

ReadMe

ReadMe: codes for the one-sector version of model in Liu,
Wang and Xu (2019)
2019/07/22

1. RunTransition.m computes the transition dynamics for one-sector model. Replicate Figure B.1 in online appendix
2. RunComputeWelfare.m computes the welfare along the transition. Replicate Figure B.2 in online appendix
3. External functions:
 - a. Fun_ek, Fun_g define partial expectations
 - b. TransPath_DRS_Bench.mod dynare file for transition dynamics
 - c. SolveAllSteadyState_SOE_Heter.m and SolveSteadyState_SOE_Heter.m, solve steady states
 - d. fminsearchbnd, optimizer
 - e. CaliParaSet.mat, calibrated parameter set
 - f. RunPlotFig.m, plots transition dynamics.
 - g. WelBench.mat, results for benchmark model