Panel A: Summary Statistics of Exit.					
	Arab and Muslim		Wh	Whites	
	Before	After	Before	After	
No Exit	95.57	95.32	95.74	95.41	
Exit to Wage-Employed	1.52	1.77	1.81	1.84	
Exit to No Job	2.91	2.91	2.45	2.75	
Ν	1017	917	43720	43971	
Panel B: Multinomial Logit Models of Exit Choices					
Exit to					
	Wage-Emp	oloyment	Exit to	No-Job	
Arab*Post911	1.2107		1.0	1.0897	
	(0.3715)		(0.3002)		
Control Variables	All				
Log Likelihood	-47,587,133				
Ν	89,625				

## Table S1: Self-Employment Exit Outcomes (2000-2002)

Notes: Reported in Multinomial Logit Models are relative risk ratios. Longitudinal Weights are applied in all models. Level of significance: \* 0.10; \*\* 0.05; \*\*\*0.001.

	Arab an	d Muslim			
	Immigrants		Whites		
	Percent				
Industry	Pre-9/11	Post-9/11	Pre-9/11	Post-9/11	
Agriculture & Mining	2.42	1.39	6.18	6.27	
Construction	3.23	8.33	24.16	26.18	
Manufacturing	7.26	1.85	6.21	6.5	
Transportation, communication and other					
utilities	12.1	7.41	5.95	5.06	
Wholesale	4.03	3.7	4.21	3.71	
Retail	30.65	29.63	11.87	11.25	
Finance, real estate, insurance services	4.84	6.94	8.25	8.85	
Business services	12.9	9.72	10.11	10.21	
Repair services	1.61	4.17	6.84	5.93	
Personal services	4.03	3.7	2.72	1.36	
Entertainment and recreation services	1.61	0.93	2.65	3.69	
Professional services	15.32	22.22	10.85	11	
Ν	124	216	5,845	9,812	

## Table S2. Changes in Self-Employment Industry Distribution (1999-2003).

Appendix S1. Robustness Checks on Sample Quality

One concern is that certain subgroups of Arab & Muslim immigrants may be more likely to have moved or emigrated after 9/11 due to increased discrimination and deportations, thus leading to a lower match rate and a selected sample for this group after 9/11. I focus on the short run (2000-2002) which consists of the main results.

First, I compare the summary statistics of the demographic variables in the entry sample for Arab and Muslim immigrants and native Whites before and after 9/11 (Table 1). There is no systematic difference before and after 9/11, which indicates that the sample is not biased by potential residence mobility or emigration among Arab and Muslim immigrants after 9/11.

	Arab and Muslim Immigrants		W	Whites	
	Pre-9/11	Post-9/11	Pre-9/11	Post-9/11	
Age	35.20	35.51	38.84	39.11	
	(12.33)	(12.09)	(13.61)	(13.74)	
Married	0.57	0.58	0.57	0.56	
	(0.49)	(0.49)	(0.49)	(0.50)	
Metro	0.98	0.98	0.78	0.78	
	(0.14)	(0.14)	(0.42)	(0.41)	
Years of Education	14.98	15.03	13.32	13.36	
	(3.17)	(3.25)	(2.57)	(2.55)	
Years Since Migration	10.70	10.58	0.00	0.00	
	(10.38)	(10.28)	0.00	0.00	
Citizen	0.50	0.51	1.00	1.00	
	(0.50)	(0.50)	0.00	0.00	
Ν	6548	6240	319690	322825	

Table 1. Summary statistics of Control Variables in Entry Sample

Second, I calculate the match rates each month and present the average match rates before and after 9/11 for both treatment and control groups (Table 2). The match rate for the Arab group is lower than whites both before and after 9/11, but remains relatively stable over time. The difference-in-differences estimate is .0047 with a standard error of .0104, which is statistically insignificant.

 Table 2. Monthly Sample Match Rates

	White	
	Immigrants	
Pre-911	0.9208	0.9488
Post-911	0.9201	0.9433

It may seem surprising that the match rate does not seem to have changed much after 9/11; however, I believe this is reasonable because I are focusing in the short run period up to the end of 2002. Arab immigrants are in general a highly educated group. It is unlikely that a significantly large amount of Arab and Muslim immigrants would leave the country voluntarily in such a short time, considering their alternative options are limited. There are some anecdotal stories of small scale emigration in some neighborhoods, such as Coney Island Avenue in New York City (New York Times 2003a); however, there is no documentation of a large voluntary outflow of Arab and Muslim immigrants in the literature. In terms of being forced out of the country for reasons such as deportation, the news reports a large amount of deportation (about 13,000) of Arab and Muslim immigrants may be occurring in 2003 (New York Times 2003b). However, that is still a very small percentage of Arab and Muslim immigrants in the U.S. which is estimated to be around 2 to 3 million (Duran and Pipes 2002; Arab American Institute Foundation).

Third, I further check demographic characteristics of the matched and unmatched samples for any differences before and after 9/11 among the two groups. I first generate the means of demographic characteristics by match status and treatment and control groups each month, and then use difference between the means of matched and unmatched samples within group as the dependent variables to obtain the difference-in-differences estimates. The following models are estimated:

$$Y_{it} = \beta_1 + \beta_2 Arabimm_i + \beta_3 Post911_t + \beta_4 Arabimm_i * Post911_t + u_{it}$$

where  $Y_{it}$  is, for example, ( $\overline{age}_{matchedsample} - \overline{age}_{unmatchedsample}$ ) for group i at month t, Arabimm<sub>i</sub> is a dummy variable equal to 1 if group i is the Arab and Muslim immigrant group, and Post911<sub>t</sub> is a dummy variable equal to 1 if month t is after 9/11.

Table 3 shows the difference-in-differences estimates of  $\beta_4$  using the mean differences in various demographic characteristics between the matched and unmatched samples as the dependent variables.

Table 3. Difference-in-Differences Estimates of the Difference in MeanCharacteristics between Matched and Unmatched Samples

	Age	Married	Years Since	Years of	Self-employed	Citizen
			Migration	Education		
Coefficient	1.618	-0.027	-0.497	-0.34	-0.001	-0.013
	(2.030)	(0.034)	(0.531)	(0.207)	(0.013)	(0.032)
t	0.800	-0.790	-0.940	-1.640	-0.080	-0.400

The differences in mean characteristics between matched and unmatched samples are small in magnitude and statistically insignificant.

Fourth, to further alleviate any concerns about matching and selective attrition from the CPS after 9/11, I estimate difference-in-differences models of self-employment status using both the pre-matched sample and the matched sample. The pre-matched sample leaves out the group that will rotate out in the following month, i.e. this is the sample that is to be matched. The estimates are either identical or very close (Table 4).

I	Pre-matched Sample	Matched Sample
Arab	0.0210	0.0210
	(0.0042)	(0.0042)
Post911	-0.0008	-0.0007
	(0.0008)	(0.0008)
Arab*Post911	-0.0062	-0.0063
	(0.0060)	(0.0060)
Ν	746367	744928

Table 4. Difference-in-Differences Estimates of Self-Employment: pre-matched vs. matched samples

I believe conducting these checks increase the confidence in the quality of the sample and the matching process. Increased emigration or mobility among Arab and Muslim immigrants, even if they occurred, does not seem to exhibit any selective patterns to be empirically relevant in the estimation.