

Does output predict unemployment? a look at Okun's law in Greece

Deskripsi Lengkap: <https://lib.ui.ac.id/detail?id=20436175&lokasi=lokal>

Abstrak

Using a dynamic specification of Okun's law, the authors examine the relationship between unemployment and output in Greece over the period 2000–12. While Granger causality tests indicate that real output is important to understanding future movements in unemployment, Okun's ratio is found to be 3:1, implying that a 1 per cent increase in unemployment was associated with a 3 per cent decrease in real output during the 13-year period under study. Also, asymmetric analysis shows that the response of unemployment to real output is stronger during contractions of real economic activity than in expansionary periods.