

This folder contains all the code and data files used to classify provinces in China into different groups for the paper “A Forensic Examination of China’s National Accounts” by Wei Chen, Xilu Chen, Chang-Tai Hsieh and Zheng Song.

The main body of the MATLAB code borrows from the paper “Identifying Latent Structures in Panel Data” by Liangjun Su, Zhentao Shi and Peter C.B. Phillips. The authors offer MATLAB code <https://github.com/zhentaoshi/C-Lasso> for application and we implement the code of the “app_saving_PLS” case with China’s provincial data. For more details about code and software package, please refer to the above website.

To generate the group classifications, just run the file named “main_ChinaGDP_PLS.m”. There are only two modifications need to make when running the code.

- 1) Choose appropriate variables. Just follow notes in Section “Choose variables” in the main m file.
- 2) Choose corresponding target file to save in the last Section “Save group membership” in the main m file.