A Reinvestigation of the Markup and the Business Cycle

Anindya Banerjee Bill Russell

DATA APPENDIX

The data are from Rotemberg and Woodford (1991) where further details can be found. The data are for the United States, for the period June 1952 to December 1988, and seasonally adjusted. The variables are in natural logarithms.

Sources and Details of the Data

Variable	Source[(a)]	Details[(b)]
Prices p in Excel file	BEA	Private sector gross national product (GNP) implicit price deflator. Measured as the ratio of current price to constant price value added GNP for the private sector.
Wages w in Excel file	BEA BLS	Private sector average wage rate. Measured by dividing total labour compensation divided by hours of non-agricultural employment for the private sector.
Output	BEA	Private sector constant price GNP.
Employment h in Excel file	BLS	Hours of non-agricultural private sector hours of employment. Measure is total hours in non-agricultural payrolls less hours employed by the government.
Business cycle	BLS	The business cycle is the residuals of employment regressed on a constant and trend.
Tobin's q q in Excel file		The data comes directly from Blanchard, Rhee and Summers (1990).
Productivity prod in Excel file		Average productivity. Measured as the logarithm of output less the logarithm of employment.
Markup		M16a1 in Excel file is the baseline markup from Rotemberg and Woodford (1991).

(a) Mnemonics: BEA – National Income and Product Accounts tables published by the Bureau of Economic Analysis. BLS – Establishment survey, Bureau of Labor Statistics.

(b) The private sector is defined as the total for the variable less the contribution of federal, state and local governments.