

The Practical Guide to the Economic Analysis of Non-Tariff Measures' webpage contains the material needed to perform the applications and exercises of Chapters 2, 3 and 4 of the Practical Guide to the Economic Analysis of Non-Tariff Measures. It also contains the solutions to these applications and exercises.

This readme file is divided into three parts. Part I concerns the installation of the material necessary for running the applications and exercises (point 1). Part II describes the organization of the material (point 2). Part III discusses some technical issues (points 3 to 6).

PART I: INSTALLATION

The Practical Guide to the Economic Analysis of Non-Tariff Measures' webpage contains the present ReadmeVol3.pdf file, which should be carefully read before extracting the material and starting to work with Stata.

1. The first thing to do is to extract the files needed to perform the applications and exercises of Chapters 2, 3 and 4 in Stata. On the webpage of this Practical Guide, click right on "**Download application and exercises files**", then select "Save link as" and save the zip file to a computer drive of your choice. To keep the correct file paths, you must unzip the file using the "extract" function of the unzip software.

PART II: DESCRIPTION OF THE MATERIAL

2. After completing Part I above, the general folder "A Practical Guide to NTM" should contain subfolders for each chapter:
 - "A Practical Guide to NTM\Chapter2"
 - "A Practical Guide to NTM\Chapter3"
 - "A Practical Guide to NTM\Chapter4"

The folder for each chapter contains all the datasets needed for all applications, the Stata do-files needed to perform each application and a Application*_script.pdf file. Before running any of these do-files, you need to read carefully and follow the instructions in the Application*_script.pdf file.

PART III: PRACTICALITIES

3. The folder "A Practical Guide to NTM" that you have extracted (or copied) on your computer must be readable and writeable.

If you are working on a Windows-based computer, you can check your disk properties by right-clicking on the folder, then click on "Properties".

If you are working on a Macintosh-based computer, select the folder, press Command+I. Under "Ownership and Permissions" change it to "Read & Write" if necessary. Click on the arrow beside "Details". Click on the "Apply to enclosed items" button at the bottom of the window. Click OK.

4. Some applications and exercises require a relatively large computational capacity. In such cases, the Stata do-file contains in one of the first lines the command: `"set memory 500m"`. This amount of memory should normally be allocated if you are working on a computer with a modern processor and 2 or more GB RAM.

If your operating system refuses to provide memory (error message `"op. sys. refuses to provide memory"`), however, try reducing the amount of memory, for instance typing `"set memory 400m"`. If you are working with Stata 12 or higher, the `"set memory"` command is redundant and you should not get any error message.

5. All applications and exercises have been run with Stata 12 and higher.
6. In some applications and exercises, some additional packages are used. To install an additional package, open Stata and type `"findit 'package'"` - where 'package' is the name of the package needed (for instance, `findit ppml`) - then click on the linked package name and follow the instructions.

Note that some additional ado files can also be downloaded from the websites of the Practical Guide to Trade Policy Analysis (Volume 1) and the Advanced Guide to Trade Policy Analysis: The Structural Gravity Model (Volume 2). In this case, the files need to be installed in your `"ado\plus"` directory, under the subdirectory corresponding to the first letter of the command. For instance, if your `"ado\plus"` directory is `"C:\ado\plus"`, the `ppml.ado` command needs to be installed under `"C:\ado\plus\p"`. To check the location of your `"ado\plus"` directory, open Stata and type `"sysdir"` and then click "enter".

Installation directly from Stata with the `"findit"` or `"ssc install"` command should be preferred, and you should opt for the manual installation just described only if Stata cannot connect to the Internet.

