## Table A1

*Fiscal Multiplier, d.CAPB, OLS Estimate, 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 |
|---|---|---|---|---|---|---|
| Panel (*b*): separate effects of d.CAPB for Large (> 1.5%) and Small (≤ 1.5%) changes | | | | | | |
| Fiscal multiplier, large change in CAPB, $y^C > 0$, boom | 0.23*** | 0.25*** | 0.07 | −0.17 | −0.22 | 0.08 |
| | (0.08) | (0.08) | (0.06) | (0.10) | (0.14) | (0.27) |
| Fiscal multiplier, small change in CAPB, $y^C > 0$, boom | 0.04 | 0.19 | −0.02 | −0.35 | −0.68 | −1.68 |
| | (0.12) | (0.33) | (0.40) | (0.37) | (0.39) | (1.11) |
| Observations | 222 | 205 | 192 | 180 | 175 | 175 |
| Fiscal multiplier, large change in CAPB, $y^C \leq 0$, slump | −0.03 | −0.05 | −0.18 | −0.30* | −0.52** | −1.16** |
| | (0.04) | (0.08) | (0.12) | (0.16) | (0.22) | (0.53) |
| Fiscal multiplier, small change in CAPB, $y^C \leq 0$, slump | −0.05 | −0.15 | −0.10 | 0.13 | 0.16 | 0.03 |
| | (0.12) | (0.21) | (0.23) | (0.32) | (0.49) | (1.09) |
| Observations | 235 | 235 | 231 | 226 | 214 | 214 |

| Horizon | |
|---|---|
| (1) | Number of obs = 222<br>ly1 \| Coef. Robust Std. Err. t P>\|t\| [95% Conf. Interval]<br>smfAA \| .044735 .1170588 0.38 0.707 -.2034186 .2928887<br>lgfAA \| .2299019 .0783991 2.93 0.010 .0637033 .3961006<br>Number of obs = 235<br>smfAA \| -.0500558 .1241966 -0.40 0.692 -.3133407 .2132292<br>lgfAA \| -.0253179 .0449951 -0.56 0.581 -.1207033 .0700676 |
| (2) | Number of obs = 205<br>smfAA \| .1940963 .334303 0.58 0.570 -.5145945 .9027871<br>lgfAA \| .2541794 .0813766 3.12 0.007 .0816687 .4266901<br>Number of obs = 235<br>smfAA \| -.1507782 .2075755 -0.73 0.478 -.5908185 .2892622<br>lgfAA \| -.0466026 .0766988 -0.61 0.552 -.2091967 .1159915 |
| (3) | Number of obs = 192<br>smfAA \| -.0231207 .3966802 -0.06 0.954 -.8640451 .8178038<br>lgfAA \| .0680812 .0550328 1.24 0.234 -.0485833 .1847456<br>Number of obs = 231<br>smfAA \| -.0978198 .2345749 -0.42 0.682 -.5950963 .3994567<br>lgfAA \| -.1802233 .1246533 -1.45 0.168 -.4444764 .0840299 |

(4)

```
Number of obs      =       180
-------------+------------------------------------------------------------------
       smfAA |   -.353009   .3654839    -0.97   0.348      -1.1278    .4217823
       lgfAA |  -.1676819   .0994672    -1.69   0.111    -.3785429     .043179
Number of obs      =       226
-------------+------------------------------------------------------------------
       smfAA |   .1277918    .324491     0.39   0.699    -.5600984    .8156821
       lgfAA |  -.2986896   .1572291    -1.90   0.076    -.6320004    .0346211
```

(5)

```
Number of obs      =       175
-------------+------------------------------------------------------------------
       smfAA |  -.6785607    .391397    -1.73   0.102    -1.508285    .1511639
       lgfAA |  -.2208823   .1433502    -1.54   0.143    -.5247711    .0830066
Number of obs      =       214
-------------+------------------------------------------------------------------
       smfAA |   .1644152   .4923561     0.33   0.743     -.879333    1.208164
       lgfAA |   -.521139   .2199609    -2.37   0.031    -.9874353   -.0548427
```

sum (6)

```
Number of obs      =       175
-------------+------------------------------------------------------------------
       smfAA |  -1.681806   1.113949    -1.51   0.151    -4.043272    .6796602
       lgfAA |   .0831231   .2740228     0.30   0.766    -.4977792    .6640255
Number of obs      =       214
-------------+------------------------------------------------------------------
       smfAA |   .0279561    1.09472     0.03   0.980    -2.292747    2.348659
       lgfAA |  -1.158223    .533543    -2.17   0.045    -2.289284   -.0271627
```