

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: NBER Macroeconomics Annual 1990, Volume 5

Volume Author/Editor: Olivier Jean Blanchard and Stanley Fischer, editors

Volume Publisher: MIT Press

Volume ISBN: 0-262-02312-1

Volume URL: <http://www.nber.org/books/blan90-1>

Conference Date: March 9-10, 1990

Publication Date: January 1990

Chapter Title: Front matter, table of contents

Chapter Author: Olivier Jean Blanchard, Stanley Fischer

Chapter URL: <http://www.nber.org/chapters/c10969>

Chapter pages in book: (p. -5 - 0)

NBER

*Macroeconomics
Annual
1990*

National Bureau of Economic Research

NBER
Macroeconomics
Annual 1990

Editors
Olivier Jean Blanchard and
Stanley Fischer

THE MIT PRESS
Cambridge, Massachusetts
London, England

Send orders and business correspondence to:

The MIT Press
55 Hayward Street
Cambridge, MA 02142

In the United Kingdom, continental Europe, and the Middle East and Africa, send orders and business correspondence to:

The MIT Press Ltd.
126 Buckingham Palace Road
London SW1W 9SD England

ISSN: 0889-3365

ISBN: hardcover 0-262-02312-1
paperback 0-262-52155-5

Copyright Information

Permission to photocopy articles for internal or personal use, or the internal or personal use of specific clients, is granted by the copyright owner for users registered with the Copyright Clearance Center (CCC) Transactional Reporting Service, provided that the fee of \$5.00 per copy is paid directly to CCC, 27 Congress St., Salem, MA 01970. The fee code for users of the Transactional Reporting Service is: 0889-3365/90 \$5.00. For those organizations that have been granted a photocopy license with CCC, a separate system of payment has been arranged.

© 1990 by The National Bureau of Economic Research and The Massachusetts Institute of Technology.

National Bureau of Economic Research

OFFICERS

George T. Conklin, Jr., *Chairman*
Paul W. McCracken, *Vice Chairman*
Martin Feldstein, *President and Chief Executive Officer*
Geoffrey Carliner, *Executive Director*
Charles A. Walworth, *Treasurer*
Sam Parker, *Director of Finance and Administration*

DIRECTORS AT LARGE

| | | |
|------------------------|---------------------|---------------------|
| John H. Biggs | Martin Feldstein | Robert T. Parry |
| Andrew Brimmer | George Hatsopoulos | Peter G. Peterson |
| Carl F. Christ | Lawrence R. Klein | Robert V. Roosa |
| George T. Conklin, Jr. | Franklin A. Lindsay | Richard N. Rosett |
| Kathleen B. Cooper | Paul W. McCracken | Bert Seidman |
| Jean A. Crockett | Leo Melamed | Eli Shapiro |
| George C. Eads | Michael H. Moskow | Donald S. Wasserman |
| Morton Ehrlich | James J. O'Leary | |

DIRECTORS BY UNIVERSITY APPOINTMENT

| | |
|---|---|
| Jagdish Bhagwati, <i>Columbia</i> | Andrew Postlewaite, <i>Pennsylvania</i> |
| William C. Brainard, <i>Yale</i> | Nathan Rosenberg, <i>Stanford</i> |
| Franklin Fisher, <i>Massachusetts Institute of Technology</i> | Harold T. Shapiro, <i>Princeton</i> |
| Jonathan Hughes, <i>Northwestern</i> | Craig Swan, <i>Minnesota</i> |
| Saul H. Hymans, <i>Michigan</i> | Burton A. Weisbrod, <i>Wisconsin</i> |
| Marjorie B. McElroy, <i>Duke</i> | Michael Yoshino, <i>Harvard</i> |
| James L. Pierce, <i>California, Berkeley</i> | Arnold Zellner, <i>Chicago</i> |

DIRECTORS BY APPOINTMENT OF OTHER ORGANIZATIONS

| | |
|---|---|
| Richard A. Easterlin, <i>Economic History Association</i> | David Kendrick, <i>American Economic Association</i> |
| Gail Fosler, <i>The Conference Board</i> | Ben E. Laden, <i>National Association of Business Economists</i> |
| A. Ronald Gallant, <i>American Statistical Association</i> | Rudolph A. Oswald, <i>American Federation of Labor and Congress of Industrial Organizations</i> |
| Bruce Gardner, <i>American Agricultural Economics Association</i> | Douglas D. Purvis, <i>Canadian Economics Association</i> |
| Robert S. Hamada, <i>American Finance Association</i> | Charles A. Walworth, <i>American Institute of Certified Public Accountants</i> |
| Robert C. Holland, <i>Committee for Economic Development</i> | |

DIRECTORS EMERITI

| | | |
|-------------------|--------------------|--------------------|
| Moses Abramovitz | Thomas D. Flynn | George B. Roberts |
| Emilio G. Collado | Gottfried Haberler | Willard L. Thorp |
| Frank W. Fetter | Geoffrey H. Moore | William S. Vickrey |

Since this volume is a record of conference proceedings, it has been exempted from the rules governing critical review of manuscripts by the Board of Directors of the National Bureau (resolution adopted 8 June 1948, as revised 21 November 1949 and 20 April 1968).

Contents

Editorial: *Olivier Jean Blanchard and Stanley Fischer* 1

Abstracts 11

WORLD REAL INTEREST RATES 15
Robert J. Barro and Xavier Sala-i-Martin
COMMENTS: William Brainard 61
 Robert E. Lucas, Jr. 69
DISCUSSION 74

CAN SEVERE FISCAL CONTRACTIONS BE EXPANSIONARY? TALES OF
TWO SMALL EUROPEAN COUNTRIES 75
Francesco Giavazzi and Marco Pagano
COMMENTS: Olivier Jean Blanchard 111
 Allan Drazen 117
DISCUSSION 122

GROSS JOB CREATION AND DESTRUCTION: MICROECONOMIC
EVIDENCE AND MACROECONOMIC IMPLICATIONS 123
Steven J. Davis and John Haltiwanger
COMMENTS: Katharine G. Abraham 169
 Robert M. Townsend 177
DISCUSSION 185

WAGE AND EMPLOYMENT PATTERNS IN LONG-TERM CONTRACTS
WHEN LABOR IS QUASI-FIXED 187
Mark Bilal

COMMENTS: Gary D. Hansen 227

Andrew Oswald 232

DISCUSSION 235

KINKED ADJUSTMENT COSTS AND AGGREGATE DYNAMICS 237

Giuseppe Bertola and Ricardo J. Caballero

COMMENTS: Andrew Caplin 288

Robert E. Hall 292

DISCUSSION 295

MACROECONOMIC ISSUES OF SOVIET REFORMS 297

Gur Ofer

COMMENTS: Abram Bergson 334

Martin L. Weitzman 339

DISCUSSION 342