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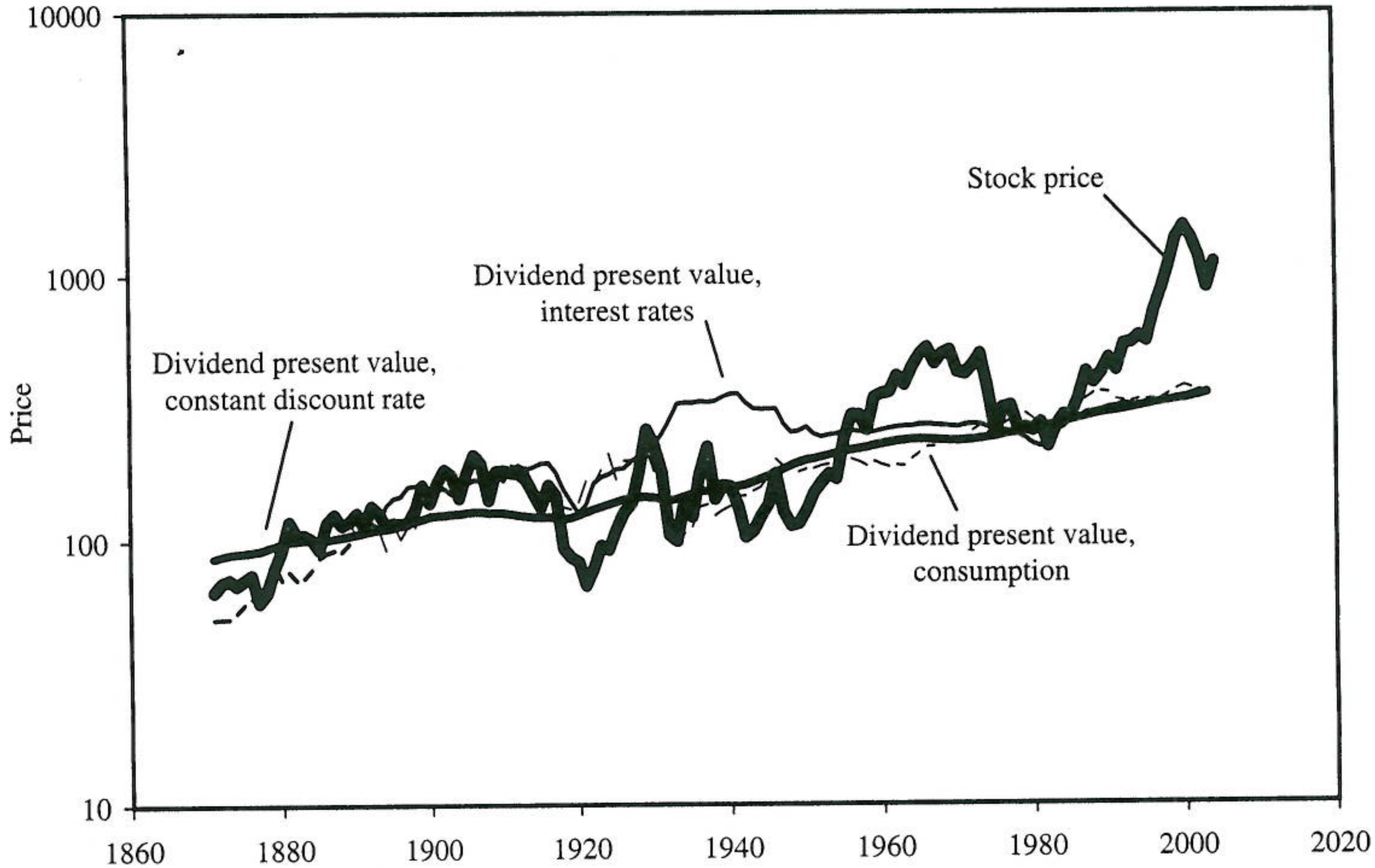


source: R. Shiller

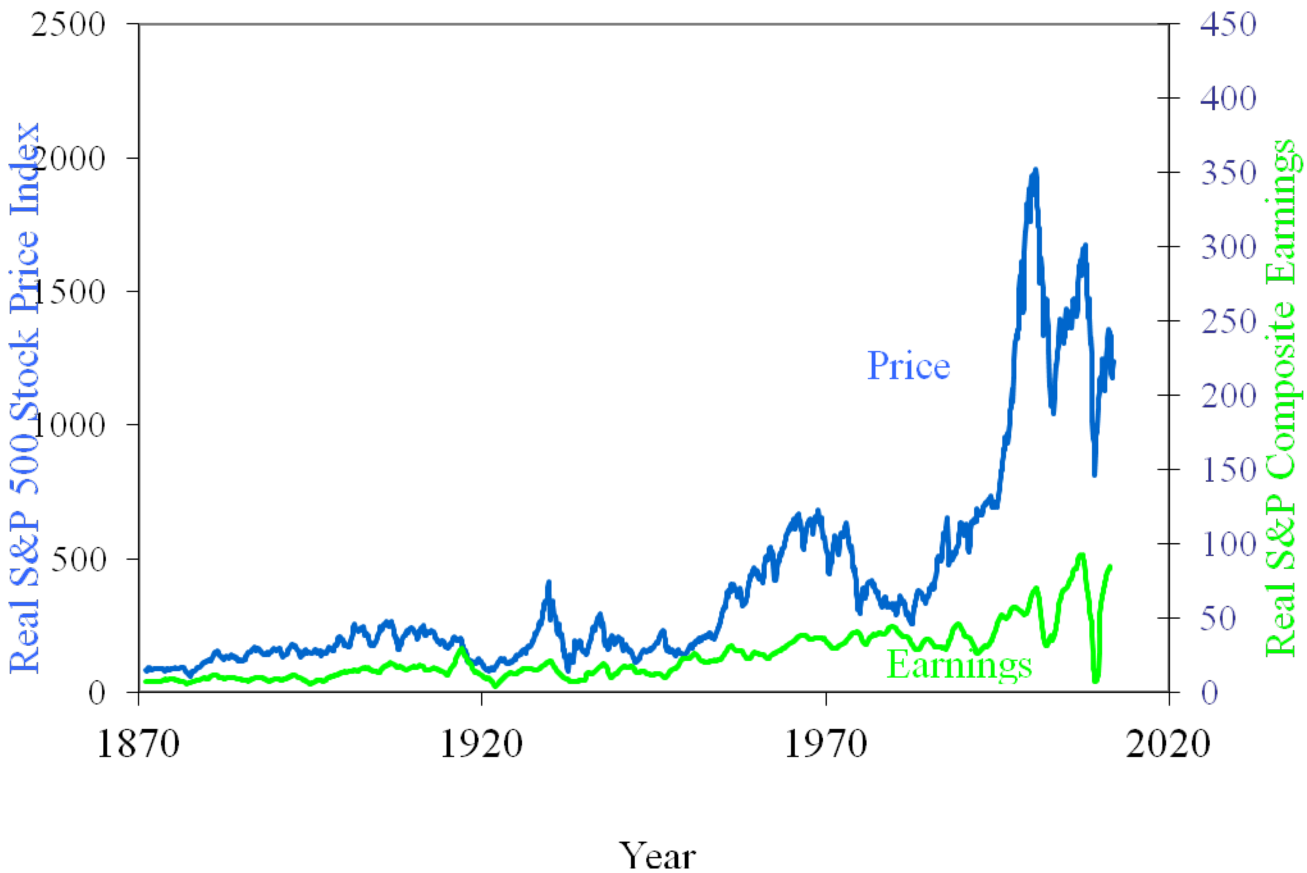
Figure 10.2

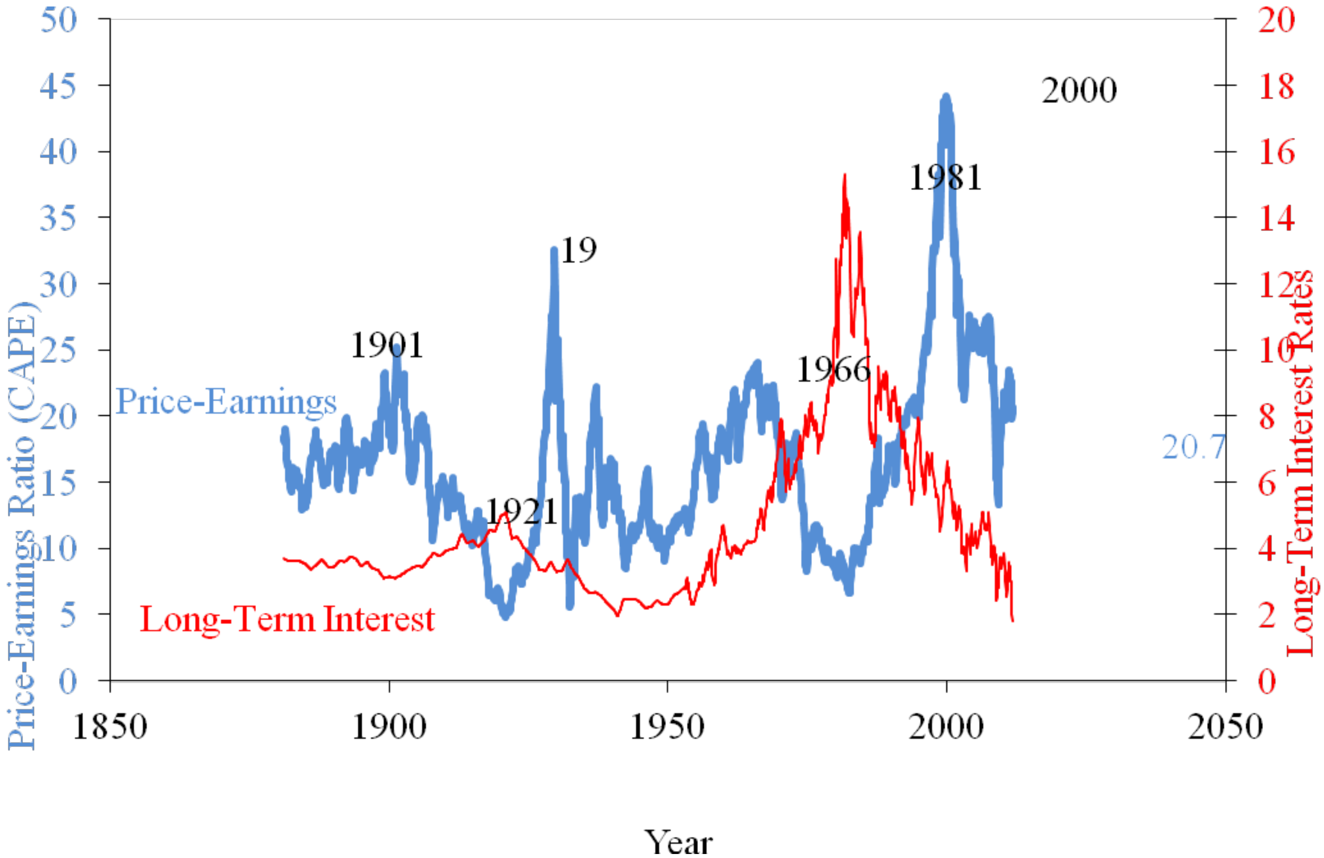
Stock Prices and Dividend Present Values, 1871–2004

Real S&P Composite Stock Price Index, 1881–2004 (heavy irregular curve), and present values, 1881–2003, of subsequent real dividends calculated by three different discount rates: a constant discount rate (heavy smooth curve), a discount rate based on market interest rates (thin curve), and a discount rate based on per capita consumption expenditure (dashed curve). *Source:* Author's calculations using data from sources given in Figure 1.1 and described in Chapter 1, note 3. See text and note 26 of this chapter for a description of the calculations. The vertical axis uses a log scale, in contrast to earlier figures in this book, and also shows only January of each year;

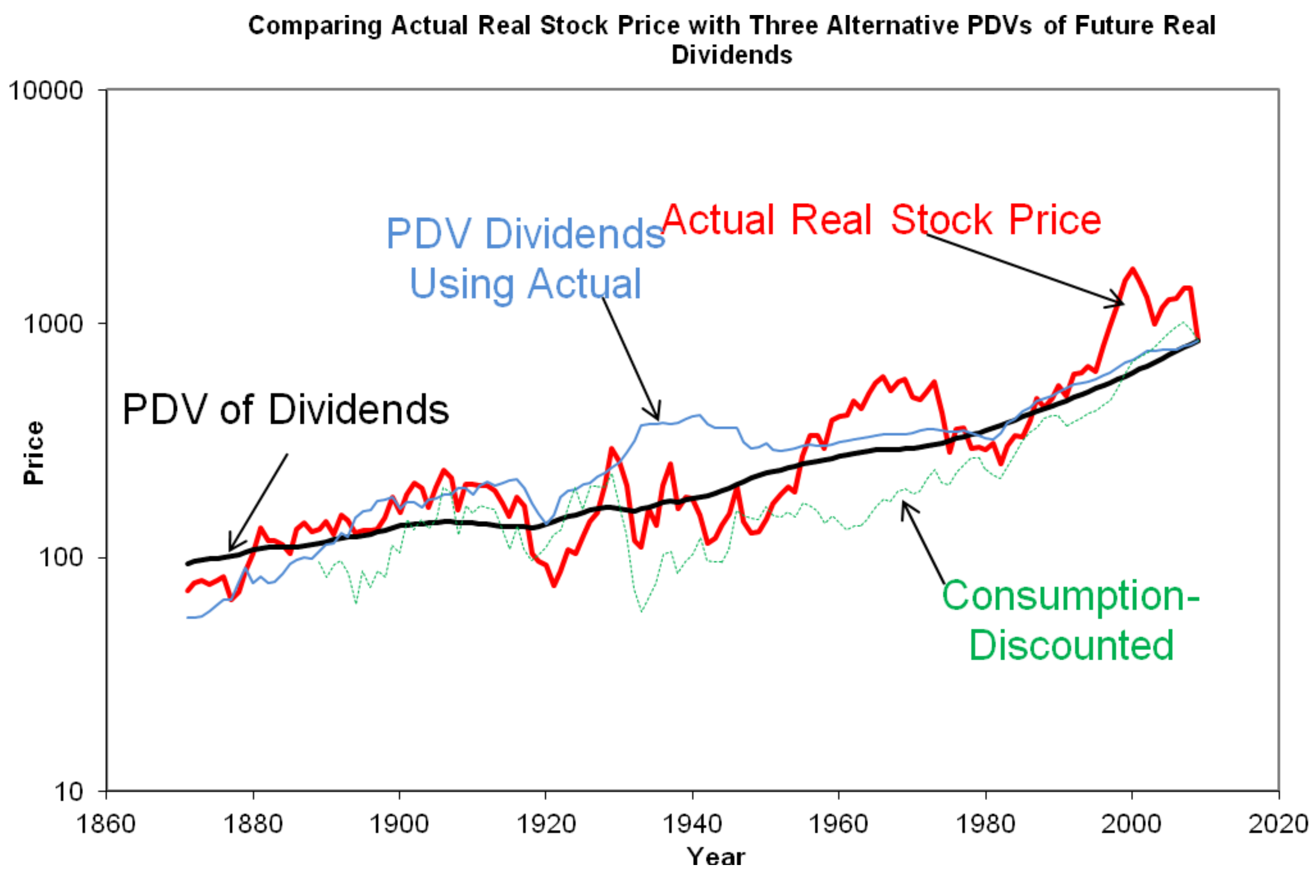
From Robert Shiller's homepage: http://www.econ.yale.edu/~shiller/ December 5, 2011

Stock market data used in R. Shiller, *Irrational Exuberance*, Princeton University Press, 2000, 2005, updated.





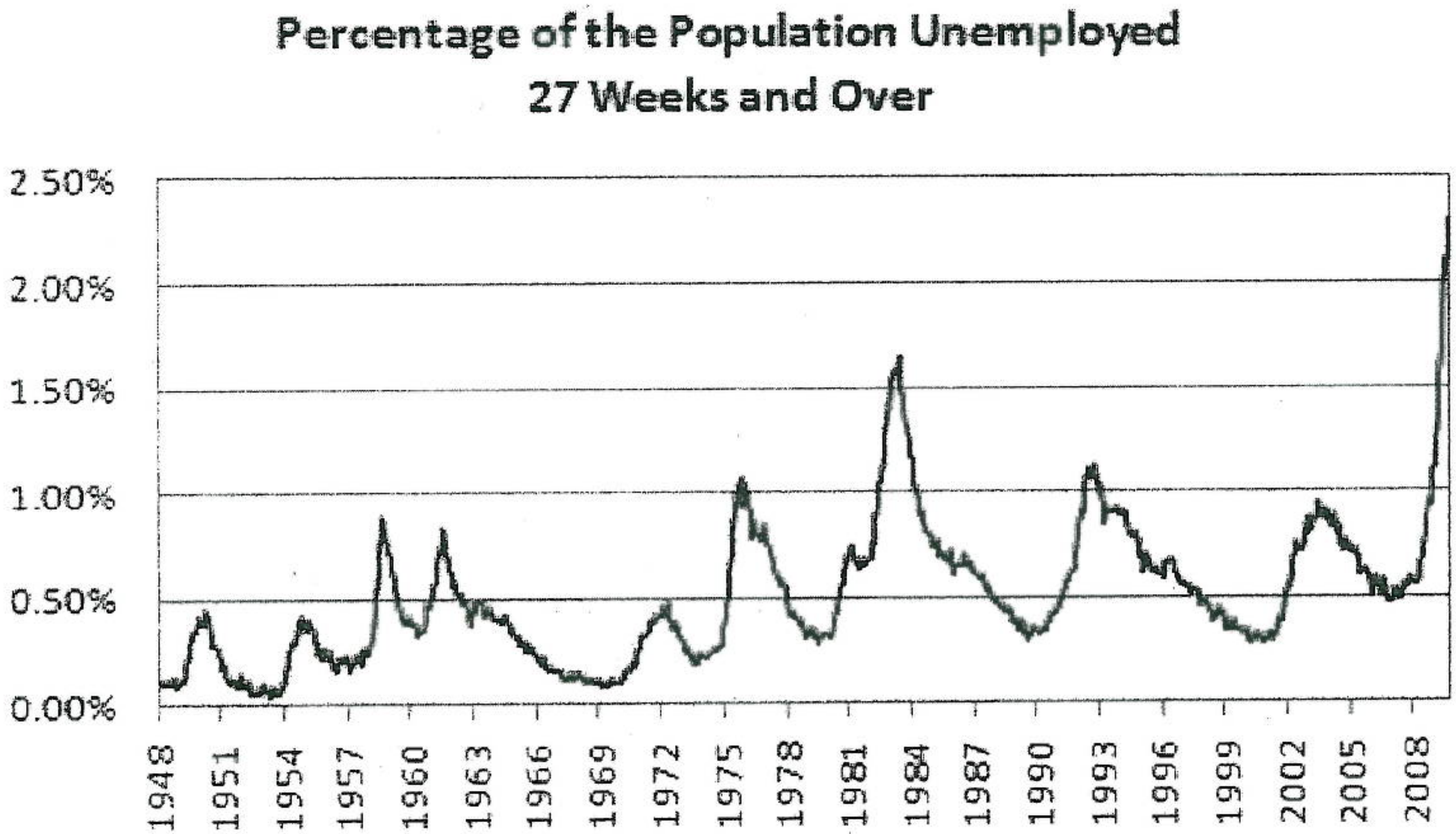
Note: CAPE = cyclically adjusted price-earnings ratio.



Long-Term Unemployment Turns into Structural Unemployment

Mark Thoma makes a graph: those who have been unemployed for more than six months divided by the civilian noninstitutional population 16 and over:

Long-Term Unemployment



It's very scary: long-term unemployment has a way of turning into structural unemployment...

rated **4.67** by 6 people [?]

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Research-based policy analysis and commentary from leading economists

A Tale of Two Depressions

Barry Eichengreen Kevin H. O'Rourke

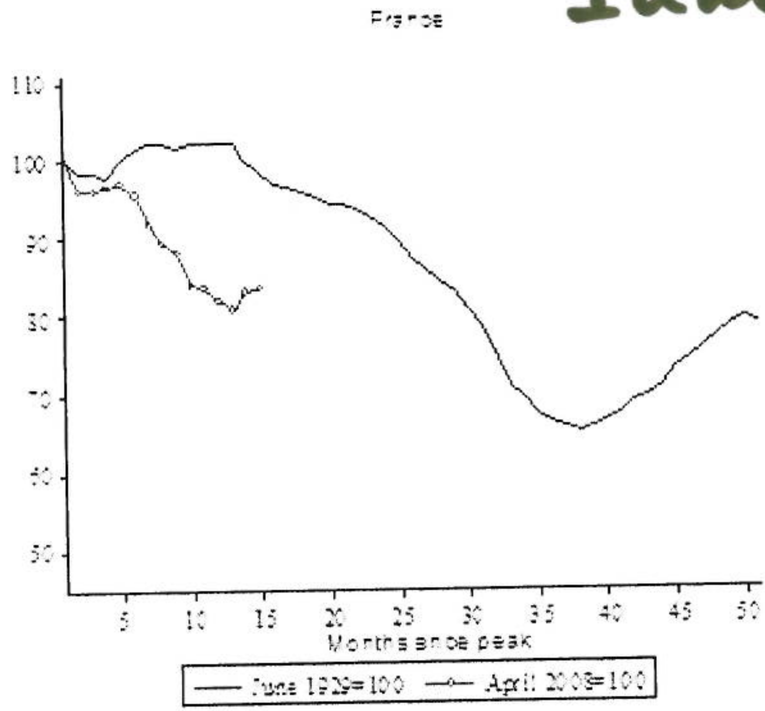
1 September 2009

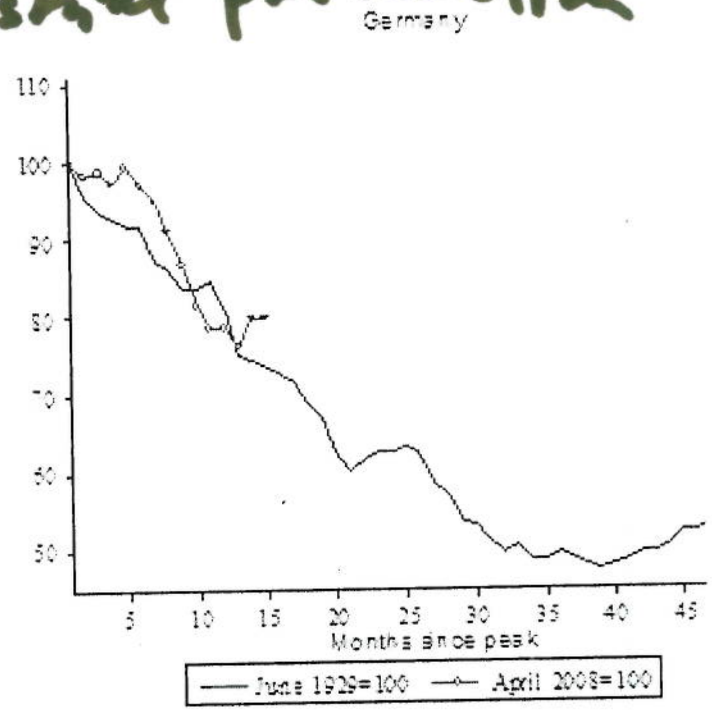
This is an update of the authors' 4 June and 6 April 2009 columns comparing today the Great Depression. World industrial production, trade, and stock markets are no recovery. Still – today's crisis remains dramatic by the standards of the Great Depr

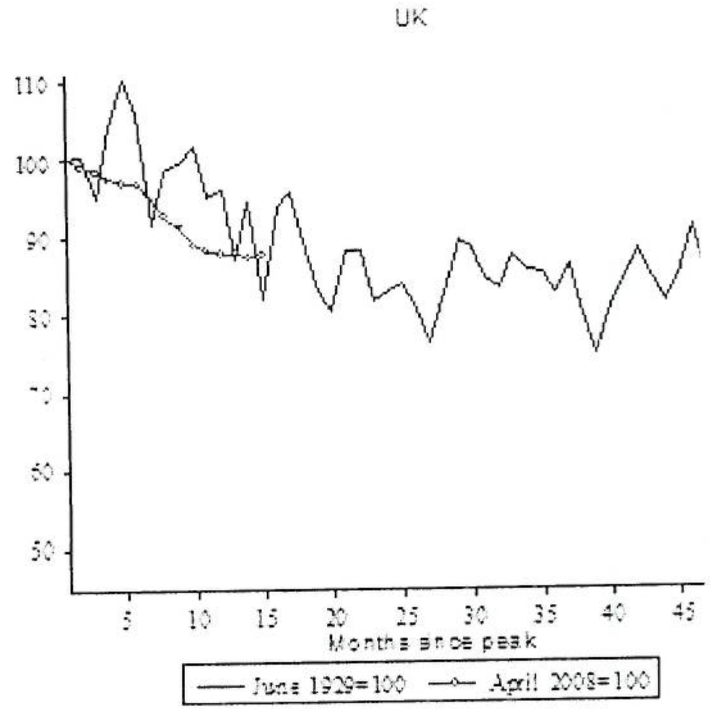
Editor's note: The original Vox column by Barry Eichengreen and Kevin O'Rourk readership records (30,000 views in two days, over 100,000 in a week, now 350,000). Here the authors provide updated charts, presenting monthly data up t (or latest).

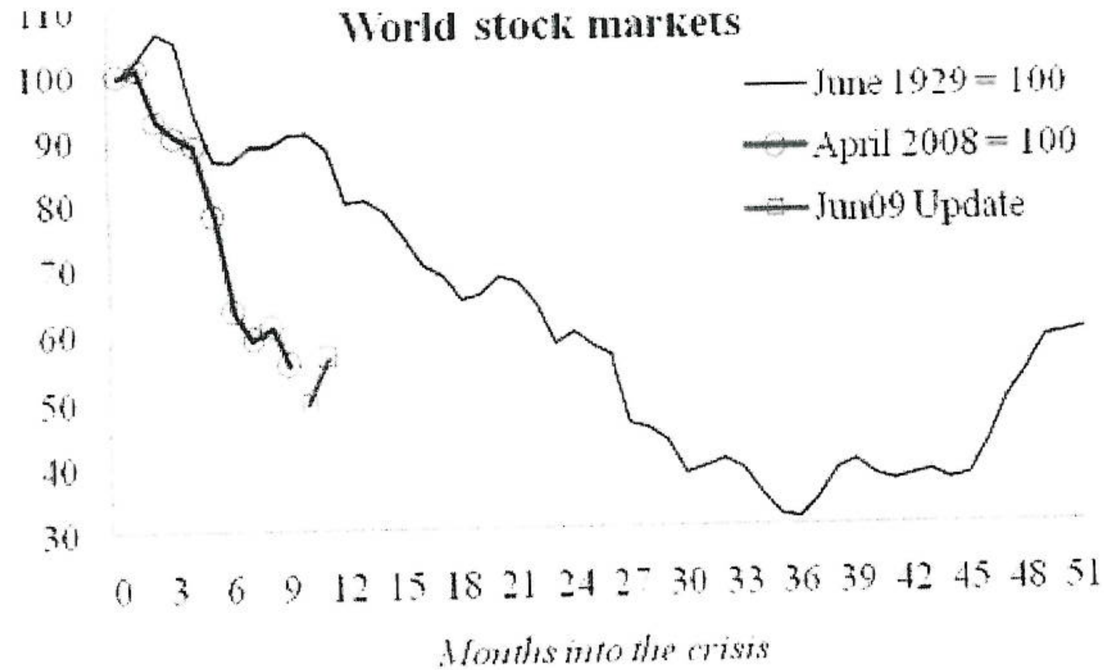
What do the new data tell us?

Industrial production

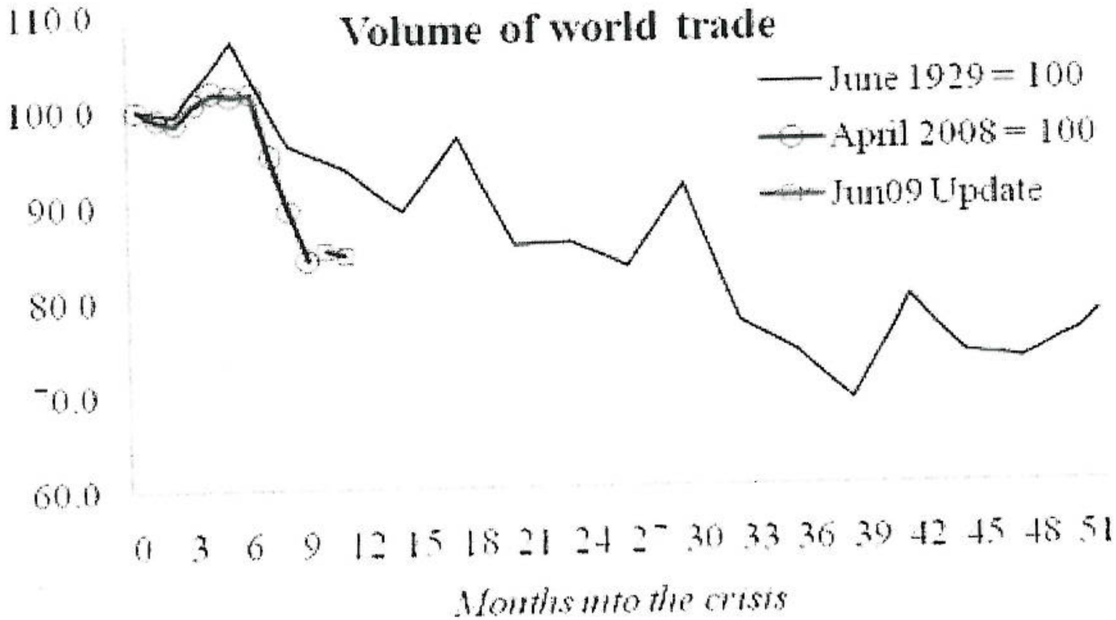






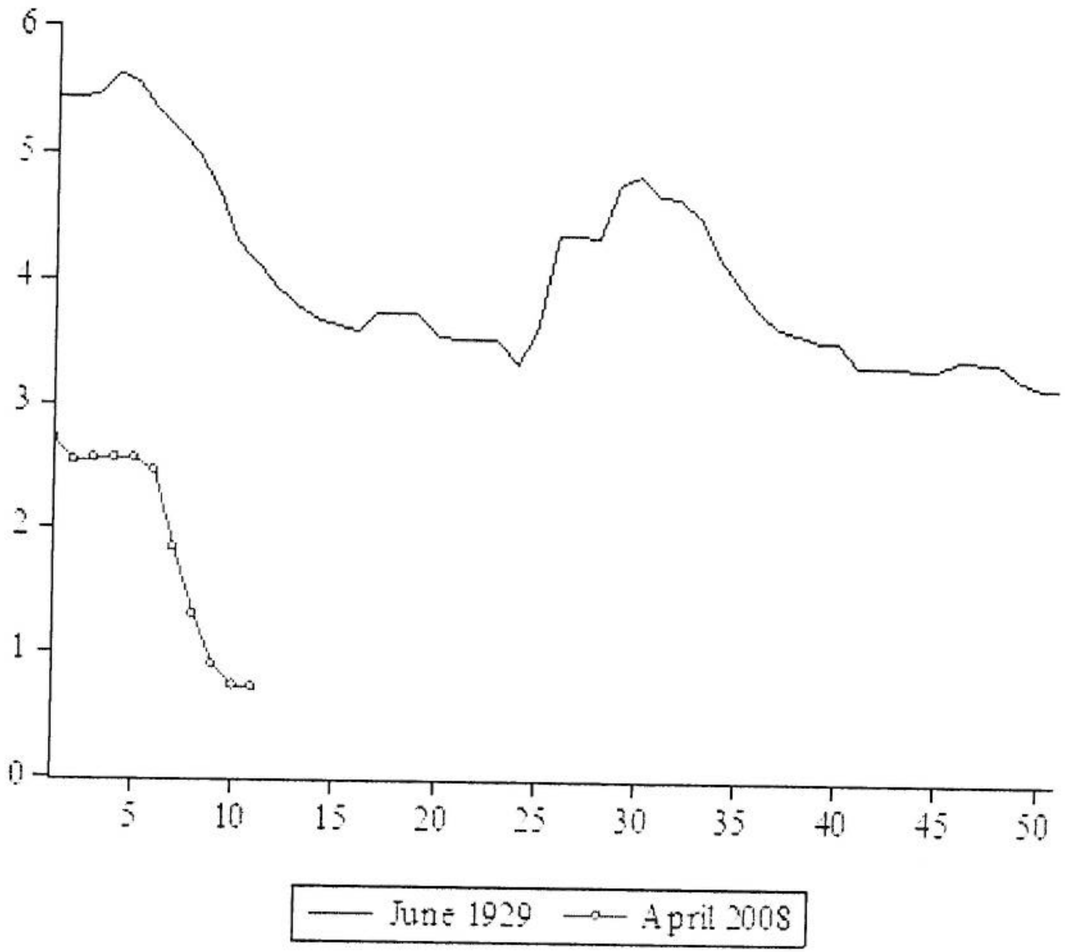


Updated Figure 3. The Volume of World Trade, Now vs Then (updated)



Updated Figure 4. Central Bank Discount Rates, Now vs Then (7 country average) passing of the peak, although in the present crisis rates have been cut more rapidl level. There is more at work here than simply the difference between George Bernanke. The central bank response has differed globally.

Figure 4. Central Bank Discount Rates, Now vs Then (7 country average)



Source: Bernanke and Mihov (2000); Bank of England, ECB, Bank of Japan, St. l Bank of Poland, Sveriges Riksbank.