Table 1. Summary Statistics

Variables	All	pre-WTO	post-WTO	Difference	Definition
	(1)	(2)	(3)	(3)-(2)	
Patent	0.1507	0.0698	0.1787	0.1089	Total no. of patents
	(0.0089)	(0.0037)	(0.0120)	(0.0205)	
Invention	0.0465	0.0073	0.0601	0.0528	no. of invention patents
	(0.0080)	(0.0015)	(0.0107)	(0.0183)	
Utility	0.0467	0.0225	0.0551	0.0326	no. of utility patents
	(0.0012)	(0.0013)	(0.0015)	(0.0027)	
Design	0.0574	0.0400	0.0634	0.0234	no. of design patents
	(0.0016)	(0.0021)	(0.0020)	(0.0037)	
Input Tariff	0.0996	0.1285	0.0821	-0.0464	Industrial input tariff
	(0.0009)	(0.0016)	(0.0009)	(0.0017)	
Age	10.1022	13.7903	8.8264	-4.9639	Firm age
	(0.0102)	(0.0249)	(0.0103)	(0.0228)	
Age squared	234.0097	393.7576	178.7502	-215.0074	Firm age squared
	(0.5156)	(1.3160)	(0.5117)	(1.1645)	
Exporting	0.2784	0.2651	0.2830	0.0179	Firm exporting status indicator
	(0.0004)	(0.0008)	(0.0005)	(0.0009)	
Labor	4.7841	5.0096	4.7062	-0.3035	Log of firm employment
	(0.0010)	(0.0020)	(0.0011)	(0.0022)	
Capital/Labor	3.2936	3.0529	3.3764	0.3235	Log of capital-labor ratio
	(0.0012)	(0.0024)	(0.0014)	(0.0028)	
Foreign Share	0.0641	0.0518	0.0683	0.0164	Foreign share holding
	(0.0002)	(0.0003)	(0.0002)	(0.0005)	
TFP	2.4688	2.2031	2.5610	0.3579	Firm productivity
	(0.0011)	(0.0021)	(0.0012)	(0.0024)	
Output Tariff	0.1328	0.1700	0.1102	-0.0598	Industrial output tariff
	(0.0016)	(0.0030)	(0.0016)	(0.0031)	
SOE share	0.1672	0.2863	0.0949	-0.1914	Share of SOEs
	(0.0032)	(0.0055)	(0.0028)	(0.0056)	
FIE no.	3.7195	3.3805	3.9209	0.5405	Logarithm of no. of FIEs
	(0.0270)	(0.0439)	(0.0334)	(0.0550)	
HHI	0.0520	0.0547	0.0504	-0.0043	Herfindahl-Hirschman Index
	(0.0015)	(0.0025)	(0.0019)	(0.0031)	

Standard errors in parentheses.

Table 2. Correlation between Input Tariff and Pre-WTO Industrial Performance

Variables	(1) Patent	(2) Output	(3) Output Share of Domestic Firms	(4) Value-add per Capita	(5) Capital-labor Ratio
Input Tariff in 2001	-1.6748	-0.0636	-0.0072	0.0357	-0.1041
	(1.2713)	(0.1118)	(0.0353)	(0.0776)	(0.0897)
Observations	280	280	280	280	280
R-squared	0.0058	0.0010	0.0002	0.0007	0.0031

VARIABLES	(6) Patent	(7) Output	(8) Output Share of Domestic Firms	(9) Value-add per capita	(10) Capital-labor Ratio
Decrease in Input Tariff	0.2204	0.3833	-0.0130	0.0211	-0.1451
	(3.3125)	(0.3449)	(0.0841)	(0.1807)	(0.2786)
Observations	280	280	280	280	280
R-squared	0.0000	0.0047	0.0001	0.0000	0.0008

The dependent variable in each column is the growth rate of the corresponding industrial performance during 1998-2001. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Table 3. Basic Results

Variables	(1) Patent	(2) Patent	(3) Patent	(4) Patent	(5) Patent	(6) Patent	(7) Patent
lnT01*Post02	-0.1555***	-0.1561***	-0.1516***	-0.1886***			
	(0.0189)	(0.0190)	(0.0194)	(0.0203)			
DlnT*Post02					-0.2847***		
					(0.0549)		
Input Tariff						0.1853***	
						(0.0405)	
lnTA01*Post02							-0.0286**
							(0.0116)
Firm controls							
Age		-0.0014***	-0.0014***	-0.0011***	-0.0011***	-0.0011***	-0.0011***
		(0.0003)	(0.0003)	(0.0002)	(0.0002)	(0.0002)	(0.0003)
Age squared		0.0000***	0.0000***	0.0000***	0.0000***	0.0000***	0.0000***
		(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)
Exporting		0.0110***	0.0110***	0.0109***	0.0109***	0.0109***	0.0109***
		(0.0016)	(0.0016)	(0.0016)	(0.0016)	(0.0016)	(0.0017)
ln(Labor)		0.0225***	0.0225***	0.0228***	0.0228***	0.0228***	0.0214***
		(0.0011)	(0.0011)	(0.0011)	(0.0011)	(0.0011)	(0.0011)
ln(Capital/Labor)		0.0047***	0.0047***	0.0047***	0.0047***	0.0047***	0.0044***
		(0.0005)	(0.0005)	(0.0005)	(0.0005)	(0.0005)	(0.0005)
Foreign Share		-0.0010	-0.0010	-0.0012	-0.0012	-0.0013	-0.0022
		(0.0035)	(0.0035)	(0.0035)	(0.0035)	(0.0035)	(0.0037)
Industrial controls							
Output Tariff			0.0151	-0.0024	0.0039	-0.0090	0.0172
			(0.0132)	(0.0133)	(0.0133)	(0.0147)	(0.0135)
SOE no.				-0.0889***	-0.0785***	-0.0781***	-0.0712***
				(0.0114)	(0.0111)	(0.0111)	(0.0117)
FIE no.				0.0006	0.0010	0.0004	0.0007
				(0.0010)	(0.0010)	(0.0010)	(0.0011)
Firm FE	Y	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y	Y
Observations	1,280,731	1,270,473	1,270,473	1,268,326	1,268,326	1,268,326	1,162,812
R-squared	0.5117	0.5132	0.5132	0.5141	0.5140	0.5140	0.5149

Robust standard errors clustered at firm in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Table 4. Validity of the Specifications

Variables	(1) Patent	(2) Patent	(3) Patent	(4) Patent	(5) Patent
	Linear trend	Pre-WTO	Processing firms	Processing firms	Flexible
lnT01*Post02	-0.1981***		-0.3630	-0.2775	
	(0.0215)		(0.6725)	(0.2099)	
Input Tariff		-0.0485			
		(0.0535)			
lnT01*Year1999					0.0263
					(0.0224)
lnT01*Year2000					0.0101
					(0.0230)
lnT01*Year2001					-0.0739***
					(0.0255)
lnT01*Year2002					-0.1275***
					(0.0272)
lnT01*Year2003					-0.1645***
					(0.0280)
lnT01*Year2004					-0.2133***
					(0.0313)
lnT01*Year2005					-0.2704***
					(0.0326)
lnT01*Year2006					-0.3414***
					(0.0335)
lnT01*Year2007					-0.3938***
					(0.0349)
Firm controls	Y	Y	Y	Y	Y
Industrial controls	Y	Y	Y	Y	Y
Firm FE	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y
Observations	1,268,326	323,879	89,316	131,293	1,268,326
R-squared	0.5141	0.6127	0.8145	0.6500	0.5142

Robust standard errors clustered at firm in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Table 5. Robustness Checks

	(1)	(2)	(3)	(4)	(5)	(6)
Variables	Patent	Patent	Patent	Patent	Patent	Patent
Sample	All	All	non-Exporters	Single-product	Surviving firms	Two-period
lnT01*Post02	-0.1887***	-0.1851***	-0.1151***	-0.1737***	-0.2000***	-0.1627***
	(0.0203)	(0.0205)	(0.0185)	(0.0210)	(0.0203)	(0.0273)
HHI	-0.0037					
	(0.0402)					
Total Exports		0.0042***				
		(0.0013)				
Post02						0.0210***
						(0.0039)
Firm controls	Y	Y	Y	Y	Y	Y
Industrial controls	Y	Y	Y	Y	Y	Y
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	
Observations	1,268,326	1,267,582	913,640	1,174,680	572,405	475,172
R-squared	0.5141	0.5141	0.5110	0.5100	0.4497	0.7913

Robust standard errors clustered at firm in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Table 6. Heterogeneous Effects

	(1)	(2)	(3)	(4)	(5)	(6)
Variables	Invention	Utility	Design	Patent	Patent	Patent
Sample	All	All	All	Low K/L	High K/L	Low TFP
lnT01*Post02	-0.0821***	-0.1027***	-0.0464***	-0.0961	-0.3564***	-0.0267
	(0.0082)	(0.0109)	(0.0160)	(0.0643)	(0.0533)	(0.0228)
Firm controls	Y	Y	Y	Y	Y	Y
Industrial controls	Y	Y	Y	Y	Y	Y
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y
Observations	1,268,326	1,268,326	1,268,326	357,154	334,867	112,972
R-squared	0.4871	0.4928	0.4690	0.4837	0.5630	0.3670

	(7)	(8)	(9)	(10)	(11)	(12)
Variables	Patent	Patent	Patent	Patent	Patent	Patent
Sample	High TFP	SOEs	Private	Foreign	Importer	non-Importer
lnT01*Post02	-0.2963***	-0.1272***	-0.1476***	-0.2678***	-0.3246***	-0.0928***
	(0.0516)	(0.0466)	(0.0230)	(0.0605)	(0.1192)	(0.0180)
Firm controls	Y	Y	Y	Y	Y	Y
Industrial controls	Y	Y	Y	Y	Y	Y
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y
Observations	771,325	116,023	902,130	250,173	112,983	843,283
R-squared	0.5535	0.4996	0.5259	0.5472	0.6872	0.5642

Robust standard errors clustered at firm in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Table 7. Effects on Import Value, Quantity and Price

	Import price			Import quantity				Import value			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sample	All sources	From OECD	From nonOECD	All sources	From OECD	From nonOECD	Share from OECD	All sources	From OECD	From nonOECD	Share from OECD
Tariff01*Post02	0.0046***	0.0063***	0.0063***	-0.0123***	-0.0129***	-0.0218***	0.0004	-0.0072***	-0.0063**	-0.0135***	0.0007**
	(0.0014)	(0.0015)	(0.0014)	(0.0030)	(0.0034)	(0.0038)	(0.0004)	(0.0028)	(0.0031)	(0.0037)	(0.0003)
Year FE	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
HS6 FE	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
HS2 Trend	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Observations	25,212	24,845	23,533	25,212	24,845	23,533	24,855	25,233	24,876	23,576	24,876
R-squared	0.9676	0.9642	0.9459	0.9240	0.9176	0.8914	0.6666	0.9058	0.9058	0.8499	0.6870

In all regressions we control for year and HS 6-digit industry fixed effects, and HS 2-digit industry linear time trend. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.