

Online Appendix A

This appendix reports full results for the regressions summarized in the main text and provides further robustness checks.

Table A2 report the estimates from OLS regressions where the dependent variable is entry rate (or exit rate), and the main independent variable is logged cotton price. All variables are detrended by applying the HP filter with a smoothing parameter of 6.25.

Table A3 report the estimates from OLS regressions where the dependent variable is entry rate (or exit rate), and the main independent variable is logged cotton price. All variables are detrended by applying the OLS filter recommended by Hamilton (2018) with a time horizon 2 and maximum lag of 1.

Table A4 and Table A5 repeat the baseline regressions of in the main text, respectively, but with alternative lags for estimating Newey-West standard errors.

Table A6 reports the full results of regressions summarized in Table 4.

Table A7 repeats the regressions for estimating the determinants of start-up capital and size by using the OLS filtered prices as the cycle indicator.

Table A8 repeats the regressions for estimating the determinants of start-up capital and size by using HP filtered prices as the cycle indicator.

Table A9 reports individual proportional hazards test from estimating unstratified Cox models of survival where the outcome is time to failure after entry.

Table A10 repeats the baseline survival estimates for the whole sample (including share partnerships and corporations).

Table A11 reports the full results from estimating Cox models at the firm-year level.

Table A12 reports the full results from estimating probit models of exit probability at the firm-year level.

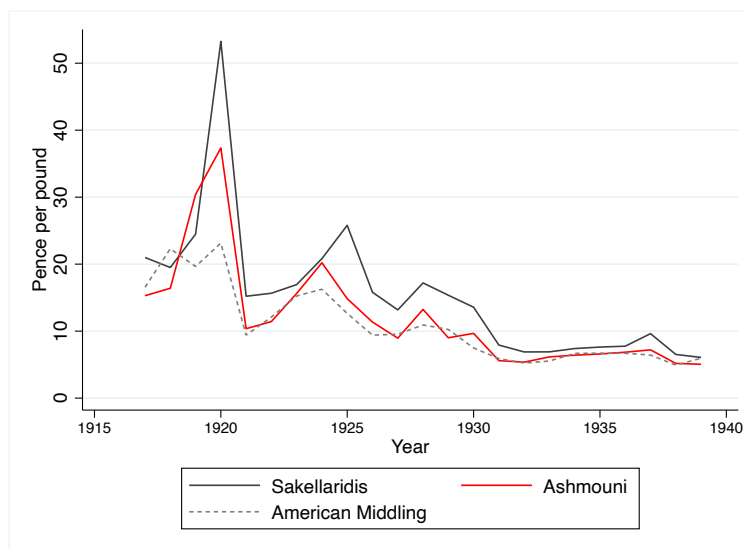


Figure A1: Egyptian and American Cotton Prices

Source: Annuaire Statistique (various) and Mitchell (1988).

Notes: All prices are expressed in current pence per pound. The Sakellaridis and Ashmouni prices are Alexandria quotations. The American Middling price is from London.

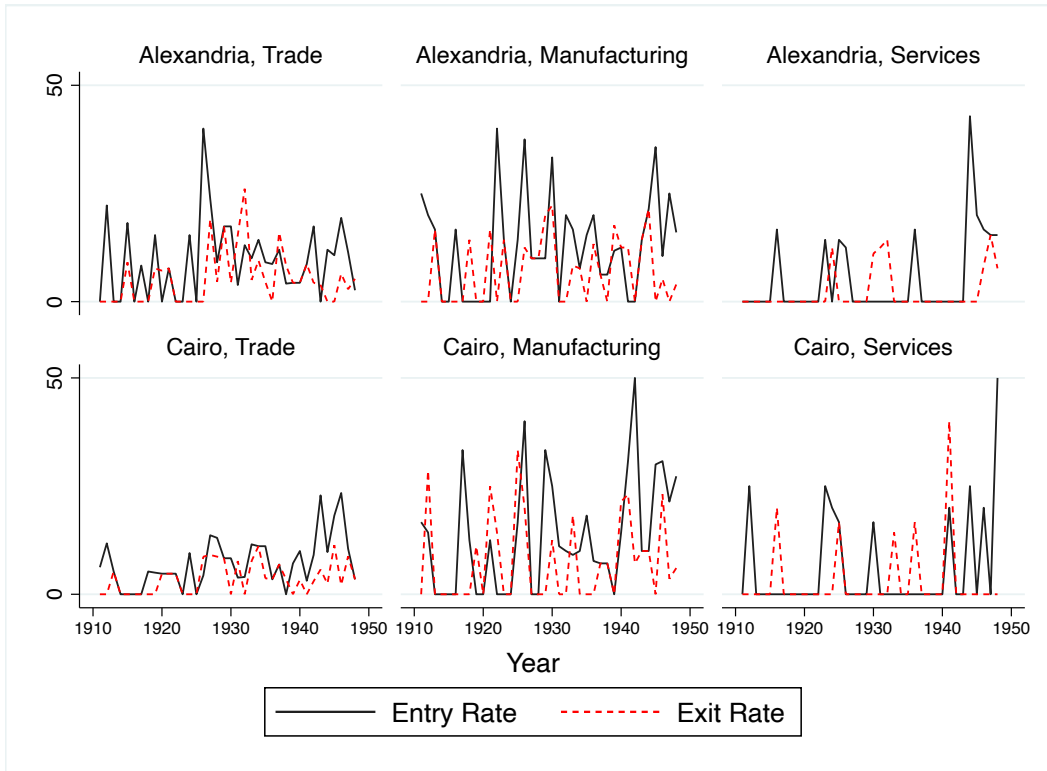


Figure A2: Entry and Exit Rates by Market Segment—Share Partnerships

Notes: The figures indicate entry and exit rates of partnerships with tradeable shares in each city-sector pair. The entry rate in year t is defined as the number of new partnerships established in year t divided by the number incumbent partnerships in the beginning of year t (i.e. January 1 of year t). The exit rate in year t is defined as the number of partnerships dissolved in year t divided by the number of incumbent partnerships in the beginning of year t .

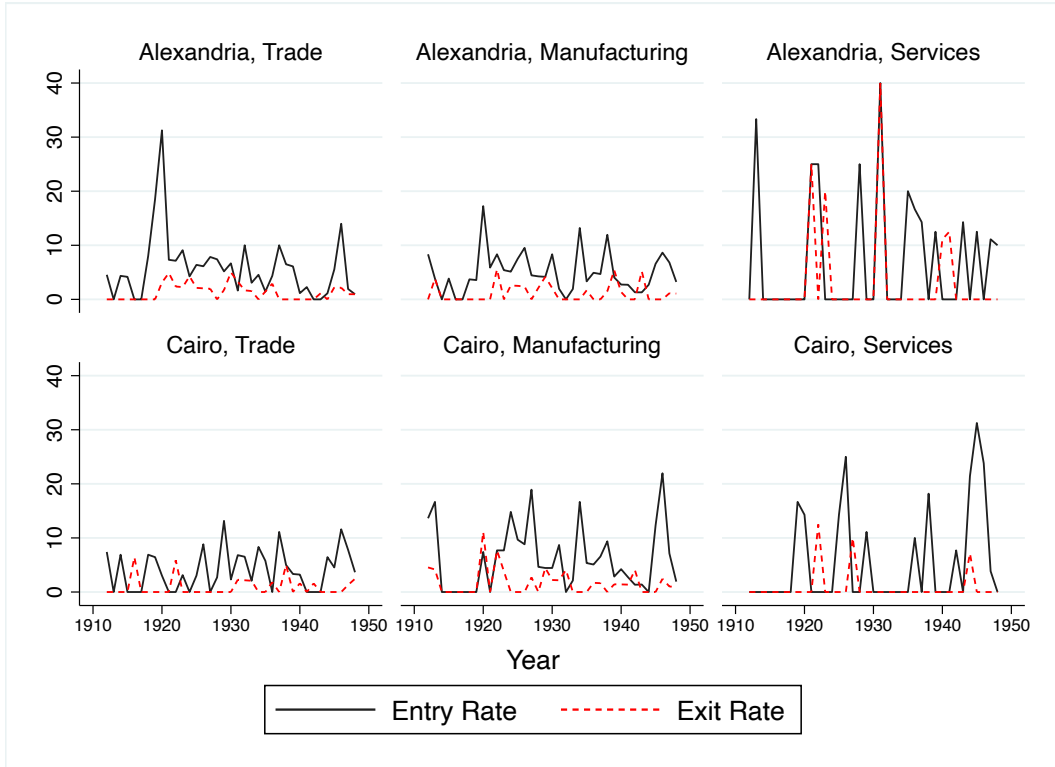


Figure A3: Entry and Exit Rates by Market Segment—Corporations

Notes: The figures indicate entry and exit rates of corporations in each city-sector pair. The entry rate in year t is defined as the number of new partnerships established in year t divided by the number of incumbent partnerships in the beginning of year t (i.e. January 1). The exit rate in year t is defined as the number of partnerships dissolved in year t divided by the number of incumbent partnerships in the beginning of year t .

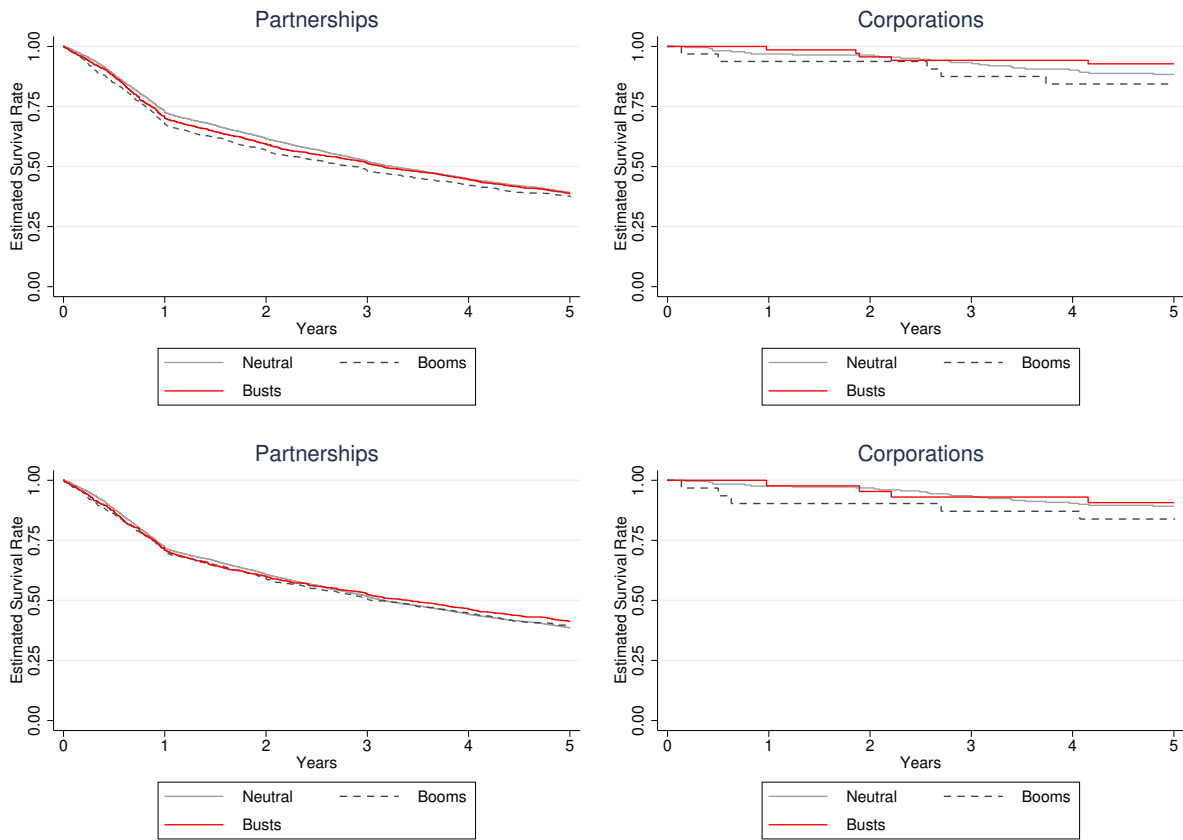


Figure A4: Kaplan-Meier Survival Functions by Legal Form

Note: These graphs show the estimated survival functions for partnerships and corporations. The top panels use the log change in cotton prices as the cycle indicator; the bottom panels use the detrended log price (the residual after an OLS regression on a constant term, a linear trend, and the two nearest lags). Booms refer to firms born in years when the cycle indicator was at least one standard deviation above its mean or trend. Busts describe firms established in years when the cycle indicator was one standard deviation below its mean or trend. Neutral is the residual group.

Table A1: Firm Entry and Exit over the Business Cycle, Alternative Detrending

	Entry Rate				Exit Rate			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Log Price	0.80 (0.57)	0.84 (0.55)	1.44** (0.73)	1.74** (0.73)	0.32 (0.63)	0.26 (0.62)	-0.020 (0.85)	0.074 (0.87)
LogP \times Share	3.02 (3.28)		-2.56 (3.88)		-4.62** (1.99)		-5.45** (2.44)	
LogP \times Corp	0.56 (2.19)	0.56 (2.18)	-0.017 (2.81)	-0.017 (2.78)	-0.37 (1.87)	-0.37 (1.87)	-0.15 (2.73)	-0.15 (2.71)
Yield Spread	-0.71 (0.49)	-0.62* (0.37)	-0.60 (0.81)	-0.60 (0.75)	0.83** (0.38)	0.69*** (0.25)	0.48 (0.53)	1.34*** (0.48)
Obs	648	432	396	264	648	432	396	264
Clusters (City-Ind-Form)	18	12	18	12	18	12	18	12
R^2	0.01	0.01	0.00	0.01	0.03	0.02	0.03	0.03
Mean DV	-0.00	-0.00	-0.10	0.32	-0.00	0.00	0.14	0.17
F-stat	2.08	2.38	1.18	2.14	2.56	2.53	1.61	3.27
p-value	0.52	0.50	0.60	0.52	0.98	0.95	0.95	0.98

Notes: The table reports OLS estimates where the dependent variable is the cyclical component (the residual) of entry (or exit) rate from an OLS regression on a constant term, a linear trend, and its two most recent values, in each market segment (city-industry-enterprise form). The cycle indicator (cotton price) is detrended the same way. City and industry fixed effects are dropped because the detrending procedure demeans each series within each cluster. Columns 2, 4, 6, and 8 exclude share partnerships. Columns 3–4 and 7–8 restrict the sample to the interwar period (1918–39). Newey-West standard errors are calculated with two lags and are reported in parentheses. The reported p-value refers to the p-value associated with the test that the coefficients on Δ Log Price and Δ Log Price \times Corp add up to zero. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A2: Firm Entry and Exit over the Business Cycle, HP Filter

	Entry Rate				Exit Rate			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LogPrice	1.34** (0.59)	1.31** (0.58)	1.21 (0.84)	1.12 (0.81)	-0.51 (0.51)	-0.52 (0.51)	-0.63 (0.71)	-0.092 (0.68)
LogP × Share	-1.86 (3.04)		-3.57 (3.34)		-3.00 (2.41)		-4.93* (2.87)	
LogP × Corp	-1.36 (2.91)	-1.36 (2.91)	-1.66 (3.72)	-1.66 (3.73)	-1.53 (1.85)	-1.53 (1.85)	-2.58 (2.42)	-2.58 (2.42)
Yield Spread	-0.39 (0.32)	-0.48* (0.24)	-0.59 (0.62)	-0.71 (0.52)	0.45* (0.26)	0.42** (0.17)	0.041 (0.44)	0.84*** (0.31)
Obs	684	456	396	264	684	456	396	264
Clusters (City-Ind-Form)	18	12	18	12	18	12	18	12
R^2	0.00	0.01	0.00	0.01	0.01	0.02	0.03	0.03
Mean DV	0.00	0.00	0.06	0.18	-0.00	-0.00	-0.04	-0.00
F-stat	1.99	3.42	1.45	2.12	2.62	3.00	1.79	3.31
p-value	0.99	0.98	0.90	0.88	0.25	0.25	0.17	0.25

Notes: The table reports OLS estimates where the dependent variable is the cyclical component of entry (or exit) rate after applying the HP filter with a smoothing parameter of 6.25 in each market segment (city-industry-enterprise form). The cycle indicator (cotton price) is detrended the same way. City and industry fixed effects are dropped because the detrending procedure demeans each series within each cluster. Newey-West standard errors are calculated with two lags and are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A3: Firm Entry and Exit over the Business Cycle, Hamilton OLS Filter

	Entry Rate				Exit Rate			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Log Price	0.63 (0.44)	0.71* (0.39)	1.32** (0.53)	1.72*** (0.53)	0.17 (0.42)	0.16 (0.39)	-0.0028 (0.49)	0.40 (0.57)
LogP × Share	1.22 (2.53)		-1.82 (2.75)		-3.37** (1.39)		-3.41* (1.77)	
LogP × Corp	-1.68 (1.68)	-1.68 (1.68)	-3.03 (2.05)	-3.03 (2.05)	-1.17 (1.11)	-1.17 (1.11)	-1.30 (1.55)	-1.30 (1.55)
Yield Spread	-0.87* (0.52)	-0.73* (0.40)	-0.71 (0.88)	-0.42 (0.71)	0.63 (0.40)	0.62** (0.25)	0.24 (0.55)	1.34*** (0.47)
Obs	630	420	396	264	630	420	396	264
Clusters (City-Ind-Form)	18	12	18	12	18	12	18	12
R^2	0.01	0.01	0.01	0.01	0.03	0.02	0.02	0.03
Mean DV	0.00	0.00	-0.16	0.38	-0.00	-0.00	0.14	0.15
F-stat	2.83	3.61	3.54	5.19	3.01	2.91	1.37	2.98
p-value	0.52	0.55	0.39	0.50	0.35	0.34	0.38	0.53

Notes: The table reports OLS estimates where the dependent variable is the cyclical component (the residual) of entry (or exit) rate from an OLS regression on a constant term and its nearest second and third lags in each market segment (city-industry-enterprise form), following (Hamilton, 2018). The cycle indicator (cotton price) is detrended the same way. City and industry fixed effects are dropped because the detrending procedure demeans each series within each cluster. Newey-West standard errors are calculated with two lags and are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A4: Firm Entry and Exit over the Business Cycle, Alternative Lags

	$\Delta \text{Log(Entry)}$											$\Delta \text{Log(Exit)}$				
	(1) L=3	(2) L=3	(3) L=3	(4) L=3	(5) L=6	(6) L=6	(7) L=6	(8) L=6	(9) L=6	(10) L=3	(11) L=3	(12) L=3	(13) L=6	(14) L=6	(15) L=6	(16) L=6
$\Delta \text{Log Price}$	0.30*** (0.11)	0.30*** (0.11)	0.33** (0.15)	0.35** (0.15)	0.30** (0.12)	0.30** (0.12)	0.33** (0.17)	0.35** (0.17)	-0.025 (0.13)	-0.025 (0.13)	-0.040 (0.18)	-0.047 (0.18)	-0.025 (0.15)	-0.025 (0.15)	-0.040 (0.18)	-0.047 (0.18)
$\Delta \text{LogP} \times \text{Share}$	-0.36* (0.20)		-0.49** (0.25)		-0.36* (0.20)		-0.49* (0.26)		-0.23 (0.19)		-0.27 (0.25)		-0.23 (0.20)		-0.27 (0.26)	
$\Delta \text{LogP} \times \text{Corp}$	-0.011 (0.22)	-0.011 (0.22)	0.11 (0.28)	0.11 (0.28)	-0.011 (0.21)	-0.011 (0.21)	0.11 (0.29)	0.11 (0.28)	0.023 (0.22)	0.023 (0.22)	0.077 (0.30)	0.077 (0.30)	0.023 (0.23)	0.023 (0.23)	0.077 (0.30)	0.077 (0.30)
Share Partnerships	0.012 (0.029)		-0.038 (0.036)		0.012 (0.025)		-0.038 (0.031)		-0.025 (0.028)		-0.049 (0.039)		-0.025 (0.023)		-0.049 (0.033)	
Corporations	-0.018 (0.035)	-0.018 (0.035)	0.027 (0.041)	0.027 (0.041)	-0.018 (0.028)	-0.018 (0.029)	0.027 (0.037)	0.027 (0.037)	-0.038 (0.026)	-0.038 (0.026)	-0.031 (0.040)	-0.031 (0.040)	-0.038* (0.022)	-0.038* (0.023)	-0.031 (0.035)	-0.031 (0.035)
Yield Spread	-0.042 (0.033)	-0.081** (0.039)	-0.13** (0.056)	-0.21*** (0.068)	-0.042 (0.033)	-0.081** (0.041)	-0.13** (0.057)	-0.21*** (0.070)	-0.0023 (0.026)	-0.0060 (0.031)	-0.046 (0.055)	-0.013 (0.064)	-0.0023 (0.023)	-0.0060 (0.027)	-0.046 (0.053)	-0.013 (0.061)
Cairo	-0.0032 (0.028)	-0.0079 (0.035)	-0.0067 (0.031)	-0.0018 (0.037)	-0.0032 (0.023)	-0.0079 (0.029)	-0.0067 (0.025)	-0.0018 (0.032)	-0.0019 (0.022)	-0.0015 (0.026)	-0.021 (0.031)	-0.015 (0.037)	-0.0019 (0.018)	-0.0015 (0.023)	-0.021 (0.026)	-0.015 (0.032)
Manufacturing	0.0024 (0.036)	-0.0061 (0.044)	0.00018 (0.040)	0.013 (0.047)	0.0024 (0.028)	-0.0061 (0.035)	0.00018 (0.034)	0.013 (0.041)	-0.011 (0.029)	-0.014 (0.033)	0.020 (0.040)	0.022 (0.046)	-0.011 (0.024)	-0.014 (0.029)	0.020 (0.033)	0.022 (0.039)
Services	-0.0019 (0.034)	-0.012 (0.042)	-0.024 (0.038)	-0.023 (0.045)	-0.0019 (0.027)	-0.012 (0.034)	-0.024 (0.030)	-0.023 (0.038)	-0.018 (0.027)	-0.017 (0.031)	-0.00044 (0.037)	0.0072 (0.044)	-0.018 (0.022)	-0.017 (0.027)	-0.00044 (0.031)	0.0072 (0.039)
Obs	666	444	396	264	666	444	396	264	666	444	396	264	666	444	396	264
Clusters (City-Ind-Form)	12	12	18	12	18	12	18	12	18	12	18	12	18	12	18	12
R^2	0.01	0.02	0.03	0.06	0.01	0.02	0.03	0.06	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00
Mean DV	0.01	0.01	0.03	0.03	0.01	0.01	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
F-stat	1.33	1.97	1.32	2.16	1.35	1.88	1.27	2.04	0.83	0.47	0.81	0.30	0.94	0.63	0.87	0.39
p-value	0.12	0.12	0.06	0.05	0.09	0.09	0.06	0.05	0.99	0.99	0.88	0.90	0.99	0.99	0.88	0.90

Notes: The table reports OLS estimates where the dependent variable is the log change in the number of entries (or exits) between year t and $t - 1$ in a market segment (defined as a city-industry-enterprise form). $\Delta \text{Log Price}$ is the change in the logged real cotton price between years t and $t - 1$. Even-numbered columns exclude share partnerships. Columns 3–4, 7–8, 11–12, and 15–16 restrict the analysis to the interwar period (1918–39). All specifications include a constant term. Newey-West standard errors are calculated with three lags or six lags and are reported in parentheses. The reported p-value refers to the p-value associated with the test that the coefficients on $\Delta \text{Log Price}$ and $\Delta \text{Log Price} \times \text{Corporation}$ add up to zero. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A5: Firm Entry and Exit over the Business Cycle, Alternative Lags

	Entry Rate											Exit Rate				
	(1) L=3	(2) L=3	(3) L=3	(4) L=3	(5) L=6	(6) L=6	(7) L=6	(8) L=6	(9) L=6	(10) L=3	(11) L=3	(12) L=3	(13) L=6	(14) L=6	(15) L=6	(16) L=6
Log Price	0.80 (0.58)	0.84 (0.56)	1.44* (0.75)	1.74** (0.75)	0.80 (0.59)	0.84 (0.57)	1.44* (0.79)	1.74** (0.79)	0.32 (0.62)	0.26 (0.61)	-0.020 (0.84)	0.074 (0.86)	0.32 (0.63)	0.26 (0.62)	-0.020 (0.83)	0.074 (0.86)
$\text{LogP} \times \text{Share}$	3.02 (3.33)		-2.56 (3.92)		3.02 (3.37)		-2.56 (3.95)		-4.62** (1.98)		-5.45** (2.45)		-4.62** (2.10)		-5.45** (2.51)	
$\text{LogP} \times \text{Corp}$	0.56 (2.17)	0.56 (2.17)	-0.017 (2.82)	-0.017 (2.79)	0.56 (1.97)	0.56 (1.97)	-0.017 (2.75)	-0.017 (2.71)	-0.37 (1.85)	-0.37 (1.86)	-0.15 (2.71)	-0.15 (2.70)	-0.37 (1.85)	-0.37 (1.85)	-0.15 (2.66)	-0.15 (2.65)
Yield Spread	-0.71 (0.49)	-0.62* (0.37)	-0.60 (0.82)	-0.60 (0.76)	-0.71 (0.51)	-0.62 (0.40)	-0.60 (0.88)	-0.60 (0.84)	0.83** (0.38)	0.69*** (0.26)	0.48 (0.54)	1.34*** (0.50)	0.83** (0.38)	0.69** (0.27)	0.48 (0.55)	1.34** (0.55)
Obs	648	432	396	264	648	432	396	264	648	432	396	264	648	432	396	264
Clusters (City-Ind-Form)	12	12	18	12	18	12	18	12	18	12	18	12	18	12	18	12
R^2	0.01	0.01	0.00	0.01	0.01	0.01	0.00	0.01	0.03	0.02	0.03	0.03	0.03	0.02	0.03	0.03
Mean DV	-0.00	-0.00	-0.10	0.32	-0.00	-0.00	-0.10	0.32	-0.00	0.00	0.14	0.17	-0.00	0.00	0.14	0.17
F-stat	2.06	2.31	1.11	2.02	2.01	2.16	0.99	1.79	2.57	2.42	1.56	3.08	2.49	2.12	1.51	2.74
p-value	0.51	0.50	0.61	0.53	0.47	0.45	0.60	0.51	0.98	0.95	0.95	0.98	0.98	0.95	0.95	0.98

Notes: The table reports OLS estimates where the dependent variable is the cyclical component (the residual) of entry (or exit) rate from an OLS regression on a constant term, a linear trend, and its nearest two lags, in each market segment (city-industry-enterprise form). The cycle indicator (cotton price) is detrended the same way. Even-numbered columns exclude share partnerships. Columns 3–4, 7–8, 11–12, and 15–16 restrict the analysis to the interwar period (1918–39). Newey-West standard errors are calculated with three lags or six lags and are reported in parentheses. The reported p-value refers to the p-value associated with the test that the coefficients on $\Delta \text{Log Price}$ and $\Delta \text{Log Price} \times \text{Corporation}$ add up to zero. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A6: Capital and Size at Entry over the Cycle

	Log(K)		Log(K/Ord.Partner)		Log(K/Partner)		Report=1		N Ord. Partners > 2		N Partners > 2	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
main												
Δ LogPrice	-0.20 (0.13)	-0.46*** (0.17)	-0.15 (0.12)	-0.41** (0.17)	-0.19 (0.12)	-0.41** (0.17)	0.31*** (0.074)	-0.068 (0.093)	-0.029 (0.077)	-0.16* (0.094)	0.029 (0.077)	-0.17* (0.093)
Δ LogP × Ltd Ptshp	0.11 (0.17)	0.066 (0.24)			0.085 (0.17)	-0.011 (0.23)	0.12 (0.11)	0.38*** (0.14)			-0.029 (0.11)	0.068 (0.14)
Δ LogP × Share	0.29 (0.39)	1.19** (0.58)										
Δ LogP × Corp	0.88*** (0.31)	0.28 (0.38)										
Limited partnership	0.42*** (0.036)	0.27*** (0.036)			0.89*** (0.037)	0.72*** (0.056)	0.48*** (0.027)	0.58*** (0.036)			1.10*** (0.028)	1.19*** (0.039)
Share partnership	1.78*** (0.073)	1.78*** (0.10)										
Corporation	2.45*** (0.078)	2.24*** (0.10)										
Yield Spread	-0.29** (0.027)	-0.027 (0.062)	-0.30*** (0.038)	0.0035 (0.10)	-0.29*** (0.028)	-0.044 (0.066)	-0.14*** (0.022)	-0.16*** (0.041)	-0.036 (0.029)	0.053 (0.057)	-0.024 (0.023)	0.089** (0.042)
Cairo	0.040 (0.034)	-0.073 (0.050)	0.12** (0.054)	0.10 (0.086)	0.028 (0.037)	-0.10* (0.054)	0.43*** (0.026)	0.47*** (0.034)	0.044 (0.036)	-0.024 (0.047)	-0.010 (0.026)	-0.097*** (0.035)
Other	-0.31*** (0.075)	-0.43*** (0.12)	-0.18* (0.099)	-0.23 (0.16)	-0.34*** (0.077)	-0.50*** (0.12)	0.41*** (0.063)	0.45*** (0.089)	0.089 (0.081)	0.083 (0.11)	0.027 (0.067)	-0.029 (0.097)
Construction	0.51*** (0.18)	0.81*** (0.29)	0.12 (0.25)	0.72** (0.30)	0.59*** (0.20)	0.92*** (0.33)	0.88*** (0.12)	1.11*** (0.16)	-0.13 (0.14)	-0.095 (0.17)	-0.22** (0.11)	-0.13 (0.14)
Cotton trade	0.86*** (0.17)	1.08*** (0.27)	0.51* (0.29)	1.05*** (0.33)	1.00*** (0.19)	1.27*** (0.31)	0.68*** (0.11)	0.92*** (0.15)	-0.091 (0.14)	-0.048 (0.17)	-0.12 (0.10)	-0.066 (0.12)
Cotton manufacturing	1.12*** (0.23)	1.23*** (0.31)	0.91** (0.43)	1.10** (0.44)	1.21*** (0.28)	1.28*** (0.39)	0.65*** (0.18)	0.87*** (0.23)	0.17 (0.24)	0.27 (0.28)	0.021 (0.18)	0.15 (0.23)
Banking and finance	0.50*** (0.19)	0.96*** (0.29)	-0.27 (0.30)	0.24 (0.35)	0.32 (0.21)	0.74** (0.33)	0.86*** (0.13)	1.09*** (0.17)	0.070 (0.16)	0.062 (0.21)	-0.23* (0.12)	-0.25* (0.15)
Land	0.67*** (0.25)	0.81** (0.36)	0.58 (0.41)	1.57** (0.66)	0.61 (0.46)	0.70 (0.67)	0.84*** (0.22)	1.11*** (0.28)	-0.10 (0.27)	0.052 (0.32)	-0.27 (0.23)	-0.23 (0.28)
Manufacturing w/o cotton	0.075 (0.15)	0.33 (0.26)	-0.44* (0.22)	0.019 (0.27)	0.11 (0.17)	0.42 (0.30)	0.88*** (0.094)	1.09*** (0.13)	0.067 (0.11)	0.10 (0.14)	-0.036 (0.087)	0.0040 (0.11)
Mining	0.28 (0.21)	0.54* (0.30)	0.27 (0.36)	0.15 (0.46)	0.53* (0.27)	0.48 (0.37)	0.60*** (0.20)	0.74*** (0.26)	0.56** (0.25)	0.40 (0.33)	0.20 (0.21)	0.19 (0.26)
Services	-0.19 (0.16)	0.012 (0.26)	-0.66*** (0.23)	-0.18 (0.26)	-0.11 (0.17)	0.18 (0.30)	0.84*** (0.093)	0.93*** (0.13)	-0.080 (0.11)	-0.19 (0.14)	-0.22** (0.086)	-0.27** (0.11)
Transportation	0.10 (0.17)	0.36 (0.28)	-0.18 (0.26)	0.50 (0.33)	0.20 (0.19)	0.57* (0.32)	0.92*** (0.12)	1.14*** (0.17)	0.10 (0.16)	0.053 (0.21)	-0.080 (0.12)	-0.12 (0.16)
Trade w/o cotton	-0.11 (0.15)	0.17 (0.25)	-0.48** (0.22)	0.015 (0.25)	-0.0085 (0.17)	0.30 (0.29)	0.75*** (0.090)	0.93*** (0.13)	-0.13 (0.10)	-0.095 (0.12)	-0.24*** (0.082)	-0.18* (0.10)
Time Trend	0.012*** (0.0015)	-0.036*** (0.0040)	0.0060** (0.0024)	-0.046*** (0.0067)	0.010*** (0.0016)	-0.037*** (0.0043)	0.019*** (0.0013)	0.0093*** (0.0027)	-0.0020 (0.0018)	-0.0077** (0.0038)	-0.0085*** (0.0013)	-0.026*** (0.0028)
Family	0.58*** (0.045)	0.69*** (0.067)	0.49*** (0.061)	0.59*** (0.094)	0.35*** (0.047)	0.44*** (0.070)	0.011 (0.032)	0.051 (0.042)	0.46*** (0.040)	0.50*** (0.053)	0.67*** (0.033)	0.73*** (0.044)
Old firm	0.57*** (0.049)	0.62*** (0.069)	0.61*** (0.083)	0.61*** (0.12)	0.62*** (0.053)	0.66*** (0.075)	-0.070* (0.041)	-0.0100 (0.054)	0.052 (0.061)	0.11 (0.081)	-0.0036 (0.042)	0.063 (0.055)
Muslim homog	0.34*** (0.075)	0.41*** (0.11)	0.37*** (0.11)	0.23 (0.15)	0.31*** (0.081)	0.35*** (0.11)	-0.038 (0.051)	0.046 (0.065)	0.23*** (0.068)	0.18** (0.085)	0.20*** (0.053)	0.19*** (0.067)
M & NM Mixed	0.31*** (0.061)	0.23** (0.092)	0.18** (0.090)	-0.017 (0.15)	0.024 (0.070)	-0.10 (0.11)	0.17*** (0.054)	0.22*** (0.078)	0.53*** (0.064)	0.58*** (0.094)	0.73*** (0.055)	0.77*** (0.081)
Non-Muslim mixed	0.11** (0.044)	0.098 (0.062)	0.066 (0.060)	0.023 (0.094)	-0.084* (0.046)	-0.12* (0.067)	0.12*** (0.035)	0.14*** (0.046)	0.25*** (0.044)	0.30*** (0.059)	0.51*** (0.036)	0.56*** (0.048)
Obs	6324	2963	2764	1128	5607	2570	10907	6299	6208	3485	10907	6299
R ²	0.33	0.33	0.10	0.15	0.19	0.19	0.08	0.07	0.03	0.03	0.13	0.14
Mean DV	8.15	8.17	6.88	6.94	7.33	7.37	0.52	0.41	0.28	0.28	0.43	0.43
F-stat	127.69	63.09	16.15	10.30	60.97	27.96						

Notes: Columns 1 through 6 report OLS estimates where the dependent variable is logged capital or capital per partner. Columns 7 through 12 report probit estimates where the dependent variable is dummy variables indicating whether the partnership reported its capitalization, or whether the firm has more than two partners. The reference group is the ordinary partnership. Columns 2, 4, 6, 8, 10, and 12 restrict the sample to firms born during the interwar period (1918–39). Standard errors robust to heteroskedasticity are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A7: Capital and Size at Entry over the Cycle—OLS Filter

	Log(K)		Log(K/Ord.Partner)		Log(K/Partner)		Report=1		N Ord. Partners > 2		N Partners > 2	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
main												
Log Price	0.037 (0.14)	-0.24 (0.21)	0.14 (0.14)	-0.31 (0.21)	0.12 (0.13)	-0.22 (0.21)	0.18** (0.077)	-0.40*** (0.10)	0.056 (0.083)	-0.15 (0.11)	0.077 (0.084)	-0.34*** (0.11)
LogP × Ltd Ptshp	0.077 (0.18)	-0.17 (0.26)			0.027 (0.18)	-0.28 (0.26)	0.50*** (0.12)	0.88*** (0.15)			0.18 (0.12)	0.44*** (0.15)
LogP × Share	0.019 (0.39)	0.83 (0.68)										
LogP × Corp	1.07*** (0.34)	-0.24 (0.42)										
Limited partnership	0.33*** (0.037)	0.26*** (0.056)			0.88*** (0.037)	0.71*** (0.056)	0.47*** (0.027)	0.58*** (0.035)			1.10*** (0.029)	1.19*** (0.038)
Share partnership	1.79*** (0.073)	1.76*** (0.10)										
Corporation	2.53*** (0.074)	2.22*** (0.10)										
Yield Spread	-0.26*** (0.029)	-0.036 (0.062)	-0.28*** (0.040)	-0.011 (0.10)	-0.27*** (0.029)	-0.055 (0.066)	-0.12*** (0.022)	-0.15*** (0.041)	-0.033 (0.030)	0.045 (0.056)	-0.011 (0.023)	0.085** (0.042)
Cairo	0.039 (0.035)	-0.070 (0.050)	0.13** (0.055)	0.11 (0.087)	0.034 (0.037)	-0.098* (0.054)	0.43*** (0.026)	0.47*** (0.034)	0.051 (0.036)	-0.024 (0.047)	-0.0081 (0.027)	-0.095*** (0.035)
Other	-0.30*** (0.077)	-0.43*** (0.12)	-0.17* (0.099)	-0.23 (0.16)	-0.33*** (0.076)	-0.50*** (0.12)	0.41*** (0.063)	0.45*** (0.090)	0.095 (0.081)	0.083 (0.11)	0.032 (0.067)	-0.031 (0.097)
Construction	0.60*** (0.18)	0.82*** (0.29)	0.19 (0.26)	0.74** (0.30)	0.65*** (0.20)	0.94*** (0.33)	0.82*** (0.12)	1.12*** (0.16)	-0.11 (0.14)	-0.097 (0.17)	-0.23** (0.11)	-0.13 (0.14)
Cotton trade	0.93*** (0.17)	1.10*** (0.27)	0.53* (0.29)	1.08*** (0.32)	1.03*** (0.19)	1.30*** (0.31)	0.68*** (0.11)	0.93*** (0.15)	-0.077 (0.14)	-0.050 (0.17)	-0.11 (0.10)	-0.056 (0.12)
Cotton manufacturing	1.25*** (0.24)	1.24*** (0.31)	0.93** (0.43)	1.11** (0.43)	1.19*** (0.28)	1.28*** (0.39)	0.64*** (0.18)	0.90*** (0.23)	0.18 (0.24)	0.27 (0.28)	0.017 (0.18)	0.16 (0.23)
Banking and finance	0.62*** (0.19)	0.98*** (0.29)	-0.15 (0.31)	0.27 (0.35)	0.38* (0.21)	0.76** (0.33)	0.85*** (0.13)	1.10*** (0.17)	0.12 (0.17)	0.059 (0.21)	-0.19 (0.12)	-0.24 (0.15)
Land	0.63** (0.25)	0.84** (0.37)	0.59 (0.41)	1.61** (0.65)	0.64 (0.46)	0.73 (0.67)	0.86*** (0.22)	1.14*** (0.28)	-0.10 (0.27)	0.044 (0.32)	-0.26 (0.24)	-0.21 (0.28)
Manufacturing w/o cotton	0.15 (0.15)	0.35 (0.26)	-0.41* (0.23)	0.042 (0.26)	0.14 (0.17)	0.44 (0.30)	0.86*** (0.095)	1.10*** (0.14)	0.070 (0.11)	0.100 (0.14)	-0.034 (0.087)	0.0100 (0.11)
Mining	0.27 (0.20)	0.54* (0.30)	0.30 (0.37)	0.18 (0.46)	0.57** (0.27)	0.51 (0.37)	0.60*** (0.20)	0.76*** (0.26)	0.56** (0.25)	0.41 (0.33)	0.20 (0.21)	0.20 (0.26)
Services	-0.16 (0.15)	0.022 (0.26)	-0.63*** (0.23)	-0.16 (0.26)	-0.087 (0.17)	0.20 (0.30)	0.82*** (0.095)	0.93*** (0.14)	-0.082 (0.11)	-0.19 (0.14)	-0.21** (0.087)	-0.26** (0.11)
Transportation	0.20 (0.17)	0.37 (0.28)	-0.12 (0.26)	0.53 (0.32)	0.24 (0.19)	0.59* (0.32)	0.90*** (0.12)	1.15*** (0.17)	0.080 (0.16)	0.051 (0.21)	-0.087 (0.12)	-0.11 (0.16)
Trade w/o cotton	-0.032 (0.15)	0.19 (0.26)	-0.47** (0.22)	0.040 (0.24)	0.0079 (0.17)	0.32 (0.29)	0.73*** (0.091)	0.93*** (0.13)	-0.14 (0.10)	-0.096 (0.12)	-0.24*** (0.082)	-0.17* (0.10)
Time Trend	0.012*** (0.0016)	-0.040*** (0.0045)	0.0036 (0.0025)	-0.049*** (0.0068)	0.0087*** (0.0017)	-0.041*** (0.0048)	0.022*** (0.0013)	0.0093*** (0.0030)	-0.0017 (0.0018)	-0.0094** (0.0041)	-0.0089*** (0.0013)	-0.028*** (0.0030)
Family		0.68*** (0.067)	0.48*** (0.061)	0.59*** (0.094)	0.34*** (0.048)	0.44*** (0.070)	0.014 (0.032)	0.053 (0.042)	0.45*** (0.040)	0.50*** (0.053)	0.66*** (0.033)	0.73*** (0.044)
Old firm		0.63*** (0.069)	0.61*** (0.083)	0.62*** (0.12)	0.62*** (0.053)	0.67*** (0.075)	-0.061 (0.042)	-0.0099 (0.054)	0.062 (0.061)	0.11 (0.081)	-0.0030 (0.042)	0.065 (0.055)
Muslim homog		0.41*** (0.11)	0.34*** (0.11)	0.23 (0.15)	0.30*** (0.082)	0.35*** (0.11)	-0.031 (0.051)	0.049 (0.065)	0.23*** (0.068)	0.18** (0.085)	0.20*** (0.053)	0.19*** (0.067)
M & NM Mixed		0.22** (0.092)	0.16* (0.090)	-0.027 (0.15)	0.013 (0.070)	-0.11 (0.11)	0.19*** (0.055)	0.22*** (0.078)	0.52*** (0.064)	0.58*** (0.094)	0.73*** (0.055)	0.77*** (0.081)
Non-Muslim mixed		0.098 (0.063)	0.048 (0.061)	0.022 (0.094)	-0.090* (0.047)	-0.12* (0.067)	0.13*** (0.035)	0.15*** (0.046)	0.25*** (0.045)	0.29*** (0.059)	0.51*** (0.036)	0.56*** (0.048)
Obs	6226	2963	2723	1128	5521	2570	10777	6299	6130	3485	10777	6299
R ²	0.29	0.33	0.10	0.15	0.18	0.19	0.08	0.07	0.03	0.03	0.13	0.14
Mean DV	8.15	8.17	6.88	6.94	7.33	7.37	0.52	0.41	0.19	0.19	0.43	0.43
F-stat	130.51	62.15	15.68	10.00	59.64	27.61						

Notes: Columns 1 through 6 report OLS estimates where the dependent variable is logged capital or capital per partner. Columns 7 through 12 report probit estimates where the dependent variable is dummy variables indicating whether the partnership reported its capitalization, or whether the firm has more than two partners. The cycle indicator is the residual of logged cotton prices after running an OLS regression on a constant term, a linear trend, and its two nearest lagged values. The reference group is the ordinary partnership. Columns 2, 4, 6, 8, 10, and 12 restrict the sample to firms born during the interwar period (1918–39). Standard errors robust to heteroskedasticity are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A8: Capital and Size at Entry over the Cycle—HP Filtered Prices

	Log(K)		Log(K/Ord.Partner)		Log(K/Partner)		Report=1		N Ord. Partners > 2		N Partners > 2	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
main												
LogPrice_HP	0.028 (0.19)	-0.16 (0.23)	-0.0066 (0.18)	-0.11 (0.23)	0.047 (0.18)	-0.077 (0.23)	0.037 (0.11)	0.099 (0.13)	-0.024 (0.094)	-0.10 (0.11)	-0.095 (0.11)	-0.26* (0.13)
LogP_HP × Ltd Ptship	0.044 (0.27)	-0.15 (0.31)			0.027 (0.25)	-0.30 (0.31)	0.48*** (0.16)	0.65*** (0.19)			0.43*** (0.17)	0.50*** (0.19)
LogP_HP × Share	-0.071 (0.66)	0.98 (0.83)										
LogP_HP × Corp	0.39 (0.49)	0.42 (0.52)										
Limited partnership	0.33*** (0.036)	0.26*** (0.055)			0.89*** (0.036)	0.72*** (0.056)	0.48*** (0.027)	0.55*** (0.035)			1.10*** (0.028)	1.18*** (0.038)
Share partnership	1.80*** (0.071)	1.71*** (0.10)										
Corporation	2.55*** (0.073)	2.22*** (0.10)										
Yield Spread	-0.27*** (0.028)	-0.084 (0.062)	-0.30*** (0.038)	-0.038 (0.11)	-0.29*** (0.028)	-0.11* (0.066)	-0.13*** (0.022)		-0.0013 (0.025)	0.076 (0.048)	-0.022 (0.023)	0.069 (0.043)
Time Trend	0.014*** (0.0015)	-0.035*** (0.0040)	0.0066*** (0.0022)	-0.046*** (0.0068)	0.011*** (0.0015)	-0.037*** (0.0044)	0.018*** (0.0012)	0.0080*** (0.0027)	-0.0013 (0.0014)	-0.0096*** (0.0032)	-0.0080*** (0.0013)	-0.026*** (0.0029)
Cairo	0.035 (0.035)	-0.068 (0.050)	0.12** (0.054)	0.11 (0.087)	0.028 (0.036)	-0.093* (0.054)	0.43*** (0.026)	0.47*** (0.034)	0.070** (0.029)	0.024 (0.039)	-0.012 (0.026)	-0.097*** (0.035)
Other	-0.31*** (0.077)	-0.43*** (0.12)	-0.18* (0.099)	-0.22 (0.16)	-0.34*** (0.076)	-0.50*** (0.12)	0.41*** (0.063)	0.46*** (0.090)	0.15** (0.070)	0.13 (0.099)	0.026 (0.067)	-0.030 (0.097)
Construction	0.50*** (0.18)	0.82*** (0.29)	0.13 (0.25)	0.76** (0.30)	0.57*** (0.20)	0.93*** (0.33)	0.89*** (0.12)	1.12*** (0.16)	-0.10 (0.12)	-0.039 (0.15)	-0.23** (0.11)	-0.13 (0.14)
Cotton trade	0.91*** (0.17)	1.09*** (0.27)	0.57** (0.28)	1.09*** (0.32)	1.01*** (0.19)	1.28*** (0.31)	0.70*** (0.11)	0.93*** (0.15)	-0.23** (0.11)	-0.13 (0.14)	-0.14 (0.098)	-0.063 (0.12)
Cotton manufacturing	1.28*** (0.24)	1.22*** (0.32)	0.98** (0.41)	1.10** (0.44)	1.23*** (0.28)	1.26*** (0.39)	0.69*** (0.18)	0.89*** (0.23)	0.028 (0.19)	0.085 (0.24)	0.054 (0.18)	0.15 (0.23)
Banking and finance	0.57*** (0.18)	0.96*** (0.29)	-0.26 (0.29)	0.28 (0.35)	0.32 (0.21)	0.74** (0.33)	0.86*** (0.12)	1.11*** (0.17)	-0.086 (0.13)	-0.11 (0.17)	-0.23** (0.12)	-0.25* (0.15)
Land	0.60** (0.24)	0.82** (0.37)	0.57 (0.41)	1.63** (0.65)	0.60 (0.46)	0.74 (0.67)	0.85*** (0.22)	1.08*** (0.28)	-0.16 (0.25)	-0.069 (0.29)	-0.26 (0.24)	-0.24 (0.28)
Manufacturing w/o cotton	0.11 (0.15)	0.34 (0.26)	-0.44* (0.22)	0.052 (0.26)	0.094 (0.17)	0.43 (0.30)	0.91*** (0.093)	1.09*** (0.14)	0.027 (0.094)	0.063 (0.12)	-0.033 (0.085)	0.0024 (0.11)
Mining	0.23 (0.20)	0.52* (0.30)	0.28 (0.36)	0.19 (0.47)	0.53* (0.27)	0.48 (0.37)	0.61*** (0.20)	0.79*** (0.26)	0.28 (0.20)	0.16 (0.26)	0.21 (0.20)	0.20 (0.26)
Services	-0.22 (0.15)	0.017 (0.26)	-0.67*** (0.22)	-0.16 (0.26)	-0.14 (0.17)	0.19 (0.30)	0.86*** (0.092)	0.94*** (0.13)	-0.16* (0.094)	-0.28*** (0.12)	-0.23*** (0.085)	-0.27** (0.11)
Transportation	0.14 (0.17)	0.37 (0.28)	-0.19 (0.26)	0.54* (0.33)	0.18 (0.19)	0.58* (0.32)	0.96*** (0.12)	1.16*** (0.17)	-0.043 (0.13)	-0.064 (0.17)	-0.075 (0.12)	-0.12 (0.16)
Trade w/o cotton	-0.068 (0.15)	0.18 (0.25)	-0.48** (0.22)	0.047 (0.24)	-0.025 (0.17)	0.30 (0.29)	0.77*** (0.089)	0.94*** (0.13)	-0.19** (0.089)	-0.15 (0.11)	-0.24*** (0.080)	-0.18* (0.10)
Family		0.68*** (0.067)	0.50*** (0.060)	0.59*** (0.095)	0.35*** (0.047)	0.44*** (0.070)	0.0083 (0.032)	0.050 (0.042)	0.71*** (0.033)	0.76*** (0.044)	0.67*** (0.033)	0.73*** (0.044)
Old firm		0.63*** (0.070)	0.62*** (0.083)	0.64*** (0.12)	0.62*** (0.053)	0.67*** (0.075)	-0.078* (0.041)	-0.010 (0.054)	-0.063 (0.047)	-0.034 (0.062)	-0.0043 (0.042)	0.064 (0.055)
Muslim homog		0.41*** (0.11)	0.38*** (0.11)	0.22 (0.15)	0.33*** (0.081)	0.35*** (0.11)	-0.041 (0.051)	0.043 (0.065)	0.26*** (0.055)	0.18** (0.071)	0.20*** (0.053)	0.19*** (0.067)
M & NM Mixed		0.23** (0.092)	0.18** (0.089)	-0.037 (0.15)	0.021 (0.069)	-0.11 (0.11)	0.18*** (0.054)	0.21*** (0.078)	0.77*** (0.055)	0.74*** (0.081)	0.74*** (0.055)	0.77*** (0.081)
Non-Muslim mixed		0.095 (0.062)	0.073 (0.060)	0.021 (0.094)	-0.082* (0.046)	-0.12* (0.067)	0.12*** (0.035)	0.15*** (0.046)	0.53*** (0.038)	0.56*** (0.050)	0.50*** (0.036)	0.56*** (0.048)
Obs	6441	2963	2810	1128	5710	2570	11076	6299	11076	6299	11076	6299
R ²	0.29	0.33	0.11	0.15	0.19	0.19	0.07	0.07	0.07	0.07	0.13	0.14
Mean DV	8.15	8.17	6.88	6.94	7.33	7.37	0.52	0.41	0.19	0.19	0.43	0.43
F-stat	135.16	61.29	16.96	9.68	62.84	27.36						

Notes: Columns 1 through 6 report OLS estimates where the dependent variable is logged capital or capital per partner. Columns 7 through 12 report probit estimates where the dependent variable is dummy variables indicating whether the partnership reported its capitalization, or whether the firm has more than two partners. The cycle indicator is the cyclical component of logged cotton prices after applying the HP filter with a smoothing parameter of 6.25. The reference group is the ordinary partnership. Columns 2, 4, 6, 8, 10, and 12 restrict the sample to firms born during the interwar period (1918–39). Standard errors robust to heteroskedasticity are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A9: Proportional Hazards Test

	5-Year Span		10-Year Span	
Δ Log Price	0.8779		0.0054	
Detrended Log Price		0.6069		0.0330
Limited partnership	0.0601	0.0790	0.0089	0.0066
Yield spread	0.4598	0.4150	0.0003	0.0008
No. ordinary partners ≥ 3	0.9776	0.9376	0.7616	0.6956
Family firm	0.1804	0.2572	0.0000	0.0000
Firm experience	0.0000	0.0000	0.0002	0.0002
Mixed Muslim/Non-Muslim	0.0694	0.0732	0.1408	0.1360
Mixed Non-Muslim	0.4419	0.4425	0.4837	0.5400
All Muslim	0.0000	0.0000	0.0000	0.0000
Cairo	0.9176	0.9837	0.3154	0.1980
Agriculture	0.7576	0.7066	0.6269	0.6171
Construction	0.8928	0.9175	0.5035	0.3136
Cotton trade	0.1712	0.1497	0.3991	0.3829
Cotton manufacturing	0.6987	0.6944	0.1468	0.1010
Banking and finance	0.8040	0.5238	0.2992	0.3160
Land	0.0271	0.0248	0.0001	0.0001
Manufacturing	0.7784	0.7137	0.8262	0.6239
Mining	0.0434	0.0380	0.0053	0.0054
Services	0.3046	0.3166	0.2699	0.3999
Transportation	0.6172	0.5943	0.8383	0.8140
Wholesale and retail (not cotton)	0.4908	0.4327	0.9338	0.8409
Observations	8,678	8,548	6,797	6,667
Global test	0.0000	0.0000	0.0000	0.0000

1

Table A10: Cox Proportional Hazards Estimates

	5-Year Span		10-Year Span	
	(1)	(2)	(3)	(4)
main				
$\Delta\text{Log Price}$	1.02 (0.15)		1.27* (0.18)	
$\Delta\text{LogP} \times \text{Limited}$	1.00 (0.20)		0.94 (0.18)	
$\Delta\text{LogP} \times \text{Share}$	0.65 (0.41)		0.56 (0.33)	
$\Delta\text{LogP} \times \text{Corp}$	0.61 (0.71)		1.53 (1.19)	
Detrended Log Price		1.32 (0.23)		1.65*** (0.27)
Detr. LogP \times Limited		0.96 (0.22)		0.87 (0.18)
Detr. LogP \times Share		0.81 (0.65)		0.74 (0.53)
Detr. LogP \times Corp		1.91 (2.18)		1.54 (1.14)
N Subjects	4487	4388	3328	3229
N Failures	2548	2494	2443	2372
Pseudo R^2	0.02	0.02	0.02	0.03
Log-likelihood	-18715	-18250	-16765	-16180

Notes: The table reports hazard ratio estimates from estimating Cox proportional hazards models where the outcome variable is time to failure after entry, up to five years or 10 years. The five-year survival regressions exclude firms born after 1944; the ten-year survival regressions exclude firms born after 1938. Each model is stratified by limited partnerships, experienced firms, family firms, and firms located in Cairo. The detrended log price is the residual of the logged cotton price from an OLS regression on a constant term, a linear trend, and its two most recent lagged values. All specifications include aggregate and firm-level controls, except logged capital. Columns 3, 4, 7, and 8 report results from models that include logged startup capital. Standard errors robust to heteroskedasticity are reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A11: Determinants of Survival over the Cycle — Cox Proportional Hazards

	Ages 1–9		Ages 1–4		Ages 5–9	
	(1)	(2)	(3)	(4)	(5)	(6)
Δ Log Price at Birth	1.08 (0.10)		0.87 (0.09)		1.64*** (0.25)	
Δ Log Price, Current	0.94 (0.08)		0.94 (0.10)		0.96 (0.14)	
Log Price at Birth		1.24** (0.12)		1.01 (0.12)		1.81*** (0.30)
Log Price, Current		1.03 (0.10)		1.05 (0.12)		1.13 (0.18)
Yield Spread	0.84*** (0.03)	0.85*** (0.03)	0.88*** (0.04)	0.88*** (0.04)	0.76*** (0.04)	0.78*** (0.04)
Log Capital	0.92*** (0.01)	0.92*** (0.01)	0.91*** (0.02)	0.91*** (0.02)	0.94** (0.02)	0.93*** (0.02)
=1 if 3+ ordinary partners	1.01 (0.05)	1.03 (0.06)	1.08 (0.07)	1.09 (0.07)	0.90 (0.08)	0.93 (0.09)
All Muslim Partners	0.80** (0.08)	0.79** (0.08)	0.79* (0.10)	0.77* (0.10)	0.81 (0.12)	0.81 (0.12)
Muslim and Non-Muslim Partners	1.02 (0.08)	1.02 (0.08)	0.97 (0.10)	0.96 (0.10)	1.16 (0.17)	1.16 (0.17)
Mixed Non-Muslim Partners	1.17*** (0.06)	1.18*** (0.06)	1.19*** (0.07)	1.19*** (0.08)	1.14 (0.11)	1.15 (0.11)
Construction	0.72 (0.15)	0.75 (0.16)	0.66 (0.17)	0.67 (0.18)	0.91 (0.42)	1.00 (0.44)
Cotton trade	0.55*** (0.11)	0.55*** (0.12)	0.48*** (0.12)	0.49*** (0.12)	0.68 (0.30)	0.70 (0.30)
Cotton manufacturing	0.49** (0.17)	0.48** (0.17)	0.49* (0.21)	0.51 (0.22)	0.52 (0.33)	0.46 (0.30)
Banking and finance	0.49*** (0.11)	0.52*** (0.12)	0.49** (0.14)	0.52** (0.15)	0.53 (0.25)	0.55 (0.25)
Land	0.75 (0.26)	0.76 (0.26)	0.68 (0.29)	0.68 (0.29)	1.00 (0.68)	1.04 (0.70)
Manufacturing w/o cotton	0.63** (0.12)	0.64** (0.12)	0.60** (0.13)	0.60** (0.13)	0.73 (0.31)	0.76 (0.31)
Mining	0.77 (0.30)	0.81 (0.31)	0.91 (0.37)	0.93 (0.38)	0.51 (0.38)	0.54 (0.40)
Services	0.64** (0.12)	0.65** (0.12)	0.60** (0.13)	0.60** (0.13)	0.76 (0.32)	0.79 (0.33)
Transportation	0.59** (0.13)	0.60** (0.13)	0.46*** (0.13)	0.48*** (0.13)	0.95 (0.44)	0.95 (0.43)
Trade w/o cotton	0.62*** (0.11)	0.63** (0.12)	0.63** (0.14)	0.64** (0.14)	0.64 (0.27)	0.66 (0.27)
Obs	17858	17479	9954	9775	7904	7704
N Firms	4115	4046	4115	4046	2025	1984
N Exits	2392	2345	1516	1488	876	857
Pseudo R^2	0.00	0.00	0.00	0.00	0.01	0.01
Log-likelihood	-13426	-13111	-9076	-8880	-4335	-4218

Notes: The table reports hazard ratio estimates from estimating Cox proportional hazards models where the outcome variable is time to failure since entry (or beginning of the year). The sample does not include share partnerships or corporations. The detrended log price is the residual of the logged cotton price from an OLS regression on a constant term, a linear trend, and its two most recent lagged values. All specifications include aggregate and firm-level controls. Probit regressions include age fixed effects. Standard errors are clustered at the firm level and reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Table A12: Determinants of Survival over the Cycle — Probit

	Ages 1-9		Ages 1-4		Ages 5-9	
	(1)	(2)	(3)	(4)	(5)	(6)
=1 if dead by end of year						
ΔLog Price at Birth	0.06 (0.06)		-0.10 (0.07)		0.32*** (0.09)	
ΔLog Price, Current	-0.03 (0.06)		-0.04 (0.07)		-0.03 (0.09)	
Log Price at Birth		0.14** (0.06)		0.00 (0.08)		0.37*** (0.10)
Log Price, Current		0.04 (0.06)		0.04 (0.08)		0.08 (0.10)
Yield Spread	-0.11*** (0.02)	-0.10*** (0.02)	-0.09*** (0.03)	-0.08*** (0.03)	-0.16*** (0.03)	-0.15*** (0.03)
Limited Partnership	-0.01 (0.03)	-0.01 (0.03)	0.01 (0.03)	0.01 (0.04)	-0.05 (0.04)	-0.04 (0.04)
Family Firm	-0.42*** (0.03)	-0.43*** (0.03)	-0.50*** (0.05)	-0.50*** (0.05)	-0.35*** (0.05)	-0.34*** (0.05)
Experienced Partners	-0.02 (0.04)	-0.01 (0.04)	-0.07 (0.05)	-0.07 (0.05)	0.07 (0.06)	0.07 (0.06)
Log Capital	-0.05*** (0.01)	-0.05*** (0.01)	-0.06*** (0.01)	-0.06*** (0.01)	-0.03** (0.01)	-0.04*** (0.02)
=1 if 3+ ordinary partners	0.00 (0.03)	0.01 (0.03)	0.05 (0.04)	0.05 (0.04)	-0.06 (0.05)	-0.04 (0.05)
All Muslim Partners	-0.13** (0.06)	-0.13** (0.06)	-0.15* (0.08)	-0.16** (0.08)	-0.12 (0.08)	-0.12 (0.08)
Muslim and Non-Muslim Partners	0.03 (0.05)	0.03 (0.05)	0.00 (0.07)	-0.00 (0.07)	0.10 (0.10)	0.10 (0.10)
Mixed Non-Muslim Partners	0.12*** (0.04)	0.12*** (0.04)	0.14*** (0.04)	0.14*** (0.04)	0.08 (0.06)	0.09 (0.06)
Cairo	0.01 (0.02)	0.01 (0.03)	-0.03 (0.03)	-0.04 (0.03)	0.09** (0.04)	0.09** (0.04)
Construction	-0.24 (0.16)	-0.21 (0.17)	-0.31 (0.20)	-0.30 (0.20)	-0.05 (0.30)	0.01 (0.30)
Cotton trade	-0.43*** (0.16)	-0.42*** (0.16)	-0.51*** (0.19)	-0.51*** (0.19)	-0.26 (0.29)	-0.24 (0.29)
Cotton manufacturing	-0.46** (0.23)	-0.49** (0.23)	-0.50* (0.28)	-0.48* (0.28)	-0.35 (0.38)	-0.43 (0.39)
Banking and finance	-0.47*** (0.17)	-0.45*** (0.17)	-0.49** (0.21)	-0.46** (0.21)	-0.38 (0.30)	-0.36 (0.30)
Land	-0.24 (0.25)	-0.22 (0.25)	-0.31 (0.31)	-0.32 (0.30)	-0.01 (0.44)	0.02 (0.44)
Manufacturing w/o cotton	-0.34** (0.15)	-0.33** (0.15)	-0.38** (0.18)	-0.38** (0.18)	-0.20 (0.28)	-0.18 (0.28)
Mining	-0.19 (0.29)	-0.17 (0.29)	-0.09 (0.32)	-0.08 (0.32)	-0.42 (0.47)	-0.39 (0.47)
Services	-0.33** (0.15)	-0.32** (0.15)	-0.38** (0.18)	-0.38** (0.18)	-0.17 (0.28)	-0.15 (0.28)
Transportation	-0.37** (0.16)	-0.36** (0.17)	-0.54*** (0.21)	-0.53** (0.21)	-0.05 (0.31)	-0.05 (0.30)
Trade w/o cotton	-0.34** (0.15)	-0.33** (0.15)	-0.34* (0.18)	-0.34* (0.18)	-0.27 (0.28)	-0.26 (0.28)
Age = 1	0.14** (0.07)	0.15** (0.07)	-0.03 (0.04)	-0.03 (0.04)	0.00 (.)	0.00 (.)
Age = 2	0.12* (0.07)	0.13* (0.07)	-0.05 (0.04)	-0.05 (0.04)	0.00 (.)	0.00 (.)
Age = 3	0.17** (0.07)	0.18*** (0.07)	0.00 (.)	0.00 (.)	0.00 (.)	0.00 (.)
Age = 4	0.08 (0.07)	0.10 (0.07)	0.00 (.)	0.00 (.)	0.08 (0.07)	0.10 (0.07)
Age = 5	0.07 (0.07)	0.09 (0.07)	0.00 (.)	0.00 (.)	0.07 (0.07)	0.10 (0.07)
Age = 6	-0.07 (0.08)	-0.06 (0.08)	0.00 (.)	0.00 (.)	-0.06 (0.08)	-0.05 (0.08)
Age = 7	-0.06 (0.08)	-0.05 (0.08)	0.00 (.)	0.00 (.)	-0.05 (0.08)	-0.04 (0.08)
Age = 8	-0.09 (0.08)	-0.06 (0.09)	0.00 (.)	0.00 (.)	-0.09 (0.08)	-0.06 (0.09)
Age = 9	0.00 (.)	0.00 (.)	0.00 (.)	0.00 (.)	0.00 (.)	0.00 (.)
Constant	-0.28 (0.18)	-0.29 (0.18)	0.02 (0.20)	0.01 (0.20)	-0.52* (0.31)	-0.51* (0.31)
Obs	17858	17479	9954	9775	7904	7704
N Firms	4115	4046	4115	4046	2025	1984
Dep. var.	0.14	0.14	0.16	0.16	0.11	0.11
Pseudo R ²	0.03	0.03	0.03	0.03	0.03	0.03
Log-likelihood	-6805	-6663	-4113	-4036	-2668	-2604

Notes: The table reports estimates from probit regressions where the dependent variable is whether a given firm died by the end of the year. All regressions are at the firm and age level. The sample does not include share partnerships or corporations. The detrended log price is the residual of the logged cotton price from an OLS regression on a constant term, a linear trend, and its two most recent lagged values. All specifications include firm age fixed effects. Standard errors are clustered at the firm level and reported in parentheses. Significance levels: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

Online Appendix B: Data Assembly

The database of multi-owned enterprises used in this paper includes information about all partnerships and corporations that filed registration notices with the Mixed Courts of Egypt between November 1910 and March 1949.

Registration notices

In 1875, Egyptian government adopted a new court system, the Mixed Courts, which applied a close version of the existing French commercial code. Although the Mixed Court covered a variety of civil matters under its jurisdiction, its competence in company law matters the most for this paper. The new legal system introduced the French menu of enterprise forms, consisting of general partnerships, limited partnerships, limited partnerships with tradable shares, and corporations.

As is the case in other countries that use French-style commercial law, any new partnership had to register their company with the commercial courts within two weeks of its establishment. Similarly, the law required partners to register modifications to the equity contract as well dissolutions. Starting from November 1910, the courts started to publish notices of registration, modification, and deregistration in their official newspaper. Between November 1910 to October 1921, contract summaries appeared in the monthly newspaper *Gazette des Tribunaux Mixte d'Égypte* (from now on, the *Gazette*). Publications switched to a new periodical called *Journal des Tribunaux Mixte d'Égypte* (from now on, the *Journal*), which started out as a weekly, but then started to be released three times per week after November 1923. The *Journal* continued disseminating company notices until March 1949, when the Mixed Courts were abolished. Almost all notices were French, which was the court's official language. Exceptions were written in Italian or English.

The entirety of the first eleven years of the *Gazette* are digitized and online through the Hathi Trust. The *Journal* is collected into multiple volumes (usually three volumes for each year) and is available physically in many libraries. For this paper, we consulted and digitized the collection of the Yale Lillian Goldman Law Library.

The registration notices give a great deal of information about partnership characteristics. The following are available for almost every firm in the source material:

- (1) Company name (*raison sociale*), which designates the legal name of the firm.²
- (2) Company's legal form
- (3) Each and every general partner's name
- (4) If a corporation, each and every founder's name
- (5) The general partners who had the power to sign for the company

²Partnerships could operate under a designation, called "doing business as" name (*dénomination*), which could be different from the company name. Registration notices did not have to disclose this information but often did.

- (6) The court in which the registration was filed (one of Alexandria, Cairo, or Mansoura)
- (7) The legal head office
- (8) The firm's industry
- (9) The contract date
- (10) Start and termination dates of the company, with rules on renewal³

Two other pieces of data were available more sporadically: initial capitalization and the number of limited partners. Limited partners' name in a limited partnerships were almost never disclosed. In our empirical analysis, we repeat estimations with and without using initial capitalization.

Subsequent modification and dissolution notices sometimes repeated the same information, but they mostly referred to the company name and nothing else. Modification notices involved changes in owners (e.g. entry of a new owner, exit of a previous owner, etc.) or changes to capitalization. We used the company names to match notices of the same company to construct the lifetime for each company with a start and end date, and any change in between. I also coded an entry and exit date for each partner in each firm, imputed an ethno-religious identity for each partner, and matched partners across partnerships using their names. Figure B1 shows the registration, modification, and dissolution notice of company "H. Kaprielian, A. Deragopian & Co." which had the doing-business name "Compagnie Egyptienne."

Commercial directories

This dataset makes use of a second, large-scale data collection effort: digitization of almost the entire collection of the *Egyptian Directory*. These are comprehensive commercial directories that were published annually from the early 1900s to the 1960s and beyond. The directories list all active enterprises in Egypt and their addresses, usually with one-year lag. We made use of the directory to check whether firms without deregistration notices actually survived, and to make sure we matched partners across partnerships reliably. Figure A1 shows the listing of company "H. Kaprielian, A. Deragopian & Co." with its business name "Compagnie Egyptienne" in the 1926 directory.

The directories are rare and the entire span during our period of interest is not available. We succeeded in collecting every volume between 1912 and 1950 except 1923, 1924, 1940, 1942, 1944, and 1946. All volumes are digitized using the collection of Bibliothèque nationale de France, Paris, except 1919 (SALT Araştırma, Istanbul), 1927, 1939, 1943, 1945, 1947 (British Library, London), 1930, 1950 (New York Public Library), and 1941 (David Lisbona and Roger Bilboul's private collection).

What is a distinct partnership?

For most firms that make up the database, there was a clear start and end date. For some companies, especially family firms that persisted for a long time, the designation is not so

³Most firms could be renewed automatically and did not have to be re-registered

obvious. These companies went through incremental changes over their lifetime, adding new owners and swapping out old partners for new owners. There were some other firms that dissolved and were immediately reconstituted with the very same partners, company name, and objective. Such firms were essentially renewals. I coded a dissolution as an exit only if a substantial change in ownership took place, defined as a replacement of half of all current (not necessarily original) general partners. I did not code shuffling special partners, who had limited liability but whose names were hidden, as exits, even if these events were registered as dissolutions and new formations.

Firms without notices of deregistration

While all firms had to file registration notices, dissolutions did not face the same requirement. Indeed, many firms in the database did not actually deregister even though they dissolved. Many of these companies let their equity contracts simply expire; others might have found little benefit in going through deregistration process if they did not engage in a lot of business and did not need to disclose this information to outsiders. Whatever the reason, we cannot simply assume firms without any deregistration simply survived until 1950.

We have used the commercial directories to address this problem. The Egyptian Directory, like commercial directories in other countries, provides a comprehensive listing of all businesses—whether single proprietorships, partnerships, or corporations—as well as partners, civil societies, and other non-profit establishments. The directories provide a reliable way to check whether a company that did not give a notice of registration actually survived. I checked every such company, recorded the last directory in which it appeared, and imputed a dissolution date based on this information. If a firm appeared in all directories up to 1930, but did not appear in any directory from 1931 onwards, then I assume it dissolved some time in 1930. Using companies with known deregistration dates, I checked the accuracy of this method. In Alexandria, companies that were alive by November of year t appeared in directory $t + 1$; in Cairo, enterprises active in March of year t appeared in directory t .

Tribunal d'Alexandrie.

CONSTITUTIONS.

Par acte sous seing privé du 1er Novembre 1924, visé pour date certaine le 3 Novembre 1925, sub No. 8245, transcrit au Greffe du Tribunal Mixte de Commerce d'Alexandrie le 12 Novembre 1925, sub. No. 43, Vol. 40, Fol. 108.

Entre les Sieurs Hrant Kaprielian, Agop Deragopian et un commanditaire, dénommé au contrat.

Il a été formé:

Sous la Raison Sociale H. Kaprielian, A. Deragopian & Co. et sous la dénomination «Compagnie Egyptienne».

Une Société en commandite simple.

Avec siège à Alexandrie.

Ayant pour **objet** le commerce des matériaux de construction.

La **durée** de la Société est de deux ans à partir du 1er Novembre 1924.

Le **capital social** est de L.E. 1100.

La **gestion** et la **signature sociale** appartiennent aux Sieurs Hrant Kaprielian & Agop Deragopian.

Alexandrie, le 17 Novembre 1925.

Pour la Société:

642-A-240. N. Saidenberg, avocat.

(a) Registration

DISSOLUTION.

D'un acte sous seing privé en date du 7 Juillet 1927, visé pour date certaine au Greffe du Tribunal Mixte d'Alexandrie le 11 Juillet 1927 sub No. 6968.

Il appert:

Que la Société formée par acte sous-seing privé du 1er Novembre 1924 entre les Sieurs H. Kaprielian, A. Deragopian et un commanditaire y nommé, **sous la Raison Sociale** «H. Kaprielian A. Deragopian & Cie», compagnie égyptienne et ayant son **siège** à Alexandrie, a été de commun accord des parties **dissoute** avant terme à partir du 4 Juin 1927;

Que la Société H. Jigamian & Cie., a pris à sa charge tout l'actif et le passif de la Société dissoute.

Alexandrie, le 18 Août 1927.

Pour H. Kaprielian et A. Deragopian,
T. Tutundjian,
756-A-978. Avocat à la Cour.

(c) Dissolution

Tribunal d'Alexandrie.

MODIFICATION.

A la Société en commandite simple
Sous la Raison Sociale: H. Kaprielian, A. Deragopian & Co., dénommée «Compagnie Egyptienne».

Avec **siège** à Alexandrie.

Constituée par acte sous seing privé visé pour date certaine le 3 Novembre 1925 sous No. 8245.

Et publiée le 19 Novembre 1925.

Il a été apporté,

Aux termes d'un nouvel acte sous seing privé visé pour date certaine le 13 Avril 1927, sous No. 3017.

La modification suivante:

Retrait du commanditaire, lequel a été remplacé par un nouveau.

Toutes autres clauses et conditions du contrat entre parties relatives à la dite Société restent intégralement maintenues.

Alexandrie, le 5 Mai 1927.

Pour la Société

H. Kaprielian, A. Deragopian & Co.,
(s.) N. Saidenberg,
959-A-722 Avocat à la Cour.

(b) Modification

ALEXANDRIE —451— ALEXANDRIE

io-89.	Compagnie d'Assurances Générales (vie, incendie et accidents), P. Greedy & Co., directeurs particuliers pour l'Egypte et le Soudan, 4, r. Nébi Daniel, [N] 732.	C
la-ue (m). 47.	Compagnie Centrale d'Eclairage et de Chauffage par le Gaz Lebon & Cie., r. Sidi el-Metwalli, [N] 6201, [EP] 241.	C
ad. 74.	Compagnie Egyptienne, matériaux de construction, 20, r. Abou Dardar, [N] 5737.	C
ort [EP]	en Egypte, S.A. engrais chimiques, fers, matériaux de construction, 4, r. Bolonachi, [N] 750 & 4804 (voir partie officielle).	C
urs 'A3.	Compagnie Française de Navigation à vapeur, Cyp, Fabre & Co., Diab & Zehil agents, 6, r. Chérif pacha, [N] 78, [EP] 334.	C
Co., Ire-ork-cci-Co., pte,	Compagnie Française pour l'approvisionnement des navires en Orient, 17, r. Port-Est, [N] 2914, [EP] 1667.	C
aniel.	Compagnie Frigorifique d'Egypte, r. Canal Mahmoudieh.	C

(d) Directory entry

Figure B1: Company Notices

Source: *Journal des Tribunaux Mixtes d'Égypte* No. 416 18/19 Novembre 1925 p.15, No. 647 Mercredi 11/12 Mai 1927 p.33, No. 691 22/23 Août 1927 p.19; the Egyptian Directory 1926 p. 451

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