

Read Me for “Freedom of Expression Protection and Corporate Concealment of Bad News: Evidence from State Anti-SLAPP Laws”

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The replication package provides instructions and code to help replicate the data construction and empirical analyses in “Freedom of Expression Protection and Corporate Concealment of Bad News: Evidence from State Anti-SLAPP Laws”.

Sample construction

Relevant folders: Repkit > Sample Construction (for codes); Repkit > Log > Sample Construction (for log files)

Main sample (Table 2 – 9)

1. Construct historical HQ state data
 - a. Manually downloaded 10-K header data from <https://sraf.nd.edu/sec-edgar-data/10-x-header-data/>
 - b. Code: *construct_historicalhq*
 - c. Log: *historicalhq*
 - d. Output: *hq_change.sas7bdat*
2. Create dependent and control variables
 - a. Create *Ncskew* and returns-based control variables
 - i. Code: *Crash*
 - ii. Log: *Crash_log*
 - iii. Output: *crash.sas7bdat* and *ret.sas7bdat*
 - b. Create *I(FScore > 1)* and other control variables
 - i. Code: *FScore*
 - ii. Log: *FScore_log*
 - iii. Output: *fscore.sas7bdat*
 - c. Clean RavenPack data and create *NegPR*
 - i. Code: *NegPR*; *construct_mainsample* (Line 23-48)
 - ii. Log: *NegPR_log* & *mainsample*
 - iii. Output: *rpsample.sas7bdat* & *rp_pressrelease_formerge.dta*
 - d. Create *NG_Freq*, *NGhigher_Freq*, *NGlower_Freq*
 - i. Manually downloaded non-GAAP data from <https://sites.google.com/view/kurthgee/data>
 - ii. Code: *NonGAAP*
 - iii. Log: *NonGAAP_log*
 - iv. Output: *nongaap.sas7bdat*
 - e. Create firm control variables
 - i. Code: *Controls*
 - ii. Log: *Controls_log*
 - iii. Output: *returns.sas7bdat* & *dturn.sas7bdat*
 - f. Create additional dependent variables (timely loss recognition and meet or beat)
 - i. Code: *SAS_Sample Construction_JAR* & *Regression_Stock Crash Sample_JAR*
 - ii. Log: *mainsample_SAS*
 - iii. Output: *sample.dta*

- g. Create additional dependent variables (e.g., *NegWords_NOK* and *NegWords_POK*), firm control variables, and state macroeconomic variables
 - i. Code: *construct_mainsample*
 - ii. Obtained Glassdoor reviews from data vendor, Revelio Labs, and manually downloaded state variables from U.S. Bureau of Labor Statistics and U.S. Bureau of Economic Analysis
 - iii. Log: mainsample
 - iv. Output: fscore.dta, review_firmyr_202303.dta, state_macro.dta
3. Construct main sample
 - a. Construct stacked cohorts and merge SAS data
 - i. Code: *SAS_Sample Construction_JAR*
 - ii. Log: mainsample_SAS
 - iii. Output: sample.dta
 - b. Merge remaining Stata data files, create remaining firm controls, perform sample selection process (Section 3.4 of manuscript)
 - i. Code: *construct_mainsample (Lines 162-315)*
 - ii. Log: mainsample
 - iii. Output: 01_slapp_cohort_ncskew_w.dta, 01_slapp_cohort_fs_w.dta, 01_slapp_cohort_negpr_w.dta

Table 1 Sample

1. Create SLAPP variables from Federal Judicial Center's Integrated Database for civil court cases
 - a. Code: *ffc_construct_dismissed*
 - b. Log: Table1_sample_SAS
 - c. Output: fjc_libel_new1.dta
2. Construct Table 1 sample
 - a. Code: *construct_sample_Table1*
 - b. Log: Table1_sample
 - a. Output: cs_libel_formerge_2020.dta; 00_state_slapp sample_w.dta

Analysis

Relevant folders: Repkit > Analysis (for codes); Repkit > Log > Output Tables (for log files)

2. Table 1
 - a. Code: *Table1*
 - b. 00_state_slapp sample_w.dta
 - c. Log: Table1

Variable Dictionary

log_nslapp	<i>SLAPPCases</i>
nslapp	<i>SLAPPCases (unlogged)</i>
log_slapp_dur	<i>SLAPPDur</i>
slapp_dur	<i>SLAPPDur (unlogged)</i>
treat_hq	<i>Anti-SLAPP t</i>
log_nfiled	<i>TotalCases t</i>
real_gsp_growth_1	<i>Real GSP Growth t-1</i>
ur_1	<i>Unemploy t-1</i>

log_pop_1	$\ln(\text{Pop}) \ t-1$
r_5	<i>Anti-SLAPP</i> { $t-5$ }
r_4	<i>Anti-SLAPP</i> { $t-4$ }
r_3	<i>Anti-SLAPP</i> { $t-3$ }
r_2	<i>Anti-SLAPP</i> { $t-2$ }
r_0	<i>Anti-SLAPP</i> { $t=0$ }
r_1	<i>Anti-SLAPP</i> { $t+1$ }
r_2	<i>Anti-SLAPP</i> { $t+2$ }
r_3	<i>Anti-SLAPP</i> { $t+3$ }
r_4	<i>Anti-SLAPP</i> { $t+4$ }
r_5	<i>Anti-SLAPP</i> { $t+5$ }

3. Tables 2 Panel A, 3 Panel A, 4 Column (1), 6 Panel A Column (1), 7 – 9

- Code: *Regression_Stock Crash Sample_JAR*
- 01_slapp_cohort_ncskew_w.dta (Identifier: Identifiers_slapp_cohort_ncskew)
- Log: crash_Table7-9

Variable Dictionary

ncskew_car	<i>NCSKEW</i> t
treat_hq	<i>Anti-SLAPP</i> t
ib_lagat_1	<i>ROA</i> $t-1$
debt_lagat_1	<i>Lev</i> $t-1$
m2b_1	<i>MTB</i> $t-1$
logat_1	$\ln(AT)$ $t-1$
dTurn_1	<i>DTurn</i> $t-1$
retcar_1	<i>Ret</i> $t-1$
sigmacar_1	<i>Sigma</i> $t-1$
real_gsp_growth_1	<i>Real GSP Growth</i> $t-1$
ur_1	<i>Unemploy</i> $t-1$
log_pop_1	$\ln(\text{Pop}) \ t-1$
r_5	<i>Anti-SLAPP</i> { $t-5$ }
r_4	<i>Anti-SLAPP</i> { $t-4$ }
r_3	<i>Anti-SLAPP</i> { $t-3$ }
r_2	<i>Anti-SLAPP</i> { $t-2$ }
r_0	<i>Anti-SLAPP</i> { $t=0$ }
r_1	<i>Anti-SLAPP</i> { $t+1$ }
r_2	<i>Anti-SLAPP</i> { $t+2$ }
r_3	<i>Anti-SLAPP</i> { $t+3$ }
r_4	<i>Anti-SLAPP</i> { $t+4$ }
r_5	<i>Anti-SLAPP</i> { $t+5$ }
score3	<i>Anti-SLAPP Intensity</i> t
high_equityissue1_mean_3	<i>HighEqtyIssue</i>
high_mna1_mean_3	<i>HighM&A</i>
high_skill_mean_3	<i>HighSkill</i>
high_short2_mean_3	<i>HighShortInt</i>
newscount1	<i>NewsCount</i> t
negative	<i>BNFirm</i> t
log_word_ca_noutlook1	<i>NegWords_NOK</i>
log_word_ca_poutlook1	<i>NegWords_POK</i>
nichg	ΔNI t
lagnichg	ΔNI $t-1$
negdum	<i>NEGDUM</i> $t-1$
meet	<i>Meet or Beat</i> t
ngfreq	<i>NG_Freq</i> t
ng_higherfreq	<i>NGhigher_Freq</i> t
ng_lowerfreq	<i>NGlower_Freq</i> t

4. Tables 2 Panel B, 3 Panel B, 4 Column (2), 6 Panel A Column (2)

- a. Code: *Regression_F Score Sample_JAR*
- b. 01_slapp_cohort_fscore_w.dta (Identifier: Identifiers_slapp_cohort_fscore)
- c. Log: fscore

Variable Dictionary

fs1	<i>I(Fscore > 1) t</i>
treat_hq	<i>Anti-SLAPP t</i>
debt_lagat_1	<i>Lev t-1</i>
m2b_1	<i>MTB t-1</i>
logat_1	<i>ln(AT) t-1</i>
big4_1	<i>Big4 t-1</i>
stdrev_1	<i>SalesVol t-1</i>
salegrowth_med_1	<i>IndGrowth t-1</i>
loss_1	<i>Loss t-1</i>
netfin_1	<i>NetFin t-1</i>
real_gsp_growth_1	<i>Real GSP Growth t-1</i>
ur_1	<i>Unemploy t-1</i>
log_pop_1	<i>ln(Pop) t-1</i>
r_5	<i>Anti-SLAPP{t-5}</i>
r_4	<i>Anti-SLAPP{t-4}</i>
r_3	<i>Anti-SLAPP{t-3}</i>
r_2	<i>Anti-SLAPP{t-2}</i>
r_0	<i>Anti-SLAPP{t=0}</i>
r_1	<i>Anti-SLAPP{t+1}</i>
r_2	<i>Anti-SLAPP{t+2}</i>
r_3	<i>Anti-SLAPP{t+3}</i>
r_4	<i>Anti-SLAPP{t+4}</i>
r_5	<i>Anti-SLAPP{t+5}</i>
score3	<i>Anti-SLAPP Intensity t</i>

5. Tables 2 Panel A, 3 Panel A, 4 Column (1), 6 Panels A Column (3)

- a. Code: *Regression_Neg PR Sample_JAR*
- b. 01_slapp_cohort_negpr_w.dta (Identifier: Identifiers_slapp_cohort_negpr)
- c. Log: negpr

Variable Dictionary

log_nimp_negevt_ess	<i>NegPR t</i>
treat_hq	<i>Anti-SLAPP t</i>
ib_lagat_1	<i>ROA t-1</i>
debt_lagat_1	<i>Lev t-1</i>
m2b_1	<i>MTB t-1</i>
logat_1	<i>ln(AT) t-1</i>
loss_1	<i>Loss t-1</i>
ret_1	<i>I2MRet t-1</i>
retvol_1	<i>I2MRetVol t-1</i>
capx_lagat_1	<i>CAPEX t-1</i>
equityissue1_1	<i>EqtyIssue t-1</i>
mna1_1	<i>M&A t-1</i>
real_gsp_growth_1	<i>Real GSP Growth t-1</i>
ur_1	<i>Unemploy t-1</i>
log_pop_1	<i>ln(Pop) t-1</i>
r_5	<i>Anti-SLAPP{t-5}</i>
r_4	<i>Anti-SLAPP{t-4}</i>
r_3	<i>Anti-SLAPP{t-3}</i>
r_2	<i>Anti-SLAPP{t-2}</i>
r_0	<i>Anti-SLAPP{t=0}</i>
r_1	<i>Anti-SLAPP{t+1}</i>

r__2	<i>Anti-SLAPP</i> { $t+2$ }
r__3	<i>Anti-SLAPP</i> { $t+3$ }
r__4	<i>Anti-SLAPP</i> { $t+4$ }
r__5	<i>Anti-SLAPP</i> { $t+5$ }
score3	<i>Anti-SLAPP Intensity</i> t

6. Table 5

- a. Code: *Table5*
- b. 01_slapp_cohort_ncskew_w.dta; 01_slapp_cohort_fscore_w.dta;
01_slapp_cohort_negpr_w.dta
- c. Log: Table5

Variable Dictionary

postf	<i>Post</i> t
treatment	<i>Treatment</i> t
Other variable definitions as per above	

7. Table 6 Panel B

- a. Code: *Table6B*
- b. cs_libel_formerge_2020.dta; 01_slapp_cohort_ncskew_w.dta;
01_slapp_cohort_fscore_w.dta; 01_slapp_cohort_negpr_w.dta
- c. Log: Table6B

Variable Dictionary

Variable definitions as per above