

HOUSEHOLDS' BALANCE SHEETS AND THE EFFECT OF FISCAL POLICY

This describes the process for reconstructing the results in the paper. The necessary scripts are written in R and Stata. The process for replicating the results will be outlined in this document.

1. A NOTE ON CONTENTS AND FILE STRUCTURE

- (1) The .zip file contains all of the necessary file structure such that the Stata portion of the procet can be run by running one script. \$inpath must be set to the location of the decompressed archive for the program to work.
- (2) The data for this project is not included, but it can be easily accessed through FRED and PSID.

2. FULL REPLICATION STEP-BY-STEP OVERVIEW

- (1) Download data from PSID and FRED
 - PSID data is accessed through the data center, here:
`https://simba.isr.umich.edu/default.aspx`
 - Use the "Variable List" option and enter the variable list from the .txt file.
 - Place and unzip the .zip file in
`'' [path]/data/raw/psid''`
 - Update file location in J#####.do to
`'' [path]/data/raw/psid/J#####.txt''`
 - Run the do file: `shell.do`
 - Run the R file `transitions.R`
 - All of the output is directed to the folder:
`'' [path]/out/finaltex''`
 - Create the desired tables using the output and move the EPS figures to the appropriate folder for TeXing.