

Institute for Public Policy and Business Research
The University of Kansas

**The 1992 Outlook
for Kansas and the Nation**

by
Norm Clifford
Director of Forecasting

Anthony L. Redwood, Professor of Business and Executive Director

December 1991

Report No. 197

Funding for the Kansas Econometric Modeling Program at the Institute is provided by the State of Kansas.

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Introduction

A recessionary phase of the U.S. economy began sometime during the third quarter of 1990, and appears to have ended late in the second quarter or early in the third quarter of 1991. The recession was characterized by weak spending by consumers and a significant episode of inventory reductions by firms. Consumers, whose confidence was eroded by uncertainty about the situation in the Middle East during the early part of the recession, and uncertainty about the faltering economy during the latter stage, reduced their real spending in the last quarter of 1990 and again in the first quarter of 1991. A small increase in the second quarter of 1991 still left consumer spending below the level that it had attained before the recession began. Consumption of durable goods was particularly hard hit by the recession; real consumer spending on durable goods during the second quarter of 1991 was 6.5 percent below its pre-recession peak. During the same quarter, real consumer spending on nondurable goods was 1.5 percent below its pre-recession peak, while real consumer spending on services was just 2.0 percent above its pre-recession peak.

The inventory reductions by firms were at least as dramatic as the weakness in consumer spending. During the three quarters beginning with the last quarter of 1990, nonfarm firms reduced their inventories by over \$21 billion. By the third quarter of 1991, the inventory to sales ratio of firms had dropped below 1.5. Investment spending by firms was also weak during the recession. Firms spending on equipment was 3.0 percent less in the second quarter of 1991 than before the recession began, while firms spending on new plant was 10.5 percent less. Residential investment was 16.4 percent less than it was before the recession.

The poor performance of the consumption and investment sectors of the economy during the recession was at least partly offset by the foreign sector; for the half year beginning with the fourth quarter of 1990, exports grew at a 5.6 percent annual rate while imports declined at a 10.4 percent annual rate. Thus the gap between exports and imports measured on the national income and products accounts basis grew at nearly a \$54 billion annual rate. Furthermore, government spending grew moderately during the recession, spurred by a 12 percent increase in defense spending in the last quarter of 1990.

The recovery should begin sometime during the third quarter of 1991 and continue through 1992, with GNP growing 2.0 percent for the year. The recovery will not be strong, however, as the rate of output of the economy does not reach its pre-recession level until sometime in the first quarter of 1992. The recovery will be led by stronger consumption spending and a movement by firms to replenish the inventories that they drew down during the recession. Increased investment by firms in new plant and equipment will contribute to the recovery to a lesser extent. On the other hand, the recovery will see the return of strong import growth, which, coupled with moderate growth in exports, will lead to a worsening of the deficit in net exports and weaken the recovery. Government spending will also decline in 1992, providing no direct stimulus to the recovery. However, large increases in transfer payments coupled with small increases in tax receipts will cause the budget deficit to increase, providing some indirect stimulus on the income side of the economy.

The recovery will also be seen in stronger personal income growth in 1992. One important component of personal income, dividends, will increase significantly as corporate profits rebound both because of the recovery and the fact that firms pared down their organizations during the recession. The recovery will not be strong enough to unleash inflation,

as the inflation rate as measured by the Consumer Price Index is expected to be about 4.0 percent in 1992 lower than its 1990 and 1991 rates. The recovery also will not be strong enough to reduce the unemployment rate, as employment growth just about keeps up with growth in the labor force. The recovery will cause short-term interest rates to rise slightly throughout 1992, but long-term rates should remain relatively flat.

The Kansas economy appears at this point to have avoided many of the worst effects of the recession. Employment growth in 1990 was greater in Kansas than it was in the U.S. and the same is forecasted for 1991 and 1992. In 1991, Kansas employment is forecasted to increase 0.9 percent compared to a 0.9 percent drop in U.S. employment. By the time the recovery is well underway in 1992, however, the difference between the two economies will be much less pronounced. Personal income in Kansas will also grow more in 1992. Kansas personal income net of farm proprietors' income and adjusted for inflation will grow 1.2 percent, more than it grew in either 1990 or 1991.

The National Outlook

The national forecast presented below is based on the following major assumptions¹:

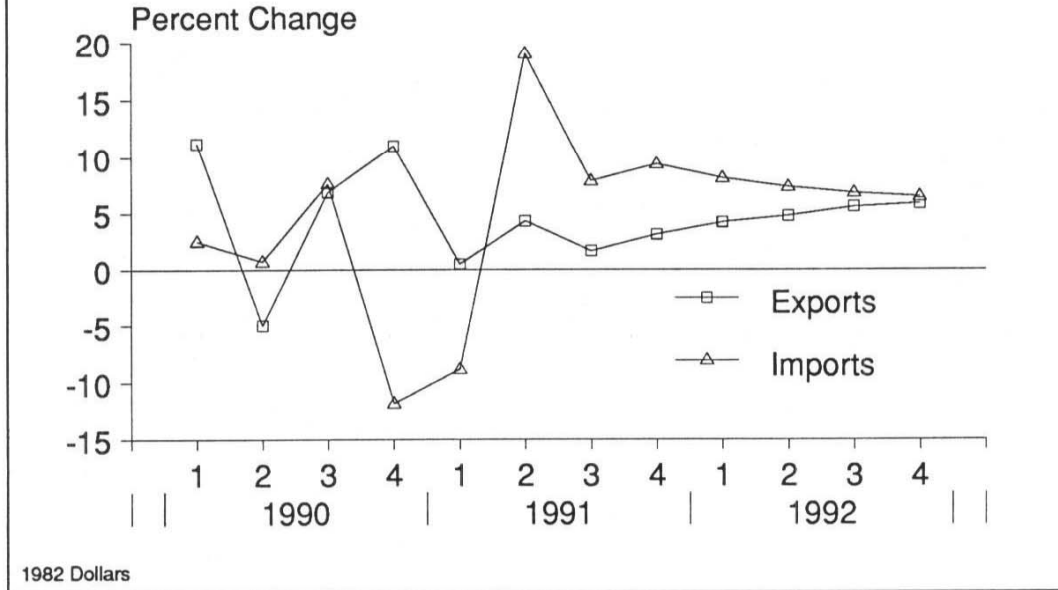
1. Imported oil prices will increase sharply in the third quarter of 1991 (at an 18 percent annual rate) from their very low levels during the spring. Thereafter they will increase gradually at about a one percent annual rate throughout the forecast period.

2. No new tax or spending initiatives are foreseen. There will, however, be a so-called peace dividend; real federal defense expenditures will decline sharply over the last three quarters of 1991, and will then level out in 1992. Federal defense expenditures will be 3.9 percent lower in 1992 than they were in 1991. Federal nondefense expenditures will decline sharply in the third quarter of 1991 as crop purchases fall, and then increase at a one percent annual rate over the forecast period. State and local government spending will remain level throughout 1991 and increase only slightly in 1992.

3. The growth rate of M2 will be right in the middle of the Fed's 2.5 percent to 6.5 percent target range during the second half of 1991, and increase slightly to 5.0 percent in 1992. Although the Fed appears willing finally to relax its staunch anti-inflationary stance, lingering concerns about inflation coupled with banks' cautious lending policies and a lack of enthusiasm by borrowers means that a more liberal Federal Reserve Board will have a smaller effect on the recovery, at least in the early stages, than policy makers expect.

4. The dollar has appreciated sharply since February, in spite of lower interest rates in the U.S. and higher rates in many foreign economies. This reflects, in part, a feeling that there is a great deal of uncertainty about the near future in many of these economies and that the dollar represents a relatively safe haven. The assumption is that the exchange rate² of the dollar will remain constant over the forecast period. The stronger dollar and expected poor performance of the economies of many of the U.S.'s major trading partners, leads to an assumption of slow export growth (less than three percent) during the last half of 1991, with only modest improvement throughout 1992, as illustrated in Figure 1.

Figure 1
Forecasted Growth of U.S.
Exports and Imports

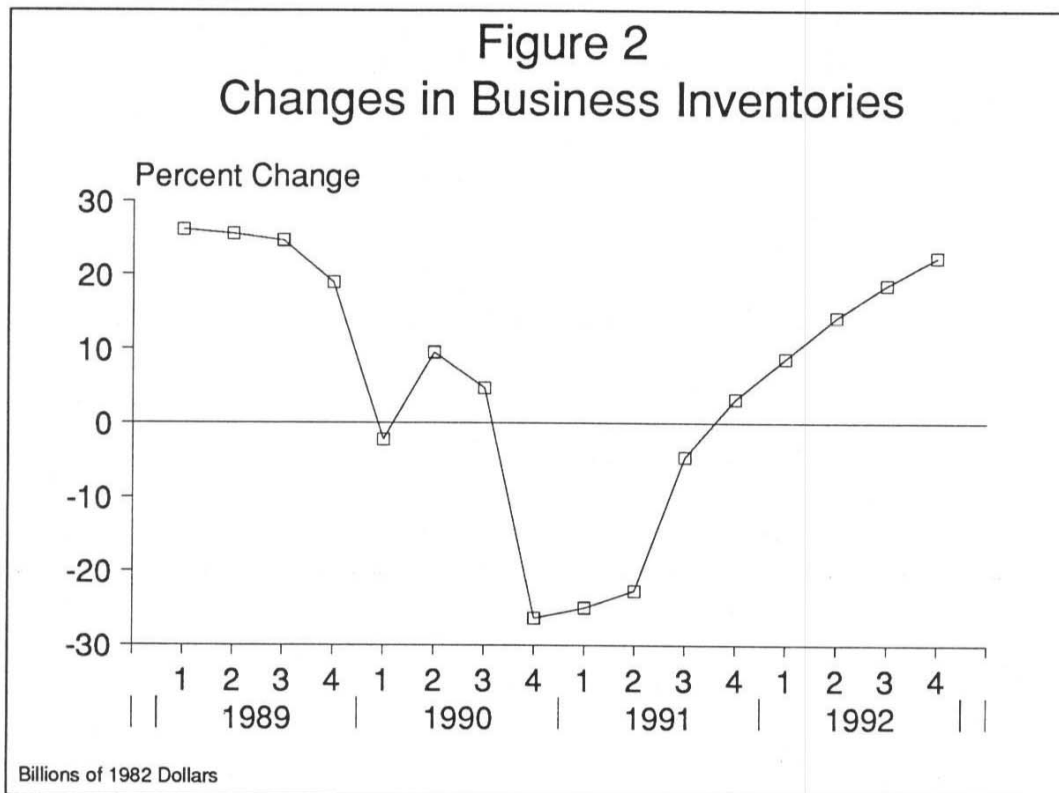


The recovery that appears to have begun near the end of the second quarter or the beginning of the third quarter of 1991 will in some ways be the mirror image of the recession. Just as the recession was not especially deep, the recovery will not be especially strong. Just as slow consumer spending and a rapid rate of inventory reduction by firms were the weak links in the economy during the recession, so an increase in consumer spending and a reduction in the rate of inventory reduction will be the main forces for recovery. Just as a strong performance by the foreign sector and a modest increase in government spending tended to mitigate the decline during the recession, so a weaker foreign sector and a reduction in the rate of government spending will detract from the strength of the recovery.

The contribution of the consumer sector to the recovery can be seen from the forecasted 2.8 percent increase in real consumer spending over the last three quarters of 1991 and 2.3 percent increase in 1992. The weakness of the recovery is illustrated by the fact that consumer spending will not return to its pre-recession peak until the third quarter of 1991, and even by the third quarter of 1992 will be only 2.4 percent above what it was two years before, representing an average annual growth rate of only 1.1 percent over the two year period. Spending on consumer durables will make the strongest rebound among the major consumption categories. Real consumer spending on durable goods is expected to fall 5 percent for all of 1991, due to large drops at the end of 1990 and the first half of 1991; much of the decline was due to a large decline in consumer auto purchases. However, consumer purchases of durables are expected to increase substantially in the third quarter of 1991 and 2.5 percent for all of 1992. Much of the

increase is due to an increase in automobile purchases, although 1992's 11.5 percent increase will still leave spending on autos well below its 1990 level.

Consumer spending on nondurable goods declined 6.5 percent in the last quarter of 1990, but made a quicker turnaround than consumer spending on durable goods; for all of 1991, real consumer spending on nondurable goods declined only 0.6 percent. Major areas of weakness in 1991 were spending on clothing and shoes, which declined 1.1 percent, and spending on fuel oil and coal, which declined nearly 7 percent. For 1992, most major categories of spending on consumer durables are expected to go up. Spending on food is expected to increase 2.8 percent, clothing and shoes 1.7 percent, and gasoline and oil 3.0 percent. The main exception is spending on fuel oil and coal, which is expected to decline a further 8.8 percent. The last of the three major categories of consumption spending, consumer spending on services, suffered the least erosion during the recession and will show the smallest improvement during the recovery. Consumer spending on services grew 2.6 percent in 1990, and is predicted to grow 2.8 percent in both 1991 and 1992.



The second factor that will contribute significantly to the recovery is the fact that firms will begin to rebuild inventories. During the recession, firms cut deeply into their inventories. In fact changes in the rate at which firms added to inventories accounted for about 72 percent of the decrease in GNP over the three quarters during which real GNP declined. Similarly, during the last half of 1991, a reduced rate of inventory reduction in the third quarter, and the beginning of a buildup of inventories in the fourth quarter, account for about 76 percent of the increase in

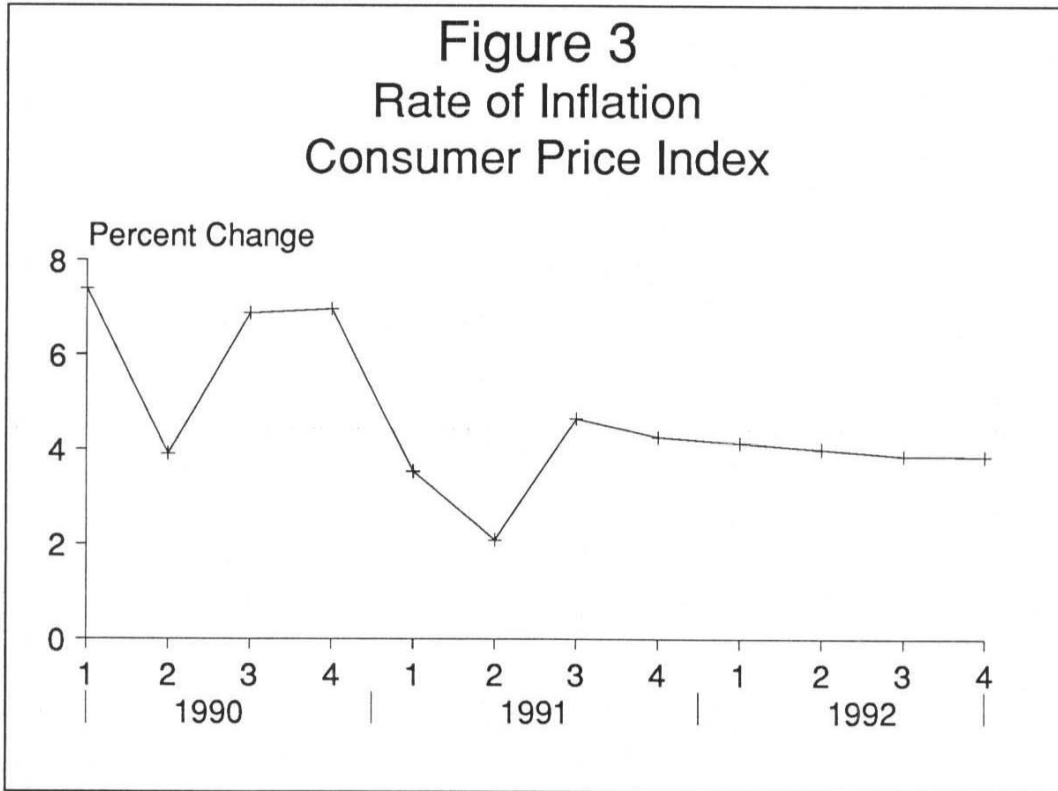
real GNP forecasted for the period. For 1992, further increases in the rate of inventory buildup are forecasted to account for about 34 percent of the forecasted increase in GNP. The forecast and recent history of the change in business inventories is shown in Figure 2.

Increases in firm spending on plant and equipment, although it will not have as big an effect as the first two factors, will also contribute somewhat to the recovery, especially after the initial stages. Firms reduced their spending on plant and equipment by 18.4 percent in the first quarter of 1991, and investment in equipment remained near this new, lower level in the following quarter. Firm spending on structures, however, exhibited double digit drops in all three recessionary quarters. For 1992, firms' spending on equipment is expected to increase 4.5 percent, as they regain some of their confidence about the near future of the economy. Firm spending on structures, however, is expected to increase only 0.4 percent in 1992. Residential investment, which experienced quarterly declines of 11, 20, 21, and 25 percent beginning in the second quarter of 1990, began a modest comeback in the second quarter of 1991, increasing 2.6 percent. Lower mortgage rates and the exercise of some deferred demand lead to a forecast of an average increase of 8 percent in residential investment spending over the forecast period. Even so, the forecasted level of residential investment for 1992 is nearly 18 percent below its 1987 peak level. The forecast for housing starts paints a similar picture. Total housing starts are expected to increase 22 percent in 1992. However, after a long period of decline in new housing starts, which decreased an average 11 percent a year from 1986 until 1991, the level of new housing starts in 1992 will be 32 percent below the level in the peak year of 1986. For new starts of single family dwellings the picture is similar, but not as pronounced; new starts for single family dwellings will increase 21 percent in 1992, but the 1992 level will remain 15 percent below the 1986 peak. The case of new starts for multi-family dwellings is the most extreme, with new starts increasing 27 percent in 1992, but remaining nearly 65 percent below the level of new starts in 1986.

The dramatic reduction in the deficit in net exports that was experienced during the recession will not continue into the recovery. Although exports grew significantly during the recession, the major reason for the decline in the net export deficit was the decline in imports during the period; the decline in imports during the last quarter of 1990 and the first quarter of 1991 accounted for two-thirds of the \$53.6 billion increase in net exports. Another way to see just how dramatically imports fell during the recession is to note that imports actually declined more than total consumer spending declined during the period. However, most of the decline in imports during the fourth quarter was due to a big drop in oil imports, and as the recovery progresses and special factors disappear, import growth will begin to outstrip export growth and the deficit in net exports will worsen. Real imports are expected to grow 8.5 percent in 1992 compared to only 4.1 percent growth of real exports, and thus the deficit in real net exports is expected to climb from \$16.6 billion in 1991 to \$47.4 billion in 1992. The forecasted growth of exports and imports is illustrated in Figure 1.

Surprisingly, given the magnitude of the Desert Shield and Desert Storm operations, government spending did not do much to mitigate the severity of the recession. Although Federal defense spending jumped over 12 percent in the last quarter of 1990, it grew only 2.7 percent in the following quarter, during the actual Desert Storm operation, and fell 8.7 percent in the second quarter of 1991. Furthermore, total Federal purchases of goods and services grew only 4.6 percent during the last quarter of 1990, when the large increase in defense expenditures was partly offset

by a more than 15 percent decrease in non-defense expenditures. During the first quarter of 1991, total federal expenditures fell, as the modest increase in defense expenditures was more than offset by a further 10 percent decrease in nondefense expenditures. Of the three quarters of the recession, only in the second quarter of 1991 did Federal spending increase significantly, growing 8.1 percent as a big increase in nondefense spending offset the large drop in defense spending. Even in this quarter, however, a drop in state and local government spending meant that total government spending increased only 3.0 percent. The forecast is for the realization of a peace dividend from both the end of the war in the Middle East and the end of the Cold War, with Federal defense spending falling 4.0 percent in 1992. Furthermore, Federal nondefense spending is expected to decrease 0.4 percent, so that total Federal spending will decrease 3.1 percent. With state and local government spending increasing only 0.5 percent for the year, total government spending will decrease 1.0 percent, contributing no stimulus to aggregate demand during the year. In spite of this restraint in Federal government purchases of goods and services, large increases in transfer payments and interest payments, coupled with modest increases in tax revenues, mean that the Federal budget deficit will increase in 1992. That deficit, which had been reduced to \$134 billion in 1989, has increased every year since then, and is expected to reach \$230 billion in 1992.

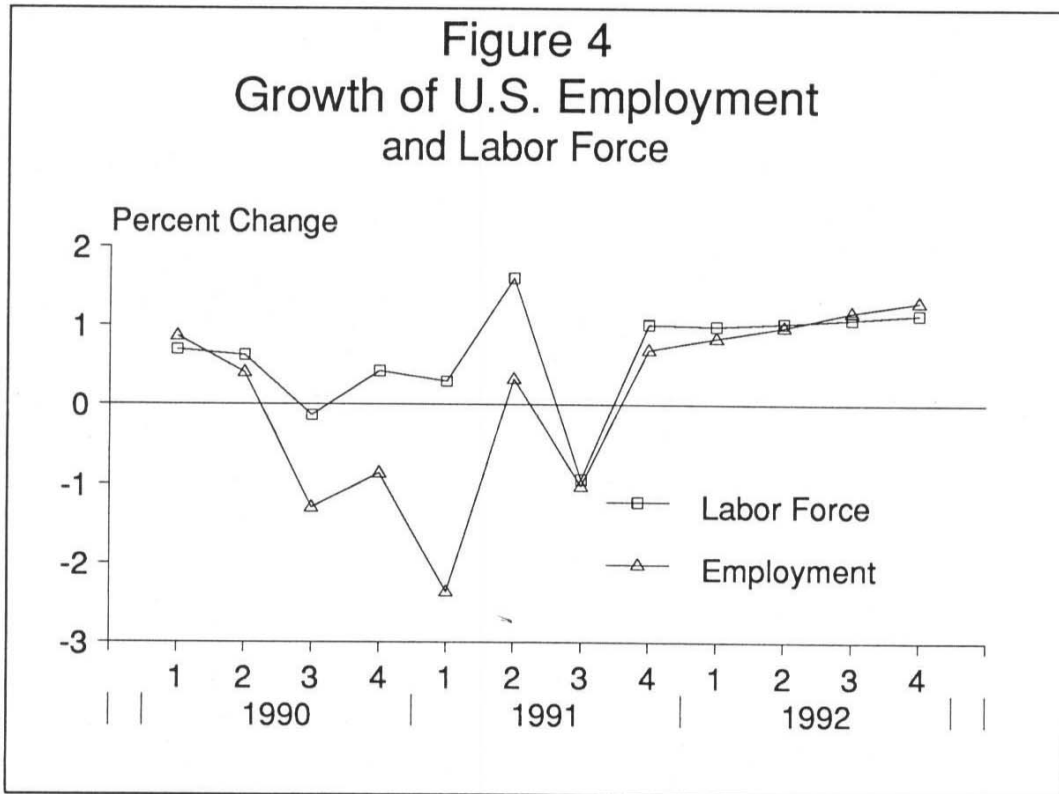


The recovery also means that there will be some increase in the rate of growth of personal income in 1992. As a result of the recession personal income in the U.S. is predicted to grow only 3.6 percent for all of 1991, compared to 7.7 percent in 1989 and 6.0 percent in 1990, but

is forecasted to grow 5.7 percent in 1992. A 5.5 percent growth in wages and salaries, a 5.3 percent growth in other labor income, a 6.4 percent growth in nonfarm proprietors' income, a 3.3 percent increase in interest income and an 8.6 percent increase in transfer payments contribute to the 1992 growth in personal income. In addition, dividend income is expected to increase 7.7 percent after increasing only 2.8 percent in the previous year, reflecting an increase in corporate profits. Corporate before tax profits are expected to increase 20 percent in 1992 after increasing only 1.4 percent in 1991, partly due to the recovery and partly due to the fact that firms trimmed costs in response to the recession. After-tax income of consumers is forecasted to grow 5.8 percent, compared to 3.7 percent in 1991; adjusted for inflation after-tax income of consumers is expected to grow 2.0 percent after declining 0.6 percent in 1991.

Further evidence of the forecasted weakness of the recovery is the fact that the rate of inflation rate is expected to decline further in 1992. The forecast of the inflation rate as measured by the consumer price index for all urban consumers is shown in Figure 3. The rate of inflation is expected to be 4.0 percent in 1992, compared to 5.4 percent in 1989 and 4.5 percent in 1990.

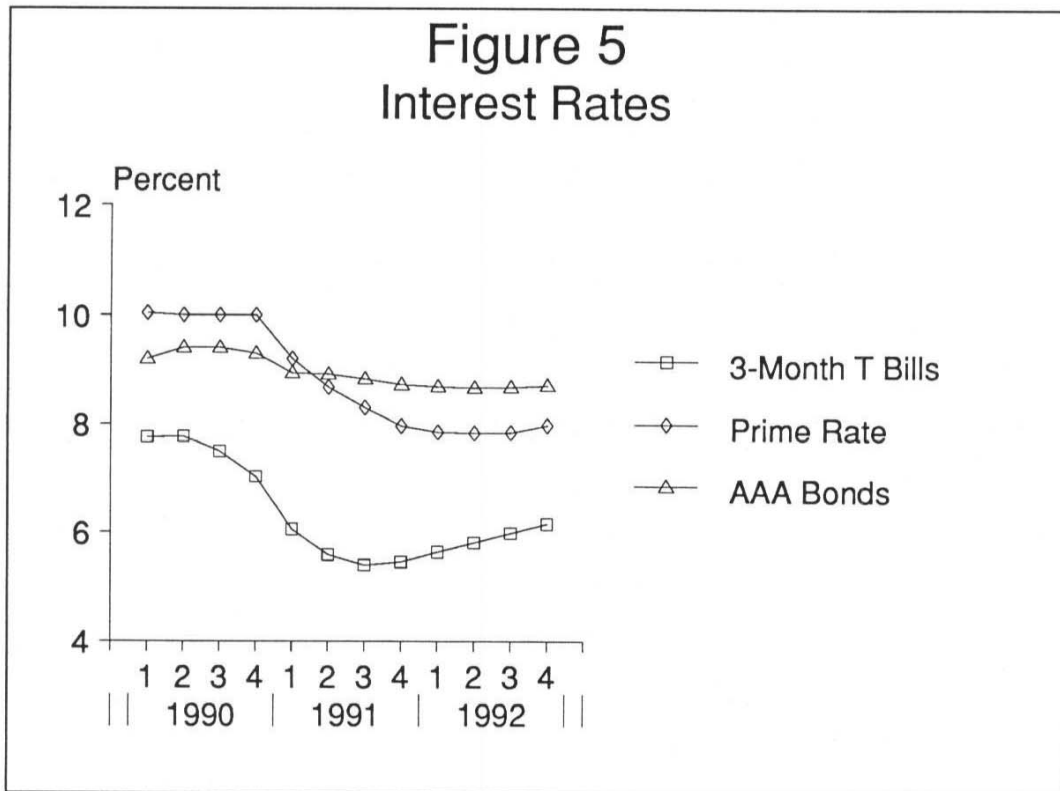
Goods and services that are expected to have reduced rates of price increase in 1992 compared to 1991 are food and beverages (3.4 compared 4.3 percent), new cars (2.3 compared to 3.8



percent) and medical care (6.3 compared to 8.7 percent). Increases in housing costs (4.3

compared to 4.4 percent) are expected to be about the same in 1992 as in 1991, as 1992 price increases in shelter, fuel and utilities, and household furnishings and equipment nearly match the previous year's increases. Motor fuel costs, on the other hand, are expected to increase 2.1 percent in 1992 after declining 0.4 percent in 1991.

The forecast for the labor market also points out the weakness of the recovery. From 1986 until 1990, nonfarm employment³ in the U.S. grew at an average annual rate of 2.5 percent, total employment grew at an average annual rate of 1.8 percent, and the unemployment rate declined from 7 percent in 1986 to 5.5 percent in 1990. In 1991, however, nonfarm employment and total employment are expected to decrease by 0.9 percent, and the unemployment rate is expected to jump to 6.8 percent for the year. For 1992, nonfarm employment is expected to grow 1.2 percent and total employment is expected to grow 0.8 percent, but this will not be sufficient employment growth to bring the unemployment rate down; the unemployment rate for 1992 is forecasted to increase slightly to 6.9 percent. The forecasted rates of growth of the civilian labor force and employment are illustrated in Figure 4, which shows that employment growth will not exceed labor force growth until the last half of 1992, and then by only a narrow margin. Private nonfarm manhours, which grew at an average annual rate of 2.3 percent from

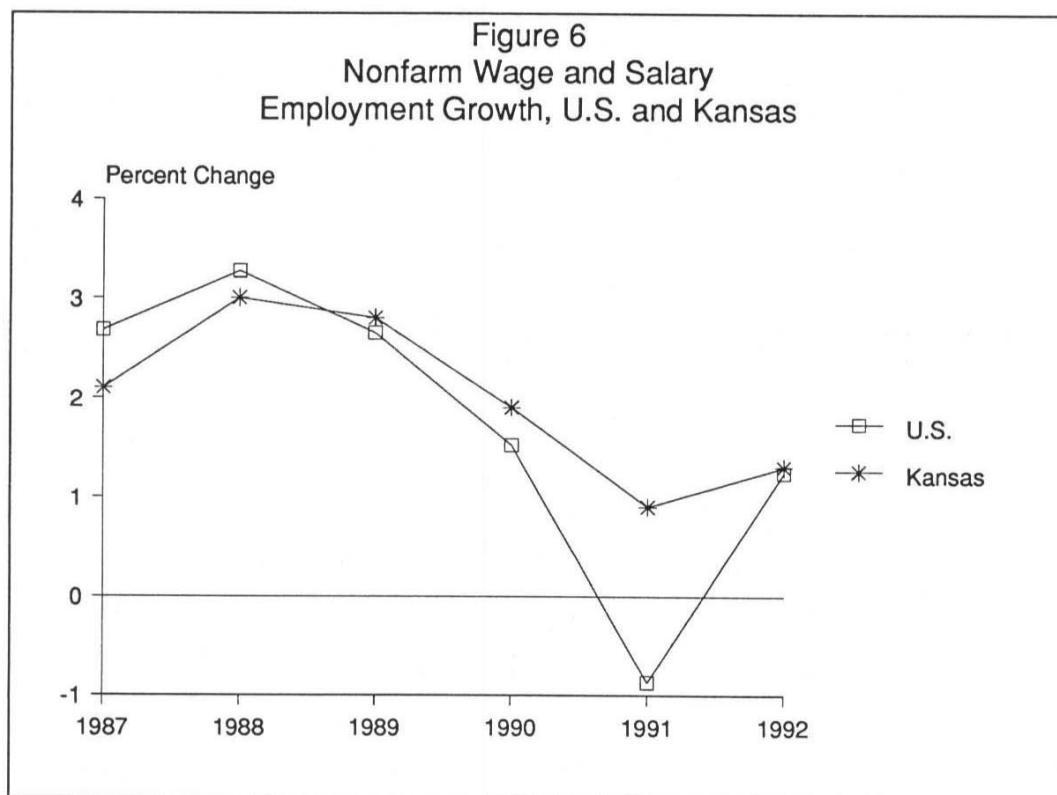


1986 through 1990, are forecasted to fall 1.7 percent in 1991 and to grow 0.6 percent in 1992. Finally the average wage rate in private nonfarm employment, which grew at an average annual

rate of 4.2 percent from 1986 until 1990, is forecasted to increase only 3.5 percent in 1991 and 4.3 percent in 1992, causing only moderate inflationary pressures from the cost side.

On the financial side of the economy, there should be little upward pressure on interest rates throughout the forecast period. The forecast for interest rates is shown in Figure 5. During the year beginning in the third quarter of 1990 and ending with the second quarter of 1991, the M2 measure of the money supply grew at an annual rate of only 3.3 percent. Nevertheless, the interest rate on three-month Treasury bills fell by more than two full percentage points over the period, as one effect of the recession was to substantially reduce the demand for money. Although the growth rate of M2 is expected to increase to 3.9 percent over the last half of 1991 and 4.8 percent in 1992, short-run rates will not decrease further; the three-month Treasury bill rate is expected to bottom out at about 5.4 percent in the third quarter of 1991, and increase gradually to 6.2 percent by the end of 1992 as the recovery strengthens. The prime lending rate charged by banks is expected to get down to 7.8 percent in the second quarter of 1992 and gradually increase to 8.3 percent by the end of the year. Longer term rates, as represented in the forecast by Moody's AAA bond rate, are expected to remain relatively flat over the forecast period.

The Kansas Economy



The Kansas economy appears to have escaped some of the worst effects of the recession. A comparison of U.S. and Kansas employment growth is shown in Figure 6. For 1990, nonfarm wage and salary employment⁴ grew 1.9 percent in Kansas, compared to 1.5 percent in the U.S. In the same year, total employment in Kansas grew 0.8 percent compared to 0.5 percent in the U.S. Thus, by either measure of employment, employment growth appears to have held up better in Kansas than in the nation as a whole over the early part of the recession. Interestingly enough, this pattern did not hold if we look at unemployment rates over the same period, as the unemployment rate in the U.S. and the unemployment rate in Kansas both increased 0.3 of a percentage point in 1990. To compare the U.S. and Kansas over the latter part of the recession and the early stages of the recovery, we can look at employment growth in 1991, for which we have historical data over the first half of the year and a forecast in the second half. We see that nonfarm wage and salary employment in 1991 is expected to grow 0.9 percent in Kansas and decline 0.9 percent in the U.S., whereas total employment is expected to grow 0.8 percent in Kansas and decline 0.9 percent in the U.S. For 1991, a comparison of unemployment rates tells the same story, the unemployment rate in Kansas is expected to increase by a further 0.3 of a percentage point, while the U.S. unemployment rate is expected to increase by 1.2 percentage points. The forecast for 1992 suggests that the discrepancy between the U.S. and Kansas will nearly disappear, with nonfarm wage and salary employment growing 1.3 percent in Kansas compared to 1.2 percent in the U.S., total employment growing 1.0 percent in Kansas compared to 0.6 percent in the U.S., and the unemployment rate falling 0.1 of a percentage point in Kansas and increasing 0.1 of a percentage point in the U.S.

A breakdown of Kansas employment growth by major subsectors is given in Table 1.

	1990	1991	1992
Mining	5.5	1.0	-67
Construction	3.3	1.3	-01
Durable Goods Manufacturing	-0.1	-1.4	03
Nondurable Goods Manufacturing	1.5	1.8	10
Transportation and Utilities	-0.1	2.3	1.6
Wholesale and Retail Trade	0.4	0.2	09
Finance, Insurance, and Real Estate	0.2	0.4	-13
Services	4.9	2.9	35
Government	2.6	0.1	08
Farm	-4.6	-3.9	-15

Mining employment, which increased during the last half of 1990 and the early part of 1991 because of expectations of higher oil prices due to the situation in the Persian Gulf, is forecasted to decline at the end of 1991 and in 1992, as oil prices level off over the forecast period. Construction employment will remain at about the same level in 1992 as it was in 1991. A trend

of modest increases in construction employment will be interrupted during the last quarter of 1991 and the first quarter of 1992 as the tenuous nature of the early recovery puts a damper on new construction. Employment in nondurable goods manufacturing will increase only 1.0 percent in 1992 compared to 1.8 percent in 1991. Employment increases in the two major areas of nondurable goods manufacturing, food and kindred products and printing and publishing, will be as great in 1992 as they were in 1991. Thus the slower growth in employment in nondurable goods manufacturing will come from some weakness in two smaller areas, chemicals and allied products and petroleum and coal, which together account for about one-fourth of employment in nondurable goods manufacturing.

Employment in durable goods manufacturing is expected to grow slightly in 1992, after declining 1.4 percent in 1991. Most of the subsectors of durable goods manufacturing are expected to continue to exhibit the weakness in 1992 that was shown in 1991. Stone glass and clay, primary metals, fabricated metals, and machinery are among the subsectors of durable goods manufacturing that are expected to experience moderate employment declines. The strength in durable goods manufacturing comes mostly from the transportation equipment subsector, which accounts for nearly half of the employment in durable goods manufacturing. Employment in manufacturing of transportation equipment is expected to increase 3.9 percent in 1992, following a 2.2 percent decline in 1991.

Employment in the transportation, communications, and utilities subsector is expected to grow 1.6 percent in 1992 compared with 2.3 percent in 1991. This growth comes almost completely from a forecast of continued growth in the trucking and warehousing area, as employment in electric, gas and sanitary services is expected to remain flat while railroad employment continues to decline. Employment in wholesale and retail trade is expected to increase moderately, in response to increased consumer spending as the recovery continues. Growth in employment in wholesale and retail trade comes mostly from a forecasted 1992 growth of 1.1 percent in retail trade employment, while employment in wholesale trade is forecasted to grow only 0.2 percent. The biggest growth in employment in retail trade will be in general merchandise stores, where employment is expected to grow 2.9 percent after declining 3.1 percent in 1991, and auto dealers and gas stations, where employment is expected to grow 1.1 percent after declining 1.0 percent in 1991.

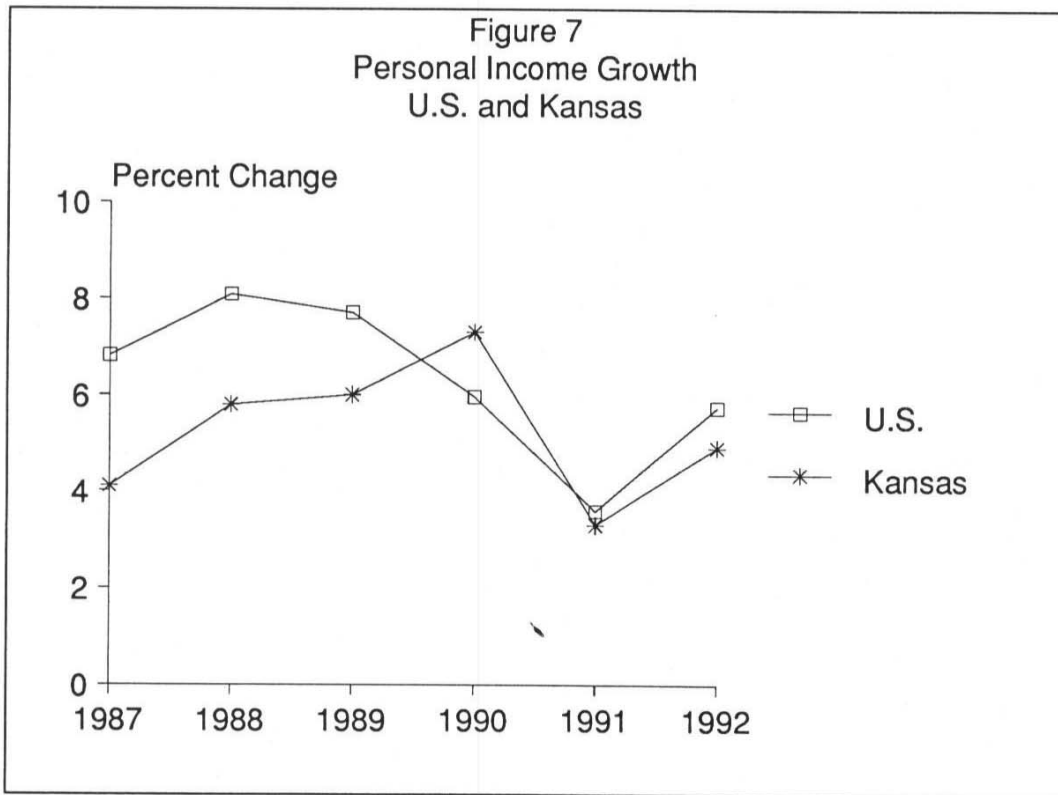
The 1.3 percent decrease in employment in finance, insurance and real estate is generated by a forecasted 2.5 percent decrease in banking employment in 1992. Employment in insurance is expected to increase a modest 0.7 percent. Employment in services is forecasted to increase 3.5 percent, after growing 2.9 percent in 1991, with employment in hotels and lodging growing 1.8 percent in 1992 and employment in personal services growing 1.3 percent. Federal government employment is forecasted to decline 0.3 percent in 1992, as decreases in real Federal government spending take hold, while state and local government employment is expected to grow 1.0 percent.

Table 2 illustrates the forecast for Kansas personal income growth. As the table shows, Kansas personal income is expected to grow 4.9 percent in 1992 compared to only 3.3 percent for 1991 and 7.3 percent in 1990. As the table also illustrates, there are fairly large fluctuations in farm proprietors' income forecasted over the period. For 1990, the historical data show farm proprietors' income growing more than 71 percent over the previous year's level, while the

Table II

**Table 2
Kansas Personal Income Breakdown
Growth Rates**

	1990	1991	1992
Personal Income	7.3	3.3	4.9
Wages and Salaries	5.8	4.4	4.9
Nonfarm Proprietors' Income	5.6	4.0	5.5
Farm Proprietors' Income	71.3	-10.7	12
Dividends, Interest, and Rents	5.2	-0.1	4.0
Personal Contributions to Social Insurance	7.8	9.5	8.3
Transfer Payments	8.0	8.9	8.0
Other Labor Income	7.1	6.6	5.5



forecast for 1991 and 1992 has farm proprietors' income declining 10.7 percent and 1.2 percent respectively. Because farm proprietors' income is very difficult to measure, and even more

difficult to forecast, it may be useful to look at the growth rate of Kansas personal income net of farm proprietors' income. After making this adjustment, we find that Kansas personal income grew 5.9 percent in 1990, and is forecasted to grow 3.8 percent in 1991 and 5.0 percent in 1992. Thus, Kansas personal income was probably not hit as hard by the recession as the figures on total personal income in the table might seem to indicate. Adjusted for inflation, Kansas personal income grew 2.2 percent in 1990, and is forecasted to fall 0.9 percent in 1991 and grow 1.1 percent in 1992. Kansas personal income net of farm proprietors' income and adjusted for inflation grew 0.8 percent in 1990 and is forecasted to fall 0.4 percent in 1991 and grow 1.2 percent in 1992. As can be seen from Table 2, the forecast is for a modest increase in the growth of wages and salaries and nonfarm proprietors' income. Dividends, interest, and rents will increase 4.0 percent after falling 0.1 percent, reflecting larger dividend payments and rental income. Growth in transfer payments will be near its 1990 rate, while other labor income will grow more slowly in 1991 and 1992 than it did in 1990. A comparison of U.S. and Kansas personal income growth is shown in Figure 7.

Conclusion

The recession that began during the third quarter of 1990 will be succeeded by a recovery beginning in the third quarter of 1991, but the recovery will be moderate at best. To see that the forecast is far from optimistic, one merely needs to observe that the forecast does not have output returning to its pre-recovery peak until sometime during the first quarter of 1992. What strength the recovery does have will be centered on consumer spending and the buildup of inventories by firms. With employment growth sluggish at best, there is some danger that consumers will simply not have enough disposable income to sustain a recovery. Similarly, if firms find the evidence for a recovery unconvincing, they may well hold off on replenishing inventories. Although the Fed has shown some willingness to lower interest rates in the early fourth quarter of 1991, its recent history of being more concerned about inflation than growth suggests that we should be wary of expected too much in the way of a monetary stimulus to the recovery. Similarly, the reduction in Federal defense spending that one would expect to result from the end of Cold War suggests that there will be no great fiscal stimulus to the recovery.

Although Kansas appears to have weathered the recession better than the nation, the forecast for the recovery period in Kansas is also for rather weak growth. It appears that the differentials by which Kansas outperformed the nation during the recession will have all but disappeared in 1992. There is nothing in the near future for either the U.S. or Kansas that one can point to as being a factor that will generate a shift to rapid growth.

Notes

1. The forecasts for the national economy are produced by the Econometric Model of the United States developed at the Center for Econometric Model Research at the University of Indiana, using assumptions generated at the Institute. The directors of the CEMR are R. Jeffery Green and Morton J. Marcus. The Kansas forecasts are produced by the Kansas Econometric Model, which is a product of the Institute for Public Policy and Business Research.

2. Trade weighted average of the dollar's exchange rate.

3. Employment by place of work is the same as nonfarm wage and salary employment. See note 4.

4. Employment refers to total number of Kansas residents employed in civilian (including nonmilitary government) jobs. Nonfarm wage and salary employment refers to total nonfarm civilian (including nonmilitary government) jobs in Kansas. Thus, to go from nonfarm wage and salary employment to employment, one must correct for farm employment, Kansans who have more than one job, Kansans who work out of state, and non-Kansas residents who work in Kansas.

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Institute for Public Policy and Business Research, University of Kansas 1991-1992 US Forecast

GNP AS EXPENDITURE - 1982 DOLLARS

24SEP91 A1

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Gross National Product	4124.1	4123.0	4146.2	4163.4	4184.0	4209.0	4236.2	4263.9	4139.2	4223.3
Percent Change From Last Qtr (AR)	-2.8	-0.1	2.3	1.7	2.0	2.4	2.6	2.6	-0.4	2.0
US: Personal Consumption Expend.	2663.7	2682.1	2703.6	2718.9	2733.1	2747.7	2762.4	2777.3	2692.1	2755.1
Percent Change From Last Qtr (AR)	-1.5	2.8	3.2	2.3	2.1	2.2	2.2	2.2	0.4	2.3
US: Per. Con. Exp.-Durables	402.9	401.6	408.3	411.1	413.4	415.4	417.2	418.8	406.0	416.2
Percent Change From Last Qtr (AR)	-11.7	-1.3	6.8	2.7	2.3	2.0	1.7	1.5	-5.0	2.5
US: PCE-Nondurables	897.1	903.1	910.4	913.2	915.6	918.5	921.8	925.3	905.9	920.3
Percent Change From Last Qtr (AR)	-1.8	2.7	3.3	1.2	1.1	1.3	1.4	1.5	-0.6	1.6
US: PCE-Services	1363.7	1377.4	1384.9	1394.7	1404.1	1413.8	1423.5	1433.2	1380.2	1418.7
Percent Change From Last Qtr (AR)	2.1	4.1	2.2	2.9	2.7	2.8	2.8	2.8	2.8	2.8
US: Fixed Nonresidential Invest.	496.8	494.5	495.9	502.1	507.8	512.8	518.0	522.8	497.3	515.4
Percent Change From Last Qtr (AR)	-16.3	-1.8	1.2	5.1	4.6	4.0	4.1	3.8	-3.5	3.6
US: Producers Durable Equipment	383.1	385.0	386.5	392.4	397.6	402.4	406.6	410.6	386.8	404.3
Percent Change From Last Qtr (AR)	-18.4	2.0	1.6	6.2	5.4	4.8	4.3	3.9	-2.0	4.5
US: Investment in Structures	113.7	109.6	109.4	109.7	110.2	110.5	111.3	112.3	110.6	111.1
Percent Change From Last Qtr (AR)	-9.0	-13.7	-0.8	1.2	1.7	1.0	3.2	3.4	-8.5	0.4
US: Residential Investment	151.8	152.8	155.5	158.4	161.8	165.4	168.8	172.1	154.6	167.0
Percent Change From Last Qtr (AR)	-25.3	2.7	7.2	7.8	8.8	9.1	8.6	8.0	-12.6	8.0

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Change in Bus. Inventories	-25.0	-27.7	-4.6	3.2	8.7	14.2	18.6	22.3	-13.5	16.0
US: Change in Farm Inventories	3.1	-6.1	1.5	1.5	1.5	1.5	1.5	1.5	0.0	1.5
US: Change in Nonfarm Inv.	-28.1	-21.6	-6.1	1.7	7.2	12.7	17.1	20.8	-13.5	14.5
US: Net Exports	7.1	-14.5	-24.7	-35.1	-42.0	-46.8	-49.6	-51.3	-16.8	-47.4
Percent Change From Last Qtr (AR)	-57.6	1639.6	743.3	307.1	104.6	54.8	25.6	15.1	-50.3	182.3
US: Total Exports	648.0	654.9	657.6	662.7	669.6	677.5	686.8	696.7	655.8	682.6
Percent Change From Last Qtr (AR)	0.5	4.3	1.7	3.1	4.2	4.8	5.6	5.9	3.9	4.1
US: Total Imports	641.0	669.5	682.3	697.8	711.6	724.3	736.4	748.0	672.7	730.1
Percent Change From Last Qtr (AR)	-8.8	19.0	7.9	9.4	8.1	7.4	6.8	6.5	1.1	8.5
US: Total Government Purchases	829.6	835.8	820.5	815.9	814.5	815.7	817.9	820.8	825.5	817.2
Percent Change From Last Qtr (AR)	-1.3	3.0	-7.1	-2.2	-0.7	0.6	1.0	1.4	0.6	-1.0
US: Fed. Govt. Purchases	349.5	356.4	341.5	336.7	334.9	334.8	335.6	336.5	346.0	335.5
Percent Change From Last Qtr (AR)	-0.5	8.1	-15.7	-5.5	-2.1	-0.1	1.0	1.0	0.7	-3.1
US: Fed. Defense Purchases	267.5	261.5	255.0	250.0	248.0	247.7	248.3	248.9	258.5	248.2
Percent Change From Last Qtr (AR)	2.7	-8.7	-9.6	-7.6	-3.2	-0.5	1.0	1.0	-0.1	-4.0
US: Fed. Nondefense Purchases	82.0	94.9	86.5	86.7	86.9	87.1	87.3	87.5	87.5	87.2
Percent Change From Last Qtr (AR)	-10.0	79.4	-31.0	0.9	0.9	0.9	0.9	0.9	3.0	-0.3
US: State and Local Govt. Purch.	480.1	479.4	479.0	479.2	479.6	480.9	482.2	484.3	479.4	481.8
Percent Change From Last Qtr (AR)	-1.9	-0.6	-0.3	0.1	0.4	1.1	1.1	1.8	0.5	0.5

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

GNP AS EXPENDITURE - CURRENT DOLLARS

	1991q1	1991q2	1991q3	1991q4	1992q1	1992q2	1992q3	1992q4	1991	1992
US: Gross National Product	5557.7	5615.8	5696.1	5771.6	5854.8	5942.1	6030.2	6120.0	5660.3	5986.8
Percent Change From Last Qtr (AR)	2.2	4.2	5.8	5.4	5.9	6.1	6.1	6.1	3.6	5.8
US: Personal Consumption Expend.	3742.8	3791.2	3863.2	3922.4	3979.9	4036.8	4092.8	4149.6	3829.9	4064.8
Percent Change From Last Qtr (AR)	1.9	5.3	7.8	6.3	6.0	5.8	5.7	5.7	4.7	6.1
US: Per. Con. Exp.-Durables	455.3	454.0	462.7	468.3	473.6	478.4	482.8	486.9	460.1	480.4
Percent Change From Last Qtr (AR)	-10.8	-1.1	7.9	4.9	4.6	4.2	3.7	3.4	-4.2	4.4
US: PCE-Nondurables	1212.7	1222.9	1242.7	1256.5	1269.3	1282.3	1295.1	1308.2	1233.7	1288.7
Percent Change From Last Qtr (AR)	-1.1	3.4	6.6	4.5	4.2	4.2	4.0	4.1	3.4	4.5
US: PCE-Services	2074.8	2114.2	2157.8	2197.6	2237.0	2276.1	2315.0	2354.5	2136.1	2295.7
Percent Change From Last Qtr (AR)	6.9	7.8	8.5	7.6	7.4	7.2	7.0	7.0	7.7	7.5
US: Fixed Nonresidential Invest.	503.6	497.1	498.1	506.5	515.4	523.8	532.5	541.0	501.3	528.2
Percent Change From Last Qtr (AR)	-14.7	-5.1	0.8	6.9	7.2	6.7	6.8	6.5	-4.3	5.4
US: Producers Durable Equipment	364.1	362.2	362.8	369.7	376.8	383.6	390.0	396.2	364.7	386.7
Percent Change From Last Qtr (AR)	-17.4	-2.1	0.7	7.8	7.9	7.5	6.9	6.5	-3.3	6.0
US: Investment in Structures	139.5	134.9	135.3	136.8	138.6	140.2	142.4	144.8	136.6	141.5
Percent Change From Last Qtr (AR)	-7.1	-12.6	1.1	4.5	5.5	4.6	6.6	6.8	-7.1	3.6
US: Residential Investment	190.5	193.2	198.1	203.6	209.9	216.3	222.6	228.7	196.3	219.4
Percent Change From Last Qtr (AR)	-25.7	5.8	10.4	11.7	12.9	12.9	12.1	11.4	-11.6	11.7

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

	1991-1992 US Forecast										24SEP91	A4
	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992		
US: Change in Bus. Inventories	-34.2	-33.5	-5.2	5.1	12.5	19.9	26.1	31.2	-16.9	22.4		
US: Change in Farm Inventories	2.9	-4.8	2.4	2.4	2.4	2.4	2.4	2.4	0.7	2.4		
US: Change in Nonfarm Inv.	-37.1	-28.7	-7.6	2.7	10.1	17.5	23.7	28.8	-17.7	20.0		
US: Net Exports	13.5	14.9	-1.8	-11.3	-15.3	-17.0	-16.6	-15.0	3.8	-16.0		
Percent Change From Last Qtr (AR)	-95.2	48.4	-100.0	162668.5	242.0	51.7	-9.1	-34.2	-112.3	-515.7		
US: Total Exports	694.5	700.4	705.3	715.2	727.8	741.7	756.9	773.0	703.9	749.8		
Percent Change From Last Qtr (AR)	-1.7	3.4	2.9	5.7	7.2	7.8	8.5	8.8	4.6	6.5		
US: Total Imports	681.0	685.5	707.1	726.5	743.1	758.7	773.5	788.0	700.0	765.8		
Percent Change From Last Qtr (AR)	-22.7	2.7	13.2	11.4	9.5	8.6	8.0	7.7	-0.6	9.4		
US: Total Government Purchases	1141.5	1152.9	1143.6	1145.3	1152.5	1162.2	1172.8	1184.4	1145.8	1168.0		
Percent Change From Last Qtr (AR)	3.1	4.1	-3.2	0.6	2.5	3.4	3.7	4.0	4.4	1.9		
US: Fed. Govt. Purchases	443.8	451.1	438.2	435.3	437.6	441.4	446.3	451.1	442.1	444.1		
Percent Change From Last Qtr (AR)	5.8	6.7	-11.0	-2.6	2.2	3.6	4.5	4.4	4.3	0.5		
US: Fed. Defense Purchases	331.2	327.1	321.6	318.3	318.9	321.5	325.1	328.6	324.6	323.5		
Percent Change From Last Qtr (AR)	7.9	-4.9	-6.5	-4.0	0.7	3.3	4.5	4.5	3.5	-0.3		
US: Fed. Nondefense Purchases	112.6	124.0	116.5	116.9	118.7	119.9	121.2	122.5	117.5	120.6		
Percent Change From Last Qtr (AR)	0.0	47.1	-22.1	1.4	6.1	4.2	4.5	4.2	6.5	2.6		
US: State and Local Govt. Purch.	697.7	701.8	705.5	710.0	714.9	720.8	726.5	733.3	703.8	723.9		
Percent Change From Last Qtr (AR)	1.4	2.4	2.1	2.6	2.8	3.4	3.2	3.8	4.4	2.9		

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

Institute for Public Policy and Business Research, University of Kansas 1991-1992 US Forecast

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RELATION OF GNP, NNP, NAT. INCOME & PERS. INCOME
1991Q1

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Gross National Product	5557.7	5615.8	5696.1	5771.6	5854.8	5942.1	6030.2	6120.0	5660.3	5986.8
Percent Change From Last Qtr (AR)	2.2	4.2	5.8	5.4	5.9	6.1	6.1	6.1	3.6	5.8
US: Cap. Cons. Allow. with Adj. Percent Change From Last Qtr (AR)	591.5	595.4	603.9	612.6	621.9	631.0	640.0	649.1	600.8	635.5
	4.4	2.7	5.8	5.9	6.2	6.0	5.8	5.8	4.4	5.8
US: Cap. Cons. Allow w/o Adj. Percent Change From Last Qtr (AR)	548.0	555.9	563.2	571.9	581.2	590.3	599.3	608.4	559.7	594.8
	3.5	5.9	5.3	6.4	6.6	6.4	6.2	6.2	3.6	6.3
US: Cap. Cons. Adjustment, Total Percent Change From Last Qtr (AR)	-43.6	-39.4	-40.7	-40.7	-40.7	-40.7	-40.7	-40.7	-41.1	-40.7
	18.4	-33.3	13.9	0.0	0.0	0.0	0.0	0.0	16.9	-1.0
US: Net National Product	4966.2	5020.4	5092.2	5158.9	5232.9	5311.1	5390.2	5470.9	5059.4	5351.3
Percent Change From Last Qtr (AR)	2.0	4.4	5.8	5.3	5.9	6.1	6.1	6.1	3.5	5.8
US: Indirect Business Taxes	461.4	465.4	469.4	475.8	483.1	490.6	498.2	506.0	468.0	494.5
Percent Change From Last Qtr (AR)	9.2	3.5	3.5	5.5	6.3	6.3	6.3	6.4	6.3	5.7
US: Business Transfer Payments	36.7	37.3	37.7	38.2	38.7	39.2	39.8	40.3	37.5	39.5
Percent Change From Last Qtr (AR)	8.0	6.7	4.8	5.2	5.5	5.4	5.6	5.7	7.0	5.4
US: Statistical Discrepancy	8.2	13.5	0.0	0.0	0.0	0.0	0.0	0.0	5.4	0.0
US: Sub. less Cur. Sur.-Gov. E. Percent Change From Last Qtr (AR)	-3.5	-6.0	-4.8	-3.6	-2.9	-2.3	-3.0	-3.2	-4.5	-2.8
	-81.0	763.6	-59.0	-68.4	-57.9	-60.4	189.4	29.5	-282.7	-36.3
US: National Income	4456.4	4498.2	4580.2	4641.4	4708.2	4778.9	4849.2	4921.4	4544.0	4814.4
Percent Change From Last Qtr (AR)	-0.3	3.8	7.5	5.4	5.9	6.1	6.0	6.1	2.8	5.9

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Corp. Prof. W. IVA + CCADJ Percent Change From Last Qtr (AR)	286.2 -3.7	287.9 2.4	329.5 71.6	337.7 10.3	345.4 9.4	356.7 13.8	365.5 10.3	373.5 9.0	310.3 4.0	360.3 16.1
US: Net Interest Percent Change From Last Qtr (AR)	460.9 -6.3	451.7 -7.7	450.2 -1.4	452.5 2.1	457.1 4.1	463.1 5.3	469.9 6.1	477.5 6.6	453.8 -2.7	466.9 2.9
US: Cont. to Soc. Ins.-Total Percent Change From Last Qtr (AR)	527.6 11.3	531.8 3.2	537.3 4.2	543.7 4.8	553.7 7.6	560.4 4.9	567.5 5.1	574.7 5.2	535.1 5.6	564.1 5.4
US: Wage Accruals less Disburs.	0.0	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
US: Govt. Trans. to Pers.-Total Percent Change From Last Qtr (AR)	708.7 18.7	721.6 7.5	725.9 2.4	744.5 10.6	761.8 9.6	780.2 10.0	798.1 9.5	816.1 9.3	725.2 9.9	789.0 8.8
US: Personal Interest Income Percent Change From Last Qtr (AR)	682.0 -3.4	674.7 -4.2	673.4 -0.7	677.9 2.7	684.9 4.2	693.7 5.2	703.8 6.0	715.1 6.5	677.0 -0.5	699.4 3.3
US: Personal Dividend Income Percent Change From Last Qtr (AR)	126.7 0.0	125.5 -3.7	127.1 5.2	129.7 8.4	132.5 9.0	135.4 8.9	138.4 9.4	141.6 9.5	127.2 2.8	137.0 7.7
US: Personal Income Percent Change From Last Qtr (AR)	4735.8 1.5	4786.3 4.3	4827.5 3.5	4897.7 6.0	4969.6 6.0	5047.0 6.4	5126.1 6.4	5208.5 6.6	4811.8 3.6	5087.8 5.7

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

DISPOSITION OF PERSONAL INCOME - CURRENT DOLLARS

	1991q1	1991q2	1991q3	1991q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Personal Income	4735.8	4786.3	4827.5	4897.7	4969.6	5047.0	5126.1	5208.5	4811.8	5087.8
Percent Change From Last Qtr (AR)	1.5	4.3	3.5	6.0	6.0	6.4	6.4	6.6	3.6	5.7
US: Wage and Salary Disburse.	2742.8	2774.0	2808.0	2845.7	2885.6	2925.6	2967.6	3010.8	2792.6	2947.4
Percent Change From Last Qtr (AR)	0.6	4.6	5.0	5.5	5.7	5.7	5.9	6.0	3.2	5.5
US: Other Labor Income	266.2	269.2	272.4	275.9	279.6	283.3	287.1	291.2	270.9	285.3
Percent Change From Last Qtr (AR)	4.6	4.6	4.8	5.2	5.5	5.4	5.6	5.7	5.0	5.3
US: Total Proprietors Inc.	404.4	417.1	417.7	423.9	429.5	435.5	440.5	446.0	415.8	437.9
Percent Change From Last Qtr (AR)	-1.8	13.2	0.6	6.0	5.4	5.6	4.7	5.1	3.3	5.3
US: Farm Proprietors Inc.	48.5	51.8	45.4	46.3	46.7	47.1	46.6	46.5	48.0	46.7
Percent Change From Last Qtr (AR)	-2.4	30.1	-40.8	7.7	3.5	3.7	-4.4	-0.7	-3.8	-2.7
US: Nonfarm Proprietors Inc.	355.8	365.2	372.3	377.6	382.8	388.3	393.9	399.5	367.7	391.1
Percent Change From Last Qtr (AR)	-1.8	11.0	8.0	5.8	5.7	5.9	5.8	5.9	4.3	6.4
US: Rental Income of Persons	5.6	6.2	7.0	7.0	7.1	7.4	7.5	7.6	6.4	7.4
Percent Change From Last Qtr (AR)	-86.9	50.3	62.5	0.0	5.8	16.6	5.6	5.6	-6.2	14.5
US: Personal Interest Income	682.0	674.7	673.4	677.9	684.9	693.7	703.8	715.1	677.0	699.4
Percent Change From Last Qtr (AR)	-3.4	-4.2	-0.7	2.7	4.2	5.2	6.0	6.5	-0.5	3.3
US: Personal Dividend Income	126.7	125.5	127.1	129.7	132.5	135.4	138.4	141.6	127.2	137.0
Percent Change From Last Qtr (AR)	0.0	-3.7	5.2	8.4	9.0	8.9	9.4	9.5	2.8	7.7
US: Total Transfer Payments	745.4	759.0	763.6	762.7	800.5	819.4	837.9	856.4	762.7	828.6
Percent Change From Last Qtr (AR)	18.1	7.5	2.5	10.4	9.4	9.8	9.3	9.1	9.8	8.6

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Tot. Pers. Tax + Nontax Pay Percent Change From Last Qtr (AR)	714.6 -1.1	716.4 1.0	718.5 1.2	729.2 6.1	740.4 6.3	752.5 6.7	765.0 6.8	778.1 7.0	719.7 2.9	759.0 5.5
US: Disposable Personal Income Percent Change From Last Qtr (AR)	4021.3 2.0	4069.9 4.9	4109.0 3.9	4168.6 5.9	4229.2 5.9	4294.5 6.3	4361.1 6.4	4430.3 6.5	4092.2 3.7	4328.8 5.8
US: Personal Consumption Expend. Percent Change From Last Qtr (AR)	3742.8 1.9	3791.2 5.3	3863.2 7.8	3922.4 6.3	3979.9 6.0	4036.8 5.8	4092.8 5.7	4149.6 5.7	3829.9 4.7	4064.8 6.1
US: Int. Paid by Cons. to Bus. Percent Change From Last Qtr (AR)	108.6 0.4	107.8 -2.9	107.3 -1.9	106.7 -2.0	106.1 -2.4	105.6 -1.8	105.3 -1.0	105.4 0.2	107.6 -0.2	105.6 -1.9
US: Pers. Trans. Pay. to For. Percent Change From Last Qtr (AR)	1.2 107.4	0.7 -88.4	0.9 173.3	1.0 52.4	1.1 46.4	1.2 41.6	1.2 0.0	1.2 0.0	0.9 5.6	1.2 23.7
US: Personal Saving Percent Change From Last Qtr (AR)	168.7 2.9	170.2 3.6	137.5 -57.4	138.4 2.6	142.1 11.1	150.9 27.0	161.7 32.1	174.1 34.3	153.7 -14.6	157.2 2.3
US: Disposable Personal Income Percent Change From Last Qtr (AR)	2861.9 -1.5	2879.3 2.5	2875.5 -0.5	2889.5 2.0	2904.1 2.0	2922.8 2.6	2943.2 2.8	2964.9 3.0	2876.6 -0.6	2933.8 2.0
US: YSAV as a Percent of YPD	4.2	4.2	3.3	3.3	3.4	3.5	3.7	3.9	3.8	3.6

US forecasts were generated using assumptions determined by the Institute for Public Policy and Business Research and operationalized through the Indiana Econometric Model of the United States.

NATIONAL INCOME - CURRENT DOLLARS

	1991q1	1991q2	1991q3	1991q4	1992q1	1992q2	1992q3	1992q4	1991	1992
US: National Income	4456.4	4498.2	4580.2	4641.4	4708.2	4778.9	4849.2	4921.4	4544.0	4814.4
Percent Change From Last Qtr (AR)	-0.3	3.8	7.5	5.4	5.9	6.1	6.0	6.1	2.8	5.9
US: Wages and Salaries	2742.8	2773.6	2808.0	2845.7	2885.6	2925.6	2967.6	3010.8	2792.5	2947.4
Percent Change From Last Qtr (AR)	0.6	4.6	5.1	5.5	5.7	5.7	5.9	6.0	3.2	5.5
US: W. and S.-Govt. + Govt. Ent.	529.8	534.5	545.7	552.3	560.4	568.5	577.3	587.1	540.6	573.3
Percent Change From Last Qtr (AR)	9.3	3.6	8.6	4.9	6.0	5.9	6.3	7.0	6.4	6.1
US: W. and S.-Other	2213.0	2239.0	2262.3	2293.4	2325.2	2357.1	2390.3	2423.7	2251.9	2374.1
Percent Change From Last Qtr (AR)	-1.4	4.8	4.2	5.6	5.7	5.6	5.7	5.7	2.5	5.4
US: Supplements to W. and s.	556.5	561.8	567.8	574.6	583.5	590.7	598.2	606.0	565.2	594.6
Percent Change From Last Qtr (AR)	6.4	3.9	4.4	4.9	6.3	5.0	5.2	5.3	4.9	5.2
US: Emp. Cont. to Soc. Ins.	290.3	292.6	295.5	298.7	303.9	307.4	311.1	314.8	294.3	309.3
Percent Change From Last Qtr (AR)	8.0	3.2	4.0	4.5	7.1	4.7	4.8	4.9	4.8	5.1
US: Other Labor Income	266.2	269.2	272.4	275.9	279.6	283.3	287.1	291.2	270.9	285.3
Percent Change From Last Qtr (AR)	4.6	4.6	4.8	5.2	5.5	5.4	5.6	5.7	5.0	5.3
US: Total Proprietors Inc.	404.4	417.1	417.7	423.9	429.5	435.5	440.5	446.0	415.8	437.9
Percent Change From Last Qtr (AR)	-1.8	13.2	0.6	6.0	5.4	5.6	4.7	5.1	3.3	5.3
US: Farm Proprietors Inc.	48.5	51.8	45.4	46.3	46.7	47.1	46.6	46.5	48.0	46.7
Percent Change From Last Qtr (AR)	-2.4	30.1	-40.8	7.7	3.5	3.7	-4.4	-0.7	-3.8	-2.7
US: Nonfarm Proprietors Inc.	355.8	365.2	372.3	377.6	382.8	388.3	393.9	399.5	367.7	391.1
Percent Change From Last Qtr (AR)	-1.8	11.0	8.0	5.8	5.7	5.9	5.8	5.9	4.3	6.4

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	1991q1	1991q2	1991q3	1991q4	1992q1	1992q2	1992q3	1992q4	1991	1992
US: Rental Income of Persons Percent Change From Last Qtr (AR)	5.6 -86.9	6.2 50.3	7.0 62.5	7.0 0.0	7.1 5.8	7.4 16.6	7.5 5.6	7.6 5.6	6.4 -6.2	7.4 14.5
US: Corp. Prof. W. IVA + CCADJ Percent Change From Last Qtr (AR)	286.2 -3.7	287.9 2.4	329.5 71.6	337.7 10.3	345.4 9.4	356.7 13.8	365.5 10.3	373.5 9.0	310.3 4.0	360.3 16.1
US: Net Interest Percent Change From Last Qtr (AR)	460.9 -6.3	451.7 -7.7	450.2 -1.4	452.5 2.1	457.1 4.1	463.1 5.3	469.9 6.1	477.5 6.6	453.8 -2.7	466.9 2.9
US: Corp. Prof. before Taxe Percent Change From Last Qtr (AR)	281.5 -26.6	283.5 2.9	329.4 82.2	342.1 16.3	353.7 14.4	367.0 15.9	377.1 11.5	386.9 10.7	309.1 1.4	371.2 20.1
US: Profits Tax Liability Percent Change From Last Qtr (AR)	115.1 -31.5	115.9 2.9	127.9 48.2	131.0 10.2	134.0 9.4	137.4 10.6	140.0 7.6	142.4 7.2	122.5 -7.3	138.5 13.0
US: Corp. Prof. after Taxes Percent Change From Last Qtr (AR)	166.4 -22.9	167.6 2.9	201.5 109.0	211.0 20.3	219.7 17.5	229.6 19.2	237.1 13.8	244.4 12.9	186.6 8.2	232.7 24.7
US: Dividends-Total Percent Change From Last Qtr (AR)	137.5 0.9	136.4 -3.2	138.6 6.7	141.7 9.3	145.0 9.4	148.3 9.6	151.8 9.7	155.4 9.7	138.6 3.5	150.1 8.3
US: Undistributed Corp. Prof. Percent Change From Last Qtr (AR)	29.0 -73.4	31.2 33.7	62.9 1553.8	69.3 47.4	74.8 35.5	81.3 39.8	85.4 21.6	89.1 18.6	48.1 24.3	82.6 71.8
US: Inventory Valuation Adj. Percent Change From Last Qtr (AR)	8.1 -88.1	4.1 -93.4	0.7 -99.9	-3.7 83517.5	-7.7 1712.8	-9.6 145.2	-10.8 60.6	-12.6 81.0	2.3 -120.1	-10.2 -544.6
US: Corp. Cap. Cons. Adj. Percent Change From Last Qtr (AR)	-3.5 3806.3	0.3 -100.0	-0.6 1476.1	-0.6 30.0	-0.7 27.8	-0.7 25.9	-0.8 24.2	-0.8 22.8	-1.1 -122.6	-0.7 -33.4
US: Net Interest Percent Change From Last Qtr (AR)	460.9 -6.3	451.7 -7.7	450.2 -1.4	452.5 2.1	457.1 4.1	463.1 5.3	469.9 6.1	477.5 6.6	453.8 -2.7	466.9 2.9

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Institute for Public Policy and Business Research, University of Kansas 1991-1992 US Forecast

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PRICE DEFLATORS

	1991q1	1991q2	1991q3	1991q4	1992q1	1992q2	1992q3	1992q4	1991	1992
US: CPI-All items	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Percent Change From Last Qtr (AR)	3.5	2.1	4.7	4.3	4.1	4.0	3.9	3.9	4.5	4.0
US: Implicit Deflator - GNP	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Percent Change From Last Qtr (AR)	5.2	4.4	3.5	3.7	3.9	3.6	3.4	3.4	4.0	3.7
US: Implicit Deflator - C	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.4	1.5
Percent Change From Last Qtr (AR)	3.5	2.4	4.4	3.9	3.8	3.6	3.4	3.4	4.3	3.7
US: Implicit Deflator - IOIL	0.6	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Percent Change From Last Qtr (AR)	-75.0	-47.6	12.6	8.4	1.0	1.1	1.0	1.0	-12.6	-0.6

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EMPLOYMENT

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: Civilian Labor Force Percent Change From Last Qtr (AR)	125.0 0.3	125.5 1.6	125.2 -0.9	125.5 1.0	125.8 1.0	126.2 1.0	126.5 1.1	126.9 1.1	125.3 0.4	126.3 0.8
US: Civilian Employment Percent Change From Last Qtr (AR)	116.9 -2.4	117.0 0.3	116.7 -1.0	116.9 0.7	117.1 0.8	117.4 1.0	117.7 1.2	118.1 1.3	116.8 -0.9	117.6 0.6
US: Unemployment Percent Change From Last Qtr (AR)	8.1 50.3	8.6 21.4	8.6 0.2	8.7 5.4	8.7 3.1	8.8 1.7	8.8 -0.1	8.7 -1.1	8.5 23.2	8.8 3.2
US: Unemployment Rate-Total	6.5	6.8	6.8	6.9	6.9	7.0	6.9	6.9	6.8	6.9
US: Tot. Nonfarm Empl. Percent Change From Last Qtr (AR)	109.2 -2.3	108.8 -1.2	108.8 0.0	109.2 1.5	109.7 1.6	110.1 1.6	110.6 1.8	111.1 1.9	109.0 -0.9	110.4 1.2
US: Total Govt. Empl. Percent Change From Last Qtr (AR)	18.4 0.8	18.4 0.9	18.4 -0.3	18.4 0.1	18.4 0.3	18.5 1.0	18.5 1.0	18.6 1.6	18.4 0.5	18.5 0.5
US: Fed. Govt. Empl. Percent Change From Last Qtr (AR)	3.0 -1.7	3.0 0.1	2.9 -0.9	2.9 -0.7	2.9 -0.7	2.9 -0.7	2.9 -0.7	2.9 -0.7	2.9 -4.5	2.9 -0.7
US: S & L Govt. Empl. Percent Change From Last Qtr (AR)	15.4 1.3	15.5 1.1	15.5 -0.2	15.5 0.3	15.5 0.5	15.5 1.3	15.6 1.3	15.7 2.0	15.5 1.5	15.6 0.7
US: Output Per Manhour-Pr. Nonag. Percent Change From Last Qtr (AR)	19.0 1.1	19.1 1.4	19.2 3.2	19.3 1.2	19.3 1.4	19.4 1.7	19.5 1.7	19.6 1.6	19.1 1.1	19.5 1.7

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FINANCIAL AND GOVERNMENT BUDGET DEFECIT

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
US: M1 Money Supply	835.4	850.7	865.8	875.5	885.2	894.9	904.6	914.3	856.8	899.7
Percent Change From Last Qtr (AR)	6.0	7.5	7.3	4.5	4.5	4.5	4.4	4.4	5.5	5.0
US: M2 Money Supply	3353.4	3392.0	3419.6	3457.6	3500.1	3545.3	3591.1	3637.5	3405.6	3568.5
Percent Change From Last Qtr (AR)	3.4	4.7	3.3	4.5	5.0	5.3	5.3	5.3	3.4	4.8
US: 3-Month T-Bill Rate	6.1	5.6	5.4	5.5	5.6	5.8	6.0	6.2	5.6	5.9
Percent Change From Last Qtr (AR)	-44.8	-27.1	-13.0	4.7	13.2	12.8	12.4	12.1	-25.1	4.7
US: Prime Rate Charged By Banks	9.2	8.7	8.3	8.0	7.9	7.8	7.8	8.0	8.5	7.9
Percent Change From Last Qtr (AR)	-28.7	-20.9	-16.0	-15.3	-5.3	-1.2	0.7	6.7	-14.8	-7.7
US: Moody's AAA Corp. Bond Rate	8.9	8.9	8.8	8.7	8.7	8.7	8.7	8.7	8.8	8.7
Percent Change From Last Qtr (AR)	-14.6	-1.0	-3.8	-4.6	-1.9	-0.7	0.3	1.3	-5.1	-1.9
US: Federal Govt. Surplus	-126.9	-187.9	-213.8	-214.8	-218.4	-225.8	-233.0	-240.4	-185.8	-229.4
Percent Change From Last Qtr (AR)	-77.5	380.9	67.4	1.8	7.0	14.3	13.4	13.3	11.9	23.4

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EMPLOYMENT

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS EMP: Civilian Labor Force	1310.6	1318.1	1319.9	1314.0	1308.9	1334.1	1336.5	1328.1	1315.6	1326.9
Percent Change From One Year Ago	2.6	0.6	0.5	1.1	-0.1	1.2	1.3	1.1	1.2	0.9
KS EMP: Employed	1241.4	1257.9	1258.1	1255.2	1239.2	1278.4	1274.9	1271.8	1253.2	1266.1
Percent Change From One Year Ago	1.8	0.2	0.2	1.1	-0.2	1.6	1.3	1.3	0.8	1.0
KS EMP: Unemployed	69.2	60.2	61.8	58.8	69.7	55.7	61.5	56.2	62.5	60.8
Percent Change From One Year Ago	21.3	11.7	5.8	0.3	0.7	-7.4	-0.4	-4.4	9.7	-2.7
KS EMP: Unemployment Rate	5.3	4.6	4.7	4.5	5.3	4.2	4.6	4.2	4.7	4.6
Percent Change From One Year Ago	17.0	11.4	5.6	-0.5	1.1	-8.5	-1.6	-5.4	8.3	-3.4
KS EMP: Adj. for Res. & Self Emp.	110.3	102.1	108.9	100.9	103.4	107.0	109.0	102.7	105.5	105.5
Percent Change From One Year Ago	11.1	-6.7	-3.4	10.4	-6.3	4.8	0.0	1.8	2.3	-0.0
KS EMP: Farm	48.8	56.9	59.8	46.2	42.9	57.0	61.8	46.8	52.9	52.1
Percent Change From One Year Ago	-1.8	2.3	-5.2	-11.0	-12.1	0.2	3.4	1.3	-3.9	-1.5
KS EMP: Total Non-farm Wage & Salary	1082.3	1099.0	1089.4	1108.2	1092.9	1114.3	1104.1	1122.4	1094.7	1108.4
Percent Change From One Year Ago	1.1	0.7	0.9	0.9	1.0	1.4	1.4	1.3	0.9	1.3
KS EMP: Mining	10.3	10.1	10.1	9.7	9.2	9.4	9.6	9.4	10.1	9.4
Percent Change From One Year Ago	7.7	2.0	1.5	-6.7	-10.6	-7.6	-5.3	-3.3	1.0	-6.7

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	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS EMP: Oil & Gas Extraction Percent Change From One Year Ago	9.0 8.5	8.8 3.1	8.6 1.2	8.3 -8.2	7.9 -11.7	7.9 -9.6	8.1 -5.7	8.0 -3.7	8.7 1.0	8.0 -7.8
KS EMP: Mining Residual Percent Change From One Year Ago	1.3 2.6	1.4 -4.7	1.5 3.5	1.4 3.6	1.3 -3.2	1.4 5.3	1.5 -3.0	1.4 -0.8	1.4 1.2	1.4 -0.5
KS EMP: Construction Percent Change From One Year Ago	38.0 3.0	42.9 1.7	44.8 1.9	42.2 -1.1	36.4 -4.2	43.2 0.8	45.4 1.3	42.7 1.0	42.0 1.3	41.9 -0.1
KS EMP: Non-durable Goods Percent Change From One Year Ago	77.7 2.4	78.0 2.1	78.2 1.9	77.7 0.7	77.8 0.1	79.0 1.3	79.2 1.2	78.6 1.2	77.9 1.8	78.7 1.0
KS EMP: Food & Kindred Percent Change From One Year Ago	27.3 2.5	27.4 3.1	27.9 2.3	28.0 2.2	27.6 1.4	28.2 3.2	28.9 3.6	28.9 3.5	27.6 2.5	28.4 2.9
KS EMP: Apparel Percent Change From One Year Ago	3.7 6.7	3.9 13.5	4.1 15.5	4.0 6.4	4.0 6.4	4.0 2.9	4.1 -0.2	4.0 -0.5	3.9 10.4	4.0 2.0
KS EMP: Printing & Publishing Percent Change From One Year Ago	20.8 3.3	20.8 1.6	20.1 -0.0	20.0 -0.1	20.7 -0.5	21.0 0.9	20.4 1.5	20.3 1.5	20.4 1.2	20.6 0.8
KS EMP: Chemicals & Allied Prod. Percent Change From One Year Ago	7.7 -0.4	7.7 0.9	7.6 -0.8	7.5 -3.5	7.4 -2.9	7.5 -2.3	7.5 -2.1	7.3 -2.1	7.6 -1.0	7.4 -2.3
KS EMP: Petroleum & Coal Percent Change From One Year Ago	12.2 1.4	12.3 -0.3	12.6 2.6	12.2 1.6	12.1 -0.4	12.4 0.3	12.4 -1.1	12.1 -1.1	12.3 1.3	12.2 -0.6
KS EMP: Non-durables Residual Percent Change From One Year Ago	6.0 2.3	5.9 -1.1	6.0 1.0	5.9 -2.6	5.9 -2.6	5.9 0.4	5.9 -0.4	5.9 -0.4	6.0 -0.1	5.9 -0.8

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	1991q1	1991q2	1991q3	1991q4	1992q1	1992q2	1992q3	1992q4	1991	1992
KS EMP: Durable Goods Percent Change From One Year Ago	105.5 -2.6	106.9 -2.7	108.2 -1.1	109.0 0.8	107.9 2.2	108.1 1.1	107.3 -0.8	107.9 -1.1	107.4 -1.4	107.8 0.3
KS EMP: Stone Glass Clay Percent Change From One Year Ago	5.9 -9.7	6.6 -5.2	6.8 -1.2	6.6 2.5	6.2 4.9	6.5 -2.6	6.5 -3.4	6.4 -3.1	6.5 -3.4	6.4 -1.2
KS EMP: Primary Metals Percent Change From One Year Ago	2.8 -2.3	2.8 -2.3	3.0 1.3	2.9 -1.5	2.8 -1.6	2.7 -3.7	2.7 -10.6	2.6 -9.9	2.9 -1.2	2.7 -6.5
KS EMP: Fabricated Metals Percent Change From One Year Ago	10.5 2.6	10.6 2.6	10.9 6.8	10.7 3.7	10.4 -1.1	10.5 -1.7	10.4 -4.6	10.2 -4.5	10.7 3.9	10.4 -3.0
KS EMP: Machinery, Incl. Electrical Percent Change From One Year Ago	28.7 -2.0	28.9 -1.9	29.0 -2.1	29.1 -0.4	29.0 1.1	28.5 -1.3	27.9 -3.6	27.5 -5.5	28.9 -1.6	28.2 -2.3
KS EMP: Transportation Equipment Percent Change From One Year Ago	47.4 -3.3	47.7 -3.8	47.9 -2.7	49.4 0.9	49.5 4.6	49.6 4.1	49.6 3.5	51.2 3.6	48.1 -2.2	50.0 3.9
KS EMP: Durables Residual Percent Change From One Year Ago	10.2 -1.3	10.2 -3.5	10.7 1.3	10.3 -0.0	9.9 -2.7	10.3 1.0	10.3 -4.3	10.0 -3.4	10.4 -0.9	10.1 -2.4
KS EMP: Transportation & Utilities Percent Change From One Year Ago	67.6 2.4	67.9 1.9	68.3 2.5	68.7 2.4	67.8 0.3	69.2 1.9	69.7 2.1	70.2 2.2	68.1 2.3	69.2 1.6
KS EMP: Railroads Percent Change From One Year Ago	7.2 -12.2	7.4 -7.9	7.3 -4.2	7.2 -3.8	7.0 -3.0	6.9 -5.8	6.9 -5.7	6.8 -5.7	7.3 -7.2	6.9 -5.1
KS EMP: Trucking & Warehousing Percent Change From One Year Ago	22.5 4.3	23.0 3.0	23.4 4.2	23.3 4.4	22.7 0.6	23.8 3.6	24.4 4.3	24.4 4.5	23.1 4.0	23.8 3.3

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	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS EMP: Electric Gas & Sanitary Serv Percent Change From One Year Ago	12.5 0.0	12.5 -0.8	12.6 -0.6	12.4 -1.0	12.4 -1.3	12.5 -0.1	12.7 0.9	12.5 0.9	12.5 -0.6	12.5 0.1
KS EMP: Trans. & Utilities Residual Percent Change From One Year Ago	25.3 7.0	25.0 5.6	25.0 4.6	25.7 4.2	25.8 1.8	25.9 3.6	25.7 2.8	26.5 2.9	25.3 5.3	26.0 2.8
KS EMP: Wholesale Trade Percent Change From One Year Ago	69.7 1.1	70.6 1.0	71.0 0.8	69.9 -0.6	69.7 0.0	70.9 0.4	71.2 0.3	70.0 0.2	70.3 0.6	70.5 0.2
KS EMP: Retail Trade Percent Change From One Year Ago	194.1 -0.1	196.0 -0.6	197.8 0.3	201.0 0.5	195.0 0.5	199.0 1.5	200.2 1.2	203.4 1.2	197.2 0.0	199.4 1.1
KS EMP: Gen. Merchandise Stores Percent Change From One Year Ago	25.2 -3.9	24.6 -5.5	25.7 -2.6	27.9 -0.5	25.9 2.7	25.9 5.3	26.3 2.0	28.3 1.7	25.9 -3.1	26.6 2.9
KS EMP: Food Stores Percent Change From One Year Ago	29.4 0.1	29.1 -0.0	29.2 0.8	29.7 -0.1	29.3 -0.5	29.4 1.0	29.7 1.6	30.1 1.6	29.4 0.2	29.6 0.9
KS EMP: Auto. Dealers & Gas Stations Percent Change From One Year Ago	22.9 -3.2	23.3 -2.4	23.9 0.4	23.7 1.4	23.3 1.9	23.8 2.4	23.9 0.1	23.7 0.1	23.4 -1.0	23.7 1.1
KS EMP: Apparel & Accessory Stores Percent Change From One Year Ago	10.2 -6.4	9.9 -6.3	10.1 -1.3	10.7 -2.3	10.2 -0.8	10.1 1.8	10.1 0.1	10.7 0.1	10.2 -4.1	10.3 0.3
KS EMP: Retail Trade Residual Percent Change From One Year Ago	106.3 2.1	109.1 1.4	108.8 1.0	109.1 0.9	106.3 0.0	109.8 0.6	110.2 1.3	110.5 1.3	108.3 1.4	109.2 0.8
KS EMP: Finance, Insurance, R.E. Percent Change From One Year Ago	58.0 0.7	58.8 0.7	58.7 0.7	57.7 -0.5	57.2 -1.4	57.9 -1.6	58.0 -1.1	57.0 -1.2	58.3 0.4	57.5 -1.3

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	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS EMP: Banking Percent Change From One Year Ago	24.5 -0.4	24.6 -0.7	24.5 -0.6	24.1 -1.3	23.9 -2.5	23.9 -2.7	23.9 -2.4	23.5 -2.5	24.4 -0.7	23.8 -2.5
KS EMP: Insurance Percent Change From One Year Ago	12.9 0.5	13.1 0.8	13.1 0.7	13.1 0.3	13.0 0.6	13.1 0.3	13.2 0.9	13.2 0.9	13.1 0.6	13.1 0.7
KS EMP: F.I.R.E. Residual Percent Change From One Year Ago	20.5 2.2	21.1 2.4	21.1 2.3	20.5 -0.1	20.2 -1.4	20.8 -1.6	20.9 -0.9	20.3 -1.1	20.8 1.7	20.5 -1.3
KS EMP: Services Percent Change From One Year Ago	244.7 3.3	248.5 2.6	250.6 2.8	251.5 3.0	251.4 2.7	258.3 3.9	259.9 3.7	261.1 3.8	248.8 2.9	257.7 3.5
KS EMP: Hotels & Lodging Percent Change From One Year Ago	9.6 4.3	10.1 1.3	10.5 3.8	10.2 1.4	9.7 0.7	10.4 3.0	10.7 1.6	10.4 1.7	10.1 2.7	10.3 1.8
KS EMP: Personal Services Percent Change From One Year Ago	11.9 0.3	11.8 0.0	11.9 1.6	11.9 1.0	12.4 4.7	12.1 1.8	11.7 -0.9	11.8 -0.4	11.9 0.7	12.0 1.3
KS EMP: Services Residual Percent Change From One Year Ago	223.2 3.4	226.6 2.8	228.3 2.8	229.4 3.2	229.3 2.7	235.8 4.1	237.5 4.0	238.9 4.1	226.9 3.0	235.4 3.7
KS EMP: Federal Gov. Percent Change From One Year Ago	29.2 -0.6	29.8 0.6	29.8 1.5	29.5 1.7	29.2 -0.1	29.8 -0.2	29.7 -0.4	29.4 -0.4	29.6 0.8	29.5 -0.3
KS EMP: State & Local Gov. Percent Change From One Year Ago	187.6 0.1	189.4 0.5	171.8 -0.9	191.2 0.2	191.4 2.1	189.6 0.1	173.9 1.2	192.8 0.8	185.0 0.0	186.9 1.0

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	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS HRS/WK: Food & Kindred Products Percent Change From One Year Ago	41.9 6.8	41.3 -1.0	42.4 1.2	41.2 -1.2	40.8 -2.7	41.2 -0.3	41.7 -1.6	40.8 -1.1	41.7 1.4	41.1 -1.4
KS HRS/WK: Apparel&Other Fin. Prod. Percent Change From One Year Ago	34.6 -6.5	33.9 -9.4	35.1 -5.1	35.7 -5.5	35.7 3.4	36.5 7.8	36.9 5.2	37.0 3.6	34.8 -6.6	36.6 5.0
KS HRS/WK: Pet. Refining & Rel. Ind. Percent Change From One Year Ago	37.4 -6.7	38.7 -3.2	38.2 6.1	39.4 4.3	39.9 6.5	40.9 5.5	41.0 7.1	41.1 4.3	38.5 -0.1	40.7 5.8
KS HRS/WK: Fabricated Metal Products Percent Change From One Year Ago	37.1 1.1	38.9 3.9	38.2 -3.7	38.1 -4.9	37.1 0.1	37.6 -3.4	37.6 -1.7	37.6 -1.3	38.1 -1.0	37.5 -1.6
KS HRS/WK: Machinery, Incl. Elec. Percent Change From One Year Ago	39.7 -3.0	39.3 -1.8	38.9 -2.7	40.1 -1.1	40.0 0.9	40.1 1.9	39.5 1.5	40.6 1.2	39.5 -2.2	40.1 1.4
KS HRS/WK: Transportation Equipment Percent Change From One Year Ago	40.7 -0.3	41.9 2.5	40.9 -1.1	41.2 -0.6	40.1 -1.5	40.2 -4.1	40.1 -2.1	41.0 -0.5	41.2 0.1	40.3 -2.0
KS WAGE/HR: Food & Kindred Products Percent Change From One Year Ago	9.4 2.7	9.6 2.1	9.8 4.0	9.9 6.2	10.0 5.9	10.0 5.1	10.1 3.1	10.2 3.1	9.7 3.8	10.1 4.2
KS WAGE/HR: Apparel&Other Fin. Prod. Percent Change From One Year Ago	5.8 3.1	6.0 4.3	6.0 2.9	6.0 7.2	6.1 4.0	6.1 1.2	6.1 3.0	6.2 3.0	6.0 4.3	6.1 2.8
KS WAGE/HR: Pet. Refining & Rel. Ind Percent Change From One Year Ago	11.1 -5.6	11.0 -7.1	10.8 -8.5	10.9 -4.9	11.1 0.2	11.2 1.3	11.3 4.3	11.4 4.1	10.9 -6.5	11.2 2.5
KS WAGE/HR: Fabricated Metal Product Percent Change From One Year Ago	8.9 3.3	9.0 1.2	9.0 1.8	9.1 2.5	9.2 3.0	9.3 3.3	9.4 3.4	9.4 3.3	9.0 2.2	9.3 3.3
KS WAGE/HR: Machinery, Incl. Elec. Percent Change From One Year Ago	9.8 -0.4	9.8 2.1	10.1 2.8	10.2 2.4	10.2 4.6	10.3 4.8	10.4 3.6	10.5 3.5	10.0 1.7	10.4 4.1
KS WAGE/HR: Transportation Equipment Percent Change From One Year Ago	14.1 4.5	14.5 5.5	14.4 5.4	14.7 5.2	14.8 4.6	14.8 2.5	15.0 3.8	15.2 3.6	14.4 5.2	14.9 3.6

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WAGE BILLS

	199101	199102	199103	199104	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS WG BILL: Total Wages & Salaries	23843.0	24217.3	24592.9	24862.6	25003.3	25466.7	25786.9	26070.5	24378.9	25581.9
Percent Change From One Year Ago	4.8	4.5	3.9	4.3	4.9	5.2	4.9	4.9	4.4	4.9
KS WG BILL: Farm Wages & Salaries	161.0	162.7	164.1	165.3	167.0	168.4	169.7	170.8	163.3	169.0
Percent Change From One Year Ago	5.2	4.3	4.5	4.0	3.7	3.5	3.4	3.3	4.5	3.5
KS WG BILL: Agricultural Services	92.0	93.3	94.6	95.9	97.3	98.6	99.9	101.3	94.0	99.3
Percent Change From One Year Ago	3.4	2.5	-0.4	5.4	5.7	5.7	5.6	5.6	2.7	5.7
KS WG BILL: Mining	286.0	276.5	274.9	272.5	269.3	270.5	273.3	275.7	277.5	272.2
Percent Change From One Year Ago	22.2	17.1	10.4	-2.0	-5.8	-2.1	-0.6	1.2	11.3	-1.9
KS WG BILL: Construction	1001.0	1013.7	1037.4	1025.3	982.9	1056.8	1088.0	1070.6	1019.4	1049.6
Percent Change From One Year Ago	4.2	8.0	5.0	3.7	-1.8	4.3	4.9	4.4	5.2	3.0
KS WG BILL: Durable Goods	3010.0	3149.9	3184.1	3239.4	3199.1	3239.8	3250.5	3332.2	3145.9	3255.4
Percent Change From One Year Ago	-0.0	1.5	1.4	4.2	6.3	2.9	2.1	2.9	1.8	3.5
KS WG BILL: Nondurable Goods	1817.0	1830.0	1876.2	1887.4	1911.3	1957.8	1987.5	1992.1	1852.7	1962.2
Percent Change From One Year Ago	2.9	3.3	4.2	3.4	5.2	7.0	5.9	5.5	3.5	5.9

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	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS WG BILL: Trans. & Public Utilities Percent Change From One Year Ago	2108.0 10.8	2130.7 3.1	2153.2 1.4	2185.8 4.2	2202.0 4.5	2239.9 5.1	2264.4 5.2	2297.4 5.1	2144.4 4.7	2250.9 5.0
KS WG BILL: Wholesale Trade Percent Change From One Year Ago	1858.0 -1.1	1874.0 1.4	1897.0 2.8	1904.9 2.9	1927.2 3.7	1959.5 4.6	1977.3 4.2	1982.8 4.1	1883.5 1.5	1961.7 4.2
KS WG BILL: Retail Trade Percent Change From One Year Ago	2335.0 2.2	2345.5 2.5	2363.7 1.9	2380.5 2.5	2394.1 2.5	2409.4 2.7	2429.1 2.8	2444.5 2.7	2356.2 2.2	2419.3 2.7
KS WG BILL: Finance, Insurance, & R.E Percent Change From One Year Ago	1443.0 6.6	1468.8 4.9	1480.0 4.3	1483.6 4.6	1495.9 3.7	1519.8 3.5	1538.8 4.0	1540.2 3.8	1468.9 5.1	1523.7 3.7
KS WG BILL: Services Percent Change From One Year Ago	4724.0 10.4	4800.1 8.8	4936.6 7.9	5014.5 8.1	5084.6 7.6	5216.8 8.7	5327.1 7.9	5412.8 7.9	4868.8 8.8	5260.3 8.0
KS WG BILL: Govt. & Govt. Enterprises Percent Change From One Year Ago	5007.0 3.7	5072.0 4.4	5131.0 3.4	5207.3 3.2	5272.6 5.3	5329.4 5.1	5381.2 4.9	5450.3 4.7	5104.3 3.7	5358.4 5.0

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PERSONAL INCOME

	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1991	1992
KS PERS INC: Total Personal Income	45176.0	45866.0	45951.5	47102.7	47176.9	47999.6	48493.0	49450.8	46024.1	48280.1
Percent Change From One Year Ago	3.3	4.0	4.1	1.9	4.4	4.7	5.5	5.0	3.3	4.9
KS PERS INC: Real Personal Income	32151.2	32448.1	32157.7	32650.2	32395.1	32668.8	32727.3	33093.7	32351.8	32721.2
Percent Change From One Year Ago	-1.5	-0.5	-0.2	-1.6	0.8	0.7	1.8	1.4	-0.9	1.1
KS PERS INC: Farm Proprietors Income	1258.0	1481.3	1104.8	1718.5	1377.2	1414.2	1256.2	1584.0	1390.7	1407.9
Percent Change From One Year Ago	-25.2	3.9	52.2	-28.2	9.5	-4.5	13.7	-7.8	-10.7	1.2
KS PERS INC: Non-farm Proprietors Inc	3663.0	3743.2	3805.2	3852.6	3899.9	3949.2	3998.8	4049.5	3766.0	3974.3
Percent Change From One Year Ago	2.6	4.4	4.3	4.8	6.5	5.5	5.1	5.1	4.0	5.5
KS PERS INC: Dividends Interest & Ren	8336.0	8257.4	8268.4	8338.4	8438.8	8558.8	8692.2	8838.3	8300.1	8632.1
Percent Change From One Year Ago	1.9	0.1	-1.2	-1.0	1.2	3.7	5.1	6.0	-0.1	4.0
KS PERS INC: Adj. For Residence	1026.0	1013.9	1007.1	1006.6	1007.7	1007.0	1005.4	1004.0	1013.4	1006.0
Percent Change From One Year Ago	-3.1	-6.3	-5.4	-5.0	-1.8	-0.7	-0.2	-0.3	-5.0	-0.7
KS PERS INC: Pers. Cont. For Soc. Ins	2182.0	2220.6	2262.7	2306.1	2364.7	2406.2	2448.9	2492.5	2242.9	2428.1
Percent Change From One Year Ago	8.8	9.8	9.2	10.2	8.4	8.4	8.2	8.1	9.5	8.3
KS PERS INC: Transfer Payments	6789.0	6904.2	6936.3	7097.6	7247.1	7407.0	7562.6	7718.8	6931.8	7483.9
Percent Change From One Year Ago	8.4	9.5	8.9	9.0	6.7	7.3	9.0	8.8	8.9	8.0
KS PERS INC: Other Labor Income	2443.0	2469.2	2499.6	2532.5	2567.7	2602.9	2639.9	2678.2	2486.1	2622.2
Percent Change From One Year Ago	8.0	7.1	6.2	5.3	5.1	5.4	5.6	5.8	6.6	5.5

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