

## CODE README FILE: TOP DIRECTORY

This file provides information about the the code release which accompanies "BORDERS, GEOGRAPHY AND OLIGOPOLY: EVIDENCE FROM THE WIND TURBINE INDUSTRY" by Kerem Cosar, Paul Grieco, and Felix Tintelnot.

The primary code was run uses MATLAB version 2012b and KNITRO 8.1.1 and 8.2. It has been run successfully on a Mac Pro OSX version 8.10.5 and on the Lion-XF cluster at Pennsylvania State University (<https://rcc.its.psu.edu/resources/hpc/lionxf/#specs>). The bootstrap computation is parallelized and makes use of the PBS batch system on the Lion-XF cluster.

What follows is an explanation of the subdirectories included in this release.

Mpec\_log\_states - Contains the code to estimate the "Baseline" specification in Table 3, the sales probabilities used to construct the "Baseline Model" plot in Figure 3, all of the numbers computed in Tables 4, 5, and 6 and Appendix Tables 4 and 6.

Mpec\_log - Contains the code to estimate the "National Border Only" Specification in the second column of Table 3.

Mpec\_spline\_states - Contains the code to estimate the "Piecewise Linear Distance Costs" Specification in the final column of Table 3.

Mpec\_log\_states\_het - Contains the code to estimate the "Heterogeneous Distance Costs" specification provided in Appendix Table 5.

Mpec\_log\_states\_size - Contains the code to estimate the "Economies of Scale" specification provided in Appendix Table 5.

Mpec\_log\_states\_sercor - Contains the code to estimate the "Nearby Installed Turbine" specification provided in Appendix Table 7.

Copy paste "german\_data\_for\_matlab.out" and "german\_data\_for\_matlab.out" into the estimation folders.

The first file contains the German data with great circle distances, and the second the German data with

road distances. They can be found in `data\output_files` after the German data has been purchased and the do-files in

in `Data\do_files` have been run.