REPLICATION FILES

Description of data access

The data used in this paper builds on anonymized micro data sets owned by Statistics Denmark (SD) and hand-collected data on applicants of debt relief. Given that these data contain personal identifiers and sensitive information for residents, they are confidential. Therefore, we cannot make the data publicly available. Analyses of such data sets must be done on servers hosted by Statistics Denmark as Statistics Denmark does not permit such data to be used anywhere else. The analysis data set will be archived for at least 5 years.

In the interest of scientific validation of analyses published using Statistics Denmark micro data the Department of Economics and Business, Aarhus University, will assist researchers in obtaining access to the data set.

The access is conditional on Statistics Denmark accepting a contract with the researcher in which he accepts the conditions for using micro data, see

http://www.dst.dk/en/TilSalg/Forskningsservice/Dataadgang.aspx

Request for getting access can be emailed to: datamanager@econ.au.dk and maibom@econ.au.dk

Description of register data

The code in this replication package constructs the figures and tables in the paper. The analysis is primarily based on processed versions of a number of administrative data sets from Statistics Denmark (Statistics Denmark 2023, IDA, IND, IDAN, BEF), as well as hand-collected data on applicants of debt relief. See also the discussion in Section 3.2 of the paper and Table A.4 in the online appendix for a full list of variables for outcomes. Since the data is confidential, code needs to be executed on a Statistics Denmark server to replicate the analysis.

See full variable lists and documentation here.

See info on registers, IDA, IND, IDAN, BEF:
https://www.dst.dk/da/Statistik/dokumentation/statistikdokumentation/indkomststatistik

https://www.dst.dk/da/TilSalg/Forskningsservice/Dokumentation/hoejkvalitetsvariable/beskaeftigelsesoplysninger-der-vedroerer-ida-ansaettelser

https://www.dst.dk/da/Statistik/dokumentation/statistikdokumentation/befolkningen

Statistics Denmark. 2023 IDA, Integrated Database for Labor Market Research

Software and Servers

The programs have been executed on a Microsoft Hyper-V Server 2019 Windows Server, using SAS version 9.4 and STATA version MP 17.

SAS Programs

These programs create data sets from the underlying registers and produce some of the tables in the paper.

Name of program	*Short description*
01classify	Divides applicants into those granted and denied debt relief
02basedata	Creates cross-sectional data on applicants with basic characteristics
03panel	Creates panel data on applicants with outcome data
04winsorize	Winsorizes variables from registers
05table1	Creates Table 1 with summary statistics
06comparators	Draws random reference individuals from general population
07table1_comparators	Creates Table A.5 with summary statistics for reference individuals
08familystatus	Retrieves additional demographic variables from registers
09export_panel_stata	Exports panel data from SAS to STATA
10lawyers	Creates unique lawyer identifier for applicants
11tostata_iv	Exports data for IV regressions from SAS to STATA
12levelgraphs	Prepares data used to plot graphs with mean levels of outcomes
13numfilings	Computes number of applicants in our data relative to official statistics
14table_courts	Creates Table A.2 with number of applicants per local city court
15to_stata_iv_long	Exports data with longer follow-up for IV regressions from SAS to STATA
16decomposition	Decomposes changes in earnings into intensive and extensive margin
17tostata_iv_exclusion	Creates data set with instrument and dividend
18tostata_iv_preperiods	Adds data on applicants during pre-periods for IV event-study graphs

STATA Programs

These programs create figures and tables with results.

Name of program	*Short description*
01fraction_granted	Creates Figure A.1 with fraction granted applicants over time
02mean_levels	Creates Figures 1 and A.2 with mean levels for outcome variables
03create_variables	Creates covariates used in regression analysis
04IV_test	Creates Tables A.7 and A.8 (IV First stage and IV balance test) plus Figure A.8 (distribution of instrument)
05IV_regressions	Creates main IV results in Tables 2, 3, A13, A14, and A21
06IV_regressions_subp	Creates Table A.15 with IV results by subperiod
07IV_regressions_trust	Creates Table A.16 with IV results by number of trustees
08monotonicity_compl	Creates Tables A.10 and A.11 with tests of IV monotonicity
09IV_subgroups	Creates Tables A.23 and A.24 with IV results in subgroups
10IV_vary_instrument	Creates Table A.19 with different versions of instrument
11IV_vary_clusterlevel	Creates Table A.22 with various types of clustering in IV regressions
12IV_UJIVE	Creates Table A.18 with the UJIVE estimates of treatment effects
13attrition_test	Creates Table A.20 (attrition in our data) and Table A.21 (IV regressions on balanced panel)
14complier_char	Creates Table A.26 with complier characteristics
15IV_regressions_lrun	Creates Table A.25 with IV results for years 17-25
16DiD_lrun	Creates Figures 2, A3, A.4, and A.5 with event-study estimates
17number_trustees	Computes total number of trustees
18create_variables_excl	Creates variables used to test exclusion restriction
19exclusion_restriction	Creates Figure A.9 (scatterplot for exclusion restriction) and Table A.9
20IV_event	Creates Figure 3 with IV event-study estimates
21testjfe	Creates Table A.17 with test of lawyer instrument (Frandsen et al.)
22DiD_complier	Creates Figure A.7 with complier-weighted event-study estimates
23DiD_Callaway	Creates Figure A.6 with Callaway Sant'Anna event-study estimates
24MTE	Creates Figures A.10 and A.11 with estimates of marginal treatment effects
25static_DiD	Creates Tables 2, 3, and A.12 with difference-in-difference estimates
26static_DiD_IV	Creates Table A.12 with difference-in-difference estimates for IV sample