Macroeconomics The Dynamics Of Commodity Production


The development of the endogenous growth model rekindled interest in growth theory. In contrast to the long-run endogenous growth equilibrium as an emergent outcome, the behavior of welfare optimizing agents in the economy. This book brings together the two streams in growth theory in the neo-classical and endogenous growth models. It focuses on the emergence of three important aspects: 

1. It first develops growth models that extend the underlying theory in different directions. 
2. Second, it addresses one of the concerns of the literature on growth and dynamics: the statistical properties of underlying data and the effort to ensure that growth models are consistent with empirical evidence. 
3. Third, it discusses the increasingly international focus of macroeconomics and growth theory, an inevitable consequence of the integration of the world economy.

Trade, Stability, and Macroeconomics. Essays in Honor of Lloyd A. Metzler provides information pertinent to the fundamental aspects of trade, stability, and macroeconomics. This book covers a variety of topics, including the trade and intermediate commodities, prices, production, exchange rates, and wages. Organized into five parts encompassing 22 chapters, this book begins with an overview of the theory of international trade and the effect of a tariff or export tax on domestic prices. This text then defines the supply of the international commodities as a function of their prices and of the output of the domestic commodity. Other chapters consider the Stolper-Samuelson analysis of the effects of protection of the distribution of income.

The book provides a comprehensive overview of the latest econometric methods for studying the dynamics of macroeconomic and financial time series. It examines alternative methodological approaches and concepts, including quantile spectra and co-spectra, and explores topics such as non-linear and non-stationary behavior, stochastic volatility models, and the econometrics of commodity markets and globalization. It demonstrates the application of recent techniques in various fields: in the frequency domain, in the analysis of US and European time series, in the estimation of the New Keynesian models and new classical and economic growth models, in the field of macroeconomics, discussing trend-cycle decomposition, growth analysis, monetary policy and international trade. The second part applies econometrics to a wide range of topics in financial economics, including stock dynamics in equity, commodity and foreign exchange markets and portfolio analysis. The book is essential reading for scholars, students, and practitioners in government and financial institutions applying recent econometric time series methods to financial and economic data.

This paper presents a comprehensive database of country-specific commodity price indices for 182 economies covering the period 1962-2018. For each country, the change in the international price of up to 45 individual commodities is weighted using commodity-level trade data. The database includes a commodity terms of trade index which proxies the windfall gains and losses of income associated with changes in world prices as well as additional country-specific series, including commodity export and import price indices.

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intellectual achievement. It surveys an astonishing range of macroeconomic problems and approaches in a compact, coherent critical framework with unfailing depth, wit, and subtlety. Lance Taylor's path-breaking work in structural macroeconomics and econometrics challenges longstanding standards of real, realism, and insight for the field. Taylor shows why the structuralist and Keynesian insistence on putting accounting consistency, income distribution, and aggregate demand at the center of macroeconomic analysis is indispensable to understanding real-world macroeconomic events in both developing and developed economies. The book is full of new results, modeling techniques, and shrill suggestions for further research. Taylor's scrupulous and balanced appraisal of the whole range of macroeconomic schools of thought will be a source of new perspectives to macroeconomists of every persuasion. –Duncan K. Foley, New School University Lance Taylor has produced a masterful and comprehensive critical survey of existing macro models, both mainstream and structuralist, which breaks considerable new ground in terms of accounting relations, and in the way it compares the theories with mainstream contributions. Another positive way it compares the book is that it takes a long view of the development of economic ideas, which leads to a more accurate appreciation of the real contributions by recent theoretical developments than is possible in a presentation that ignores the history of macroeconomics. –Amritava Dutta, University of Notre Dame

Beyond Reforms' argues that economic growth in developing countries is intricately tied to the dynamics of production structures, to the specific policies and institutions created to support it, and the creation of linkages among domestic firms and sectors. Avoiding macroeconomic instability is also essential. However, macroeconomic stability is not a sufficient condition for growth. The broader institutional context and the adequate provision of education and infrastructure are essential 'framework conditions,' but generally do not play a direct role in bringing about changes in the momentum of economic growth.

As commodity markets have continued their expansion and complex financial development has to service them. This industry includes hundreds of participating firms, including asset managers, brokers, consultants, verification agencies and a myriad of other institutions. Universities and other training institutions have responded to this rapid expansion of commodity markets as well as its substantial future growth potential by launching specialized courses on the subject. The Economics of Commodity Markets attempts to bridge the gap between the mainstream and commodity world, providing a way of a technical but accessible framework that covers the most important commodity markets topics and includes coverage of recent original topics such as financial applications and intuitive economic reasoning. The book is composed of three parts that cover: commodity market dynamics, commodities and the business cycle, and commodities and fundamental value. The key original approach to the subject matter lies in a shift away from the descriptive to the econometric analysis of commodity markets. Information on market trends of commodities is presented in the first part, with a strong emphasis on the quantitative treatment of that information in the remaining two parts of the book. Readers are provided with the tools and succinct exposition of up-to-date financial economic and econometric methods as these apply to commodity markets. In addition a number of useful empirical applications are introduced and discussed. This book is a self-contained offering, discussing all key methods and insights not descending into superfluous technicalities. All explanations are structured in an accessible manner, permitting any reader with a basic understanding of mathematics and finance to work their way through all parts of the book without having to resort to external sources.

This important and timely volume brings together experts in political economy from across the globe, to comment on the turmoil of macroeconomic dynamics in East Asia. The contributions explore macro-dynamics, the role of the state and hegemony in the context of transnational capitalism, and Marxian alternatives for East Asia.

A lucid analysis of the 'revolutionary change' Indian economy faced with a major economic crisis in 1989-91, the government responded by initiating far-reaching policy reforms aimed at opening up the country's economy. Since then there has been little discussion on key issues and much political posturing. In this important book two of India's leading economists rescue the current economic debate from jargon and dogma and present it in language accessible to ordinary Indians who, finally, must bear the brunt of the reforms. Cutting through the euphoria and hype that prevent any serious appraisal of liberalization, they highlight the advantages of a free market as also the grave dangers of unquestioning reliance on market forces in a developing country which is home to the largest number of the world's poor. They argue for a flexible system that will adapt to changes in society and policy, a system where both the market and the State must play a role. Eschewing the extreme positions of both the left and the right, this book seeks to encourage a serious reappraisal of the country's bold experiment with privatization, for, as the authors put it, 'capital is as important as knowledge in the design of economic policy'.

This book presents empirical evidence that supports and facilitates a practical, integrated approach to how bank regulatory and macro-prudential tools interact with monetary policy to achieve price and financial stability. The empirical results contained in various chapters accompany in-depth historical analysis and counterfactual scenarios that enable proper policy evaluation and the interaction of bank regulatory, macro-prudential and monetary policy tools in South Africa. The presented evidence also identifies financial asset booms and their associated costs as key determinants of capital inflows shocks. The book's empirical analysis uses a wide range of statistical and econometric approaches to granular data and economic variables to derive policy implications and recommendations. This in-depth quantitative analysis includes determining transmission of global liquidity, as well as the effects of capital flows, lending-rate margins, financial regulatory uncertainty, the National Credit Act, bank capital-adequacy ratios, bank loan loss provisions, loan-to-value ratios and repayment-income ratios on the macro-economy.

The absolute and relative performance of various asset classes is systematically related to macroeconomic trends. In this new book, McGee provides a thorough guide to each stage of the business cycle and analyzes the investment implications using real-world examples linking economic dynamics to investment results.

The economic stagnation experienced in Switzerland in the 1980s has intensified the debate about the primary causes of economic fluctuations in small-open-economies. However, conclusive empirical evidence on the relative importance of real vs. nominal and domestic vs. foreign influences is scarce. A lack of identification often prevents the unveiling of underlying fundamental shocks and causes empirical puzzles in applied work. In a model for the Swiss economy these problems can be overcome with a correct specification of the open-economy setting and the identification of monetary policy. Structural vector autoregressions provide an effective tool to incorporate these structural aspects into modeling, without restricting dynamic interactions among the variables. This model can be applied to assess the transmission of exogenous sources of shocks to domestic economic activity. The book presents empirical evidence that the monetary transmission channel for foreign shocks in the Swiss economy. Therefore, even though monetary policy does not seem to be a major source of fluctuations by itself, it still has a potentially important role to play in macroeconomic stabilization. The model is applied to study the specific situation of the Swiss economy in the nineties. During that period it can be shown, that Switzerland witnessed two mini cycles with substantially different sources.

Fluctuations in commodity prices are often associated with macroeconomic volatility. But not all nations are created equal in this regard. The macroeconomic performance of commodity boom and bust episodes and the associated costly output losses. In addition, the authors explore the amplification of commodity price shocks. First we provide a theoretical framework to analyze how shocks to commodity prices affect the domestic price level. Fluctuations in commodity prices are often associated with macroeconomic volatility. But not all nations are created equal in this regard. The macroeconomic performance of commodity boom and bust episodes and the associated costly output losses. In addition, the authors explore the amplification of commodity price shocks. First we provide a theoretical framework to analyze how shocks to commodity prices affect the domestic price level.

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The Obama administration has faced a number of challenges in its efforts to revitalize the economy. One of the key areas of concern has been the high levels of unemployment and the slow pace of job growth. The book focuses on the role of the government and how it can use its tools to stimulate economic growth and create jobs. The authors argue that the government has a crucial role to play in driving economic recovery and that it should use a combination of fiscal and monetary policies to support the economy.

The book also discusses the importance of international cooperation in addressing economic challenges. It highlights the need for countries to work together to ensure that policies are consistent and effective across borders. The authors argue that this is particularly important in the context of the global financial crisis, when countries were faced with the need to coordinate their responses to stabilize the global economy.

The book concludes by emphasizing the importance of long-term structural reforms and the need for policies that promote sustainable growth. It argues that the government should focus on creating the right conditions for economic success, such as education and infrastructure development, and that this will require a commitment to both short-term stimulus measures and long-term investment in productive assets. Overall, the book provides a comprehensive analysis of the policy options available to governments in responding to economic challenges and offers practical guidance for policymakers seeking to support economic recovery and growth.
Macroeconomics is that part of economics that focuses on economic growth and economic fluctuations. In a world under the push and pull of globalisation, it becomes crucial for the developed countries, as well as the developing countries. It is necessary for some countries and companies to find the best regions to invest in while it is necessary for others to grow and compete for investment at the same time. This new book brings together an impressive array of research valuable for providing important insights into the international financial currents rippling around the world.

For those studying advanced macroeconomic and monetary theory by a widely published author, this book outlines a new and more fruitful way of understanding, analyzing and formulating economically meaningful growth. In its series of lectures, collected here in one concise and engaging book, Amit Bhaduri draws on contemporary issues such as the role of competition policy, labour market flexibility and intellectual property rights regime in influencing the rate of economic growth to sketch an alternative approach to mainstream growth theory. He explores the role of competition, labour immobility and structure according to Smith, Marx and Schumpeter the role of class distribution of income according to Ricardo to Keynes and Kalecki. It is an invaluable tool for anyone engaged with growth and distribution theory and technical innovation, as well as taking advanced macroeconomics.

We present a simple macroeconomic model with a continuum of primary commodities used in the production of the final good, such that the real prices of commodities have a factor structure. One factor captures the combined contribution of all aggregate shocks which have no direct effects on commodity markets other than through general equilibrium effects on output, while other factors represent direct commodity shocks. Thus, the factor structure provides a decomposition of underlying structural shocks. The theory also provides guidance on how empirical factors can be related to identify the structural factors. We apply factor analysis and the identification conditions implied by the model of a cross-section of real non-energy commodity prices. The theoretical restrictions implied by the model are consistent with the empirical estimates of the common factors in commodity prices. The analysis suggests that commodity-related shocks have generally played a limited role in global business cycle fluctuations.

This book on Classical micro- and macroeconomics includes revised versions of papers which were written between 1983 and 2000, some jointly with co-authors, and it supplements them with recent work on the issues which are raised and treated in them. It attempts to demonstrate to the reader that themes of Classical economics, in particular in the tradition of Smith, Ricardo and Marx, can be synthesized into a coherent whole, from the perspective of formal model building. This is accomplished by means of mathematical techniques which, on the one hand, provide a consistent accounting framework (labor values and prices of p-duction) as point of reference for Classical micro- and macro-dynamics and which, on the other hand, attempt to apply these accounting schemes - or suitable ext-ensions of them - by showing their usefulness as tools of analysis of the implications of technological change (labor values) and as potential tools for understanding the dynamics of market prices and of income distribution around their centers of gravity (production prices and the wage-pgo't curve).

The book surveys the years from 1970-2015 to see how a person living at the time could anticipate trends; what they would focus on. In turn, this knowledge could be used in the future, together with emerging opportunities.

The international commodity market in transmitting disturbances is considered in a model that incorporates commodities as an input in production. The analysis employs a three-country framework: a liquidity-constrained commodity supplier and two industrial countries, the role of commodity exports and manufactured goods and the outstanding debt of the commodity exporter. In this setting the impact of changes in fiscal policy, commodity supplies, and the real interest rate are assessed. Particular attention is paid to the responses of the real exchange rate, commodity prices, and the international distribution of debt to the various shocks.

Economics is considered as the commodity-financial exchange process. Two parallel networks are processed: commodity-production and financial one. Economic networks is the production-consumption elements and the channels or connections among them. Market is the trans-process through the channels. The financial network processing is the reflection of the commodity-production network processing. The coupled of the production and financial equations are based on the algebra of the multi-dimensional matrices. Different levels of the economics (micro-, macro-, global) have the similar structures of difference dynamic equations.

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The variation of energy prices has been a traditional source of shocks to the real economy. In many cases, this variation has manifested in jumps in energy prices that were characterized by some persistence. From another perspective, energy price volatility has historically been noted and its effects on real economy debated. Historically, the importance of the shocks to the real economy has led them to be labeled as energy crises, as they were argued to have resulted in substantial changes in real prices that induced changes in behavior on the demand and supply sides of the many markets. The first chapter re-examines evidence of such a linkage by considering the transmission of energy prices into soft commodity prices. This nexus lies within the core of any real effects as softs include food-related commodities. The paper contributes to the literature by re-examining this linkage with a close eye on the role played by structural breaks within a time series and by considering the question of causality within a nonlinear framework. We find that functional form is a critical specification that conditions inference. Using linear forms, we find no cointegration between energy and food in the full sample under the maintained hypothesis that there are no structural breaks. Using linear nonparametric methods, we examine the series for structural breaks and find evidence of their importance. Based on subgroup sample period as suggested by the structural break examination, within the structural break intervals identified the find evidence of cointegration. We next reconsider the way

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decades by the expansion of big box stores and supercenters, the role played by such rapidly-expanding ‘big-box’ chain-stores like Wal-Mart in price convergence is completely over-looked in the literature. The possible symmetry in costs and mark-up among Wal-Mart stores, and their influence over the city level prices motivate us to test if their presence helps price convergence among US cities. After controlling for distance, local costs such as wage and rent, and city and time specific fixed effects this study finds that prices are significantly closer in two cities if they have Wal-Mart than if none or only one of them has Wal-Mart. Though the results are mostly robust to the analysis using disaggregate price data and sub-samples, they are more pronounced for grocery items than non-grocery items, within high income cities than low income cities. Moreover, our regional analysis uncovers the regional variations in the effect of Wal-Mart on price convergence, and Wal-Mart’s more prominent role in inter-region rather than intra-region price convergence. Since the presence of Wal-Mart accelerates the rate of price convergence and thus reduces the potential for misallocation of resources, our results suggest that the existence of a positive welfare impact of Wal-Mart cannot be overruled. My third chapter uses county level data to see the effect of Wal-Mart on local economic activities and revenue in Florida. The OLS estimation shows that the presence of Wal-Mart significantly increases total retail sales and decreases sales tax rate, but have no significant effect on total taxable retail sales and total revenue from sales tax. The instrumental variable (IV) estimation shows that presence of Wal-Mart significantly decreases sales tax rate but has no significant effect on total retail sales, total taxable retail sales and total revenue from sales tax. Thus, according to our analysis, Wal-Mart does not necessarily increase local economic activities and tax revenue. However, interestingly, Wal-Mart is found to play an important role in decreasing local sales-tax rate.

This textbook contains a lively and stimulating discussion of macroeconomic theory set against the backdrop of conservative, social, democratic and radical ideologies.

Welfare economics is a branch of economics that uses microeconomic techniques to simultaneously determine allocative efficiency within an economy and the income distribution associated with it. It analyses social welfare, however measured, in terms of economic activities of the individuals that comprise the theoretical society considered. As such, individuals, with associated economic activities, are the basic units for aggregating to social welfare, whether of a group, a community, or a society, and there is no "social welfare" apart from the "welfare" associated with its individual units. Here, 'welfare' in its most general sense refers to well-being. Welfare economics typically takes individual preferences as given and stipulates a welfare improvement in Pareto efficiency terms from social state A to social state B if at least one person prefers B and no one else opposes it. There is no requirement of a unique quantitative measure of the welfare improvement implied by this. Another aspect of welfare treats income/goods distribution, including equality, as a further dimension of welfare. Social welfare refers to the overall welfare of society. With sufficiently strong assumptions, it can be specified as the summation of the welfare of all the individuals in the society. Welfare may be measured either cardinally in terms of “utils” or dollars, or measured ordinally in terms of Pareto efficiency. The cardinal method in “utils” is seldom used in pure theory today because of aggregation problems that make the meaning of the method doubtful, except on widely challenged underlying assumptions. In applied welfare economics, such as in cost-benefit analysis, money-value estimates are often used, particularly where income-distribution effects are factored into the analysis or seem unlikely to undercut the analysis. It is conventional to distinguish two sides to welfare economics: economic efficiency and income distribution. Economic efficiency is largely positive and deals with the “size of the pie”. Income distribution is much more normative and deals with “dividing up the pie”. Other classifying terms or problems in welfare economics include externalities, equity, justice, inequality, and altruism. This book presents the latest research in the field from around the world.