Replication of MC results

* Replication Figure 1: Run Simulation\_Baseline.m
* Replication Figure 2: Run Simulation\_SimMR.m
* Replication Figure A.1: Run Simulation\_p1.m
* Replication Figure A.2: Run Simulation\_p12.m
* Replication Figure A.3: Run Simulation\_FirstSkewed.m, Simulation\_SecondSkewed.m, Simulation\_ThirdSkewed.m
* Replication Figure A.4: Run Simulation\_nonlin.m, Simulation\_nonlin2.m, Simulation\_nonlin3.m
* Replication Figure A.5: Run Simulation\_twoproxies.m
* Replication Figure A.6: Run Simulation\_wKurt\_OneSynthProxy.m, Simulation\_wKurt\_TwoSynthProxy.m, Simulation\_wKurt\_DonaldTest.m, ,
* Replication Figure A.7: Run Simulation\_wKurt\_DonaldTestK.m
* Replication Figure A.8: Run Simulation\_irr\_proxy.m
* Replication Figure A.9: Run Simulation\_irr\_proxy\_cue.m
* Replication Figure A.10: Run Simulation\_cueRob.m
* Replication Figure A.11: Run Simulation\_SimMR\_onestep.m

Replication of Application

* Application with tax proxy: ApplicationFiscal\_TFPProxy.m
* Application with spending proxy: ApplicationFiscal\_SpendingProxy.
* Application with tfp proxy: ApplicationFiscal\_TFPProxy.m

Data source:

* Tax Revenues, Govt Spending, Output, Tax Proxy

Mertens, Karel, and Morten O. Ravn. "A reconciliation of SVAR and narrative estimates of tax multipliers." *Journal of Monetary Economics* 68 (2014): S1-S19.

From <https://karelmertens.com/research/>

* TFP Proxy

Fernald, John. "A quarterly, utilization-adjusted series on total factor productivity." Federal Reserve Bank of San Francisco, 2014.

Used in Caldara, Dario, and Christophe Kamps. "The analytics of SVARs: a unified framework to measure fiscal multipliers." *The Review of Economic Studies* 84.3 (2017): 1015-1040.

From <https://sites.google.com/view/dariocaldara/publications?authuser=0>

* Spending Proxy

Klein, Mathias, and Ludger Linnemann. "Tax and spending shocks in the open economy: Are the deficits twins?." *European Economic Review* 120 (2019): 103300.

Equal to the growth rate of military spending per head of population based on <https://fred.stlouisfed.org/series/B824RA3Q086SBEA> and <https://fred.stlouisfed.org/series/CNP16OV>