

MODELLING THE INTERNATIONAL TRANSMISSION MECHANISM

Applications and Extensions of the Project LINK System

Edited by
JOHN A. SAWYER
University of Toronto



1979



NORTH-HOLLAND PUBLISHING COMPANY
AMSTERDAM · NEW YORK · OXFORD

Contents

<i>Introduction to the series</i>	v
<i>Preface</i>	vii
1. Introduction <i>John A. Sawyer</i>	1
I. FORECASTING WORLD TRADE	
2. Alternative approaches to linkage of national econometric models <i>Jorge L. Gana, Bert G. Hickman, Lawrence J. Lau and Laurence R. Jacobson</i>	9
3. Error analysis of the LINK model <i>Keith N. Johnson and Lawrence R. Klein</i>	45
4. Long-run projections of the LINK world trade model <i>Lawrence R. Klein and Asher Tishler</i>	73
II. SIMULATIONS WITH THE SYSTEM	
5. Price determination and transmission of inflation in the LINK system <i>Bert G. Hickman and Anthony Lima</i>	97
6. Comparisons of policies to stimulate the world economy <i>Carl B. Weinberg</i>	129
7. Coordination of international fiscal policies and exchange rate revaluations <i>Lawrence R. Klein, Vincent Su and Paul Beaumont</i>	143
III. COUNTRY AND COMMODITY MODELS IN THE LINK SYSTEM	
8. Short-term forecasting models for the centrally planned economies of Eastern Europe <i>Antonio M. Costa and Stanislav M. Menshikov (with Saturnino Franco)</i>	163

9.	Developing countries in Project LINK <i>J. Glowacki and K. G. Ruffing</i>	203
10.	Models for the rest of the world <i>Keith N. Johnson</i>	219
11.	Integrating commodity models into LINK <i>F. Gerard Adams</i>	273
12.	Incorporating commodity models into national models: a copper model <i>John A. Sawyer and Chukwuma Obidegwu</i>	295
IV. FUTURE DEVELOPMENT OF THE NATIONAL MODELS: MONETARY SECTOR AND CAPITAL FLOWS		
13.	Long-run portfolio equilibrium and balance-of-payments adjustment in econometric models <i>R. J. Ball and T. Burns</i>	311
14.	The effects of foreign monetary impulses and of fiscal and monetary policy changes on the German economy: simulations with the Bonn forecasting system <i>Wilhelm Krelle, Klaus Conrad, Gerald Grisse and Jörn Martiensen</i>	347
15.	An empirical comparison of four models of capital flows: OLS and 2SLS estimations of the Branson, Genberg, Kouri and Lybeck models <i>Johan A. Lybeck, Jan Häggström and Björn Järnhäll</i>	387
	<i>Bibliography</i>	413
	<i>Author Index</i>	417
	<i>Subject Index</i>	421