Handout for April 7 - 9, 2015
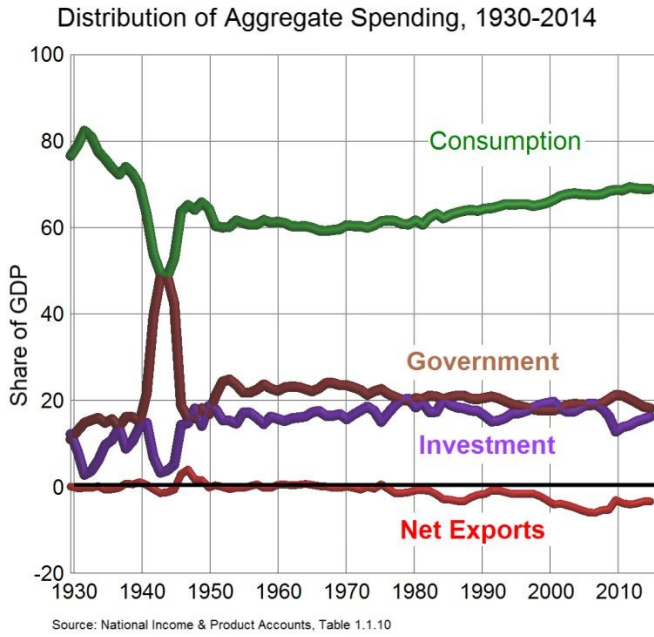
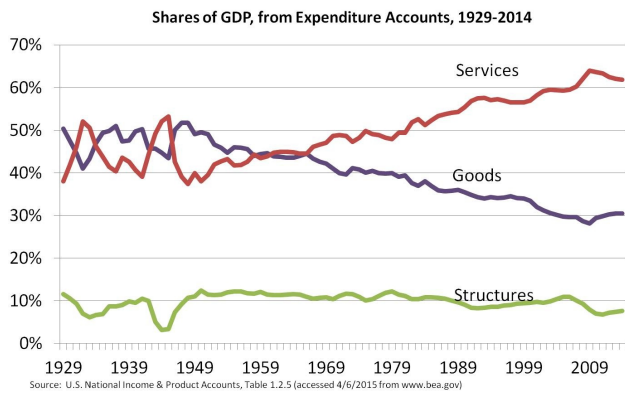## Distribution of Aggregate Spending, 1930-2014

Source: National Income & Product Accounts, Table 1.1.10

Figure 1

Shares of GDP, from Expenditure Accounts, 1929-2014

Source: U.S. National Income & Product Accounts, Table 1.2.5 (accessed 4/6/2015 from www.bea.gov)

Figure 2

Recession dates per http://www.nber.org/cycles/cyclesmain.html
(Peak - trough)

> November 1948 - October 1949
> July 1953 - May 1954
> August 1957 - April 1958
> April 1960 - February 1961
> December 1969 - November 1970
> November 1973 - March 1975
> January 1980 - July 1980
> July 1981 - November 1982 (or January 1980 - November 1982)
> July 1990 - March 1991
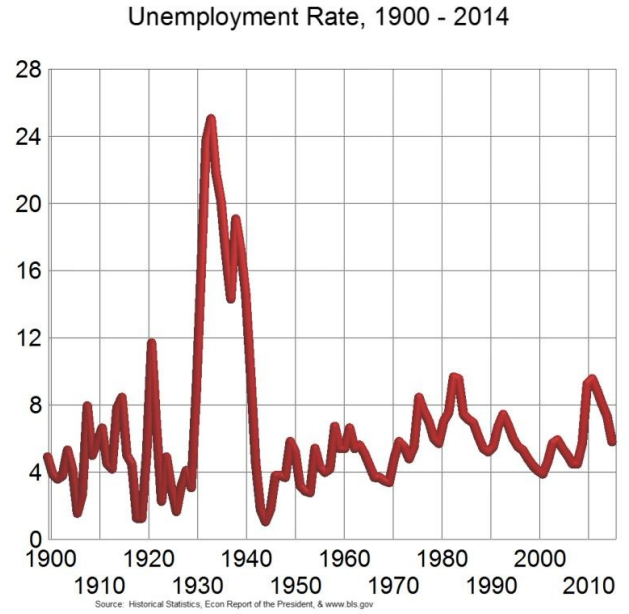> March 2001 - November 2001
> December 2007 - June 2009

Unemployment Rate, 1900 - 2014

Source: Historical Statistics, Econ Report of the President, & www.bls.gov

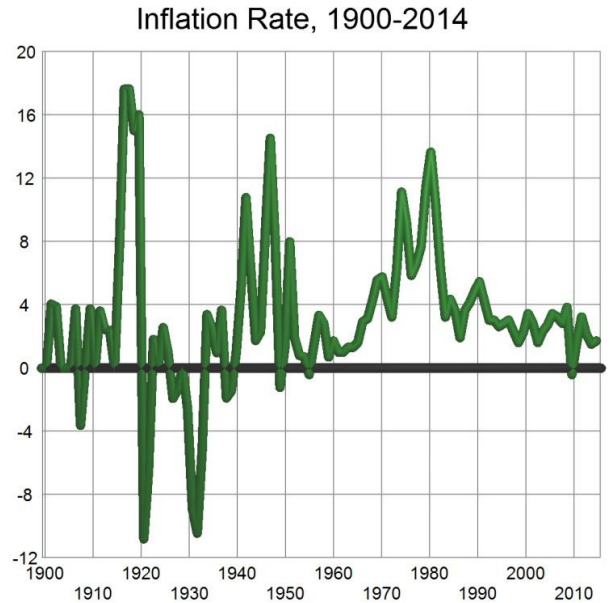**Figure 3**
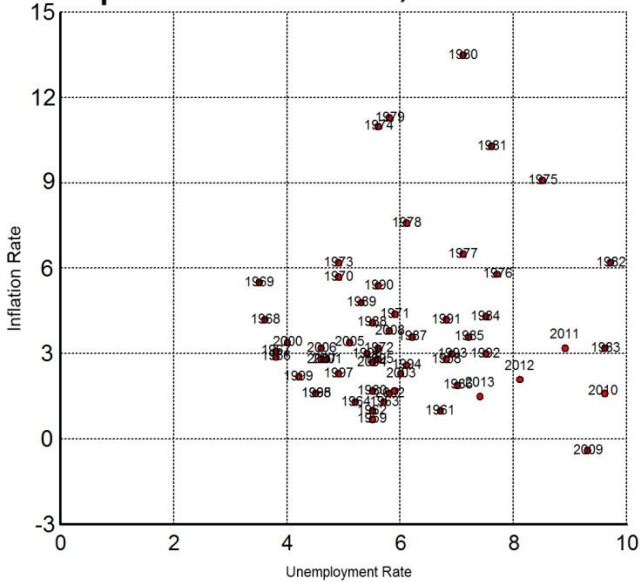
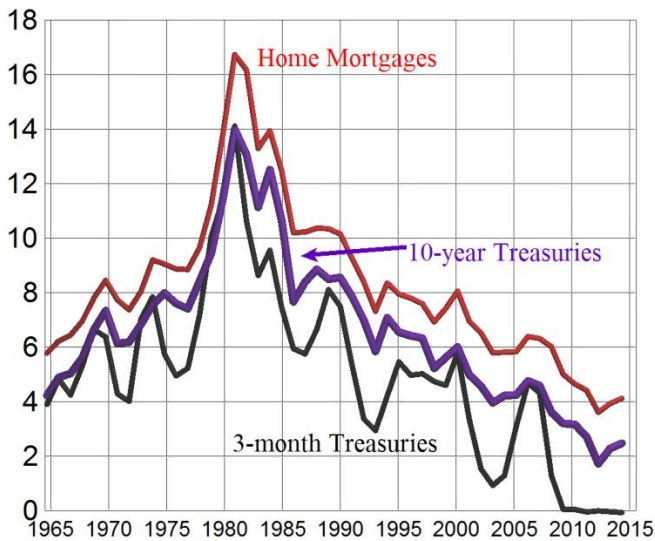## Inflation Rate, 1900-2014

Figure 4

Phillips Curve Data, 1958-2014

Source: Econ Report of the President, Tables B42 & B64
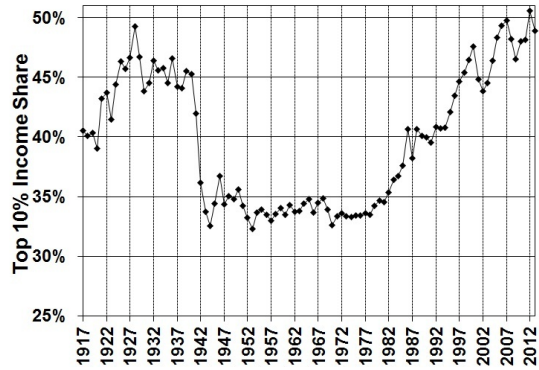
Figure 5

Interest Rates, 1965-2014

Source: FederalReserve.gov, series H.15

Figure 6

Top 10% Pre-tax Income Share in the US, 1917-2013

Source: Piketty and Saez, 2003 updated to 2013. Series based on pre-tax cash market income including realized capital gains and excluding government transfers.

Figure 7

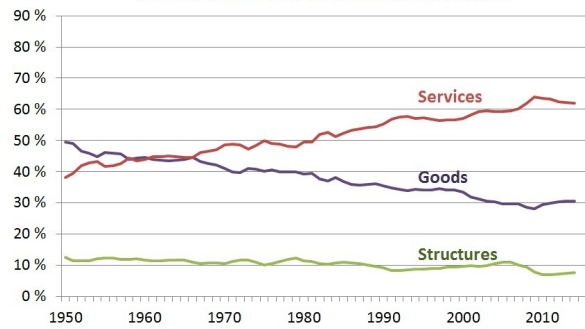### Shares of GDP, from Expenditure Accounts, 1950-2014

Figure 8

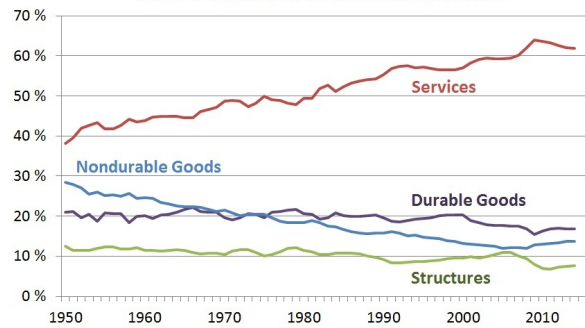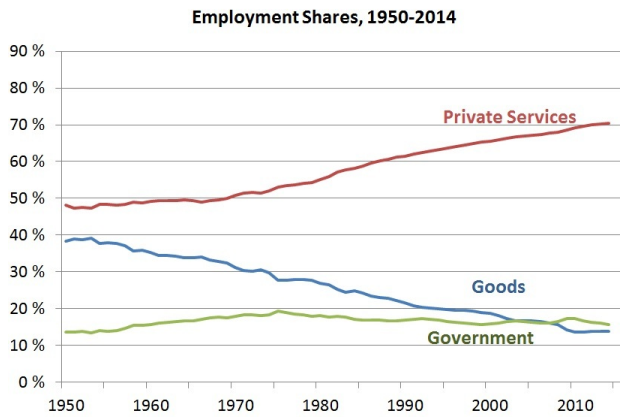### Shares of GDP, from Expenditure Accounts, 1950-2014

Figure 9

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Employment Shares, 1950-2014

Figure 10

Employment by Industry, 1950-2011

Figure 12
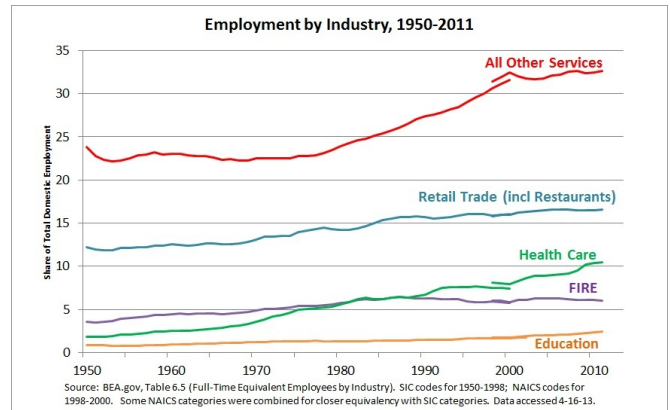
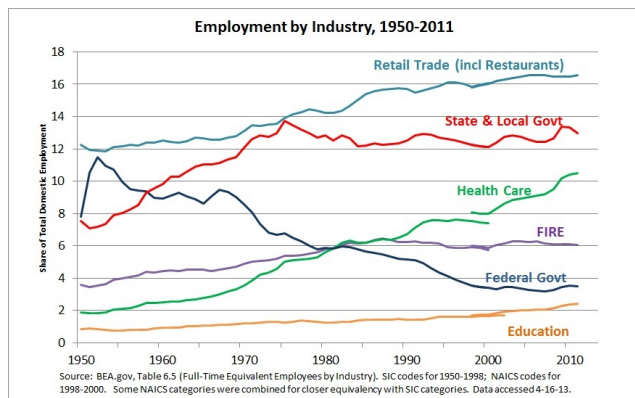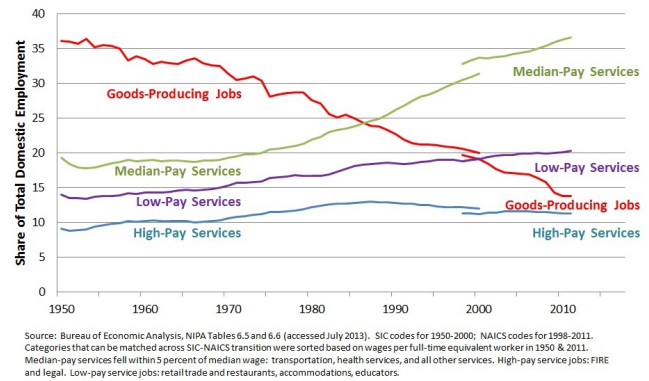**Employment by Industry, 1950-2011**

Figure 11

Figure 13

Table 1. Contributions to Output of Goods and of Services, Benchmark years, 1947 - 2007

	Output of Goods				Output of Services			
	% of inputs that are				% of inputs that are			
	Ag & Mining	Goods	Services	Value Added	Ag & Mining	Goods	Services	Value Added
1947	13.6	36.2	11.0	36.3	2.1	12.2	20.1	65.1
1967	7.0	38.3	13.4	38.6	1.2	10.2	23.0	65.0
1987	6.5	33.7	17.3	42.0	0.9	8.5	24.6	65.5
1992	6.2	34.2	19.4	39.9	1.1	7.4	23.2	67.9
1997	6.0	35.5	24.0	34.1	0.7	6.1	25.8	67.0
2002	6.0	33.1	22.0	38.4	0.6	6.6	29.2	63.0
2007	9.5	33.5	20.7	35.9	0.8	7.2	30.4	61.1

Source: Olney & Pacitti, "Goods, Services, and the Pace of Economic Recovery," Table 11. Accessible at http://emlab.berkeley.edu/~olney/services.pdf

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Table 2. Regressions Results: Employment Cycle

	OLS with Time & State Fixed Effects		
	Excluding States that Never Recover	*Excluding States that Never Recover or Never Enter Recession*	*Also Excluding High Finance & High Accommodation States*
	(1)	*(2)*	*(3)*
Service Share of GDP	**1.029*** (0.331)**	**0.796** (0.368)**	**0.921** (0.351)**
Depth of downturn	7.946*** (0.424)	8.056*** (0.467)	7.847*** (0.453)
Length of downturn	1.233*** (0.157)	1.211*** (0.163)	1.367*** (0.198)
n	239	208	191
Recession FE	yes	yes	yes
State FE	yes	yes	yes
F-statistic	207.7	152.0	148.8
Within R^2	0.90	0.89	0.89

Notes: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Robust standard errors clustered by state in parentheses. Length is residual of actual length versus predicted length. Predicted length calculated from a linear regression with time and state FE of length on depth and service share, with same data restrictions.