

TABLE 2—AVERAGE VALUES BY PARTY OF PRESIDENT

Variable	Democratic	Republican	Difference	p-value
<i>Panel A. Other output measures</i>				
GDP per capita (GR)	3.09 (0.47) [0.42]	1.35 (0.35) [0.45]	1.73 (0.59) [0.61]	0.01
Nonfarm business output (GR)	4.81 (0.56) [0.52]	2.65 (0.43) [0.61]	2.15 (0.71) [0.80]	0.01
Industrial production (GR)	5.57 (0.95) [0.84]	1.79 (0.62) [0.93]	3.78 (1.13) [1.24]	0.00
<i>Panel B. Employment and unemployment</i>				
Employment (payroll) (GR)	2.59 (0.41) [0.36]	1.17 (0.32) [0.38]	1.42 (0.52) [0.49]	0.02
Employee hours (NFB) (GR)	2.22 (0.31) [0.39]	0.57 (0.38) [0.50]	1.65 (0.49) [0.58]	0.01
Employment (HH) (GR)	1.76 (0.28) [0.25]	1.20 (0.26) [0.31]	0.56 (0.38) [0.37]	0.17
Unemployment rate (level, PP)	5.64 (0.67) [0.41]	6.01 (0.41) [0.29]	−0.38 (0.78) [0.47]	0.62
Unemployment rate (change, PP)	−0.83 (0.42)	1.09 (0.45)	−1.92 (0.62)	0.01
<i>Panel C. Stock returns and corporate profits</i>				
Returns S&P500 Index (PP)	8.35 (2.12) [2.56]	2.70 (2.84) [3.20]	5.65 (3.55) [4.22]	0.15
Corporate profits (share of GDI)	5.61 (0.31) [0.22]	4.74 (0.20) [0.16]	0.87 (0.37) [0.27]	0.03
<i>Panel D. Real wages and productivity</i>				
Compensation/hour (GR)	1.78 (0.55) [0.36]	1.43 (0.34) [0.27]	0.35 (0.65) [0.44]	0.57
Output/hour NFB (GR)	2.53 (0.46) [0.38]	2.06 (0.29) [0.29]	0.47 (0.54) [0.49]	0.37
TFP (GR)	1.89 (0.47) [0.37]	0.84 (0.30) [0.35]	1.05 (0.55) [0.52]	0.07
<i>Panel E. Structural government surplus</i>				
Surplus/pot. GDP (PP)	−2.09 (0.87) [0.51]	−2.78 (0.22) [0.26]	0.69 (0.89) [0.54]	0.30
<i>Panel F. Inflation</i>				
Inflation PCED (level, PP)	2.97 (0.95) [0.59]	3.32 (0.63) [0.41]	−0.35 (1.14) [0.68]	0.73
Inflation GDPD (level, PP)	2.89 (0.88) [0.55]	3.44 (0.60) [0.39]	−0.55 (1.06) [0.63]	0.59
Inflation PCED (change, PP)	1.06 (0.67)	−0.83 (0.87)	1.89 (1.10)	0.12
Inflation GDPD (change, PP)	0.93 (0.69)	−0.81 (0.85)	1.74 (1.09)	0.15
<i>Panel G. Interest rates</i>				
Three month T-bill rate (level, PP)	4.01 (1.10) [0.66]	4.87 (0.92) [0.58]	−0.86 (1.44) [0.82]	0.56
Federal funds rate (level, PP)	4.75 (1.36) [0.82]	5.55 (1.10) [0.69]	−0.79 (1.75) [0.99]	0.54
Three month T-bill rate (change, PP)	1.75 (0.91)	−1.47 (0.59)	3.22 (1.09)	0.00
Federal funds rate (change, PP)	2.34 (1.37)	−2.09 (0.72)	4.42 (1.55)	0.00
Ten-year/three-month term spread (PP)	1.17 (0.37) [0.25]	1.65 (0.22) [0.20]	−0.48 (0.43) [0.30]	0.25
Baa-Aaa spread (PP)	0.80 (0.11) [0.07]	1.08 (0.11) [0.08]	−0.29 (0.15) [0.10]	0.09