

Instructions for Running Gauss Code in “Using the BACC Software for Bayesian Inference”, by William McCausland

1. Download the document “The PC Gauss Version of the BACC Software” from the BACC site <http://www.econ.umn.edu/~bacc/>. Navigate to the “Documentation” page for “BACC 99”, and click on the PDF or Postscript star next to “Gauss for Windows NT/98/95”.
2. Follow the directions on the first page of the manual, to download and install the PC Gauss version of the BACC software.
3. Download the file `CEF99.zip` from the “Related Resources” page for “BACC 99”.
4. Move the data files `QV`, `QK`, `QL`, `PV`, `PK`, and `PL` into your `C:\Gauss` directory (or some other directory where Gauss looks for data files when you use the “load” command – see Gauss documentation on the `gauss.cfg` file).
5. Move the Gauss code files `init`, `instance`, `converge`, `plot1`, `plot2`, `plot3`, `positive`, and `bayesfac` to your `C:\Gauss\src` directory (or some other directory where Gauss looks for code files when you use the “run” command – see Gauss documentation on the `gauss.cfg` file).
6. Start Gauss. To run the code segment for a given section of the paper, use the appropriate command from the following table. Note that some code segments depend on earlier code segments. There shouldn’t be a problem if you run the code segments in the order given here.

Section in Paper	Command
3.2 Initializing the Software	run init
3.3 Creating Instances of Models	run instance
3.4 Simulating from the Prior and Posterior	run converge
3.5 Plotting a Histogram for a Posterior Quantity	run plot1
3.6 Using Kernel Smoothing to Estimate Densities	run plot2
3.7 Using Scatterplots to Visualize Bivariate Distributions	run plot3
3.8 Investigating Inequality Restrictions	run positive
3.9 Comparing the CES and GL Aggregate Production Models	run bayesfac