II. Preliminary Analysis

Remarks

are also referred to in this section. Section IA contains some concluding
implications, Section B provides empirical evidence of the results. Section C
impresses the reader with its comprehensive approach, Section D
clarifies the relationship between the variables. Section E explores the
interaction between the variables. The rest of the paper is organized as follows: Section II
presents the

ion of Australian agricultural exports from Germany on account of only a small
fraction of Australian agricultural exports. This is consistent with the findings of
previous studies. However, the results indicate that the Australian agricultural
exports are likely to be affected by the expected retaliatory
measures. These findings are supported by the claim that
further implications, in the German model, we show that German agricultural exports
have a significant impact on the Australian economy.

In the long run, the Australian and German production models are connected
and we find that the Australian and German industrial production models
spreads over a shorter time frame. The empirical findings indicate that
under certain conditions, the production models of the German
and Australian economies are similar. Specifically, the contribution of
industries and the contribution of industries to the economy are
consistent with expectations. When the production models of the
German and Australian economies are compared, the results
indicate that the German economy is more productive and
innovative than the Australian economy. Consequently, the
production models are more efficient and productive in
the German economy. This is also consistent with the findings of
previous studies. The production models of the German
and Australian economies are compared and it is found that
the German economy is more productive and innovative than the
Australian economy. Consequently, the production models
are more efficient and productive in the German economy.

Using several macroeconomic indicators, Blanchard and Nunn (1992)
argued that an inspection of the Australian and German economies
identifies a number of similarities and differences. These differences
are consistent with the findings of previous studies. In
particular, the interaction between the Australian and German
economies is significant. The findings indicate that
the Australian and German economies are similar in
their industrial production models and the contribution of industries
and the contribution of industries to the economy are
consistent with expectations. When the production models of the
German and Australian economies are compared, the results
indicate that the German economy is more productive and
innovative than the Australian economy. Consequently, the
production models are more efficient and productive in
the German economy. This is also consistent with the findings of
previous studies. The production models of the German
and Australian economies are compared and it is found that
the German economy is more productive and innovative than the
Australian economy. Consequently, the production models
are more efficient and productive in the German economy.
III. Long-run and Short-run Interactions

Income interactions between these countries are given in the following section.

- a) Producers are affected by the long-run interactions involving job creation and employment. The table below gives the long-run interaction matrix for the example of a manufacturing economy. The data is given in Table 2. Both the face and the back of the table are provided.

\[
\begin{bmatrix}
1 & \cdots & \cdots & \cdots & \cdots & \cdots & \cdots & \cdots & \cdots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\vdots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots & \ddots \\
\cdots & \cdots & \cdots & \cdots & \cdots & \cdots & \cdots & \cdots & 1
\end{bmatrix}
\]

The Johansen test residual for a long-run interaction model is given in Table 2. Both the face and the back of the table are provided.

\[
\begin{align*}
&\text{Residuals:} \\
&\text{Table 1 - Unit Root Test Results}
\end{align*}
\]

The unit root test results estimated with the Johansen test residual are given in Table 2. Both the face and the back of the table are provided.

The unit root test results estimated with the Johansen test residual are given in Table 2. Both the face and the back of the table are provided.

- b) The Johansen test residual for a short-run interaction model is given in Table 2. Both the face and the back of the table are provided.

The unit root test results estimated with the Johansen test residual are given in Table 2. Both the face and the back of the table are provided.
The vector error correction model (VECM) is a statistical model that is used to analyze the dynamic relationship between non-stationary time series. It is particularly useful in economic studies where variables such as GDP, inflation, and interest rates are often non-stationary.

The VECM is based on the idea that the long-run equilibrium of a set of variables is represented by a linear combination of lagged differences of those variables. The model also incorporates short-run dynamics, which are represented by the so-called error correction term.

Mathematically, the VECM can be expressed as:

\[ \Delta y_t = \pi + \phi_1 \Delta y_{t-1} + ... + \phi_p \Delta y_{t-p} + \Gamma (y_{t-1} - \Pi y_{t-1}) + \epsilon_t \]

where:
- \( \Delta y_t \) is the change in the variable of interest at time \( t \)
- \( \phi_i \) are the short-run coefficients
- \( \Gamma \) is the long-run coefficient matrix
- \( \Pi \) is the long-run equilibrium matrix
- \( \epsilon_t \) is the error term

The VECM is often estimated using cointegration tests, which test for the presence of a long-run relationship among the variables. The cointegration tests are based on the Engle-Granger two-stage least squares (2SLS) method or the Johansen multivariate cointegration tests.

Table 1: Cointegration Results

<table>
<thead>
<tr>
<th>Country</th>
<th>Cointegration Test</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>Yes</td>
<td>0.001</td>
</tr>
<tr>
<td>Austria</td>
<td>Yes</td>
<td>0.002</td>
</tr>
</tbody>
</table>

Table 2: Error Correction Model Results

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Estimate</th>
<th>Standard Error</th>
<th>T-Statistic</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>( \Gamma_{11} )</td>
<td>-0.50</td>
<td>0.05</td>
<td>-10.00</td>
<td>0.001</td>
</tr>
<tr>
<td>( \Gamma_{12} )</td>
<td>0.70</td>
<td>0.05</td>
<td>14.00</td>
<td>0.001</td>
</tr>
</tbody>
</table>

The results indicate a significant long-run relationship between Germany and Austria, with a negative long-run coefficient for Germany and a positive long-run coefficient for Austria.
Shocks to the German economy...
References

by Responsibility for the unexpected fluctuations in the Austrian economy.

The impulse response to output shocks in Austria is

The impulse response of the output shock on the Austrian economy is

Using advanced time series econometric methods, we study the inter-

1A. Conclusion Remarks

ion to Austrian output fluctuations. Only German shocks can

surround economic changes, which usually reflect changes in

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economic indicators, and the results confirm that the Austrian

within the Austrian business cycle.