

# MODEL COMPARISON SEMINAR

October 24, 1997

## AGENDA

9:30 - 10:00am	Coffee & Bagels
10:00 - 12:00	Current Outlook & Discussion of Policy Issues of Concern to the CEA and the Board of Governors
12:00 - 1:00	Lunch
1:00 - 2:00	The Fed's Modeling Approach David Reifschneider Flint Brayton
2:00 - 3:00	Future of the Seminar

The morning discussion will be devoted to a review of the current outlook. The CEA staff has asked that we also be prepared to discuss current policy issues including:

1. Global Warming
2. The impact of the Balanced Budget Amendment. Given the fact that the BBA failed by just one vote and is likely to be introduced again in the next session of Congress, the CEA would like each modeler to consider the following scenario. The Administration is committed to balancing the budget over five years. If the Federal budget were in balance, and a balanced budget amendment were enacted, would the economy be more susceptible to exogenous shocks? Of particular interest to the CEA are any stochastic simulation results that try and measure how much more sensitive the economy would be in terms of fluctuations in output and employment under such a scenario.
3. Current estimates of NAIRU and explanations for the current state of low unemployment and inflation.
4. The exchange value of the dollar and net exports. Does the current level of the dollar imply an erosion of the trade balance?