Table A2
Fiscal Multiplier, d.CAPB, IV Estimate (binary), Booms versus Slumps

Log real GDP (relative to Year 0,	×100)					
	(1) Year 1	(2) Year 2	(3) Year 3	(4) Year 4	(5) Year 5	(6) Sum
Fiscal multiplier, $y^C > 0$, boom	-0.32 (0.32)	-0.33 (0.52)	-0.14 (0.51)	-0.54 (0.45)	-0.67 (0.45)	-1.18 (1.54)
Observations	222	205	192	180	175	175
Fiscal multiplier, $y^C \leq 0$, slump	-0.24 (0.15)	-0.76*** (0.24)	-0.95*** (0.31)	-0.79** (0.32)	-0.94** (0.42)	-3.38*** (1.10)
Observations	235	235	231	226	214	214

Notes. Standard errors (clustered by country) in parentheses. ***/**/* Indicates p < 0.01/0.05/0.10 respectively. Additional controls: cyclical component of y, two lags of change in y, country fixed effects; and also growth rate of world real GDP (World Bank). y^C is the cyclical component of log y (log real GDP), from HP filter with λ = 100. d.CAPB instrumented by IMF fiscal action variable in binary 0-1 form (treatment).

Horizon	Number	of obs =	222					
(1)		 1y1		Robust Std. Err.	z	P> z	[95% Conf.	Interval]
		fAA	3158274	.293822	-1.07	0.282	8917079	.2600531
	Number	of obs =	235					
		fAA	2448995	.1410079	-1.74	0.082	52127	.031471
(2)		of obs =						
							-1.272337	
	Number	of obs =	235					
		fAA	7608772	.2267663	-3.36	0.001	-1.205331	3164234
(3)		of obs =						
							-1.052905	.7749833
	Number	of obs =	231					
		fAA	9488127	.2827481	-3.36	0.001	-1.502989	3946365

72 .410803		0.191		.2674518
5				
48 .4058634	-1.66	0.097	-1.468323	.122633
				1801572
5				
1.39683	-0.84	0.400	-3.914551	1.560921
•				
	297 .2950977 25 48 .4058634 .4 .62 .3857872 25 315 1.39683	797 .2950977 -2.68 75 748 .4058634 -1.66 74 75 75 75 75 75 75 75 75 76 77 77 78 79 79 79 79 79 79 79 79 79 79 79 79 79	797 .2950977 -2.68 0.007 75 148 .4058634 -1.66 0.097 14 162 .3857872 -2.43 0.015 75 1315 1.39683 -0.84 0.400	797 .2950977 -2.68 0.007 -1.370461 75 748 .4058634 -1.66 0.097 -1.468323 74 75 75 75 75 75 75 75 75 75 75 75 75 75