| | | | | |
|4|6|8|10| |

P

ed Log-Likelihood.

an iterative search or by a simple one-dimensional grid
r of the function. As expected, the maximum occurs at
23/3 = 1.743.
a useful device in many problems. Note the interpretation
The original function of ρ and β is a surface in three
a projection of that function; it is a plot of the function
e of the first-order condition, we know that one of these
tion. Therefore, we may restrict our search for the overall
is line.

PPENDIX F

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ETS USED IN
ICATIONS

n the data sets used in the applications in the text. The
ed from the website for the text.

d Income, 10 Yearly Observations, 1970–1979

nomic Report of the President (Washington, D.C.: U.S. Govern-

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TABLE F2.1   Consumption and Income, 11 Yearly Observations, 1940–1950

Year = Date,
  X = Disposable Income,
  C = Consumption,
  W = War years dummy variable, one in 1942–1945, zero other years.

Source: Economic Report of the President (Washington, D.C.: U.S. Government Printing Office, 1983).

TABLE F2.2   The U.S. Gasoline Market, 36 Yearly Observations, 1960–1995

  G = Total U.S. gasoline consumption, computed as total expenditure divided by price index,
  Pg = Price index for gasoline,
  Y = Per capita disposable income,
Pnc = Price index for new cars,
Puc = Price index for used cars,
Pp_t = Price index for public transportation,
  Pd = Aggregate price index for consumer durables,
  Pn = Aggregate price index for consumer nondurables,
  Ps = Aggregate price index for consumer services,
Pop = U.S. total population in millions.

Source: Council of Economic Advisors, *Economic Report of the President: 1996* (Washington, D.C.: U.S. Government Printing Office, 1996).

TABLE F3.1   Investment, 15 Yearly Observations, 1968–1982

  Year = Date,
  GNP = Nominal GNP,
Invest = Nominal Investment,
  CPI = Consumer price index,
Interest = Interest rate.

Source: Economic Report of the President (Washington, D.C.: U.S. Government Printing Office, 1983). CPI
1967 is 79.06. The interest rate is the average yearly discount rate at the New York Federal Reserve Bank.

TABLE F4.1   Labor Supply Data from Mroz (1987)

  LFP = A dummy variable = 1 if woman worked in 1975, else 0,
WHRS = Wife's hours of work in 1975,
  KL6 = Number of children less than 6 years old in household,
K618 = Number of children between ages 6 and 18 in household,
  WA = Wife's age,
  WE = Wife's educational attainment, in years,
  WW = Wife's average hourly earnings, in 1975 dollars,
RPWG = Wife's wage reported at the time of the 1976 interview (not = 1975 estimated wage),
HHRS = Husband's hours worked in 1975,
  HA = Husband's age,
  HE = Husband's educational attainment, in years,
  HW = Husband's wage, in 1975 dollars,
FAMINC = Family income, in 1975 dollars,
WMED = Wife's mother's educational attainment, in years,
WFED = Wife's father's educational attainment, in years,
  UN = Unemployment rate in county of residence, in percentage points,
  CIT = Dummy variable = one if live in large city (SMSA), else zero,
  AX = Actual years of wife's previous labor market experience.

Source: 1976 Panel Study of Income Dynamics, Mroz (1987).