

Appendix 1

Study	Markets	Years	Openness measure	Variables Used	Estimation Methods	Results
Chaloupka and Laixuthai (1996)	Japan, Taiwan, Republic Korea, Thailand and 6 other Asian markets.	1970-1991	Dummy variable representing market access by USA.	<ul style="list-style-type: none"> - Dependent variable: Cigarette per capita consumption on the market share of US cigarettes. - Independent variables: A dummy for the section 301, GNP and a dummy accounting for GNP missing variables. 	Panel Data Log-log estimation. Fixed effect model.	Positive and significant effect on section 301 agreements on consumption and on the market share of US cigarettes.
Hsieh, Hu and Lin (1999)	Taiwan, Province of China	1966-1995	Market share of imported cigarettes.	<ul style="list-style-type: none"> - Dependent variable: Quantities demanded for cigarettes. - Independent variables: Price of cigarettes, income, lagged cigarette consumption, measures related to health information, low tar, warning labels, import, participation rate of female in labour force. 	<ul style="list-style-type: none"> - Aggregate model : working with the total quantities of cigarette demand. Estimation models: OLS with AR(1) Correction and 2SLS to account for the Endogenous problem of the price variable. - Disaggregated model: distinguishes between domestic and imported 	<ul style="list-style-type: none"> - Aggregate model: Positive and significant Effect of prices on consumption. Positive and significant Effect of the import share variable on consumption. - Disaggregated model: domestic and imported cigarettes seem to be substitutes. Negative and

					cigarette demand affected both by domestic and imported cigarette prices. Estimation model: SUR.	significant Effect of market share of Imported cigarettes on Domestic consumption.
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Depken (1999)	OECD	1964-1990	Trade as a fraction of GDP.	<ul style="list-style-type: none"> - Dependent variable: Real price of cigarettes. - Independent variables: consumption, unemployment rate, percentage of female workforce, GDP, openness, population, time, time squared, and a variable measuring tobacco advertising restrictions. 	Panel data Log-Log estimation Fixed effect model.	Negative and significant effect of trade openness on cigarette prices.
Taylor et al. (2000)	<p>42 countries gathered in three groups:</p> <ul style="list-style-type: none"> - Low income countries (real average per capita GDP of US\$ 1000) - Middle income countries (GDP ranging between US\$ 1000 and US\$ 3000) - High income countries (GDP over US\$ 3000) 	1970-1995	Import penetration (Total imports as a share of GDP).	<ul style="list-style-type: none"> - Dependent variable: Cigarette consumption - Independent variables: GDP, trade openness, lagged cigarette consumption. 	Panel Data Log-Log estimation Fixed effect model.	Positive and significant effect of the openness measure on cigarette consumption in low- and middle-income countries but not significant in high-income countries.