Directions on how to run code for "Planning Ahead: Measuring Fiscal Cyclicality Through News"

Requirements

Code run using Stata 15/IC. Packages ivreg2, ranktest, xtivreg2, and estout are necessary and installed automatically by the code.

Data acquisition

IMF WEO forecasts:

1. Go to the database page for any IMF WEO release (e.g. here)
2. Click on "Historical WEO Forecasts Database" in the related links box; the current link is this
3. Move to the working directory and make sure the file is saved as `WEOhistorical.xlsx`

IMF DOTS

1. Go to the IMF DOTS database page and click on the bulk download button (currently in top right with an icon of an arrow pointing down into an upward-opening bracket)
2. Download the entire dataset with the format set to .csv and layout set to panel; this requires making a free account
3. Move to working directory and save data file as `EXIM.csv`

World Bank WDI

1. Selecting "World Development Indicators" as the database, make a query with a selection of all countries and aggregates, all available years, and the following variables:

- Net lending (+) / net borrowing (-) (% of GDP)
- GDP growth (annual %)
- Net barter terms of trade index (2000 = 100)
- Exports of goods and services (% of GDP)

2. Under the layout tab, set Time and Country to Row and Series to Column
3. Download the data from the query in .csv format and save in working directory as `WB_WDI_vars.csv`

Running code

Open and run master.do after resetting the global rootdir variable to the working directory.