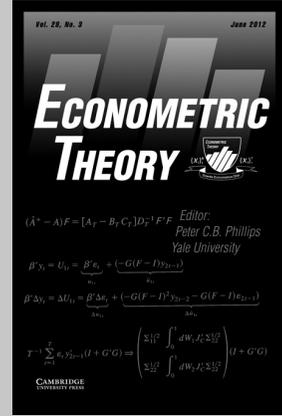


Econometric Theory

Editor

Peter C. B. Phillips, *Cowles Foundation for Research in Economics, Yale University, USA*

Econometric Theory is an international journal dedicated to advancing theoretical research in econometrics. The journal provides an authoritative, centralized, professional outlet for original contributions in all of the major areas of econometrics. As well as periodic book reviews and articles that embody original theoretical research, the journal publishes historical studies on the evolution of econometric thought and on major scholars. *Econometric Theory* also serves an educational role by the inclusion of an on-going 'Problems and Solutions' series and by 'ET Interviews' with pre-eminent scholars in the field.



Econometric Theory

is available online at:
<http://journals.cambridge.org/ect>

To subscribe contact Customer Services

in Cambridge:

Phone +44 (0)1223 326070
Fax +44 (0)1223 325150
Email journals@cambridge.org

in New York:

Phone +1 (845) 353 7500
Fax +1 (845) 353 4141
Email
subscriptions_newyork@cambridge.org

Free email alerts

Keep up-to-date with new material – sign up at

journals.cambridge.org/register

For free online content visit:
<http://journals.cambridge.org/ect>



CAMBRIDGE
UNIVERSITY PRESS

MACROECONOMIC DYNAMICS

Notes for Contributors

Contributions. Contributions are welcome from all countries. They should be written in English.

Aims and Scope/Editorial Policy. *Macroeconomic Dynamics* publishes research of the highest theoretical, empirical or quantitative sophistication. Papers of high quality are welcomed from all areas of macroeconomics and from all parts of the world, as long as the research is founded in a rigorous scientific approach. Major advances in macroeconomics without immediate policy applications are also accepted, if they show potential for application in the future. Occasional book reviews, announcements, conference proceedings and interviews are also published. Special issues appear in the journal's Supplements Series, having its own Special Issues Editors. An electronic version of the journal will be published simultaneously with the paper version enabling immediate access to the best current research in Macroeconomics.

Home Page. The journal has a home page on the web which is a source of further information about the journal. The location of the home page is: <http://econ.tepper.cmu.edu/barnett/MD.html>. Information about *Macroeconomic Dynamics* may also be viewed at www.journals.cambridge.org.

Manuscript Submissions. The submission procedure for this journal has been converted to electronic uploading of pdfs to the journal's server. To submit, follow the instructions provided at http://server1.tepper.cmu.edu/md/electronic_submission.htm. Questions about the submission procedure can be transmitted to the Editorial Information System Manager, Stephen Spear, at ss1f@andrew.cmu.edu, or to the Editor, William A. Barnett, at barnett@ku.edu.

Special Issues Submissions. The journal publishes special issues in its Supplements Series. Proposals for special issues should be sent to either of the journal's Special Issues Editors and should include a table of contents and one of more proposed guest editors.

Originality and Copyright. Manuscripts are accepted for review on the understanding that the same work has not been and will not be published nor is presently submitted for publication elsewhere. While under editorial review, it is the responsibility of the authors to keep the Editor informed about submissions, publication plans, and actual publication of related research or abstracts thereof in other outlets, including letters, journals, review publications, journals in other disciplines, conference proceedings, and published dissertations. It is further understood that all persons listed as authors have given their approval for the submission of the paper and that any person cited as a source of personal communication has

approved such citation; written authorization may be required at the Editor's discretion. Authors are responsible for obtaining written permission to publish material for which they do not own the copyright. A Copyright Transfer Agreement, with certain specified rights reserved by the author, must be signed and returned to the Editor by a senior author of accepted manuscripts, prior to publication. This is necessary to enable the publisher to ensure the wide distribution of the author's(s') work and the protection of both the author and the publisher under copyright law. Articles and other material published in *Macroeconomic Dynamics* represent the opinions of the authors and should not be construed to reflect the opinions of the Editor, Advisory Board, Editorial Board, or the Publisher.

Preparation of a Manuscript. The entire manuscript (including notes and references) should be produced as double spaced typescripton 8½× 11-inch or A4 white paper, with wide margins to accommodate copyediting. The manuscript should be converted to a pdf for submission by uploading to the journal's server. The publisher asks that you provide a PDF file of the final version of your paper, together with a copy of the word processing source file in which the paper was written. Pages should be numbered consecutively. Page 1 should provide the article, author's(s') names (in the form preferred for publication, complete affiliation, phone, fax and e-mail numbers (if available)). At the bottom of Page 1 place any footnotes to the title or authors, indicated by superscripts *, **, etc. Page 2 should contain a proposed running head (abbreviated form of the title) of up to 40 characters, and the name and mailing address, telephone, fax and e-mail numbers of the author to whom proof's should be sent. Page 3 should contain a short abstract of the paper in less than 150 words. The abstract will appear at the head of the article when published in the journal. A list of three or four keywords or terms should also be included. The full text of the manuscript should begin on Page 4.

Equations. All equations should be type-written and the numbers for displayed equations should be placed in parenthesis in the right margin. References to equations should simply use the form "(3)." Superscripts and subscripts should be typed clearly above and below the line, respectively. Theorem, lemma, and proposition statements should appear in italic print. End-of-proof signposts should appear as such: either ■ or Q.E.D., typed in italics. Authors are encouraged to use the following order for parentheses: {[(...)]}.

Tables and Figures. If possible, the publisher asks that you include all graphics

(charts, diagrams or other art work) at the end of the paper, indicating in the body of the paper where each graphic should appear. If it is not possible for you to include the graphics files in the word processor source code, you should upload the individual graphics files separately after you upload the PDF and source files for your paper.

References. References should be cited in the text by the author's last name and the date of publication. Complete bibliographic information for each citation should be included in the list of references. References should be typed in alphabetical order in the style of the following examples:

Monograph:

Stokey, Nancy L. and Robert E. Lucas, Jr. with Edward Prescott (1989) *Re-cursive Methods in Economic Dynamics*. Cambridge, MA: Harvard University Press *Chapter in an Edited Volume*:

Danthine, Jean-Pierre and John B. Donaldson (1995) Computing equilibria of nonoptimal economies. In Thomas F. Cooley (ed.), *Frontiers of Business Cycle Research*, pp. 65-97. Princeton, NJ: Princeton University Press.

Journal Article:

Epstein, Larry G. and Stanley Zin (1989) Substitution, risk aversion and the temporal behavior of consumption and asset returns I: A theoretical framework. *Econometrica* 42, 937-969.

Article in Press:

Huang, He, Selahattin Imrohorglu, and Thomas J. Sargent (in press) Two computational experiments to fund Social Security. *Macroeconomic Dynamics*.

Journal names should not be abbreviated.

Footnotes. Where more than a simple source citation is called for, footnotes may be used. These should be numbered consecutively throughout the text and typed together at the end of the paper before the references. Source citations within footnotes follow the same style as citations within the text.

Copyediting and Proofreading. The publisher reserves the right to copyedit and proofread all articles for publication, but the corresponding author will receive page proofs for final proofreading. These should be checked and returned within five days of receipt. The publisher reserves the right to charge authors for excessive correction of non-typographical errors.

Offprints. The corresponding author will receive 25 free offprints of their article free of charge; additional numbers may be purchased if ordered at proof stage (an order form will be sent with proofs).

MACROECONOMIC DYNAMICS

Volume 20, Number 3, April 2016

Contents

ARTICLES

- Macroeconomic Effects of Energy Price Shocks on the Business Cycle
Bao Tan Huynh 623
- Globalization and the Industrial Revolution
**Pedro Cavalcanti Ferreira, Samuel Pessôa,
and Marcelo Rodrigues dos Santos** 643
- Necessary and Sufficient Conditions for Dynamic Optimization
A. Kerem Coşar and Edward J. Green 667
- Accounting for Spanish Business Cycles
Jesús Rodríguez López and Mario Solís García 685
- Mortality Decline, Retirement Age, and Aggregate Savings
Yanyou Chen and Sau-Him Paul Lau 715
- Is the Social Security Crisis Really As Bad As We Think?
Shantanu Bagchi 737
- Stochastic Gradient Learning and Instability: An Example
Sergey Slobodyan, Anna Bogomolova, and Dmitri Kolyuzhnov 777
- Using Forecasts to Uncover the Loss Function of Federal Open Market
Committee Members
Christian Pierdzioch, Jan-Christoph Ruelke, and Peter Tillmann 791

NOTES

- A Note on the Stability of Fully Endogenous Growth with Increasing
Returns and Exhaustible Resources
**Francisco Cabo, Guiomar Martín-Herrán,
and María Pilar Martínez-García** 819
- A Note on Nonlinear Fiscal Regimes and Interest Rate Policy
Alessandro Piergallini 832
- A Note on Learning in a Credit Economy
Pei Kuang 845

Cambridge Journals Online

For further information about this journal please
go to the journal website at:
journals.cambridge.org/mdy

CAMBRIDGE
UNIVERSITY PRESS