

# README FOR "GOVERNMENT POLICIES IN A GRANULAR GLOBAL ECONOMY"

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April 15, 2021

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# 1 Merger

## 1.1 Figures 1 and 5

1. Navigate into the folder “Merger”.
2. Run the Matlab file `Main_Merger.m`. This will generate the file `Figure1_Data_Gamma.mat` in `Merger>Results>Plot_Data`.
3. In line 50 of `Main_Merger.m`, change `sortG = 1;` into `sortG = 0;` and run the file again. This will generate the file `Figure1_Data_Lambda.mat` in `Merger>Results>Plot_Data`.
4. Run the Matlab file `Create_Figs1_5.m`. This will use `Figure1_Data_Gamma.mat` and `Figure1_Data_Lambda.mat` to output Figures Fig1a, Fig1b, Fig5a and Fig5b, which are saved in `Merger>Results>Graphs`.

## 1.2 Figure 2

1. Navigate into the folder “Merger”.
2. Run the Matlab file `Main_Merger_ComStats.m`. This will generate the file `Figure2_Data_rho.mat` in `Merger>Results>Plot_Data`.
3. In line 49 of `Main_Merger_CompStats.m`, change `tauInd = 0;` into `tauInd = 1;` and run the file again. This will generate the file `Figure2_Data_tau.mat` in `Merger>Results>Plot_Data`.
4. Run the Matlab file `Create_Fig2.m`. This will use `Figure2_Data_rho.mat` and `Figure2_Data_tau.mat` to output Figures Fig2a and Fig2b, which are saved in `Merger>Results>Graphs`.

# 2 Optimal Merger

## 2.1 Figure 3

1. Navigate into the folder “Optimal\_Merger”.
2. Run the Matlab file `Fig3_Data.m`. This will generate the files `Fig3_0.mat`, `Fig3_inf.mat` and `Fig3_L.mat` in `Optimal_Merger>Results>Data`.
3. Run the Matlab file `Create_Fig3.m`. This will use `Fig3_0.mat`, `Fig3_inf.mat` and `Fig3_L.mat` to output Figure Fig3, which is saved in `Optimal_Merger>Results>Graphs`.

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## 2.2 Figure 4

1. Navigate into the folder “Optimal\_Merger”.
2. Run the Matlab file `Fig4_Data.m`. This will generate the file `Fig3_Gamma.mat` in `Optimal_Merger>Results>Data`.
3. In line 54 of `Fig4_Data.m`, change `sortG = 1;` into `sortG = 0;` and run the file again. This will generate the file `Fig3_Lambda.mat` in `Optimal_Merger>Results>Data`.
4. Run the Matlab file `Create_Fig4.m`. This will use `Fig3_Gamma.mat` and `Fig3_Lambda.mat` to output Figures Fig4a and Fig4b, which are saved in `Optimal_Merger>Results>Graphs`.

## 3 Tariff

### 3.1 Figures 6 and 7

1. Navigate into the folder “Tariff”.
2. Run the Matlab file `Main_Tariff.m`. This will generate the file `Data_CM` in `Tariff>Results>Data`.
3. In line 46 of `Main_Tariff.m` change `vInd = 0;` into `vInd = 1;` and run the file again. This will generate the file `Data_VM` in `Tariff>Results>Data`.
4. Run the Matlab file `Create_Figs6_7.m`. This will use `Data_CM` and `Data_VM` to output Figures Fig6a, Fig6b, Fig7a and Fig7b, which are saved in `Tariff>Results>Graphs`.