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contents



EDITOR'S CORNER	i
TAKESHI AMEMIYA: Qualitative Response Models	363
THOMAS F. COOLEY: A Comparison of Robust and Varying Parameter Estimates of a Macro-Econometric Model	373
JACK BEEBE: A Note on Intersectoral Shifts and Aggregate Productivity Change	389
WM. CRAIG RIDDELL: Recursive Estimation Algorithms for Economic Research	397
DONALD E. YETT, LEONARD DRABEK, MICHAEL D. INTRILIGATOR, AND LARRY KIMBELL: A Microeconomic Model of the Health Care System in the United States	407
IVY E. BRODER AND GREGORY K. SCHOEPFLE: Classification of Economic Indicators: An Alternative Approach	435
<i>Computer Notes</i>	447
HAROLD KING AND MITCHELL KRASNY: A Standard Description for Magnetic Tape Files	449
<i>Computer Center Abstracts</i>	455
ANNOUNCEMENTS	459

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EDITOR'S CORNER

The past three issues of the *Annals* have focused on particular methodologies or topics: simultaneous equation estimation, consumer demand and stochastic control. The six articles in this issue address a variety of estimation, modeling and data problems. Amemiya reviews a number of "Qualitative Response Models," focusing on multi-response and multivariate models. His discussion of different ways to specify multivariate models indicates that additional work in this area would be fruitful. This research was reported at the NSF-NBER Conference on Decision Rules and Uncertainty.

Cooley, in his "Comparison of Robust and Varying Parameter Estimates of a Macroeconomic Model," examines four estimators using the econometric model developed by Ray Fair. He finds that the varying parameter techniques are superior for short term forecasts to OLS and a robust estimator that gives less weight to large residuals. The adaptive regression technique (ADR) and the varying parameter regression technique (VPR) which he used were the subjects of a Special Issue of the *Annals* in 1973 (volume 2, number 4) and this comparison was carried out at the NBER Computer Research Center.

The next contribution is a short note extending an earlier article by Grossman and Fuchs which appeared in the *Annals*. Beebe derives equations for aggregate output per manhour under two sector growth, and examines how intersectoral shifts in labor affect productivity change. Riddell's article on "Recursive Estimation Algorithms for Economic Research" indicates how such algorithms can be used to update estimates when new data are obtained. The techniques can also be used to appraise the robustness of single or multiple equation models within the sample period.

The Yett, *et al.*, "Microeconomic Model of the Health Care System" represents an ambitious attempt to analyze the behavior of individuals and institutions: consumers, hospital and physician services, physician and non-physician manpower. By introducing these five markets, interaction among populations of different kinds of entities can be examined. The use of expected values and a cell frequency representation of populations result in a significant reduction in computation costs, while facilitating the analysis of the distributional impacts of public policy. A similar large scale microsimulation model of household behavior (from the Urban Institute) appeared in the April 1972 *Annals*.

The article by Broder and Schoepfle suggests an alternative approach for classifying 68 NBER indicators. Methods of numerical taxonomy are used to form a set of hierarchical groups, and changes in the timing behavior of some NBER indicators are identified. The last note, by King and Krasny presents "A Standard Description for Magnetic Tape Files" developed at a workshop sponsored by the NBER Conference on the Computer in Economic and Social Research. The recommendations are being considered for Federal use as part of the Federal Information Processing Standards (FIPS) Program of the National Bureau of Standards. We hope that the *Annals* can continue to contribute to standardization which facilitates the sharing of large machine-readable data sets.

Suggestions for the improvement of the proposed form would be greatly appreciated.

Finally, the following individuals have helped review papers. The Board of Editors wishes to thank these researchers for their assistance during 1974 and 1975:

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