)
Log(GDPPC) <sub>j</sub>	-0.911*** (0.118)	-0.703*** (0.124)	-0.849*** (0.130)
Current Colony	-0.262 (0.572)	-0.495 (0.571)	-0.431 (0.678)
Current Colonizer	-0.638 (0.781)	-0.817 (0.767)	-0.450 (0.932)
RTA	0.486*** (0.072)	0.512*** (0.074)	0.499*** (0.078)
GSP <sub>i</sub>	0.560*** (0.085)	0.605*** (0.086)	0.734*** (0.091)
GSP <sub>j</sub>	0.448*** (0.084)	0.494*** (0.085)	0.559*** (0.090)
Currency Union	2.159*** (0.312)	2.216*** (0.314)	2.059*** (0.334)
Constant	-41.474*** (1.634)	-38.626*** (1.683)	-41.723*** (1.815)
R-Squared	0.707	0.706	0.710
N	846188	791044	706287

Notes: Estimates from OLS regression using alternative measures of power, alliance and regime type, as defined in the text. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A22: Alternative Measures of IVs

	1	2	3
Lg Power Diff X WTO	0.295*** (0.060)		
Large Power Difference	-0.404*** (0.052)	0.056 (0.064)	0.047 (0.066)
Similarity X WTO		-0.113 (0.112)	
Similarity		0.629*** (0.131)	
Dissimilar Reg X WTO			0.726*** (0.091)
Dissimilar Regime Types	0.030 (0.029)	0.030 (0.029)	-0.209** (0.067)
Nonallied	-0.038 (0.098)		-0.024 (0.110)
Both in WTO	-0.126 (0.078)	-0.005 (0.075)	-0.371*** (0.090)
Current Colony	-0.269 (0.686)	-0.397 (0.695)	-0.339 (0.849)
Current Colonizer	-0.694 (0.657)	-0.811 (0.659)	-0.374 (0.716)
RTA	0.482*** (0.070)	0.490*** (0.072)	0.527*** (0.077)
GSP <sub>i</sub>	0.721*** (0.117)	0.766*** (0.119)	0.745*** (0.128)
GSP <sub>j</sub>	0.605*** (0.118)	0.643*** (0.119)	0.782*** (0.127)
Currency Union	1.897*** (0.283)	1.936*** (0.285)	1.764*** (0.306)
N	846188	791044	706287

Notes: Estimates from OLS regression using alternative measures of power, alliance and regime type, as defined in the text.. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A23: Alternative Measures of IVs

	1	2	3
Lg Power Diff X WTO	0.082 (0.048)		
Large Power Difference	-0.081* (0.040)	0.093* (0.040)	0.198*** (0.042)
Similarity X WTO		-0.850*** (0.097)	
Similarity		0.862*** (0.081)	
Dissimilar Reg X WTO			0.468*** (0.076)
Dissimilar Regime Types	0.167*** (0.025)	0.165*** (0.025)	0.025 (0.060)
Nonallied	-0.056 (0.056)		-0.081 (0.062)
Both in WTO	0.620*** (0.060)	0.723*** (0.058)	0.539*** (0.067)
One in WTO	0.290*** (0.048)	0.340*** (0.048)	0.310*** (0.052)
Log(GDP) <sub>i</sub>	1.088*** (0.082)	1.079*** (0.083)	1.025*** (0.087)
Log(GDP) <sub>j</sub>	1.224*** (0.087)	1.209*** (0.088)	1.220*** (0.093)
Log(GDPPC) <sub>i</sub>	0.710*** (0.077)	0.767*** (0.079)	0.860*** (0.083)
Log(GDPPC) <sub>j</sub>	0.746*** (0.083)	0.752*** (0.085)	0.755*** (0.089)
Log(Distance)	-1.938*** (0.034)	-1.840*** (0.034)	-1.833*** (0.039)
RTA	0.913*** (0.053)	0.907*** (0.054)	0.861*** (0.057)
Border	0.308* (0.147)	0.326* (0.146)	0.527*** (0.150)
Landlocked	-1.377** (0.499)	-1.492** (0.504)	-1.265* (0.528)
Islands	-1.049 (0.777)	-0.920 (0.787)	-1.810** (0.676)
Same Language	0.784*** (0.069)	0.576*** (0.071)	0.860*** (0.077)
Same Religion	0.416*** (0.039)	0.364*** (0.040)	0.406*** (0.042)
Colony	1.596*** (0.198)	1.719*** (0.199)	1.530*** (0.193)
Colonizer	1.242*** (0.215)	1.346*** (0.214)	1.124*** (0.210)
Common Colonizer	0.953*** (0.061)	0.989*** (0.061)	1.042*** (0.068)
Current Colony	1.038** (0.403)	0.909* (0.401)	1.347** (0.456)
Current Colonizer	0.761 (0.859)	0.666 (0.852)	0.968 (0.928)
GSP <sub>i</sub>	1.746*** (0.052)	1.702*** (0.051)	1.716*** (0.055)
GSP <sub>j</sub>	1.791*** (0.054)	1.755*** (0.054)	1.692*** (0.057)
Currency Union	1.409*** (0.120)	1.494*** (0.122)	1.312*** (0.131)
Constant	1.495 (1.679)	0.316 (1.640)	0.750 (1.787)
N	843979	788835	704268

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. Models use alternative measures of power, alliance and regime type, as [A24](#) in the text.. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.



Table A24: Redefining Similarity

	1	2
Similarity X Both in WTO	-1.597*** (0.325)	-0.828*** (0.161)
Similarity	-0.000* (0.000)	-0.000 (0.000)
Nonallied	-0.434* (0.207)	-0.430* (0.207)
Dissimilar Regime Types	0.036 (0.052)	0.038 (0.052)
Large Power Difference	-0.178 (0.103)	-0.177 (0.103)
Both in WTO	1.732*** (0.301)	0.955*** (0.164)
One in WTO	0.190 (0.104)	0.191 (0.104)
Log(GDP) <sub>i</sub>	2.272*** (0.299)	2.270*** (0.299)
Log(GDP) <sub>j</sub>	2.704*** (0.284)	2.710*** (0.284)
Log(GDPPC) <sub>i</sub>	-1.484*** (0.281)	-1.484*** (0.280)
Log(GDPPC) <sub>j</sub>	-0.946*** (0.266)	-0.952*** (0.265)
Current Colony	1.481** (0.506)	1.464** (0.523)
Current Colonizer	-0.834*** (0.141)	-0.910*** (0.157)
RTA	0.712*** (0.114)	0.711*** (0.114)
GSP <sub>i</sub>	0.509* (0.208)	0.512* (0.208)
GSP <sub>j</sub>	0.167 (0.165)	0.168 (0.165)
Currency Union	3.062* (1.303)	3.064* (1.303)
Constant	-37.888*** (3.749)	-38.001*** (3.747)
R-Squared	0.757	0.757
N	234600	234600

Notes: Estimates from OLS regression using United Nations voting similarity as proxy for political similarity. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1990-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A25: Redefining Similarity

	1	2
Similarity X WTO	-1.735*** (0.340)	-0.868*** (0.170)
Similarity	0.092 (0.364)	0.046 (0.182)
Nonallied	-0.125 (0.245)	-0.125 (0.245)
Dissimilar Regime Types	-0.138** (0.052)	-0.138** (0.052)
Large Power Difference	0.037 (0.103)	0.037 (0.103)
Both in WTO	1.831*** (0.302)	0.963*** (0.161)
Current Colony	2.063 (1.274)	2.063 (1.274)
Current Colonizer	-0.383 (0.521)	-0.383 (0.521)
RTA	0.564*** (0.122)	0.564*** (0.122)
GSP <sub>i</sub>	0.447 (0.263)	0.447 (0.263)
GSP <sub>j</sub>	-0.138 (0.201)	-0.138 (0.201)
Currency Union	2.499 (1.338)	2.499 (1.338)
N	234600	234600

Notes: Estimates from OLS regression using United Nations voting similarity as proxy for political similarity. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A26: Redefining Similarity

	1	2
Similarity X WTO	-0.490*	-0.245*
	(0.223)	(0.111)
Similarity	-0.362*	-0.181*
	(0.181)	(0.091)
Large Power Difference	0.142**	0.142**
	(0.053)	(0.053)
Nonallied	-0.023	-0.023
	(0.085)	(0.085)
Dissimilar Regime Types	0.060	0.060
	(0.034)	(0.034)
Both in WTO	0.992***	0.747***
	(0.199)	(0.108)
One in WTO	0.260***	0.260***
	(0.072)	(0.072)
Log(GDP) <sub>i</sub>	1.097***	1.097***
	(0.131)	(0.131)
Log(GDP) <sub>j</sub>	1.417	1.417
	(.)	(.)
Log(GDPPC) <sub>i</sub>	0.174	0.174
	(0.121)	(0.121)
Log(GDPPC) <sub>j</sub>	0.459***	0.459***
	(0.122)	(0.122)
Log(Distance)	-1.618***	-1.618***
	(0.065)	(0.065)
RTA	0.874***	0.874***
	(0.074)	(0.074)
Border	0.851***	0.851***
	(0.197)	(0.197)
Landlocked	0.322	0.322
	(0.337)	(0.337)
Islands	0.741	0.741
	(0.579)	(0.579)
Same Language	0.781***	0.781***
	(0.093)	(0.093)
Same Religion	0.449***	0.449***
	(0.068)	(0.068)
Colony	0.945**	0.945**
	(0.311)	(0.311)
Colonizer	1.603***	1.603***
	(0.242)	(0.242)
Common Colonizer	1.018***	1.018***
	(0.083)	(0.083)
Current Colony	0.466	0.466
	(0.927)	(0.927)
Current Colonizer	1.516***	1.516***
	(0.383)	(0.383)
GSP <sub>i</sub>	1.693***	1.693***
	(0.082)	(0.082)
GSP <sub>j</sub>	1.486***	1.486***
	(0.070)	(0.070)
Currency Union	1.221***	1.221***
	(0.152)	(0.152)
Constant	-3.171	-3.352
	(2.180)	(2.172)
N	385527	385527

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. Models use United Nations voting similarity as proxy for political similarity. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A27: Including Capital Stock

	1	2	3
Lg Power Diff X WTO	0.609*** (0.172)		
Large Power Difference	-0.453** (0.157)	-0.195 (0.135)	-0.193 (0.135)
Nonallied X WTO		0.734* (0.289)	
Nonallied	-0.194 (0.157)	-0.779* (0.343)	-0.175 (0.157)
Dissimilar Reg X Both in WTO			-0.086 (0.129)
Dissimilar Regime Types	0.137 (0.078)	0.129 (0.078)	0.179 (0.102)
Both in WTO	0.434 (0.266)	0.146 (0.338)	0.830** (0.260)
One in WTO	0.344 (0.219)	0.349 (0.219)	0.334 (0.219)
Capital Stock per Worker <sub>i</sub>	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)
Capital Stock per Worker <sub>j</sub>	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)
Log(GDP) <sub>i</sub>	-0.382 (0.498)	-0.451 (0.501)	-0.396 (0.499)
Log(GDP) <sub>j</sub>	1.893*** (0.505)	1.824*** (0.507)	1.880*** (0.508)
Log(GDPPC) <sub>i</sub>	3.625*** (0.523)	3.687*** (0.525)	3.651*** (0.525)
Log(GDPPC) <sub>j</sub>	0.834 (0.541)	0.896 (0.543)	0.859 (0.544)
Current Colony	-2.464 (1.734)	-2.552 (1.740)	-2.488 (1.738)
Current Colonizer	-4.622** (1.587)	-4.708** (1.576)	-4.643** (1.587)
RTA	0.561*** (0.142)	0.586*** (0.142)	0.543*** (0.142)
GSP <sub>i</sub>	0.563*** (0.162)	0.551*** (0.162)	0.566*** (0.162)
GSP <sub>j</sub>	0.326* (0.153)	0.312* (0.154)	0.328* (0.154)
Currency Union	0.376 (0.847)	0.398 (0.838)	0.409 (0.838)
Constant	-9.106 (7.092)	-7.390 (7.166)	-9.053 (7.128)
R-Squared	0.787	0.787	0.787
N	88157	88157	88157

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A28: Disaggregating *One in WTO*

	1	2	3
Lg Power Diff X WTO	0.635*** (0.070)		
Large Power Difference	-0.501*** (0.071)	-0.282*** (0.065)	-0.281*** (0.065)
Nonallied X WTO		0.626*** (0.100)	
Nonallied	-0.407*** (0.096)	-0.760*** (0.112)	-0.403*** (0.096)
Dissimilar Reg X Both in WTO			0.239*** (0.054)
Dissimilar Regime Types	0.154*** (0.032)	0.145*** (0.032)	0.046 (0.040)
Both in WTO	0.226*** (0.053)	-0.012 (0.095)	0.416*** (0.053)
Importer in WTO	0.330*** (0.052)	0.308*** (0.052)	0.316*** (0.052)
Exporter in WTO	0.538*** (0.052)	0.515*** (0.052)	0.524*** (0.052)
Log(GDP) <sub>i</sub>	2.032*** (0.122)	1.971*** (0.123)	1.991*** (0.123)
Log(GDP) <sub>j</sub>	2.798*** (0.126)	2.736*** (0.127)	2.755*** (0.126)
Log(GDPPC) <sub>i</sub>	0.052 (0.114)	0.125 (0.114)	0.112 (0.114)
Log(GDPPC) <sub>j</sub>	-0.812*** (0.119)	-0.737*** (0.120)	-0.749*** (0.119)
Current Colony	-0.256 (0.574)	-0.380 (0.566)	-0.349 (0.570)
Current Colonizer	-0.590 (0.783)	-0.717 (0.772)	-0.683 (0.777)
RTA	0.490*** (0.072)	0.544*** (0.073)	0.503*** (0.073)
GSP <sub>i</sub>	0.545*** (0.086)	0.527*** (0.086)	0.538*** (0.086)
GSP <sub>j</sub>	0.437*** (0.085)	0.420*** (0.085)	0.431*** (0.085)
Currency Union	2.217*** (0.314)	2.202*** (0.312)	2.219*** (0.312)
Constant	-39.788*** (1.644)	-38.480*** (1.661)	-39.111*** (1.649)
R-Squared	0.706	0.706	0.706
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A29: Disaggregating *One in WTO*

	1	2	3
Lg Power Diff X WTO	0.056 (0.057)		
Large Power Difference	0.027 (0.052)	0.051 (0.045)	0.049 (0.045)
Nonallied X WTO		1.309*** (0.087)	
Nonallied	0.008 (0.065)	-0.620*** (0.079)	0.011 (0.065)
Dissimilar Reg X WTO			0.296*** (0.051)
Dissimilar Regime Types	0.247*** (0.028)	0.220*** (0.028)	0.106** (0.038)
Both in WTO	0.320*** (0.050)	-0.798*** (0.083)	0.194*** (0.048)
Importer in WTO	0.186*** (0.052)	0.180*** (0.051)	0.188*** (0.052)
Exporter in WTO	0.250*** (0.050)	0.244*** (0.049)	0.251*** (0.050)
Log(GDP) <sub>i</sub>	1.113*** (0.096)	1.058*** (0.097)	1.098*** (0.097)
Log(GDP) <sub>j</sub>	1.332*** (0.101)	1.290*** (0.101)	1.314*** (0.101)
Log(GDPPC) <sub>i</sub>	0.803*** (0.090)	0.842*** (0.090)	0.820*** (0.090)
Log(GDPPC) <sub>j</sub>	0.931*** (0.096)	0.954*** (0.096)	0.949*** (0.096)
Log(Distance)	-2.199*** (0.040)	-2.211*** (0.039)	-2.201*** (0.040)
RTA	1.030*** (0.062)	1.128*** (0.061)	1.034*** (0.061)
Border	0.286 (0.172)	0.246 (0.169)	0.288 (0.172)
Landlocked	-3.105*** (0.609)	-3.544*** (0.609)	-3.209*** (0.610)
Islands	-1.440 (0.934)	-1.997* (0.934)	-1.576 (0.933)
Same Language	0.931*** (0.079)	0.791*** (0.079)	0.929*** (0.079)
Same Religion	0.464*** (0.012)	0.433*** (0.012)	0.450*** (0.012)
Colony	1.552*** (0.218)	1.654*** (0.215)	1.548*** (0.218)
Colonizer	1.320*** (0.262)	1.416*** (0.260)	1.313*** (0.261)
Common Colonizer	1.082*** (0.070)	1.097*** (0.070)	1.084*** (0.070)
Current Colony	0.817* (0.385)	0.728 (0.381)	0.799* (0.389)
Current Colonizer	1.450 (0.962)	1.358 (0.965)	1.429 (0.970)
GSP <sub>i</sub>	1.983*** (0.060)	1.882*** (0.059)	1.960*** (0.060)
GSP <sub>j</sub>	2.125*** (0.065)	2.019*** (0.064)	2.102*** (0.065)
Currency Union	1.692*** (0.138)	1.740*** (0.140)	1.711*** (0.138)
Constant	1.532 (1.958)	3.954* (1.975)	2.142 (1.962)
N	843492	843492	843492

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A30: Dropping Outliers

	1	2	3	4	5	6
Lg Power Diff X WTO	0.646*** (0.070)			0.607*** (0.067)		
Large Power Difference	-0.493*** (0.071)	-0.272*** (0.065)	-0.271*** (0.065)	-0.501*** (0.068)	-0.288*** (0.062)	-0.286*** (0.063)
Nonallied X WTO		0.673*** (0.100)			0.787*** (0.098)	
Nonallied	-0.424*** (0.095)	-0.802*** (0.112)	-0.419*** (0.095)	-0.320*** (0.089)	-0.782*** (0.107)	-0.311*** (0.089)
Dissimilar Reg X Both in WTO			0.260*** (0.054)			0.244*** (0.052)
Dissimilar Regime Types	0.160*** (0.032)	0.150*** (0.032)	0.042 (0.040)	0.167*** (0.031)	0.155*** (0.031)	0.053 (0.039)
Both in WTO	0.851*** (0.080)	0.566*** (0.111)	1.023*** (0.081)	0.878*** (0.078)	0.473*** (0.108)	1.037*** (0.079)
One in WTO	0.732*** (0.063)	0.714*** (0.063)	0.715*** (0.063)	0.755*** (0.061)	0.740*** (0.061)	0.740*** (0.061)
Log(GDP) <sub>i</sub>	1.990*** (0.122)	1.924*** (0.122)	1.947*** (0.122)	2.193*** (0.118)	2.126*** (0.118)	2.154*** (0.118)
Log(GDP) <sub>j</sub>	2.759*** (0.126)	2.692*** (0.126)	2.713*** (0.126)	2.941*** (0.122)	2.875*** (0.123)	2.898*** (0.123)
Log(GDPPC) <sub>i</sub>	0.075 (0.113)	0.153 (0.113)	0.137 (0.113)	-0.109 (0.109)	-0.029 (0.110)	-0.050 (0.110)
Log(GDPPC) <sub>j</sub>	-0.791*** (0.119)	-0.711*** (0.119)	-0.725*** (0.119)	-0.950*** (0.115)	-0.869*** (0.116)	-0.886*** (0.116)
Current Colony	-0.266 (0.573)	-0.393 (0.565)	-0.359 (0.569)	0.371 (0.492)	0.233 (0.482)	0.282 (0.486)
Current Colonizer	-0.642 (0.779)	-0.773 (0.767)	-0.735 (0.772)	0.854 (0.641)	0.494 (0.649)	0.544 (0.655)
RTA	0.492*** (0.072)	0.549*** (0.073)	0.506*** (0.072)	0.479*** (0.070)	0.544*** (0.070)	0.497*** (0.070)
GSP <sub>i</sub>	0.592*** (0.085)	0.571*** (0.085)	0.583*** (0.085)	0.538*** (0.083)	0.514*** (0.083)	0.530*** (0.083)
GSP <sub>j</sub>	0.480*** (0.085)	0.460*** (0.084)	0.472*** (0.084)	0.406*** (0.083)	0.386*** (0.082)	0.400*** (0.082)
Currency Union	2.175*** (0.312)	2.161*** (0.310)	2.179*** (0.311)	2.302*** (0.309)	2.290*** (0.307)	2.298*** (0.307)
Constant	-39.622*** (1.636)	-38.188*** (1.653)	-38.890*** (1.641)	-43.300*** (1.585)	-41.775*** (1.603)	-42.622*** (1.589)
R-Squared	0.707	0.707	0.707	0.734	0.734	0.734
N	846147	846148	846147	839484	839488	839491

Notes: Estimates from OLS regression. Columns 1-3 drop observations greater than 5 standard deviations from the mean and columns 4-6 drop observations greater than 3 standard deviations from the mean. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*\*”, and “\*\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A31: Dropping Outliers

	1	2	3	4	5	6
Lg Power Diff X WTO	0.440*** (0.067)			0.444*** (0.065)		
Large Power Difference	-0.131 (0.069)	0.038 (0.062)	0.036 (0.062)	-0.115 (0.068)	0.065 (0.062)	0.066 (0.062)
Nonallied X WTO		0.606*** (0.101)			0.753*** (0.099)	
Nonallied	-0.028 (0.098)	-0.370*** (0.111)	-0.030 (0.098)	-0.042 (0.094)	-0.487*** (0.108)	-0.051 (0.094)
Dissimilar Reg X WTO			0.324*** (0.050)			0.288*** (0.049)
Dissimilar Regime Types	0.033 (0.029)	0.029 (0.029)	-0.112** (0.036)	0.053 (0.028)	0.045 (0.028)	-0.077* (0.036)
Both in WTO	-0.200* (0.079)	-0.508*** (0.117)	-0.131 (0.077)	-0.085 (0.077)	-0.526*** (0.115)	-0.001 (0.075)
Current Colony	-0.243 (0.686)	-0.341 (0.690)	-0.295 (0.689)	0.525 (0.574)	0.407 (0.583)	0.484 (0.580)
Current Colonizer	-0.667 (0.657)	-0.769 (0.655)	-0.719 (0.657)	0.777 (0.543)	0.628 (0.543)	0.695 (0.544)
RTA	0.503*** (0.070)	0.538*** (0.071)	0.495*** (0.070)	0.594*** (0.070)	0.639*** (0.070)	0.584*** (0.070)
GSP <sub>i</sub>	0.740*** (0.117)	0.713*** (0.117)	0.732*** (0.117)	0.821*** (0.114)	0.791*** (0.114)	0.835*** (0.113)
GSP <sub>j</sub>	0.623*** (0.118)	0.598*** (0.118)	0.616*** (0.118)	0.699*** (0.116)	0.665*** (0.115)	0.679*** (0.115)
Currency Union	1.903*** (0.283)	1.885*** (0.283)	1.904*** (0.283)	1.953*** (0.275)	1.947*** (0.278)	1.924*** (0.275)
N	846186	846186	846186	840173	840092	840144

Notes: Estimates from OLS regression. Columns 1-3 drop observations greater than 5 standard deviations from the mean and columns 4-6 drop observations greater than 3 standard deviations from the mean. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports + 1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*\*”, and “\*\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.



Table A32: Dropping Outliers

	1	2	3	4	5	6
Lg Power Diff X WTO	0.072 (0.050)			0.050 (0.050)		
Large Power Difference	0.079 (0.044)	0.110** (0.039)	0.108** (0.039)	0.076 (0.045)	0.100* (0.039)	0.099* (0.039)
Nonallied X WTO		1.096*** (0.075)			1.180*** (0.075)	
Nonallied	-0.056 (0.056)	-0.586*** (0.068)	-0.055 (0.056)	-0.030 (0.057)	-0.603*** (0.069)	-0.028 (0.057)
Dissimilar Reg X WTO			0.247*** (0.044)			0.248*** (0.044)
Dissimilar Regime Types	0.166*** (0.025)	0.142*** (0.024)	0.047 (0.033)	0.184*** (0.025)	0.158*** (0.025)	0.063 (0.033)
Both in WTO	0.620*** (0.060)	-0.236** (0.084)	0.548*** (0.060)	0.633*** (0.060)	-0.304*** (0.083)	0.548*** (0.059)
One in WTO	0.288*** (0.048)	0.330*** (0.048)	0.304*** (0.048)	0.300*** (0.049)	0.357*** (0.049)	0.317*** (0.048)
Log(GDP) <sub>i</sub>	1.049*** (0.082)	0.997*** (0.082)	1.034*** (0.082)	1.151*** (0.081)	1.099*** (0.081)	1.136*** (0.081)
Log(GDP) <sub>j</sub>	1.174*** (0.087)	1.134*** (0.087)	1.157*** (0.087)	1.242*** (0.085)	1.203*** (0.086)	1.226*** (0.085)
Log(GDPPC) <sub>i</sub>	0.739*** (0.077)	0.777*** (0.077)	0.755*** (0.077)	0.637*** (0.075)	0.673*** (0.075)	0.653*** (0.075)
Log(GDPPC) <sub>j</sub>	0.786*** (0.083)	0.810*** (0.083)	0.803*** (0.083)	0.738*** (0.081)	0.761*** (0.082)	0.755*** (0.081)
Log(Distance)	-1.942*** (0.034)	-1.953*** (0.034)	-1.944*** (0.034)	-1.964*** (0.035)	-1.975*** (0.035)	-1.966*** (0.035)
RTA	0.927*** (0.053)	1.009*** (0.053)	0.930*** (0.053)	0.924*** (0.053)	1.013*** (0.053)	0.927*** (0.053)
Border	0.315* (0.146)	0.280 (0.144)	0.317* (0.146)	0.378* (0.150)	0.342* (0.147)	0.379* (0.150)
Landlocked	-1.518** (0.499)	-1.833*** (0.500)	-1.612** (0.499)	-1.268* (0.493)	-1.590** (0.493)	-1.358** (0.493)
Islands	-1.351 (0.776)	-1.745* (0.777)	-1.483 (0.776)	-0.905 (0.766)	-1.301 (0.766)	-1.031 (0.765)
Same Language	0.788*** (0.069)	0.674*** (0.069)	0.787*** (0.069)	0.815*** (0.070)	0.693*** (0.070)	0.814*** (0.070)
Same Religion	0.412*** (0.039)	0.387*** (0.039)	0.401*** (0.039)	0.430*** (0.040)	0.404*** (0.040)	0.419*** (0.040)
Colony	1.585*** (0.197)	1.671*** (0.195)	1.582*** (0.197)	1.584*** (0.198)	1.682*** (0.196)	1.587*** (0.197)
Colonizer	1.232*** (0.212)	1.314*** (0.210)	1.228*** (0.211)	1.223*** (0.216)	1.309*** (0.215)	1.218*** (0.216)
Common Colonizer	0.953*** (0.061)	0.967*** (0.061)	0.955*** (0.061)	0.943*** (0.063)	0.958*** (0.062)	0.945*** (0.063)
Current Colony	1.020* (0.403)	0.937* (0.398)	0.999* (0.406)	1.289** (0.430)	1.188** (0.425)	1.265** (0.434)
Current Colonizer	0.728 (0.859)	0.651 (0.860)	0.712 (0.865)	1.283 (0.836)	1.099 (0.818)	1.173 (0.824)
GSP <sub>i</sub>	1.739*** (0.052)	1.655*** (0.051)	1.721*** (0.052)	1.750*** (0.051)	1.660*** (0.051)	1.733*** (0.051)
GSP <sub>j</sub>	1.782*** (0.054)	1.692*** (0.054)	1.762*** (0.054)	1.792*** (0.054)	1.698*** (0.054)	1.773*** (0.054)
Currency Union	1.415*** (0.120)	1.452*** (0.122)	1.429*** (0.121)	1.406*** (0.122)	1.450*** (0.124)	1.423*** (0.122)
Constant	2.518 (1.676)	4.605** (1.693)	3.052 (1.680)	0.559 (1.650)	2.692 (1.666)	1.070 (1.654)
N	843938	843939	843938	837311	837316	837317

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. Columns 1-3 drop observations greater than 5 standard deviations from the mean and columns 4-6 drop observations greater than 3 standard deviations from the mean. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A33: Sampling at Five Year Intervals

	1	2	3
Lg Power Diff X WTO	0.795*** (0.091)		
Large Power Difference	-0.479*** (0.096)	-0.213* (0.088)	-0.212* (0.088)
Nonallied X WTO		0.664*** (0.132)	
Nonallied	-0.437*** (0.125)	-0.824*** (0.150)	-0.429*** (0.125)
Dissimilar Reg X WTO			0.414*** (0.072)
Dissimilar Reg Types	0.131** (0.042)	0.120** (0.042)	-0.057 (0.054)
Both in WTO	0.830*** (0.104)	0.610*** (0.145)	0.992*** (0.104)
One in WTO	0.693*** (0.081)	0.664*** (0.081)	0.674*** (0.080)
Log(GDP) <sub>i</sub>	2.050*** (0.149)	1.978*** (0.150)	1.993*** (0.149)
Log(GDP) <sub>j</sub>	2.804*** (0.153)	2.731*** (0.153)	2.745*** (0.153)
Log(GDPPC) <sub>i</sub>	0.072 (0.138)	0.162 (0.139)	0.151 (0.138)
Log(GDPPC) <sub>j</sub>	-0.763*** (0.144)	-0.671*** (0.145)	-0.679*** (0.144)
Current Colony	2.055*** (0.426)	1.780*** (0.375)	1.917*** (0.407)
Currently Colonizer	3.009*** (0.599)	2.727*** (0.567)	2.870*** (0.585)
RTA	0.476*** (0.089)	0.533*** (0.089)	0.494*** (0.089)
GSP <sub>i</sub>	0.486*** (0.102)	0.465*** (0.102)	0.469*** (0.102)
GSP <sub>j</sub>	0.516*** (0.104)	0.494*** (0.104)	0.497*** (0.104)
Currency Union	2.556*** (0.397)	2.527*** (0.395)	2.555*** (0.396)
Constant	-40.710*** (1.960)	-39.206*** (1.981)	-39.748*** (1.965)
R-Squared	0.683	0.683	0.683
N	170845	170845	170845

Notes: Estimates from OLS regression using data sampled at five year intervals. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*\*”, and “\*\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A34: Sampling at Five Year Intervals

	1	2	3
Lg Power Diff X WTO	0.544*** (0.090)		
Large Power Difference	-0.136 (0.095)	0.071 (0.086)	0.068 (0.086)
Nonallied X WTO		0.565*** (0.135)	
Nonallied	-0.008 (0.130)	-0.342* (0.153)	-0.012 (0.130)
Dissimilar Reg X WTO			0.437*** (0.068)
Dissimilar Reg Types	0.013 (0.039)	0.010 (0.039)	-0.181*** (0.050)
Both in WTO	-0.079 (0.108)	-0.294 (0.157)	-0.017 (0.104)
Currently Colony	1.724*** (0.462)	1.531** (0.468)	1.662*** (0.465)
Current Colonizer	2.828*** (0.567)	2.629*** (0.555)	2.763*** (0.562)
RTA	0.590*** (0.089)	0.612*** (0.089)	0.576*** (0.089)
GSP <sub>i</sub>	0.553*** (0.149)	0.537*** (0.148)	0.544*** (0.149)
GSP <sub>j</sub>	0.804*** (0.146)	0.787*** (0.145)	0.794*** (0.146)
Currency Union	2.015*** (0.363)	1.987*** (0.363)	2.011*** (0.363)
N	170845	170845	170845

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data are sampled at 5-year intervals from 1950-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A35: Sampling at Five Year Intervals

	1	2	3
Lg Power Diff X WTO	0.108* (0.055)		
Large Power Difference	0.069 (0.049)	0.115** (0.042)	0.114** (0.042)
Nonallied X WTO		1.167*** (0.082)	
Nonallied	-0.010 (0.061)	-0.581*** (0.075)	-0.009 (0.061)
Dissimilar Reg X WTO			0.308*** (0.050)
Dissimilar Reg Types	0.174*** (0.027)	0.149*** (0.027)	0.026 (0.037)
Both in WTO	0.617*** (0.071)	-0.296** (0.095)	0.528*** (0.071)
One in WTO	0.296*** (0.054)	0.341*** (0.055)	0.313*** (0.054)
Log(GDP) <sub>i</sub>	1.091*** (0.093)	1.033*** (0.094)	1.073*** (0.093)
Log(GDP) <sub>j</sub>	1.242*** (0.097)	1.198*** (0.097)	1.222*** (0.097)
Log(GDPPC) <sub>i</sub>	0.761*** (0.087)	0.808*** (0.087)	0.782*** (0.087)
Log(GDP) <sub>j</sub>	0.786*** (0.092)	0.817*** (0.092)	0.808*** (0.092)
Log(Distance)	-1.930*** (0.036)	-1.940*** (0.036)	-1.932*** (0.036)
RTA	0.948*** (0.057)	1.030*** (0.056)	0.951*** (0.057)
Border	0.362* (0.150)	0.326* (0.147)	0.363* (0.150)
Landlocked	-0.900 (0.553)	-1.239* (0.555)	-1.014 (0.554)
Islands	-0.704 (0.883)	-1.138 (0.885)	-0.866 (0.883)
Same Language	0.776*** (0.072)	0.656*** (0.072)	0.775*** (0.072)
Same Religion	0.471*** (0.042)	0.446*** (0.042)	0.456*** (0.042)
Colony	1.552*** (0.202)	1.644*** (0.200)	1.549*** (0.202)
Colonizer	1.225*** (0.216)	1.312*** (0.214)	1.219*** (0.215)
Common Colonizer	0.970*** (0.064)	0.983*** (0.064)	0.972*** (0.064)
Current Colony	2.235*** (0.415)	2.091*** (0.406)	2.222*** (0.418)
Current Colonizer	2.681*** (0.694)	2.546*** (0.690)	2.669*** (0.699)
GSP <sub>i</sub>	1.717*** (0.059)	1.618*** (0.058)	1.691*** (0.059)
GSP <sub>j</sub>	1.680*** (0.056)	1.586*** (0.055)	1.656*** (0.056)
Currency Union	1.431*** (0.124)	1.468*** (0.126)	1.447*** (0.125)
Constant	0.162 (1.845)	2.413 (1.864)	0.796 (1.848)
N	170538	170538	170538

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data are sampled at 5-year intervals from 1950-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A36: Varying the Constant in the Dependent Variable

	1	2	3
Lg Power Diff X WTO	0.722*** (0.092)		
Large Power Difference	-0.594*** (0.093)	-0.348*** (0.085)	-0.345*** (0.085)
Nonallied X WTO		1.063*** (0.132)	
Nonallied	-0.458*** (0.124)	-1.055*** (0.146)	-0.450*** (0.124)
Dissimilar Reg X Both in WTO			0.374*** (0.071)
Dissimilar Regime Types	0.223*** (0.042)	0.208*** (0.042)	0.054 (0.053)
Both in WTO	1.237*** (0.106)	0.651*** (0.146)	1.392*** (0.107)
One in WTO	1.005*** (0.083)	0.990*** (0.083)	0.990*** (0.083)
Log(GDP) <sub>i</sub>	2.600*** (0.159)	2.512*** (0.160)	2.549*** (0.160)
Log(GDP) <sub>j</sub>	3.732*** (0.164)	3.644*** (0.165)	3.679*** (0.164)
Log(GDPPC) <sub>i</sub>	-0.064 (0.148)	0.036 (0.148)	0.009 (0.148)
Log(GDPPC) <sub>j</sub>	-1.411*** (0.155)	-1.310*** (0.156)	-1.335*** (0.155)
Current Colony	-0.278 (0.723)	-0.432 (0.713)	-0.380 (0.720)
Current Colonizer	-0.645 (0.942)	-0.803 (0.928)	-0.745 (0.936)
RTA	0.456*** (0.095)	0.542*** (0.095)	0.473*** (0.095)
GSP <sub>j</sub>	0.542*** (0.111)	0.510*** (0.111)	0.531*** (0.111)
GSP <sub>i</sub>	0.681*** (0.112)	0.648*** (0.112)	0.668*** (0.112)
Currency Union	2.899*** (0.407)	2.880*** (0.405)	2.907*** (0.405)
Constant	-57.017*** (2.136)	-54.981*** (2.156)	-56.121*** (2.142)
R-Squared	0.677	0.677	0.677
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports + .01). The data are sampled at 5-year intervals from 1950-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A37: Varying the Constant in the Dependent Variable

	1	2	3
Lg Power Diff X WTO	0.587*** (0.088)		
Large Power Difference	-0.175 (0.090)	0.050 (0.081)	0.048 (0.081)
Nonallied X WTO		1.001*** (0.133)	
Nonallied	0.046 (0.128)	-0.518*** (0.146)	0.044 (0.128)
Dissimilar Reg X WTO			0.438*** (0.066)
Dissimilar Regime Types	0.056 (0.038)	0.050 (0.038)	-0.139** (0.048)
Both in WTO	-0.293** (0.105)	-0.878*** (0.154)	-0.205* (0.101)
Current Colony	-0.146 (0.978)	-0.290 (0.985)	-0.215 (0.983)
Current Colonizer	-0.626 (0.839)	-0.777 (0.838)	-0.696 (0.840)
RTA	0.534*** (0.092)	0.596*** (0.093)	0.523*** (0.092)
GSP <sub>i</sub>	0.969*** (0.152)	0.923*** (0.152)	0.958*** (0.152)
GSP <sub>j</sub>	0.812*** (0.152)	0.768*** (0.152)	0.803*** (0.152)
Currency Union	2.576*** (0.371)	2.550*** (0.372)	2.578*** (0.371)
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +.01). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A38: Varying the Constant in the Dependent Variable

	1	2	3
Lg Power Diff X WTO	0.612*** (0.059)		
Large Power Difference	-0.440*** (0.060)	-0.229*** (0.055)	-0.228*** (0.055)
Nonallied X WTO		0.483*** (0.085)	
Nonallied	-0.411*** (0.081)	-0.682*** (0.096)	-0.407*** (0.081)
Dissimilar Reg X Both in WTO			0.201*** (0.045)
Dissimilar Regime Types	0.127*** (0.027)	0.120*** (0.027)	0.036 (0.034)
Both in WTO	0.669*** (0.067)	0.531*** (0.094)	0.852*** (0.068)
One in WTO	0.599*** (0.053)	0.580*** (0.053)	0.582*** (0.053)
Log(GDP) <sub>i</sub>	1.710*** (0.104)	1.657*** (0.104)	1.672*** (0.104)
Log(GDP) <sub>j</sub>	2.304*** (0.108)	2.250*** (0.108)	2.264*** (0.108)
Log(GDPPC) <sub>i</sub>	0.114 (0.096)	0.182 (0.097)	0.171 (0.096)
Log(GDPPC) <sub>j</sub>	-0.517*** (0.102)	-0.447*** (0.102)	-0.457*** (0.102)
Current Colony	-0.264 (0.503)	-0.380 (0.495)	-0.355 (0.498)
Current Colonizer	-0.643 (0.703)	-0.761 (0.692)	-0.733 (0.696)
RTA	0.498*** (0.061)	0.541*** (0.062)	0.511*** (0.061)
GSP <sub>i</sub>	0.557*** (0.072)	0.542*** (0.072)	0.551*** (0.072)
GSP <sub>j</sub>	0.460*** (0.072)	0.446*** (0.072)	0.455*** (0.072)
Currency Union	1.810*** (0.266)	1.798*** (0.264)	1.811*** (0.264)
Constant	-31.462*** (1.399)	-30.342*** (1.416)	-30.826*** (1.405)
R-Squared	0.726	0.726	0.726
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +10). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A39: Varying the Constant in the Dependent Variable

	1	2	3
Lg Power Diff X WTO	0.367*** (0.056)		
Large Power Difference	-0.110 (0.058)	0.031 (0.053)	0.030 (0.053)
Nonallied X WTO		0.409*** (0.085)	
Nonallied	-0.063 (0.083)	-0.295** (0.094)	-0.065 (0.083)
Dissimilar Reg X WTO			0.266*** (0.042)
Dissimilar Regime Types	0.021 (0.024)	0.018 (0.024)	-0.098** (0.030)
Both in WTO	-0.153* (0.067)	-0.323*** (0.099)	-0.094 (0.065)
Current Colony	-0.297 (0.545)	-0.372 (0.548)	-0.340 (0.547)
Current Colonizer	-0.690 (0.576)	-0.768 (0.574)	-0.733 (0.576)
RTA	0.487*** (0.059)	0.508*** (0.060)	0.480*** (0.059)
GSP <sub><i>i</i></sub>	0.620*** (0.100)	0.603*** (0.099)	0.614*** (0.100)
GSP <sub><i>j</i></sub>	0.530*** (0.101)	0.513*** (0.101)	0.524*** (0.101)
Currency Union	1.562*** (0.240)	1.548*** (0.240)	1.563*** (0.240)
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +10). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.



Table A40: Varying the Constant in the Dependent Variable

	1	2	3
Lg Power Diff X WTO	0.572*** (0.048)		
Large Power Difference	-0.387*** (0.050)	-0.190*** (0.046)	-0.190*** (0.046)
Nonallied X WTO		0.291*** (0.070)	
Nonallied	-0.395*** (0.068)	-0.558*** (0.080)	-0.392*** (0.068)
Dissimilar Reg X Both in WTO			0.144*** (0.037)
Dissimilar Regime Types	0.096*** (0.022)	0.090*** (0.022)	0.030 (0.028)
Both in WTO	0.481*** (0.055)	0.489*** (0.077)	0.673*** (0.056)
One in WTO	0.464*** (0.044)	0.444*** (0.044)	0.445*** (0.044)
Log(GDP) <sub>i</sub>	1.415*** (0.086)	1.372*** (0.087)	1.381*** (0.086)
Log(GDP) <sub>j</sub>	1.830*** (0.090)	1.787*** (0.090)	1.795*** (0.090)
Log(GDPPC) <sub>i</sub>	0.172* (0.080)	0.229** (0.080)	0.223** (0.080)
Log(GDPPC) <sub>j</sub>	-0.223** (0.085)	-0.165 (0.085)	-0.170* (0.085)
Current Colony	-0.259 (0.436)	-0.361 (0.429)	-0.345 (0.431)
Current Colonizer	-0.641 (0.632)	-0.745 (0.622)	-0.727 (0.624)
RTA	0.511*** (0.051)	0.540*** (0.051)	0.522*** (0.051)
GSP <sub>i</sub>	0.515*** (0.059)	0.506*** (0.059)	0.510*** (0.059)
GSP <sub>j</sub>	0.431*** (0.059)	0.423*** (0.059)	0.427*** (0.059)
Currency Union	1.448*** (0.221)	1.438*** (0.219)	1.447*** (0.219)
Constant	-22.964*** (1.167)	-22.150*** (1.182)	-22.417*** (1.172)
R-Squared	0.751	0.750	0.750
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +100). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A41: Varying the Constant in the Dependent Variable

	1	2	3
Lg Power Diff X WTO	0.294*** (0.046)		
Large Power Difference	-0.088 (0.048)	0.024 (0.044)	0.023 (0.044)
Nonallied X WTO		0.213** (0.070)	
Nonallied	-0.097 (0.069)	-0.220** (0.078)	-0.099 (0.069)
Dissimilar Reg X WTO			0.209*** (0.034)
Dissimilar Regime Types	0.009 (0.020)	0.008 (0.020)	-0.084*** (0.025)
Both in WTO	-0.105 (0.054)	-0.139 (0.081)	-0.056 (0.053)
Current Colony	-0.346 (0.414)	-0.398 (0.416)	-0.380 (0.415)
Current Colonizer	-0.712 (0.507)	-0.766 (0.504)	-0.747 (0.506)
RTA	0.471*** (0.049)	0.478*** (0.049)	0.465*** (0.049)
GSP <sub>i</sub>	0.502*** (0.083)	0.494*** (0.083)	0.497*** (0.083)
GSP <sub>j</sub>	0.433*** (0.085)	0.427*** (0.085)	0.429*** (0.085)
Currency Union	1.224*** (0.198)	1.213*** (0.198)	1.224*** (0.198)
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +100). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A42: Including the Log Product of GDP and GDPPC

	1	2	3
Lg Power Diff X WTO	0.648*** (0.070)		
Large Power Difference	-0.490*** (0.071)	-0.268*** (0.065)	-0.267*** (0.065)
Nonallied X WTO		0.676*** (0.100)	
Nonallied	-0.427*** (0.095)	-0.806*** (0.112)	-0.421*** (0.095)
Dissimilar Reg X Both in WTO			0.259*** (0.054)
Dissimilar Regime Types	0.158*** (0.032)	0.149*** (0.032)	0.041 (0.040)
Both in WTO	0.858*** (0.080)	0.572*** (0.111)	1.032*** (0.081)
One in WTO	0.734*** (0.063)	0.717*** (0.063)	0.717*** (0.063)
Log Product GDP	2.392*** (0.087)	2.326*** (0.087)	2.348*** (0.087)
Log Product GDPPC	-0.377*** (0.080)	-0.298*** (0.080)	-0.313*** (0.080)
Current Colony	-0.220 (0.573)	-0.348 (0.565)	-0.314 (0.569)
Current Colonizer	-0.700 (0.778)	-0.831 (0.766)	-0.793 (0.772)
RTA	0.484*** (0.072)	0.542*** (0.073)	0.499*** (0.072)
GSP <sub>i</sub>	0.438*** (0.083)	0.417*** (0.083)	0.430*** (0.083)
GSP <sub>j</sub>	0.649*** (0.083)	0.629*** (0.083)	0.641*** (0.083)
Currency Union	2.201*** (0.311)	2.186*** (0.308)	2.204*** (0.309)
Constant	-39.946*** (1.642)	-38.522*** (1.660)	-39.223*** (1.648)
R-Squared	0.706	0.706	0.706
N	846188	846188	846188

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-year and the dependent variable is the natural log of (imports +1). The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include year and directed dyad fixed effects, which are not shown. “\*”, “\*\*\*”, and “\*\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A43: Including the Log Product of GDP and GDPPC

	1	2	3
Lg Power Diff X WTO	0.072 (0.050)		
Large Power Difference	0.081 (0.044)	0.112** (0.039)	0.110** (0.039)
Nonallied X WTO		1.103*** (0.075)	
Nonallied	-0.057 (0.056)	-0.590*** (0.068)	-0.056 (0.056)
Dissimilar Reg X WTO			0.247*** (0.044)
Dissimilar Regime Types	0.167*** (0.025)	0.143*** (0.024)	0.048 (0.033)
Both in WTO	0.627*** (0.061)	-0.236** (0.084)	0.554*** (0.060)
One in WTO	0.291*** (0.048)	0.343*** (0.048)	0.308*** (0.048)
Log Product GDP	1.126*** (0.059)	1.080*** (0.060)	1.111*** (0.059)
Log Product GDPPC	0.747*** (0.055)	0.777*** (0.056)	0.763*** (0.055)
Log(Distance)	-1.942*** (0.034)	-1.952*** (0.034)	-1.944*** (0.034)
RTA	0.922*** (0.053)	1.005*** (0.053)	0.925*** (0.053)
Border	0.311* (0.147)	0.277 (0.145)	0.313* (0.147)
Landlocked	-1.976*** (0.379)	-2.314*** (0.380)	-2.064*** (0.379)
Islands	-1.875** (0.585)	-2.313*** (0.586)	-1.998*** (0.585)
Same Language	0.789*** (0.069)	0.674*** (0.069)	0.788*** (0.069)
Same Religion	0.413*** (0.039)	0.388*** (0.039)	0.402*** (0.039)
Colony	1.584*** (0.197)	1.671*** (0.195)	1.581*** (0.197)
Colonizer	1.230*** (0.214)	1.312*** (0.213)	1.225*** (0.214)
Common Colonizer	0.953*** (0.061)	0.966*** (0.061)	0.955*** (0.061)
Current Colony	1.015* (0.401)	0.933* (0.396)	0.995* (0.404)
Current Colonizer	0.735 (0.862)	0.656 (0.862)	0.718 (0.867)
GSP <sub>i</sub>	1.744*** (0.049)	1.657*** (0.048)	1.726*** (0.049)
GSP <sub>j</sub>	1.792*** (0.052)	1.705*** (0.051)	1.773*** (0.051)
Currency Union	1.419*** (0.121)	1.456*** (0.122)	1.433*** (0.121)
Constant	2.124 (1.675)	4.212* (1.691)	2.649 (1.678)
N	843979	843979	843979

Notes: Estimates from interval regression. The unit of observation is the directed dyad-year. See text for details. The data cover 1948-2003. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include country and year fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A44: Contract Intensity: Including Intra-Industry Trade

Contract Intensity X WTO	0.257*** (0.059)
Both in WTO	-0.132*** (0.034)
RTA	0.184*** (0.047)
GSP <sub>i</sub>	0.078* (0.032)
GSP <sub>j</sub>	0.034 (0.027)
Currency Union	0.257* (0.125)
Intraindustry	2.420*** (0.040)
R-Squared	.780
N	2815529

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-industry-year. The dependent variable is the natural log of (imports + 1). The data cover 1989-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. Importer-year, exporter-year, and directed dyad-industry fixed effects are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A45: Adding Covariates to Investment Test

WTO Member	0.194*
	(0.083)
Log(GDP)	-0.172**
	(0.061)
Log(GDPPC)	0.366**
	(0.129)
Real Interest Rate	0.000
	(0.001)
Democracy	0.039
	(0.088)
Economic Growth	0.041***
	(0.010)
Constant	24.093***
	(0.401)
R-Squared	0.988
N	2404

Notes: Estimates from OLS regression. The unit of observation is the country-year and the dependent variable is the log of fixed capital investment. The data cover 1960-2010. Robust standard errors, clustered by country, appear in parentheses. The model includes year and country fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A46: Triple Interaction: Contract Intensity

	1	2	3
Lg Power Diff X Contract Int X WTO	0.235 (0.120)		
Lg Power Diff X WTO	-0.040 (0.070)		
Lg Power Diff X Contract Intensity	-0.259* (0.127)		
Lg Power Diff	0.057 (0.075)		
Nonallied X WTO X Contract Int		0.606*** (0.114)	
Nonallied X WTO		-0.517*** (0.087)	
Nonallied X Contract Intensity		-0.360 (0.272)	
Nonallied		0.047 (0.174)	
Dissimilar Reg Types X WTO X Contract Int			0.269 (0.167)
Dissimilar Reg Types X WTO			0.113 (0.117)
Dissimilar Reg Types X Contract Int			-0.476** (0.166)
Dissimilar Regime Types			-0.026 (0.101)
Contract Intensity X WTO	-0.002 (0.165)	0.005 (0.070)	0.542*** (0.140)
Both in WTO	-0.079 (0.092)	0.108* (0.048)	-0.104 (0.189)
RTA	0.168*** (0.051)	0.158** (0.051)	0.206*** (0.057)
GSP <sub>i</sub>	0.073* (0.034)	0.114** (0.038)	0.137* (0.056)
GSP <sub>j</sub>	0.051 (0.029)	0.088* (0.035)	0.077 (0.049)
Currency Union	0.076 (0.216)	0.020 (0.204)	-239.858 (318.275)
R-Squared	.7462	.7463	.7471
N	2896707	2896707	2776768

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-industry-year. The dependent variable is the natural log of (imports +1). The data cover 1989-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad-industry fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.

Table A47: Triple Interaction: Capital Intensity

	1	2	3
Lg Power Diff X Capital Int X WTO	0.014 (0.009)		
Lg Power Diff X Capital Intensity	0.002 (0.009)		
Lg Power Diff X WTO	0.048 (0.054)		
Large Power Difference	-0.074 (0.056)		
Nonallied X WTO X Capital Int		0.038*** (0.010)	
Nonallied X Capital Intensity		-0.044 (0.025)	
Nonallied X WTO		-0.181* (0.071)	
Nonallied		-0.088 (0.149)	
Dissimilar Reg Type X WTO X Capital Int			0.022 (0.014)
Dissimilar Regime Type X Capital Intensity			-0.022 (0.014)
Dissimilar Regime Type X WTO			0.112 (0.063)
Dissimilar Regime Type			-0.083 (0.059)
Capital Intensity X WTO	0.019** (0.006)	0.005 (0.006)	0.039*** (0.011)
Both in WTO	-0.058* (0.028)	0.033 (0.036)	0.207* (0.087)
RTA	0.099* (0.046)	0.093* (0.046)	0.129*** (0.015)
GSP <sub>i</sub>	0.073* (0.030)	0.089** (0.033)	0.111*** (0.025)
GSP <sub>j</sub>	0.073** (0.028)	0.083* (0.033)	0.110*** (0.020)
Currency Union	0.317 (0.186)	0.304 (0.185)	-81.566 (232.150)
R-Squared	.7663	.7663	.7338
N	2734802	2734802	2621341

Notes: Estimates from OLS regression. The unit of observation is the directed dyad-industry-year. The dependent variable is the natural log of (imports +1). The data cover 1990-2000. Robust standard errors, clustered by directed dyad, appear in parentheses. All models include importer-year, exporter-year, and directed dyad-industry fixed effects, which are not shown. “\*”, “\*\*”, and “\*\*\*” denote  $p < 0.05$ ,  $p < 0.01$ , and  $p < 0.001$  respectively.



## Selection into WTO

In this section, I present a module of the model which endogenizes entry into the WTO. Because any WTO member may veto an applicant's membership, members will demand concessions from an applicant until the applicant is indifferent between joining and not joining. Thus, membership depends entirely on whether current WTO members gain more utility from allowing an applicant to join than they do from disallowing the applicant to join. As discussed in the text, members reap economic benefits but lose political leverage over their partners once their partners join the WTO, as membership increases trade but decreases states' abilities to use their tariffs to demand political concessions from their partners. I show that the key theoretical points discussed in the paper provide insight into which states are permitted to join.

The set-up of the model is identical to the one described in the text, but features a revised timing:

1. The WTO determines whether to allow  $H$  and  $F$  to become members, if they are not members already.
2.  $H$  and  $F$  decide whether to sign a long-term agreement.
3.  $F$  chooses whether to invest.
4.  $H$  and  $F$  choose whether to sign a short-term agreement.

Solving by backward induction, steps 2-4 are identical to the version of the model presented in the main text. It remains to specify the outcome of step 1. Suppose, for clarity of exposition, that  $F$  is not a WTO member, while  $H$  is a WTO member.  $H$ 's utility calculation is then identical to that of each WTO member, as only the values of the parameters differ.  $H$ 's decision is therefore representative of the WTO as a whole. As stated above,  $H$ 's utility depends on the tariff  $\tau$ , foreign policy concessions  $f$ , and investment  $i$ , or  $u^H(\tau, f, i) = i\Omega^H(\tau) + f$ . If  $H$  allows  $F$  to join the WTO, agreements are enforceable and

$i = 1$ , so  $H$  receives  $\Omega^H(\tau^{lt})$ , but  $H$  is no longer able to exercise foreign policy leverage over  $F$ . Therefore,  $H$  must weigh the economic benefits of allowing  $F$  into the WTO against  $H$ 's lost political leverage over  $F$ . This suggests that several factors are important in  $H$ 's calculus. First,  $F$ 's political power plays a critical role. When  $F$  is small, the economic benefits gained from allowing  $F$  to join are also small, due to the relatively insignificant share that trade with  $F$  represents in  $H$ 's market. As  $F$  grows, the benefits of allowing  $F$  to join increase for small WTO members. Additionally, the political leverage that other big states are able to exercise over  $F$  decreases. Thus, all else equal, a bigger  $F$  is more likely to enter the WTO. Second, political similarity with the original WTO members is an important factor. The WTO began as a group of democratic allies, and these states retained much of the political control in WTO decision-making. In fact, many accounts of the inner workings of the WTO state that a small group of democratic allies frequently enter the so-called "green room" to make important decisions, and then return to inform the rest of the members (Blustein 2009). For large potential entrants, political similarity should not matter much, as WTO members have little political leverage over these countries. However, if a small applicant enters the WTO, the economic benefits may be negligible to large members, while large members lose important political leverage. Therefore, political similarity with the founders will have a positive effect on WTO entry overall.

To test these predictions empirically, I employ a selection model. I first estimate the probability that two states are members of the WTO. To do so, I run a two logistic regressions. In the first, the dependent variable is an indicator of whether the first state in a pair is a member of the WTO. In the second, the dependent variable is an indicator of whether the second state in a pair is a member. In both regressions, I use the variables described above as predictors. Political and economic power determine entry, so I include *Power* (Singer 1988), *GDP* and *GDP Per Capita*. I also include an indicator of whether a country is a *U.S. Ally* along with an indicator of whether the country is a *Democracy*, both of which proxy

for political similarity with existing WTO members. After predicting the probabilities that each state is a WTO member, I multiply the probabilities to recover the joint probability of WTO membership. I further constrain the probability of WTO membership to be 1 if a state was a WTO member in the previous period, since states do not exit the WTO once they join except in extremely rare circumstances.<sup>4</sup> I then estimate the full model using the joint probability of WTO membership in place of the indicator of joint WTO membership. I find strong and statistically significant support for the theory, presented above.

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<sup>4</sup>Only four countries have ever left the WTO, and did so in the WTO's early years. These states include China in 1950, Lebanon in 1951, Liberia in 1953, and Syria in 1951.

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