Computer code for the paper “Capital Controls and Optimal Chinese Monetary Policy” by Chun Chang, Zheng Liu, and Mark M. Spiegel, *Journal of Monetary Economics* 74 (2015), pp. 1-15.

Run plot\_irfs.m to produce the impulse responses in the benchmark model and macro volatility and welfare results

The Matlab file plot\_irfs.m calls the following 4 dynare files

1. Bench.mod: solving the benchmark model with capital controls and fixed exchange rate
2. Oca.mod: solving the model with partially open capital account (and fixed exchange rates)
3. Flex.mod: solving the model with flexible exchange rates (but with capital controls as in the benchmark model)
4. Full.mod: solving the model with partially open capital account and flexible exchange rates

Each dynare file calls “calib.m” to obtain calibrated parameter values and steady state values.