Appendix

TABLE A1

Cross-Sectional Heterogeneity in Multi-Province Borrowing

The observations in Table A1 are at the firm-province-month level, and the sample consists only of multi-province borrowing firms. MINING_WINDFALL_OTH_PROV (the mining windfall of other provinces) is averaged using the firm's loan balance in each province last month as the weight for the province. SHARE_DEBT is the share of the firm's debt borrowed in that province. ln(CUM_DEBT) is the natural logarithm of all the cumulative debt borrowed since the beginning of the firm's presence in a province. BANK_DENS (bank density in province) is the total number of banks present in the province (regardless of the firm) divided by the total banks present in the country at that moment. Province fixed effects are for provinces of the focal province and for the province with the largest debt last month. *t*-statistics based on standard errors double-clustered by year-month and by province are in parentheses. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

TABLE A1 (continued)

	Dependent Variable: Log of New Debt over the Next 12 Months Deflated by Log of Existing Debt		
Variables	1	2	3
MINING_WINDFALL	3.697**	4.028**	3.992**
	(2.21)	(2.36)	(2.52)
MINING_WINDFALL_OTH_PROV	2.088	−0.719	−3.984
	(1.27)	(−0.90)	(−1.24)
... × SHARE_DEBT	−13.178**		
	(−2.31)		
... × ln(CUM_DEBT)		−0.925**	
		(−2.29)	
... × BANK_DENS			3.776
			(0.68)
SHARE_DEBT	−5.254***		
	(−34.71)		
ln(CUM_DEBT)		−0.815***	
		(−22.94)	
BANK_DENS			1.017
			(0.36)
Province population last year	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
Province fixed effects	Yes	Yes	Yes
Province of other shock fixed effects	Yes	Yes	Yes
Year-month fixed effects	Yes	Yes	Yes
R^2	0.34	0.29	0.28
Sample size	256,326	256,326	256,171
No. of clusters 1 (year-month)	125	125	125
No. of clusters 2 (province)	100	100	100

TABLE A2

Description of Weighted Classification and Judicial Status

Panel A of Table A2 describes a firm's weighted classification of loans (WGT_CLASS) and the judicial-status dummy of its loans (JUDICIAL_STATUS) for the sample in Panel A of Table 9. Panel B reports the best and worst yearly averages of these variables. Panel C reports descriptive regressions of whether a firm receives a new loan over the next 12 months using the sample; standard errors in these regressions are double-clustered at the level of firms and provinces of headquarters (HQ). Panel D describes the averages of the variables of interest for the years in which GDP_GROWTH (yearly real gross domestic product (GDP) growth) takes its best and worst values during the sample period. Panel E reports descriptive regressions of the variables of interest on GDP_GROWTH.

TABLE A2 (continued)

Panel A

Variables	Mean	Std. Dev.	P10	P50	P90
WGT_CLASS	0.55	1.26	0.00	0.00	3.00
JUDICIAL_STATUS	0.10		0.00	0.00	0.00

Panel B

	Yearly Average	
Variables	Best	Worst
WGT_CLASS	0.345	0.822
JUDICIAL_STATUS	0.055	0.153

Panel C

	Dependent Variable: Firm Receives New Loan over the Next 12 Months			
Variables	1	2	3	4
WGT_CLASS	−0.176***	−0.102***		
	(−388.68)	(−24.36)		
JUDICIAL_STATUS			−0.640***	−0.250***
			(−308.53)	(−9.71)
Firm fixed effects	No	Yes	No	Yes
Province of HQ × year-month fixed effects	No	Yes	No	Yes
R^2	0.32	0.62	0.23	0.61
Sample size	465,225	463,118	465,239	463,133
No. of clusters 1 (firm)		12,003		12,004
No. of clusters 2 (province of HQ)		71		71

Panel D

	Average	
GDP_GROWTH	WGT_CLASS	JUDICIAL_STATUS
Best year	0.35	0.06
Worst year	0.80	0.15

Panel E

	Dependent Variables	
Variables	WGT_CLASS	JUDICIAL_STATUS
GDP_GROWTH	−0.021***	−0.004***
	(−40.06)	(−34.17)
R^2	0.00	0.00
Sample size	465225	465239