A Short-Run Forecasting Model of the United States Economy

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Table of Contents

	List of Tables and Figures	ix
	Preface	xiii
Chapter 1	*Philosophical Considerations*	1
1.1	Introduction	1
1.2	Structural versus Forecasting Models	2
1.3	The Present Model versus Other Forecasting Models	4
1.4	Further Philosophy Behind the Construction of the Model	11
1.5	Outline of the Model	11
Chapter 2	*Econometric Considerations*	17
2.1	Introduction	17
2.2	The Technique Used to Estimate the Money GNP Sector	18
2.3	The Data Used for the Money GNP Sector	24
2.4	The Periods of Estimation Used for the Money GNP Sector	26
Chapter 3	*Consumption*	29
3.1	Introduction	29
3.2	Consumer Sentiment, Consumer Buying Expectations, and Short-Run Consumption Functions	29
3.3	Consumption of Durables	31
3.4	Consumption of Nondurables	37
3.5	Consumption of Services	40
3.6	Summary	43
Chapter 4	*Plant and Equipment Investment*	45
4.1	Introduction	45
4.2	The OBE–SEC Survey of Expected Investment Expenditures	45
4.3	A Simple Realizations Function	48
4.4	The Equation Estimates	49
4.5	The Effect of Monetary Policy on Investment	51

Chapter 5	*Housing Investment*	53
5.1	Introduction	53
5.2	Determining Housing Investment from Housing Starts	53
5.3	The Results	55
Chapter 6	*Inventory Investment*	59
6.1	Introduction	59
6.2	The Four Approaches	59
6.3	The Results	64
6.4	Summary	69
Chapter 7	*Imports*	71
Chapter 8	*Monthly Housing Starts*	73
8.1	Introduction	73
8.2	A Model of the Housing and Mortgage Market	73
8.3	The Estimation Technique	79
8.4	The Data	82
8.5	The Results	83
8.6	The Use of the Housing Starts Equations for Forecasting Purposes	86
Chapter 9	*Employment and the Labor Force*	89
9.1	Introduction	89
9.2	The Short-Run Demand for Employment	89
9.3	The Labor Force and the Unemployment Rate	100
9.4	Summary	106
Chapter 10	*Prices*	109
10.1	Introduction	109
10.2	The Concept and Measurement of Potential Output	110
10.3	The Price Equation	116
10.4	Predictions of Real GNP	121

Chapter 11	*Tests of Different Versions of the Model and the Properties of the Final Version*	123
11.1	Introduction	123
11.2	The Procedure Used to Test Each Version	123
11.3	The Error Measures Used	128
11.4	The Results of Testing Each Version	129
11.5	The Final Version of the Model	134
11.6	The Properties of the Final Version	136
Chapter 12	*The Stability of the Estimated Relationships and the Outside-Sample Forecasts*	155
12.1	Introduction	155
12.2	Stability Results	155
12.3	Results of Forecasting Outside of the Sample Period	179
Chapter 13	*Sensitivity of the Forecasting Results to Errors Made in Forecasting the Exogenous Variables*	197
13.1	Introduction	197
13.2	Forecasting the Exogenous Variables	197
13.3	The Forecasting Results	204
13.4	Annual Forecasting Results	220
Chapter 14	*Comparisons of the Forecasting Results of this Study with the Results of Other Models and Techniques*	227
14.1	Introduction	227
14.2	Comparisons with Noneconometric Techniques	227
14.3	Comparisons with the Wharton and OBE Models	228

Chapter 15 *Summary and Conclusions* 241

Appendix A 247

Appendix B 253

References 257

About the Author 261

Index 263

List of Tables and Figures

Tables

2–1	List of Description of the Variables Considered in the Money GNP Sector	25
8–1	List and Description of the Variables Used in the Monthly Housing Starts Sector	83
9–1	List and Description of the Variables Used in the Employment and Labor Force Sector	93
9–2	Estimated Values for M_t^d	100
10–1	List and Description of the Variables Used in the Price Sector	111
10–2	Estimates of Potential Real GNP (billions of 1958 dollars)	115
10–3	Values of PD_t, $PD_t - PD_{t-1}$, and $GAP2_t$	118
11–1	The Equations Tested in this Chapter	130
11–2	Comparison of Equations (6.15) and (6.18)	133
11–3	Variables of the Model in Alphabetical Order by Sector	134
11–4	Equations of the Model by Sector	137
11–5	Errors for the Final Version of the Model Computed for the Same Prediction Period	140
11–6	Actual and Forecasted Changes for Selected Variables of the Model	142
11–7	Errors in Forecasting HSQ_t	151
11–8	Actual and Forecasted Levels of HSQ_t	152
12–1	Coefficient Estimates of Equation (3.1) for Eighteen Sample Periods	157
12–2	Coefficient Estimates of Equation (3.7) for Eighteen Sample Periods	158
12–3	Coefficient Estimates of Equation (3.11) for Eighteen Sample Periods	160
12–4	Coefficient Estimates of Equation (4.4) for Eighteen Sample Periods	161
12–5	Coefficient Estimates of Equation (4.7) for Eighteen Sample Periods	162
12–6	Coefficient Estimates of Equation (5.5) for Eighteen Sample Periods	164

12–7	Coefficient Estimates of Equation (6.15) for Eighteen Sample Periods	165
12–8	Coefficient Estimates of Equation (7.3) for Fourteen Sample Periods	166
12–9	Coefficient Estimates of Equation (9.8) for Eighteen Sample Periods	168
12–10	Coefficient Estimates of Equation (9.10) for Eighteen Sample Periods	170
12–11	Coefficient Estimates of Equation (9.11) for Eighteen Sample Periods	172
12–12	Coefficient Estimates of Equation (9.12) for Eighteen Sample Periods	173
12–13	Coefficient Estimates of the Price Equation for Eighteen Sample Periods	175
12–14	Coefficient Estimates of Equation (8.23) for Eighteen Sample Periods	177
12–15	Coefficient Estimates of Equation (8.24) for Eighteen Sample Periods	178
12–16	Comparisons of the Within-Sample and Outside-Sample Forecasts	182
12–17	Outside-Sample Errors Computed for the Same Prediction Period	184
12–18	Actual and Forecasted Changes for Selected Variables of the Model	187
12–19	Comparison of the Within-Sample and Outside-Sample Forecasts of HSQ_t	192
12–20	Outside-Sample Forecast Errors of HSQ_t Computed for the Same Prediction Period	193
12–21	Actual and Forecasted Levels of HSQ_t	194
13–1	Quarterly Changes in the Exogenous Variables of the Money GNP Sector for the 602–694 Period	198
13–2	Quarterly Changes in the Exogenous Variables of the Price Sector and of the Employment and Labor Force Sector for the 602–694 Period	200

13–3	Monthly Values of $DHF3_t$, $DSF6_t$, and ΔRM_t for the January 1965–December 1969 Period	201
13–4	Assumptions Made in Forecasting the Exogenous Variables	203
13–5	Comparisons of Forecasts Based on Actual and Extrapolated Values of the Exogenous Variables	206
13–6	Errors Computed for the Same Prediction Period for the Forecasts Based on Extrapolated Values of the Exogenous Variables	208
13–7	Actual and Forecasted Changes for Selected Variables of the Model	209
13–8	Comparisons of the January et al. and March et al. Forecasts	214
13–9	Comparison of Forecasts of HSQ_t Based on Actual and Extrapolated Values of the Exogenous Variables	216
13–10	Errors Computed for the Same Prediction Period for the Forecasts of HSQ_t Based on Extrapolated Values of the Exogenous Variables	217
13–11	Actual and Forecasted Levels of HSQ_t	218
13–12	Actual and Forecasted Annual Changes for Selected Variables of the Model	222
13–13	Actual and Forecasted Annual Changes for Selected Variables of the Model	224
14–1	Root Mean Square Errors of the Within–Sample Forecasts of the Present Model, the Wharton Model, and the OBE Model	229
14–2	Comparisons of the Outside–Sample Forecasts of Money GNP from the Present Model, the Wharton Model, and the OBE Model	230
14–3	Comparisons of the Outside–Sample Forecasts of Real GNP from the Present Model, the Wharton Model, and the OBE Model	234
A–1	Data for Selected Variables Considered in the Money GNP Sector	247

A–2	Data for Selected Variables of the Employment and Labor Force Sector	249
A–3	Data for Selected Variables of the Monthly Housing Starts Sector	250
A–4	Seasonal Adjustment Coefficients for HSQ_t	251
B–1	Comparison of the Expenditure Equations of the Model Estimated by the Technique Described in Chapter 2 (TSCORC), by the Cochrane–Orcutt Technique (CORC), and by Ordinary Least Squares (OLSQ)	254

Figure

9–1	Output Per Paid-for Man Hour	94

Preface

The model that is described in this book was developed during 1968 and 1969. The money GNP sector was developed in early 1968, and the other sectors were developed during 1969. At the time of this writing, the model in one form or another has been used as an actual forecasting tool for about two years. Data through the fourth quarter of 1969 have been used for the results presented in this book.

The computations were performed on an IBM 360–91 computer at Princeton University. All of the estimation techniques that were used in this study were programmed into the TSP regression package program. The TSP program was originally designed by Robert E. Hall and has since been expanded by J. Philip Cooper, Dwight M. Jaffee, and the present author, among others.

I am indebted to a number of people for their help and advice throughout the course of this work. These include Stanley W. Black, William H. Branson, Stephen M. Goldfeld, Dwight M. Jaffee, and Richard E. Quandt. I would particularly like to thank Stephen Goldfeld and Dwight Jaffee, who read the entire manuscript in rough draft form and made many helpful suggestions. I, of course, assume responsibility for all errors.

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Index

Adams, F.G., 34, 257
aggregation, 11, 13, 55, 50
annual results, 220-225

Black, S.W., xiii, 102, 115-116, 257
Bonin, J.M., 14, 257
Branson, W.H., xiii, 71, 257
Brookings model, 6, 29, 54, 109
Bureau of Labor Statistics, 92, 101, 104

Cochrane, D., 20, 257
Cochrane-Orcutt iterative technique, 19-20, 24, 85, 105, 253-256
consumer buying expectations, 30-31
consumer sentiment, 29-31
consumption expenditures
  durable, 31-37
  nondurable, 37-40
  services, 40-43
Cooper, J.P., xiii
Council of Economic Advisers, 115, 121
Crockett, J., 4, 36, 257

Darling, P.G., 63, 257
de Leeuw, F., 63, 257
disequilibrium markets, 73, 76, 79-82, 85
Duesenberry, J.S., 6, 257

Economic Indicators, 82, 101
Eisner, R., 45, 257
employment, 89-100
error cancellation, 107
error measures, 128-129, 131, 238
Evans, M.K., 5, 8-9, 45, 151, 228-229, 238-239, 246, 257
excess labor, 90-95
exogenous variables, 197-202
expectational variables, 2-3, 29-31, 37, 45-48, 63-64, 66-67

Federal Home Loan Bank, 78, 83, 86, 199, 201, 246
Federal National Mortgage Association, 86, 246
Federal Reserve Bulletin, 83
Ferber, R., 258
fine tuning, 8-9
fiscal policy, 6-7, 245
forecasting models, 4-10
Friend, I., 3, 4, 36, 45, 63, 257, 258
Fromm, G., 6, 109, 257, 258

Goldfeld, S.M., xiii
Gordon Committee, 92, 259
Gramlich, E.M., 73, 257

Green, G.R., 10, 258
Griliches, Z., 11, 258

Haitovsky, Y., 8-9, 151, 228-229, 238-239, 246, 257
Hall, R.E., xiii
Hirsch, A.A., 10, 258
hours
  paid-for, 90-95, 113-114, 116
  standard number, 90-96, 113-114
  worked, 90-95, 113-114, 116
housing starts, 53-56, 73-88
Howrey, E.P., 124, 258

imports, 71-72
instrumental variables, 27-28, 57, 104-105
investment
  housing, 53-57
  inventory, 59-69
  plant and equipment, 45-52

Jaffee, D.M., xiii, 1, 73, 79, 82, 258
Jones, R.C., 3, 4, 258
Jorgenson, D.W., 45, 258

Katona, G., 30, 34, 258
Kelejian, H.H., 124, 258
Klein, L.R., 5-10, 17, 45, 125, 257, 258
Kosobud, R.F., 30, 34, 258
Kuh, E., 6, 257

labor force, 100-106
lag structure, 11, 31, 50-51, 62, 71
Liebenberg, M., 10, 258
Lininger, C.A., 30, 31, 258
Lovell, M.C., 60, 63, 257, 258

Maisel, S.J., 53-54, 73, 258
Malinvaud, E., 258
Michigan Survey Research Center, 12, 25, 30, 32, 43, 129, 241
Mincer, J., 102, 105, 171, 258
monetary policy, 51-52, 86, 245
Monthly Labor Review, 92
mortgage market, 73-79
Mueller, E., 30, 258
multiplier, short-run, 153
Mutual Savings Banks, 78, 83, 199

Naylor, T.H., 258
nonlinear techniques, 119-120

OBE model, 2, 8-9, 151, 228-240, 244, 246
Orcutt, G.H., 20, 257
output expectations, 96

periods of estimation, 26-27, 83
potential output, 110-116
price equation, 116-121
production function, short-run, 91

Quandt, R.E., xiii

realizations function, 48-49
reduced form equation, 153
results
  annual, 220-225
  outside sample, exogenous values known, 179-195
  outside sample, exogenous values unknown, 204-220
  stability, 155-179
  within-sample, 136-153
R-squared, 23-24, 32, 42, 50
Russell, R.R., 102, 115-116, 257

sales expectations, 60-61
Sargan, J.D., 21-22, 259
Savings and Loan Associations, 78, 83, 199, 201, 246
Schmiedeskamp, J., 30, 258
seasonal adjustment, 13-14, 77
serial correlation, 1, 10, 17-24, 71, 241
simultaneous equation bias, 1, 17-24, 241
Sonquist, J.A., 30, 258
Sparks, G.R., 29, 40, 259
strikes, 26-27, 83, 127
structural models, 2-4, 44, 240
Suits, D.B., 29, 259
Survey of Current Business, 45-47, 63, 92-93, 111

Taubman, P., 4, 45, 63, 109, 258
Tella, A.J., 104, 259
test procedures, 123-128, 155-156, 202-204
Treyz, G.I., 8-9, 151, 228-229, 238-239, 246, 257
t-statistic, 23, 32

unemployment rate, 100-106
U.S. Bureau of the Census, 25, 30, 33, 34, 43, 129, 241, 259

Wharton model, 2, 5-10, 151, 228-240, 244, 246
Wimsatt, G.G., 46-47, 259
Woodward, J.T., 46-47, 259

Zarnowitz, V., 2, 227, 259