Supplement: The following table is a supplement and not to be published, but will be included on the authors' website.

Table A
Optimal adjustments for clustered countries in each region, without country dummies.

Clusters	India Mongolia [20]	India, Mongolia Indonesia [27]	Philippines [12]	Sri Lanka [14]	Korea Thailand [20]	Egypt [14]
$\gamma_p - \gamma_d$	2.15 (5.39)**	1.47 (2.94)**	2.10 (3.01)*	0.53 (2.36)*	−0.65 (−1.67)	0.40 (2.48)*
$\gamma_h - \gamma_d$	2.24 (4.39)**	0.75 (1.50)	3.01 (1.94)	2.30 (4.01)**	−2.00 (−5.44)**	−0.40 (−2.03)
$\gamma_e - \gamma_d$	2.68 (5.87)**	2.46 (3.95)**	1.39 (2.58)*	3.02 (3.56)**	−2.00 (−2.87)**	0.08 (0.36)
$\gamma_a - \gamma_d$	2.45 (6.32)**	1.93 (3.58)**	2.54 (3.02)*	−0.43 (−1.94)	−1.17 (−2.34)*	1.20 (9.29)**
γ_τ	−1.02 (−4.46)**	−0.67 (−2.12)*	−1.44 (−4.31)**	1.29 (1.95)	0.43 (0.71)	−0.53 (−5.96)**
$\bar{R}^2$	0.88	0.87	0.81	0.89	0.87	0.96
$\Delta\theta_h$	0.28	−0.56	0.87	0.74	−0.94	−1.00
$\Delta\theta_d$	0.65	1.11	−0.31	1.19	−0.94	−0.27
$\Delta\theta_e$	0.46	0.59	0.53	−0.93	−0.00	1.44
$\Delta\theta_a$	−1.59	−1.29	−1.31	−0.66	1.30	−0.39
$\Delta\theta_p$	0.21	0.14	0.21	−0.34	0.58	0.22
$\Delta\tau$	−0.85	−0.65	−1.04	0.79	0.48	−0.80
ΔF^{**}	4.79	4.10	5.50	6.53	3.59	2.61

Table A
(continued)

Clusters	Bahrain Jordan [26]		Tunisia [14]		Belarus [12]		Belarus Slovak [20]		Belarus Slovak Romania [34]	
$\gamma_p - \gamma_d$	−1.38	(−6.45)**	−2.67	(−4.40)**	2.50	(14.17)**	1.99	(10.63)**	1.32	(6.09)**
$\gamma_h - \gamma_d$	−0.78	(−4.95)**	−3.16	(−4.68)**	4.13	(16.28)**	3.64	(13.16)**	1.92	(4.01)**
$\gamma_e - \gamma_d$	−1.46	(−3.29)**	−1.95	(−4.26)**	2.16	(10.07)**	1.61	(7.37)**	0.88	(3.82)**
$\gamma_a - \gamma_d$	−1.61	(−6.81)**	−2.58	(−4.27)**	2.43	(17.12)**	2.04	(13.51)**	1.56	(7.74)**
γ_τ	1.16	(6.13)**	0.04	(0.09)	−0.39	(−5.29)**	−0.41	(−5.75)**	−0.47	(−3.86)**
$\bar{R}^2$	0.73		0.80		0.99		0.99		0.91	
$\Delta\theta_h$	0.30		−0.88		1.27		1.36		1.01	
$\Delta\theta_d$	−0.47		0.10		−0.06		−0.19		−0.33	
$\Delta\theta_e$	−0.64		−0.41		0.13		0.14		0.54	
$\Delta\theta_a$	1.19		1.68		−1.51		−1.41		−1.47	
$\Delta\theta_p$	−0.38		−0.48		0.17		0.10		0.24	
$\Delta\tau$	1.32		0.03		−0.26		−0.31		−0.61	
ΔF^{**}	3.52		4.94		5.95		5.25		3.10	

Table A
(continued)

Clusters	Belarus Slovak Romania Hungary [38]	Bulgaria [13]	Bulgaria Poland Turkey [31]	Bulgaria Poland Turkey Czech [42]	Bulgaria Poland Turkey Czech Moldova [50]
$\gamma_p - \gamma_d$	1.29 (6.30)**	3.71 (2.89)*	2.38 (5.07)**	1.61 (3.60)**	1.89 (4.88)**
$\gamma_h - \gamma_d$	1.38 (4.54)**	3.57 (3.87)**	2.84 (5.62)**	2.11 (4.54)**	2.33 (5.72)**
$\gamma_e - \gamma_d$	0.90 (4.00)**	1.85 (2.73)*	2.85 (5.69)**	2.13 (4.56)**	2.35 (5.74)**
$\gamma_a - \gamma_d$	1.56 (7.88)**	4.38 (2.78)*	2.54 (6.47)**	1.88 (4.41)**	1.93 (4.71)**
γ_τ	−0.43 (−3.58)**	−2.56 (−2.37)*	−1.03 (−4.49)**	−0.57 (−2.59)*	−0.86 (−5.47)**
$\bar{R}^2$	0.86	0.98	0.84	0.70	0.66
$\Delta\theta_h$	0.53	0.40	0.55	0.61	0.59
$\Delta\theta_d$	−0.19	−0.39	0.56	0.63	0.61
$\Delta\theta_e$	0.81	0.77	0.32	0.35	0.22
$\Delta\theta_a$	−1.56	−1.23	−1.62	−1.65	−1.60
$\Delta\theta_p$	0.40	0.46	0.20	0.07	0.18
$\Delta\tau$	−0.65	−1.17	−0.79	−0.61	−0.80
ΔF^{**}	2.63	8.76	5.23	3.74	4.26

Table A
(continued)

Clusters	Uruguay [13]	Uruguay Chile [17]	Austria Luxembourg The Netherlands [20]	Canada [14]	Canada Germany [19]
$\gamma_p - \gamma_d$	−8.68 (−3.88)**	1.40 (5.52)**	−3.07 (−2.53)*	3.22 (3.62)**	3.33 (3.35)**
$\gamma_h - \gamma_d$	−6.93 (−3.82)**	1.30 (3.00)**	−2.28 (−2.72)*	3.24 (3.70)**	3.20 (3.27)**
$\gamma_e - \gamma_d$	−17.85 (−5.90)**	0.69 (2.73)*	−14.83 (−4.26)**	5.96 (2.88)*	3.57 (1.88)
$\gamma_a - \gamma_d$	−13.87 (−3.98)**	1.81 (6.59)**	−5.10 (−2.77)**	3.05 (2.16)*	4.49 (3.07)**
γ_τ	1.35 (2.09)	−0.04 (−0.43)	0.50 (0.71)	−0.46 (−1.64)	−0.33 (−1.11)
$\bar{R}^2$	0.88	0.80	0.71	0.88	0.93
$\Delta\theta_h$	0.37	0.48	−0.88	0.07	0.16
$\Delta\theta_d$	−1.22	−1.70	0.04	1.35	0.38
$\Delta\theta_e$	−0.64	−0.01	−0.25	−0.02	0.92
$\Delta\theta_a$	1.38	0.88	1.33	−1.46	−1.70
$\Delta\theta_p$	0.11	0.35	−0.24	0.06	0.24
$\Delta\tau$	0.20	0.09	1.15	−0.22	−0.20
ΔF^{**}	27.44	23.07	4.22	8.49	6.87

Notes: See Table 3.