

Assignment #4,

Due in class, on 2/20.

The assignment is to work with some data from the Economic Report of the President, Table B-1 (which extends over 2 pages). On a computer spreadsheet, type in the data for GDP (Y), Exports (X), and Imports (M) for 1960, 1970, 1980, 1990, and 2000.

1. Make a time-series graph of the U.S. trade share $100*(X+M)/Y$ from 1960-2000 (plotted at 10-year intervals).
2. Calculate the annual growth rate of the U.S. trade share over each decade, as well as over the entire period 1960-2000. For a variable x , the annual growth rate from date t to date $t+s$ is $100 \ln[x(t+s)/x(t)]/s$. Refer to the spreadsheet posted on the web site if you need help.