Read Me

pickParams.m

The file pickParams.m sets values for the following parameters. The input is a model type. The default model type is ‘GuvenProduction’ but a number of other options are given in the file.

‘T’ is the number of periods of life

‘om’ is a 1 x T vector of endowments

‘B’ is a 1 x T vector of utility weights

‘DEF’ is the budget deficit

‘ET’ is the intertemporal elasticity of substitution

‘TH’ is capital’s share of GDP

‘D’ is the capital depreciation rate

[a,b] is the log of the interval that will be used for plotting graphs of f(Q) against Q where Q is the price of a one period discount bond

Figure\_1.m

Run this code to produce Figure 1 from the paper.

findSteady.m

Finds the steady states for a given set of parameter values.

Main.m

Run this code to generate Figure 3 in the paper as well as values of the steady-states and determinacy properties at each steady-state for the baseline calibration.

Code\_For\_Table\_2.m

Run this code to produce the data used to construct Table 2.