ESTIMACION ECONOMETRICA de la FUNCIÓN de CONSUMO PRIVADO EN BOLIVIA (1965 - 1993). Una aplicación de econometría dinámica con software econométrico

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ABSTRACT

In this paper I develop a parsimonious conditional model of consumers' expenditure in Bolivia for 1965 - 1993. The set of information contains, besides expenditure, income, inflation and the recursive variance of inflation. All variables are annually measured.

In specifying the model, I follow the econometric approach known as general-to-particular methodology. I address issues of empirical model design and evaluation, co integration and exogeneity.

The empirical model is robust and has, well determined parameter estimates. These features are especially remarkable in a period of great macroeconomic instability which includes a hyperinflationary process in the 1984-1985 periods.

The validity of the conditional model supports the usual assertions about the transmission of the volatility of inflation to the volatility of aggregate demand via consumers' expenditure. The approach for deal with the inflation instability is new: here the inflation instability is measured by VARINF- recursive variance of inflation.