

Additional Files for *A Model Based Evaluation of the Debate on the Size of the Tax Multiplier*

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These files allow the replication of all tables and figures appearing in the article. They were created and run on MATLAB Version 7.4.0.287 (R2007a) for Mac OSX, and require MATLAB's symbolic toolbox. The files that solve the model, perform simulations, and compute impulse responses are included in the main directory. Code for figures and tables (and saved data from previous simulations) are contained in the directory figures_and_tables. All files are commented to indicate their purpose and usage syntax.

To run the main body of code, call

```
>> main_prog
```

To create the figures, cd into the figures_and_tables directory and call

```
>> make_figures
```

0.1 Main Directory File List

- **main_prog.m**: top-level script which solves the model, simulates data, and computes impulse responses.
- **model.m**: computes the linearization matrices of the model first-order conditions, using the symbolic toolbox. Includes a variety of important sub-functions.
- **parameters_baseline.m**: contains the parameters for the baseline model.
- **parameters_anticipation.m**: contains the parameters for the model with news.
- **gx_hx.m**: computes the solution of the first-order approximation to the model, given derivatives of the model first-order conditions.
- **ir.m**: computes theoretical impulse responses given initial shock and matrices gx and hx.
- **sim_dat.m**: simulate data from model, dropping burn-in period.
- **quick_var.m**: compute VAR coefficients, including those for exogenous controls.
- **quick_ir.m**: compute impulse responses for all empirical specifications.

0.2 Figures_and_tables File List

- **make_figures.m**: top-level script which generates and saves all figures.
- **plot_bp.m**: generates figure 1.
- **plot_rr.m**: generates figure 2.
- **plot_rrg.m**: generates figure 3.
- **plot_news.m**: generates figure 4.
- **impulse_response_tau.m**: generates figure 5.
- **plot_fg.m**: generates figure 6.
- **small_sample_uncertainty.m**: generates data for matrix for table 2.
- **figures_data_1000.mat**: simulated data for the case with 1000 periods-per-simulation.
- **figures_data_250.mat**: simulated data for the case with 250 periods-per-simulation.
- **model_solutions.mat**: saved versions of the gx and hx matrices