Table 1: Asymmetric government spending multipliers, FAIR estimates

	Linear	Expansionary shock	Contractionary shock
$\mathcal{M}$ (recursive id.) 1966-2014	0.49 (0.2--0.7)	0.25 (0.0, 0.7)	1.27 (0.7, 1.8)
$P(\mathcal{M}^- > \mathcal{M}^+)$		P=0.98**	
$\mathcal{M}$ (narrative id.) 1890-2014	0.74 (0.6--0.9)	0.78 (0.6, 1.0)	1.42 (0.8, 2.1)
$P(\mathcal{M}^- > \mathcal{M}^+)$		P=0.98**	

Note: The multiplier $\mathcal{M}$ is calculated by cumulating the impulse responses (IR) over the first 20 quarters. Estimates from FAIR, either with symmetric impulse responses (in black, "linear") or with asymmetric impulse responses (blue and red). Numbers in parenthesis cover 90% of the marginal posterior probability. "recursive id." refers to the Auerbach and Gorodnichenlo (2012) identification scheme. "narrative id" refers to the Ramey and Zubairy (2018) identification scheme). $P(\mathcal{M}^- > \mathcal{M}^+)$ reports the posterior probability that the contractionary multiplier $\mathcal{M}^-$ is larger than the expansionary multiplier $\mathcal{M}^+$. * and ** denote posterior probabilities equal to or above 0.90 and 0.95.

Table 2: Asymmetric multipliers and labor market slack, FAIR estimates

	Expansionary shock		Contractionary shock	
	U low	U high	U low	U high
$\mathcal{M}$ (recursive id.) 1966-2014	0.07 (-0.1, 0.4)	0.25 (-0.1, 0.7)	0.93 (0.4, 1.4)	1.64 (0.8, 2.7)
$P(\mathcal{M}^{U\ high} > \mathcal{M}^{U\ low})$	P=0.78		P=0.90*	
$\mathcal{M}$ (narrative id.) 1890-2014	0.56 (0.4, 0.8)	0.53 (0.3, 0.9)	0.83 (0.3, 1.6)	2.04 (0.9, 5.4)
$P(\mathcal{M}^{U\ high} > \mathcal{M}^{U\ low})$	P=0.41		P=0.99**	

Note: The multiplier $\mathcal{M}$ is calculated by cumulating the impulse responses over the first 20 quarters. Numbers in parenthesis cover 90% of the marginal posterior probability. "recursive id." refers to the Auerbach and Gorodnichenko (2012) identification scheme. "narrative id" refers to the Ramey and Zubairy (2018) identification scheme. $P(\mathcal{M}^{U\ high} > \mathcal{M}^{U\ low})$ reports the posterior probability that the multiplier *m* is larger in state of high unemployment (detrended unemployment of +2) than in a state of low unemployment (detrended unemployment of -1). * and ** denote posterior probabilities equal to or above 0.90 and 0.95.

Table 3: Asymmetric multipliers and labor market slack, 1947-2014

	Expansionary shock		Contractionary shock	
	U low	**U high**	**U low**	**U high**
$\mathcal{M}$ **(recursive id.)**	**-0.01 (-0.1, 0.1)**	**0.03 (-0.1, 0.3)**	**0.95 (0.6, 1.3)**	**1.43 (0.8, 2.0)**
$P(\mathcal{M}^{U\ high} > \mathcal{M}^{U\ low})$	**P=0.68**		**P=0.92***	
$\mathcal{M}$ **(narrative id.)**	**0.59 (0.3, 1.4)**	**0.67 (0.5, 0.9)**	**1.08 (0.7, 2.1)**	**1.73 (1.0, 3.3)**
$P(\mathcal{M}^{U\ high} > \mathcal{M}^{U\ low})$	**P=0.62**		**P=0.93***	

Note: The multiplier $\mathcal{M}$ is calculated by cumulating the impulse responses over the first 20 quarters. Estimates from FAIR. "recursive id." refers to the Auerbach and Gorodnichenlo (2012) identification scheme. "narrative id" refers to the Blanchard and Perotti (2002) identification scheme. $P(\mathcal{M}^{U\ high} > \mathcal{M}^{U\ low})$ reports the posterior probability that the multiplier *m* is larger in state of high unemployment (detrended unemployment of +2%) than in a state of low unemployment (detrended unemployment of -1%). * and ** denote posterior probabilities equal to or above 0.90 and 0.95.

Table 4: Multipliers in a Simulated Model

	Expansionary shock		Contractionary shock	
	U low	**U high**	**U low**	**U high**
Baseline	**0.32**	**0.68**	**1.05**	**1.24**
Perfect Insurance	**0.18**	**0.30**	**0.43**	**0.49**
Constant Elasticity (AS) curve	**0.91**	**0.91**	**0.91**	**0.91**

Note: The table reports the values of the multiplier over 20 quarters, both for expansionary (columns 1 and 2) and contractionary shocks (columns 3 and 4). Columns 1 and 3 refer to a case where the economy is initially at a low unemployment state (detrended unemployment =-1%), while Column 2 and 4 the economy is initially in a high unemployment state (detrended unemployment = +2%)