

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

Volume Title: The New Realities of the Business Cycle

Volume Author/Editor:

Volume Publisher:

Volume URL: <http://www.nber.org/books/unkn73-3>

Publication Date: 1973

Chapter Title: Front Matter to "The New Realities of the Business Cycle"

Chapter Author: Various

Chapter URL: <http://www.nber.org/chapters/c4178>

Chapter pages in book: (p. -15 - 0)

**National Bureau
of Economic Research, Inc.
53rd Annual Report
September 1973**

COPYRIGHT 1973 © BY

COPYRIGHT © 1973 BY
NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.
261 MADISON AVENUE, NEW YORK, N. Y. 10016
ALL RIGHTS RESERVED
PRINTED IN THE UNITED STATES OF AMERICA

OP 2,002,178

National
National bureau of economic research.
Annual report. *Annual*

53rd, 1973

New
New York, N. Y., 19

v. 21-23rd.

volumes: 19 Report of the president and report of the
directors of research.

- Annual report of the director of research.
- Report of the executive director.
- Report of the director of research.
- Annual report of the director of research.
- Annual report.

Reports for 19 have also distinctive titles.

Material submitted by publisher.)

45-20881

Library of Congress

H11.N2433

(2)

350.72



The National Bureau of Economic Research was organized in 1920 in response to a growing demand for objective determination of the facts bearing upon economic problems, and for their interpretation in an impartial manner. The National Bureau concentrates on topics of national importance that are susceptible of scientific treatment.

The National Bureau seeks not merely to determine and interpret important economic facts but to do so under such auspices and with such safeguards as shall make its findings carry conviction to all sections of the nation.

No report of the research staff may be published without the approval of the Board of Directors. Rigid provisions guard the National Bureau from becoming a source of profit to its members, directors, or officers, and from becoming an agency for propaganda.

By issuing its findings in the form of scientific reports, entirely divorced from recommendations on policy, the National Bureau hopes to aid all thoughtful men, however divergent their views of public policy, to base their discussions upon objective knowledge as distinguished from subjective opinion.

The National Bureau assumes no obligation toward present or future contributors except to determine, interpret, and publish economic facts for the benefit of the nation at large, and to provide contributors with copies of its publications.

**Relation of the Directors
to the Work and Publications
of the
National Bureau of Economic Research**

1. The object of the National Bureau of Economic Research is to ascertain and to present to the public important economic facts and their interpretation in a scientific and impartial manner. The Board of Directors is charged with the responsibility of ensuring that the work of the National Bureau is carried on in strict conformity with this object.

2. The President of the National Bureau shall submit to the Board of Directors, or to its Executive Committee, for their formal adoption all specific proposals for research to be instituted.

3. No research report shall be published until the President shall have submitted to each member of the Board the manuscript proposed for publication, and such information as will, in his opinion and in the opinion of the author, serve to determine the suitability of the report for publication in accordance with the principles of the National Bureau. Each manuscript shall contain a summary drawing attention to the nature and treatment of the problem studied, the character of the data and their utilization in the report, and the main conclusions reached.

4. For each manuscript so submitted, a special committee of the Board shall be appointed by majority agreement of the President and Vice Presidents (or by the Executive Committee in case of inability to decide on the part of the President and Vice Presidents), consisting of three directors selected as nearly as may be one from each general division of the Board. The names of the special manuscript committee shall be stated to each Director when the manuscript is submitted to him. It shall be the duty of each member of the special manuscript committee to read the manuscript. If each member of the manuscript committee signifies his approval within thirty days of the transmittal of the manuscript, the report may be published. If at the end of that period any member of the manuscript committee withholds his approval, the President shall then notify each member of the Board, requesting approval or disapproval of publication, and thirty days additional shall be granted for this purpose. The manuscript shall then not be published unless at least a majority of the entire Board who shall have voted on the proposal within the time fixed for the receipt of votes shall have approved.

5. No manuscript may be published, though approved by each member of the special manuscript committee, until forty-five days have elapsed from the transmittal of the report in manuscript form. The interval is allowed for the receipt of any memorandum of dissent or reservation, together with a brief statement of his reasons, that any member may wish to express; and such memorandum of dissent or reservation shall be published with the manuscript if he so desires. Publication does not, however, imply that each member of the Board has read the manuscript, or that either members of the Board in general or the special committee have passed on its validity in every detail.

6. Publications of the National Bureau issued for informational purposes concerning the work of the Bureau and its staff, or issued to inform the public of activities of Bureau staff, and volumes issued as a result of various conferences involving the National Bureau shall contain a specific disclaimer noting that such publication has not passed through the normal review procedures required in this resolution. The Executive Committee of the Board is charged with review of all such publications from time to time to ensure that they do not take on the character of formal research reports of the National Bureau, requiring formal Board approval.

7. Unless otherwise determined by the Board or exempted by the terms of paragraph 6, a copy of this resolution shall be printed in each National Bureau publication.

*(Resolution adopted October 25, 1926, and revised February 6, 1933,
February 24, 1941, and April 20, 1968)*

OFFICERS

Arthur F. Burns, *Honorary Chairman*
Walter W. Heller, *Chairman*
J. Wilson Newman, *Vice Chairman*
John R. Meyer, *President*
Thomas D. Flynn, *Treasurer*
Douglas H. Eldridge, *Vice President-
Executive Secretary*

Victor R. Fuchs, *Vice President-Research*
Edwin Kuh, *Director, Computer Research
Center*
Hal B. Lary, *Vice President-Research*
Robert E. Lipsey, *Vice President-Research*
Geoffrey H. Moore, *Vice President-Research*
Edward K. Smith, *Vice President*

DIRECTORS AT LARGE

Atherton Bean, *International Multifoods
Corporation*
Joseph A. Beirne, *Communications Workers
of America*
Arthur F. Burns, *Board of Governors of the
Federal Reserve System*
Wallace J. Campbell, *Foundation for
Cooperative Housing*
Erwin D. Canham, *Christian Science Monitor*
Solomon Fabricant, *New York University*
Frank W. Fetter, *Hanover, New Hampshire*
Eugene P. Foley, *Montrose Securities, Inc.*
Eli Goldstein, *Eastern Gas and Fuel
Associates*
David L. Grove, *International Business
Machines Corporation*
Walter W. Heller, *University of Minnesota*
Vivian W. Henderson, *Clark College*

John R. Meyer, *Yale University*
J. Irwin Miller, *Cummins Engine Company,
Inc.*
Geoffrey H. Moore, *Bureau of Labor Statistics*
J. Wilson Newman, *Dun & Bradstreet, Inc.*
James J. O'Leary, *United States Trust
Company of New York*
Alice M. Rivlin, *Brookings Institution*
Robert V. Roosa, *Brown Brothers Harriman
& Co.*
Boris Shishkin, *Washington, D.C.*
Arnold M. Soloway, *Jamaicaway Tower,
Boston, Massachusetts*
Lazare Teper, *International Ladies' Garment
Workers' Union*
Donald B. Woodward, *Riverside, Connecticut*
Theodore O. Yntema, *Oakland University*

DIRECTORS BY UNIVERSITY APPOINTMENT

Moses Abramovitz, *Stanford*
Gardner Ackley, *Michigan*
Charles H. Berry, *Princeton*
Francis M. Boddy, *Minnesota*
Otto Eckstein, *Harvard*
Walter D. Fisher, *Northwestern*
R. A. Gordon, *California*
Robert J. Lampman, *Wisconsin*

Kelvin J. Lancaster, *Columbia*
Maurice W. Lee, *North Carolina*
Almarin Phillips, *Pennsylvania*
Lloyd G. Reynolds, *Yale*
Robert M. Solow, *Massachusetts Institute of
Technology*
Henri Theil, *Chicago*
Thomas A. Wilson, *Toronto*

DIRECTORS BY APPOINTMENT OF OTHER ORGANIZATIONS

Eugene A. Birnbaum, *American Management
Association*
Emilio G. Collado, *Committee for Economic
Development*
Thomas D. Flynn, *American Institute of
Certified Public Accountants*
Nathaniel Goldfinger, *American Federation of
Labor and Congress of Industrial
Organizations*
Harold G. Halcrow, *American Agricultural
Economics Association*

Douglas G. Hartle, *Canadian Economics
Association*
Walter E. Hoadley, *American Finance
Association*
Douglass C. North, *Economic History
Association*
Charles B. Reeder, *National Association of
Business Economists*
Willard L. Thorp, *American Economic
Association*
W. Allen Wallis, *American Statistical
Association*

DIRECTORS EMERITI

Percival F. Brundage
Gottfried Haberler

Albert J. Hettinger, Jr.
George B. Roberts

Murray Shields
Joseph H. Willis

SENIOR RESEARCH STAFF

Gary S. Becker
Charlotte Boschan
Phillip Cagan
Solomon Fabricant
Milton Friedman
Victor R. Fuchs
Raymond W. Goldsmith
Michael Gort
F. Thomas Juster
John F. Kain

John W. Kendrick
Irving B. Kravis
Edwin Kuh
Hal B. Lary
Robert E. Lipsey
Benoit B. Mandelbrot
John R. Meyer
Jacob Mincer
Ilse Mintz

Geoffrey H. Moore
M. Ishaq Nadiri
Nancy Ruggles
Richard Ruggles
Anna J. Schwartz
Robert P. Shay
Carl S. Shoup*
George J. Stigler
Victor Zarnowitz

* Special consultant.

NATIONAL BUREAU OF ECONOMIC RESEARCH

OFFICERS

Arthur F. Burns, *Honorary Chairman*
 Walter W. Heller, *Chairman*
 J. Wilson Newman, *Vice Chairman*
 John R. Meyer, *President*
 Thomas D. Flynn, *Treasurer*
 Douglas H. Eldridge, *Vice President-Executive Secretary*

Victor R. Fuchs, *Vice President-Research; Co-Director-NBER-West*
 Edwin Kuh, *Director-Computer Research Center*
 Hal B. Lary, *Vice President-Research*
 Robert E. Lipsey, *Vice President-Research*
 Sherman J. Maisel, *Co-Director-NBER-West*
 Geoffrey H. Moore, *Vice President-Research*
 Edward K. Smith, *Vice President*

DIRECTORS AT LARGE

Atherton Bean, *International Multifoods Corporation*
 Joseph A. Beirne, *Communications Workers of America*
 Arthur F. Burns, *Board of Governors of the Federal Reserve System*
 Wallace J. Campbell, *Foundation for Cooperative Housing*
 Erwin D. Canham, *Christian Science Monitor*
 Solomon Fabricant, *New York University*
 Frank W. Fetter, *Hanover, New Hampshire*
 Eugene P. Foley, *Montrose Securities, Inc.*
 Eli Goldston, *Eastern Gas and Fuel Associates*
 David L. Grove, *International Business Machines Corporation*
 Walter W. Heller, *University of Minnesota*
 Vivian W. Henderson, *Clark College*

John R. Mever, *Yale University*
 J. Irwin Miller, *Cummins Engine Company, Inc.*
 Geoffrey H. Moore, *National Bureau of Economic Research*
 J. Wilson Newman, *Dun & Bradstreet, Inc.*
 James J. O'Leary, *United States Trust Company of New York*
 Alice M. Rivlin, *Brookings Institution*
 Robert V. Roosa, *Brown Brothers Harriman & Co.*
 Boris Shishkin, *Washington, D. C.*
 Arnold M. Soloway, *Jamaicaway Tower, Boston, Massachusetts*
 Lazare Teper, *International Ladies' Garment Workers' Union*
 Donald B. Woodward, *Riverside, Connecticut*
 Theodore O. Yntema, *Oakland University*

DIRECTORS BY UNIVERSITY APPOINTMENT

Moses Abramovitz, *Stanford*
 Gardner Ackley, *Michigan*
 Charles H. Berry, *Princeton*
 Francis M. Boddy, *Minnesota*
 Otto Eckstein, *Harvard*
 Walter D. Fisher, *Northwestern*
 R. A. Gordon, *California*
 Robert J. Lampman, *Wisconsin*

Kelvin J. Lancaster, *Columbia*
 Maurice W. Lee, *North Carolina*
 Almarin Phillips, *Pennsylvania*
 Lloyd C. Reynolds, *Yale*
 Robert M. Solow, *Massachusetts Institute of Technology*
 Henri Theil, *Chicago*
 Thomas A. Wilson, *Toronto*

DIRECTORS BY APPOINTMENT OF OTHER ORGANIZATIONS

Eugene A. Birnbaum, *American Management Association*
 Emilio G. Collado, *Committee for Economic Development*
 Thomas D. Flynn, *American Institute of Certified Public Accountants*
 Nathaniel Goldfinger, *American Federation of Labor and Congress of Industrial Organizations*
 Harold G. Halcrow, *American Agricultural Economics Association*

Walter E. Hoadley, *American Finance Association*
 Douglass C. North, *Economic History Association*
 Charles B. Reeder, *National Association of Business Economists*
 Willard L. Thorp, *American Economic Association*
 W. Allen Wallis, *American Statistical Association*
 Robert M. Will, *Canadian Economics Association*

DIRECTORS EMERITI

Percival F. Brundage
 Gottfried Haberler

Albert J. Hettinger, Jr.
 George B. Roberts

Murray Shields
 Joseph H. Willets

SENIOR RESEARCH STAFF

Gary S. Becker
 Charlotte Boschan
 Phillip Cagan
 Stanley Diller
 Solomon Fabricant
 Milton Friedman
 Victor R. Fuchs
 J. Royce Ginn
 Raymond W. Goldsmith

Michael Gort
 Michael Grossman
 F. Thomas Juster
 John F. Kain
 John W. Kendrick
 Irving B. Kravis
 Edwin Kuh
 William M. Landes

Hal B. Lary
 Robert E. Lipsey
 Sherman J. Maisel
 Benoit B. Mandelbrot
 John R. Meyer
 Robert T. Michael
 Jacob Mincer
 Ilse Mintz

Geoffrey H. Moore
 M. Ishaq Nadiri
 Nancy Ruggles
 Richard Ruggles
 Anna J. Schwartz
 Robert P. Shay
 Edward K. Smith
 George J. Stigler
 Victor Zarnowitz

List of Chart Titles and Accompanying Notes

Page 10, Figure I-2

Plots of First and Second Canonical Discriminant Values

Page 15, Figure I-3

Productivity and Related Measures, Nonfinancial Corporations, 1949-73 (Per Cent Change From Same Quarter 1 Year Ago)

Shaded periods are business cycle contractions (NBER).

SOURCE: U.S. Bureau of Labor Statistics.

Page 16, Figure I-4

Rates of Change in Prices and Costs, Nonfinancial Corporations, 1948-73 (Per Cent Change From Same Quarter 1 Year Ago)

Shaded periods are business cycle contractions (NBER).

SOURCE: U.S. Bureau of Labor Statistics.

Page 20, Figure I-5

Summary Indexes—Japan

Shaded areas are business cycle contractions (Economic Planning Agency).

SOURCE: *Business Cycle Indicators*, 1972, 10-12, Economic Planning Agency, Japanese Government, p. 13.

Page 21, Figure I-6

Example of Leading Indicators—Japan

Shaded areas are business cycle contractions (Economic Planning Agency).

SOURCE: *Business Cycle Indicators*, 1972, 10-12, Economic Planning Agency, Japanese Government, p. 14.

Page 51, Panels A and B

U.S. Quarterly Velocity of M1 and M2, 1952-1972

Contents

	Page
I President's Report and Papers Presented to the Board of Directors at the Spring Meeting, 1973	1
The New Realities of the Business Cycle— <i>John R. Meyer</i>	1
New Work on Business Cycles— <i>Geoffrey H. Moore</i>	14
Inflation and Common Stock Prices in a Cyclical Context— <i>John Lintner</i>	23
 II Staff Reports on Research Underway	 37
1. Economic and Social Performance	37
Productivity, Employment, and Price Levels	37
Introduction— <i>Robert E. Lipsey</i>	37
The Problem of Inflation— <i>Solomon Fabricant</i>	37
Behavior of Prices during Inflation— <i>Phillip Cagan</i>	39
A Dynamic Model of Output Prices and Input Prices in Manufacturing Industries— <i>M. Ishaq Nadiri</i>	40
Labor Market Models and the Rate of Inflation— <i>Robert J. Gordon</i>	40
Stability of Equilibrium when Individual Firms Adjust Prices— <i>Franklin M. Fisher</i>	41
The Measurement of Durable Goods Prices— <i>Robert J. Gordon</i>	42
Aggregate Production Functions and the Explanation of Wages— <i>Franklin M. Fisher and Robert M. Solow</i>	43
Measurement of Economic and Social Performance	44
Introduction	44
Framework of Accounts and Related Studies— <i>F. Thomas Juster</i>	44
Measurement and Analysis of National Income— <i>Robert Eisner</i>	45
National Accounting and the Environment— <i>Henry M. Peskin</i>	45
A Case Study in Output Measurement—The Value of Automotive Services— <i>Stanley Diller</i>	46
The Development of an Economic and Social Microdata Base	47
Merging Microdata Sets— <i>Richard and Nancy Ruggles</i>	47
Lifetime Income Profiles— <i>Milton Moss</i>	48
Nonmarket Activities	48
Field Experiment on Measuring Time-Use— <i>John Robinson and F. Thomas Juster</i>	48
Queuing and Prices— <i>Gilbert Ghez</i>	49
Valuation of Nonmarket Time— <i>Reuben Gronau</i>	49
Business Cycles	50
Introduction	50
Money— <i>Milton Friedman and Anna J. Schwartz</i>	50
Household Capital Formation— <i>F. Thomas Juster and Paul Wachtel</i>	52
Determinants of Investment— <i>Robert Eisner</i>	52
Evaluation of Cyclical Indicators— <i>Victor Zarnowitz and Charlotte Boschan</i>	53
Short-Term Economic Forecasting— <i>Victor Zarnowitz</i>	54
Public Finance	
Introduction— <i>Edward K. Smith</i>	54
IDIOM: Modeling the Consequences of Alternative Fiscal Policies— <i>Stephen P. Dresch and Robert D. Goldberg</i>	55
Special Revenue Sharing— <i>James R. Hosek</i>	55
Budgetary Effects of Federal Grant-in-Aid Programs— <i>An-loh Lin</i>	56

2. Urban and Regional Studies	57
Introduction— <i>John F. Kain</i>	57
Development of the NBER Urban Simulation Model— <i>William Apgar, Jr., J. Royce Ginn, Gregory K. Ingram, and John F. Kain</i>	58
Econometric Modeling of the Housing Market— <i>Mahlon R. Straszheim</i>	59
Discrimination and Heterogeneous Housing Stock—An Economic Analysis — <i>John F. Kain and John M. Quigley</i>	59
Residential Location Decisions with Multiple Workplaces and a Heterogeneous Housing Stock— <i>John M. Quigley</i>	60
Industrial Water Consumption— <i>J. Royce Ginn and Robert A. Leone</i>	60
City Taxes and Industry Location— <i>Roger W. Schmenner</i>	61
3. Human Behavior and Social Institutions	62
A Concerted Research Program— <i>Victor R. Fuchs and Robert T. Michael</i>	62
Education and Information and the Distribution of Income	66
Introduction— <i>Finis Welch</i>	
Research, Information, and Agricultural Productivity— <i>Robert Evenson and Finis Welch</i>	66
Education and Consumer Behavior— <i>Robert T. Michael</i>	67
Effects of College Quality— <i>Lewis Solmon</i>	68
Quality of Schools Attended— <i>Paul Wachtel</i>	68
Schooling, Work Experience, and Earnings— <i>Jacob Mincer</i>	69
Family Investments in Human Capital— <i>Arleen S. Leibowitz</i>	70
Economic Decision-making in a Life-Cycle Context— <i>James Heckman, Lee A. Lillard, and James P. Smith</i>	70
Ability, Individual Investment in Human Capital, and Earnings over the Life Cycle— <i>Lee A. Lillard</i>	72
Racial Discrimination in the Labor Market—A Test of Alternative Hypotheses— <i>Barry R. Chiswick</i>	72
Relationships between Income and Schooling— <i>Finis Welch</i>	73
Income Inequality: Regional Analyses within a Human Capital Framework— <i>Barry R. Chiswick</i>	73
Distribution of Earnings— <i>Paul J. Taubman</i>	75
The Covariance Structure of Earnings Profiles— <i>John C. Hause</i>	76
Empirical Applications of Labor Supply and Demand— <i>James Heckman</i>	76
Law and Economics	77
Introduction— <i>William M. Landes</i>	77
Law Enforcement, Fidelity, Corruption, and Compensation of Enforcers— <i>Gary S. Becker and George J. Stigler</i>	77
The Time Trend of Crime— <i>Isaac Ehrlich</i>	78
The Deterrent Effect of Capital Punishment— <i>Isaac Ehrlich</i>	78
Criminal Court Procedure—An Economic Analysis— <i>William M. Landes</i>	79
Administrative Agencies— <i>Richard A. Posner</i>	80
Liability Rules— <i>Richard A. Posner</i>	80
Legal Procedure and Judicial Administration— <i>Richard A. Posner</i>	80
A Theory of Contracts— <i>Melvin W. Reder</i>	81
The Sources of Economic Legislation— <i>George J. Stigler</i>	82
The Demand for Private Protection— <i>Ann P. Bartel</i>	82
Economics of Health	83
Introduction— <i>Michael Grossman</i>	83
Health and Consumer Behavior— <i>Michael Grossman</i>	84
Utilization of Surgical Manpower— <i>Edward F. X. Hughes</i>	85
Hospital and Nursing Home Utilization— <i>Barry R. Chiswick</i>	87
The Demand for Abortion—An Economic Analysis of Pregnancy Outcomes in New York City— <i>Marcia J. Kramer</i>	87
Determinants of Infant Health— <i>Eugene Lewit</i>	88
Medical Malpractice— <i>Melvin Reder</i>	88

Population and Family Economics	89
Introduction— <i>Robert J. Willis</i>	89
Male-Female Wage and Employment Differentials— <i>Elizabeth M. Landes</i>	90
The Life-Cycle Distribution of Family Earnings— <i>James P. Smith</i>	90
A Theory of Marriage— <i>Gary S. Becker</i>	91
The Economics of Fertility Control— <i>Robert T. Michael</i> and <i>Robert J. Willis</i>	91
The Influence of Schooling on Fertility Behavior— <i>Robert T. Michael</i>	92
Household Production and the Demand for Children— <i>Robert J. Willis</i>	92
The Effect of Economic Variables on the Timing and Spacing of Births— <i>Sue Goetz Ross</i>	93
Toward Broadening Economic Models of Fertility— <i>Warren C. Sanderson</i>	94
4. Financial and Industrial Institutions and Processes	95
Financial Institutions and Processes	95
Introduction— <i>Robert E. Lipsey</i>	95
The Effects of Inflation on Financial Markets— <i>Phillip Cagan</i>	95
Investment Policies of Major Financial Institutions under Inflationary Conditions— <i>John Lintner, Thomas Piper, and Peter Fortune</i>	95
Interest Rates and Commodity Prices— <i>Thomas Sargent</i>	100
The Influence of Price Expectations on Household Saving— <i>Lester D. Taylor</i>	100
Convertible Bonds— <i>Stanley Diller</i>	101
Stock Values and Inflation— <i>Phillip Cagan</i>	102
Individual Investor Portfolio Performance— <i>Wilbur G. Lewellen</i>	102
Empirical Tests of a Multi-Index Generalization of the Capital Asset Pricing Model— <i>Donald E. Farrar</i>	102
The Influence of Structural Variables on Monetary Behavior in Country Cross Sections— <i>Henry C. Wallich</i>	104
Industrial Institutions and Processes	105
Introduction— <i>Michael Gort</i>	105
Diversification in American Industry— <i>Michael Gort</i>	105
Returns to Firm Investment Outlays— <i>Henry G. Grabowski</i> and <i>Dennis C. Mueller</i>	105
Firm and Industry Variables as Determinants of Profits— <i>Michael Gort</i>	106
Diversification, Mergers, and the Growth of Large Companies— <i>Thomas A. Wilson</i>	107
Marketing and Advertising Studies— <i>Henry G. Grabowski</i>	107
Railroad Productivity— <i>John R. Meyer</i> and <i>Alexander L. Morton</i>	107
The Economics of the Performing Arts— <i>Guy Herregat</i>	108
5. International Studies	108
Introduction— <i>Hal B. Lary</i>	108
Foreign Dollar Balances and the International Role of the Dollar— <i>Raymond F. Mikesell</i> and <i>J. Herbert Furth</i>	109
Money, Financial Flows, and Credit in the Soviet Union— <i>George Garvy</i>	110
Foreign Trade Regimes and Economic Development— <i>Jagdish N. Bhagwati</i> and <i>Anne O. Krueger</i>	110
The Role of Prices in International Trade— <i>Irving B. Kravis</i> and <i>Robert E. Lipsey</i>	111
The Relation of U.S. Manufacturing Abroad to U.S. Exports— <i>Robert E. Lipsey</i> and <i>Merle Yahr Weiss</i>	111
Effects of Direct Investment on Recipient Countries— <i>Irving B. Kravis</i> and <i>Robert E. Lipsey</i>	112
The Diffusion of New Technologies— <i>John R. Meyer</i> and <i>Guy Herregat</i>	112
6. Measurement Methods and Operations	113
Research on Computer-Based Quantitative Methods	113
Introduction— <i>Edwin Kuh</i>	113
Statistical Data Analysis— <i>Paul W. Holland</i>	114
Mathematical Programming— <i>Jeremy F. Shapiro</i>	115
Estimation of Equation Systems— <i>David A. Belsley</i>	116

The Shifting Regression Problem— <i>David A. Belsley</i>	117
Spectral Analysis— <i>Robert Engle</i>	118
Numerical Analysis— <i>Virginia C. Klema</i>	118
Computer Programming— <i>Mark Eisner</i>	119
Support: System Dissemination and Documentation— <i>John Kirsch</i>	120
Other Computer-Oriented Activities	122
Electronic Data Processing for Research Support— <i>Charlotte Boschan</i>	122
NBER Data Bank— <i>Josephine Su</i>	123
Statistical Methodology for Nonperiodic Cycles— <i>Benoit Mandelbrot</i>	124
Research on Distributed Lags— <i>Christopher A. Sims</i>	124
Annals of Economic and Social Measurement— <i>Sanford V. Berg</i>	124
III Conference Programs	126
Conference on Research in Income and Wealth— <i>Mildred E. Courtney</i>	126
Universities—National Bureau Committee for Economic Research— <i>Robert P. Shay</i>	126
Conference on the Computer in Economic and Social Research— <i>M. Ishaq Nadiri</i>	127
The Computer in Economic and Social Research in the United States— <i>Alexander L. Morton</i>	128
Latin American Computer Workshops— <i>David Kresge</i>	129
Conference on Econometrics and Mathematical Economics— <i>Gary Fromm</i>	130
IV Report on New Publications	132
Introduction— <i>Wilbur E. Mangas</i>	132
Titles Published Since July 1972	132
Publications Forthcoming	134
V Organization and Finances	136
Directors and Officers— <i>Douglas H. Eldridge</i>	136
Finances and Sources of Support— <i>Douglas H. Eldridge</i>	137
NBER—West— <i>Edward K. Smith</i>	138
Research Fellowships— <i>Hal B. Lary</i>	139
Staff Seminars— <i>James J. Heckman</i>	139
VI National Bureau Staff	143
VII Publications 1920–73	147
Contributions and Subscriptions	147
How to Order Publications	147

The New Realities of the Business Cycle

