

REPLICATION FILES FOR

Informal Labor Markets in Times of Pandemic*

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In this note, we guide the reader on replicating all figures and tables of our paper. All the supporting material is in the compressed file LEYVA_URRUTIA_RED_REPLICATION.ZIP.

Codes that generate all figures and tables except from the model

All codes located in folder DATA_FILES and written in Stata (version 17) and Matlab (version R2019a). Need to run RUNME.DO. ($\approx$ 6 minutes, 7 seconds.)

FIGURES1_3_MEX.M Reproduces the graphs in panel A (Mexico) of Figures 1, 2, and 3.

FIGURES1_3_BRA.M Reproduces the graphs in panel B (Brazil) of Figures 1, 2, and 3.

TABLEC6.DO Reproduces the numbers in Table C.6 in the appendix and panel A of Table 1 in the main text.

TABLE1B.DO Reproduces the numbers in panel B of Table 1 in the main text.

FIGURE4A.DO Reproduces the graphs in panel A of Figure 4 in the main text and the numbers in Table C.4 in the appendix.

FIGURE4B.DO Reproduces the graphs in panel B of Figure 4 in the main text and the numbers in Table C.5 in the appendix.

FIGURES5A_5B.DO Reproduces the graphs in panels A and B of Figure 5.

FIGURE6A.DO Reproduces the graphs in panel A of Figure 6.

FIGURE6B.DO Reproduces the graphs in panel B of Figure 6.

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Codes to solve and simulate the baseline and alternative models

All codes located in folder MODEL_FILES and written in Matlab (version R2019a) and Dynare 4.6.2.

BASELINE.ZIP	Contains the files to replicate the baseline model and generate the numbers in Tables 2 and 3 and Figures 7 and 8 in the paper. Need to run three modules (.m files) in the order specified below without clearing variables in between. Calibrates the baseline model and simulates its business cycle properties. ($\approx$ 2 minutes, 24 seconds.)
A0_CALIBRATION.M	• Inputs: steady_aux.mat (initial conditions to find the steady-state) • Dynare files called: baseline_cal.mod and baseline.mod • Output: param_aux.mat, param.mat (vector of calibrated parameters in Table 2), initss.mat, simulation.mat, results.mat (includes the business cycle moments generated by the model in Table 3)
A1_ACCOUNTING.M	Performs pandemic recession accounting using the calibrated baseline model. ($\approx$ 3 minutes, 8 seconds.) • Inputs: data_covid.mat (data from Mexico during pandemic recession for accounting exercise) • Auxiliary files called: B_Accounting_aux.m • Dynare files called: baseline_ext.mod • Output: param_ext_cal.mat, param_ext.mat, accounting.mat (including recovered shocks and their contribution) • Figures generated: panels A and B of Figure 7
A2_ACCOUNTING_GR.M	Performs Great Recession accounting using the calibrated baseline model and compares results to the pandemic recession episode. ($\approx$ 0 minutes, 7 seconds.) • Inputs: data_gr.mat (data from Mexico during 2008-9 Great Recession) • Auxiliary files called: B_Accounting_aux.m • Dynare files called: baseline_ext.mod • Output: param_ext_cal.mat, param_ext.mat • Figures generated: panels A and B of Figure 8

ALTERNATIVE.ZIP	Contains the files to replicate the alternative model in Appendix D.1 and generates the numbers in columns 3 and 6 in Table D.1. Need to run one Matlab module (.m file). Calibrates the alternative model (only to steady-state targets) and simulates its business cycle properties. ($\approx$ 2 minutes, 40 seconds.)
ALTERNATIVE.M	• Inputs: steady_aux.mat (initial conditions to find the steady-state) • Dynare files called: baseline_cal.mod, baseline.mod • Output: param_aux.mat, param.mat, initss.mat, simulation.mat, results.mat (includes the business cycle moments generated by the alternative model in Table D.1)
ONEATATIME.ZIP	Contains the files to replicate the accounting exercise with one shock at a time in Appendix D.2 and generates Figures D.1 and D.2 in the appendix. Need to run one Matlab module (.m file). Performs pandemic recession accounting using the calibrated baseline model with only one shock at a time. ($\approx$ 0 minutes, 8 seconds.)
ACCOUNTING.M	• Inputs: data_covid.mat (data from Mexico during pandemic recession for accounting exercise), param.mat and initss.mat (parameters and initial conditions for baseline model) • Auxiliary files called: B_Accounting_aux1.m, B_Accounting_aux2.m • Dynare files called: baseline_ext.mod • Output: param_ext_cal.mat, param_ext.mat • Figures generated: panels A and B of Figures D.1 and D.2
DEMAND.ZIP	Contains the files to replicate the accounting exercise with demand shocks in Appendix D.3 and generates Figure D.3 in the appendix. Need to run one Matlab module (.m file). Performs pandemic recession accounting using the calibrated baseline model with demand shocks. ($\approx$ 0 minutes, 6 seconds.)
ACCOUNTING.M	• Inputs: data_covid.mat (data from Mexico during pandemic recession for accounting exercise), param.mat and initss.mat (parameters and initial conditions for baseline model) • Auxiliary files called: B_Accounting_aux3.m • Dynare files called: baseline_ext.mod • Output: param_ext_cal.mat, param_ext.mat • Figures generated: panels A and B of Figure D.3