**File Description for Replication Code of**

**“Did the U.S. Really Grow Out of its World War II Debt?”**

**by Julien Acalin and Laurence Ball**

**Note: To replicate the results in the paper in two steps, first execute RUN.do in the ‘Data’ folder to make all the necessary adjustments to the raw data, then execute RUN.m in the ‘Code’ folder to reproduce the Figures and Results.**

**Data**: Contains raw data necessary to compute counterfactuals and reproduce graphs. Execute **RUN.do** to execute all files in the correct order. The code was run using Stata 15.0.

**CRSP**: Fiscal debt data from CRSP database (FY 1960-2021 in main sample period). Data contains the proprietary CRSP data (TFZ\_ISS, TFZ\_MAST, TFZ\_MTH). Use Run Procedure\_CRSP\_replication to generate Excel files in Output with Total outstanding debt (Table 1), Debt outstanding by issue date (Table 2TQ), and average rate paid in a given year for debt issued in any given year (Table7).

**MSPD**: Fiscal debt data from MSPD database (FY 1942-1960 in main sample period). Data contains files from Hall, Payne, and Sargent. (BondList, BondQuant), Run the two Procedure do-files to generate the files in Output. In particular, Procedure\_MSPD\_exanterealrate is used for robustness checks presented in Table A2 in the paper.

For both folders, run the do-files to import raw data from the **Data** subfolder and export the output to the **Output** subfolder.

**GFD**: Computations to obtain ex ante real interest rates using Global Financial Database data. Rates – Treasury-Fed Accord Full computes nominal yield curves, RealTreasuryYields uses our term structure of inflation expectation and nominal yield curve to compute an ex ante real yield curve. Rates – Treasury-Fed Accord provides some evidence of increasing yields around the Accord (not shown in the paper).

**Inflation.xlsx**: Raw data for actual inflation and inflation expectations. The sources are described in the ‘Description’ sheet. The code to obtain long-term inflation expectations before 1968 is in the **Data\LT Inflation Exp** folder. InflationData.dta contains GDP deflator, short-term expectations (computed as described in the main text), and long-term expectations from SPF. Run “LT Inflation Exp” to generate TableA1 and “Inflation Expectations.xlsx”.

**Input\_Counterfactual.xlsx**: Raw fiscal data necessary for computing counterfactuals. The sources are described in the ‘Input’ sheet. The code to obtain the counterfactual from Blanchard is in the **Data\Blanchard (2019)** folder. Run “Run Blanchard 2019.do” to obtain “Blanchard2019.xlsx”.

**Code**: Contains MATLAB codes. Execute **RUN.m** to execute all files in the correct order. The code was run using MATLAB R2022b.

**ExpQ.m**: Imports inflation expectations data for Fiscal Years (FY) 1972 to 1976 from **Data\Inflation.xlsx**, then computes inflation expectations paths using the quarterly procedure.

**Exp.m**: Imports inflation and inflation expectations data from **Data\Inflation.xlsx**, then computes inflation expectations paths for the entire sample period.

**FiscalData.m**: Imports public debt data from **Data\MSPD** and **Data\CRSP** folders, and **Data\Input\_Counterfactual.xlsx** file and computes fiscal variables and reverse maturity structures.

**Counterfactuals.m**: Computes counterfactuals from above data.

**Figures.m**: Reproduces graphs included in main text and appendix.

**Figures**: Contains figures included in the main text or appendix.

**Results**: Contains the data behind the figures listed in main text and appendix.