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THE MOSES MANUAL

Part 1.

HOW TO RUN THE MOSES-MODEL

by

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Preface

MOSES is short for "Model for Simulating the Economy of Sweden". Different versions of the model have been used within the institute for about five years by now. A number of simulation experiments have been performed*. The whole model is written in the programming language APL. The present version of the model is installed on a computer in Bergen, Norway. This has come about through cooperation with IØI (Bergen), the industrial institute for economic research in our neighbouring country.

For some time there has been a demand for a full documentation of the current version of the model. "The MOSES Manual" fulfils one part of this request. Anyone interested in a large-scale simulation model of this kind needs to get acquainted with the techniques involved in starting up (initializing) and running the model. Experiments have shown that the initialization procedure, which constructs an initial state of the model economy, is crucial indeed, for the behaviour of the model. Part 2 of the MOSES Manual (not included in this

* An earlier version is described in full detail, in Eliasson (1978, abbreviated in (1981)). A new, updated presentation of the full model plus a complete bibliography will be presented in Eliasson (1983).

Documentation on the economic contents of MOSES is complete for an earlier version which is still quite accurate as far as the core micro-to-macro machinery is concerned. An important addition is the individual firm purchasing process, which is described in this manual, Part 2. The need for a full, updated documentation, should however be remedied in a forthcoming research report, Eliasson (1983).

paper) has been devoted to describing this initialization process*.

This part of the MOSES Manual describes how to actually run the model. Previously, only a few persons knew how to handle the machinery. From now on this should have been remedied. The intention behind part 1 is that anyone - following the instructions - should be able to start up and run the model.

Part 1 of the manual is mainly a cook-book. The user can run the model without knowing what it is all about. To be able to carry out meaningful analytical experiments, however, one needs a rather deep understanding of the model and the initialization itself, which requires a considerable and timeconsuming effort on the part of the user.

* A more detailed description of the micro (firm) database can be found in Albrecht-Lindberg (1982).

Section 1 Introduction

The model consists of two parts, the model-simulation itself and the initialization procedure.

Before one can start a simulation of the Swedish economy with the "micro-to-macro model" MOSES, one has to initialize a vast number of variables.

"Initialization" means (mainly) that three kinds of variables are given values.

- (1) Variables for 1976 (the earliest year for which a complete micro-to-macro data base exists) needed to start up the model.
- (2) Variables needed to determine the future of certain variables which get their values irrespective of what happens during the simulation.
- (3) Certain constants. (Some of these are parameters affecting for example the behaviour of firms.)

Let us see how the initialization and simulation can be performed on the DEC20-computer in Norway. We assume that you are sitting in front of a terminal equipped with a key board with APL-symbols. To be able to run the model one needs some elementary knowledge of APL. On the following pages we will therefore try to give a mini-lesson in APL. For more detailed information, see the APL reference manual.

1.1 The concept **workspace** and system
 commands

An APL **workspace** consists of functions and variables. The user enters functions and variables in the workspace and can save them for future usage.

A system command in the APL language starts with a right-hand bracket. One needs system commands to handle APL workspaces. The most frequently used system commands are:

-) **LOAD** workspace name
-) **CLEAR**
-) **SAVE**

The) **LOAD-command** loads a previously saved workspace into the computer memory. Thus all functions and variables are instantaneously transferred to computer memory. In APL there is in general no program reading variables from a data base into computer memory. Instead one makes a) **LOAD-command**.

Example:

) **LOAD** PROV

The workspace PROV is loaded into the computer memory. If you wish to look at a variable in the workspace, just write the name of the variable. If you want to add a variable just write for example:

a←10.

You have then added a new variable **a** which has the value 10.

If you want to save the extended workspace with new or changed variables (for example) simply write:

) SAVE

If you just want to erase computer memory and start all over again write:

) CLEAR

The **) CLEAR**-command erases the workspace which is in the memory at that particular moment. The workspace in the library is of course unchanged. Note that the **) SAVE**-command destroys the old version of the workspace in the library.

Example:

We want to look at the workspace containing the MOSES-model. This workspace lies in the library and is called MOSES.

Perform:

- (1) **) LOAD MOSES**
- (2) we look at some variables or functions
- (3) **) CLEAR**

A function is a program in APL. How to write and read functions is not described here, see instead the APL reference manual. To run an old experiment you don't need to be able to write functions, but if you wish to make new experiments this is necessary!

The most common system commands can be found in the appendix to the next section. A full description can be found in an APL-manual.

Information about the "login procedure", e.g. how to get in touch with the computer in Norway, can be received from authorized persons at IUI.

Section 2 How to run the initialization (jan.1982) and how to start the model

2.1 Overview

We assume that you have logged in and that you have access to:

- 1) the APL-language
- 2) Workspaces containing the micro-to-macro model, which are:

MOSES (=the model itself)
,INIT (=the initialization procedure)
,MACRO (=macro data base, for 1976)
,SI76 (=micro data base, for 1976)
,VLISTS (=variable names, initialized variables)
,FUNCTI, ISTART,
MSTART (=miscellaneous workspaces in connection with initialization etc).

One can check that all workspaces needed are in the (IUI-) library by doing the system command:

) LIB

Then all saved workspaces are listed.

It might also be a good idea to perform the **) MAXCORE**-command in the beginning. This command is described in an appendix to this section, and extends maximum available space in the computer memory.

To start the model do:

) **LOAD** INIT (step 1)
 START NR1 (step 2)
) **LOAD** MOSES (step 3)
 UPDATEMOSES NR2 (step 4)
 RUNEXP N (step 5)
) **SAVE** (step 6)

Step 1+2 = initialization of the model, which means that start-up variables for 1976 are given values etc.

Step 3+4 = update the MOSES model-code to it's latest version

Step 5 = run the model.

Step 6 = save the result.

NR1 NR2 and N are chosen numbers.

N = number of years to simulate (run the model)

NR1 = number of **initialization version**

NR2 = number of **experiment version**

For a definition of "**initialization version**" and "**experiment version**", see the following pages.

This 6-step procedure to run the model will be explained in more detail below.

In what follows, we will write system commands and function calls (for example the function **START**) in boldface letters, whereas parameters to the functions (for example NR1, NR2, N above) or workspace-names (for example INIT) will be written in ordinary letters. Note that there must be at least one blank between a function call and a parameter!

2.1.1 "Initialization version"

Definition:

Instead of changing the original initialization version (jan 1982), one puts all changes in a separate function. A new initialization version is made by using the original initialization program (workspace INIT) and by making a function **ISTARTXX** where all changes are defined. XX is the number of the initialization version. **ISTARTXX** should be put into workspace ISTART before doing anything else.

Example:

Make a function **ISTART4** where all changes are defined. Put it into workspace ISTART by using the system commands Load and Save. Then perform:

```
) LOAD INIT           (step1)
START    4           (step2)
```

Thus, initialization version 4 has been run, and the result is saved (automatically) in workspace R4.

How to make new initialization versions is described in section 3. If you just wish to repeat an old experiment just check that the proper **ISTARTXX**-function is stored in the ISTART-workspace.

The reason for this somewhat cumbersome way of labelling the experiments is that it is extremely difficult to keep track of changes in a program (in this case the initialization program **START**), if one were allowed to make small modifications all the time. If one works in the fashion outlined above, the original initialization code is unchanged, and all modifications thereafter are defined by small modules called ISTARTXX. To be more spe-

cific, the original initialization program is unchanged before a new initialization. During the initialization, the initialization program is updated* with the changes defined in an ISTARTXX-module. For more details see section 3.

* A program can update another program during execution in the APL-language. This is a somewhat unusual feature for a programming language.

2.1.2 "Experiment version"

Definition:

Instead of changing the original model (version 1978), one puts changes of the model, for experiment-purposes, in a separate function. A new experiment version is made by using the original model program (workspace MOSES) and by making a function **MSTARTXX**, where all changes connected with the specific experiment are defined. **XX** is the number of the experiment version. **MSTARTXX** should be put into workspace MSTART before doing anything else.

Example: (We extend the example given above on the previous page)

Make a function **MSTART8** where experiment-specific changes are defined. Put it into workspace MSTART.

Then perform:

```
) LOAD INIT                (step 1)
  START      4              (step 2)
) LOAD MOSES                (step 3)
  UPDATEMOSES 8            (step 4)
```

How to make new experiment versions is described in section 3. If you just wish to repeat an old experiment, simply check that the proper **MSTARTXX**-function is stored in the MSTART-workspace.

Note that each experiment is uniquely determined by the lines in a **MSTARTXX**-function, provided that the same indata is used. Note also that the above procedure means that one can use a certain set of indata and make a large number of different experiments with these. Step 2 yields output from initialization (= input to the model). By varying the

parameter to **UPDATEMOSES** (in this example 8) one can achieve different experiments with the same indata to the model.

One point ought to be clarified in this context. The word "experiment" in our concept "experiment version" means that we are experimenting with the model itself, for example introducing a certain micro or macro behaviour. One can also make experiments by varying input to the model by using different "initialization versions". Some parameters produced by the initialization procedure affect the micro behaviour of firms. So it is equally natural to keep the **MSTARTXX**-function constant and vary the **ISTARTXX**-functions. The difference between an **ISTARTXX**-function and a **MSTARTXX**-function is that the former can't change lines in the model.

2.2 Comments on the 6-step procedure to start and run the model

Step 1 The initialization program is loaded into computer memory

Step 2 "**START** XX" starts the initialization. **ISTARTXX** should be stored beforehand in workspace ISTART. The result from the initialization is stored in workspace RXX. XX=number of initialization version. Step 2 takes about 5 minutes. The monitor prompter resumes the original position when this step is ready.

Step 3 The model itself is loaded.

Step 4 "**UPDATEHOSES** XX" updates the model from the 1978-version to the 1982-version and makes experiment-specific changes in the model code. **MSTARTXX** should have been stored beforehand in workspace MSTART. **XX**=number of experiment version. The monitor prompter resumes the original position when this step is ready.

Step 5 The model is run for N years. This takes about 10 minutes per simulated year. The monitor prompter resumes the original position when the run is over.

Step 6 The simulation-result is saved.

During step 2 the program asks whether one wants to see the input-output matrix or not (described in part 2 of the manual). Answer, yes or no.

During step 4 a question comes up, where the user should give the name of the workspace from which the result of the initialization should be fetched. The name is R1 if you used initialization version 1, R2 if you used initialization version 2 etc.

IMPORTANT NOTE: If you already, (for example, some days before) have made the initialization (steps 1+2) you can start with step 3 at once. This might be a convenient way to work.

The simulation result is not stored automatically. The user has to make the **) SAVE**-command himself. (step 6). The name of the simulation result is SXXVYY, where XX=number of experiment version, and YY=number of initialization version. S stands for simulation result and V for version. We conclude by giving two examples of a MOSES-run.

Example 1:

```
) LOAD INIT  
START 1  
) LOAD MOSES  
UPDATEMOSES      7  
RUNEXP          10  
) SAVE
```

Initialization version 1 and experiment version 7 are made. The model is run for 10 years. The result from the initialization is stored in workspace R1. The result from the model-simulation is stored in workspace S7V1.

Example 2:

```
) LOAD MOSES  
UPDATEMOSES      7  
RUNEXP          10  
) SAVE
```

The initialization is already made. The same things as in example 1 are being made. The user is asked for the name of the workspace where the result from the initialization is stored (for example R1 if initialization version 1 is used). The result from the simulation is stored in an workspace called S7V1.

IMPORTANT:

If one wants to look at the contents of a workspace, one makes the **) LOAD**-command. There is one exception, though.

To be able to look at the result of the initialization, RXX, after having performed steps 1 and 2 in the 6-step procedure, one has to do the **) COPY**-command.

Thus: **) COPY** R1 must be done to look at workspace R1, instead of **) LOAD** R1. (If you try to do the Load-command instead, a lot of nonsense will be printed out, for technical reasons.)

A complete list of variables coming out from initialization can be found in part 2 of the NOSES manual.

2.3 Batch-job

So far we have assumed that the user of the model makes the commands (the 6-step procedure to start and run the model) actually sitting in front of the computer terminal, doing so called time-sharing. This is by no means necessary.

The same commands can be written in a so called "command-file" beforehand. To perform a run on the computer in this way is called a batch-job. It is very convenient because the program can be run during low cost time (for example) during the night, without anybody at the computer terminal. The terminal need not even be switched on.

On the DEC20 computer (in Bergen) a batch-job is done thus:

Make a "command-file" (using the editor on the DEC 20). In the command-file prov.CTL we have:

```
monitor-prompter APLSP
* TTY
* )MAXCORE          352
* )LOAD            INIT
* START            4
* yes
* )LOAD            MOSES
* UPDATEMOSES      8
* R4
* RUNEXP           10
* )SAVE
* )MONITOR
```

The file could have any name, but the extension must always be CTL. In this example we called the file "prov.CTL". A DEC20-monitor command (the command **APLSF**)* should start with a monitorprompter (a helix-shaped symbol) in a commandfile. An APL-system command should start with an asterisk. More information about batch-jobs can be found in "DEC-SYSTEM Batch Reference Manual".

The batch job is ordered by doing the DEC20-command:

```
submit prov.CTL
```

One could add extra instructions to the operator, by writing things after "slashes", according to a syntax (see the Batch Ref. Manual).

We found the following extra instructions useful in practical work:

```
submit prov.CTL/after:24:00:00/TIME:03:00:00/  
restart: YES/PAGE:300
```

The result from a batch-run is stored on a file called "prov.log". This file contains the output which would have been typed on the screen if the job had been done as time-sharing.

A disadvantage with batch-jobs is that if anything (no matter how trifle) goes wrong during the model-run, nothing can be done about it. The program is simply interrupted. The batch-job has to be connected and repeated.

* There are different versions of APL, one of which is APLSF, working on the DEC 20-system.

APPENDIX

Section 2

"System commands"

) **LOAD** workspace-name

Loads the workspace into computer memory.

) **CLEAR**

Clears the computer-memory.

) **MAXCORE** 352

If one has too little space in the computer-memory, one has to ask for more space. The command above gives the user maximum available space. One can choose any number between 6 and 352 (pages). 1 page \approx 1/2 Kwords.

) **WSID**

This is a question. The computer answers by telling the user the name of the workspace which is in the computer-memory right now.

) **WS** name

Changes the name of workspace to the name written after WS.

) **SAVE**

Saves the workspace under current workspace-name.

) **FNS**

Lists all functions in the current workspace.

) **VARs**

Lists all variables in the current workspace.

) **COPY** workspace-name

A copy of the workspace is added to the workspace one is working with.

The system commands might differ somewhat on different computers. The commands mentioned above are used on DEC20 in Bergen, Norway.

**Section 3 How to make new initialization versions
and new experiment versions
(simulation-variants)**

3.1 New initialization versions

Do:

) LOAD ISTART (step 1)

This loads the workspace ISTART, where all previous initialization versions are stored (**ISTART1**, **ISTART2...**).

Make a function

ISTARTXX (step 2)

XX=number of initialization version.

How to make a function is described in the APL reference manual.

Save the extended work-space ISTART.

) SAVE (step 3)

ISTART1 and **ISTART2** on the next page show the pattern to be followed when making an **ISTARTXX**-function.

Comment lines in the APL-language start with a very particular symbol, the so called cap null-symbol. It appears frequently in the initialization-code (see for example section 5) and looks like an A which is smaller and more smooth than an ordinary A. For typographical reasons we write this symbol as a boldface **A** in the examples below.

Example 1:

```
      V   ISTART1
[1]   A TEST1
[2]   A FREDRIK B
[3]   SYNTHΔFIRMS← 8 16 18 8
[4]   A
      V
```

Example 2:

```
      V   ISTART2
[1]   A TEST
[2]   A JANUARI 1982
[3]   A FREDRIK B
[4]   A
[5]   SYNTHΔFIRMS← 8 16 18 8
[6]   'MARKETSΔDATA'  MODSUBST  'GAMMA←ωGAMMA←0.5'
[7]   'MARKETSΔDATA'  MODDEL   'KSI←'
[8]   'MARKETSΔDATA'  MODADD   'NITER←ωKSI←0.3'
      V
```

Note: If you by mistake put in an extra blank somewhere between the '-signs, you could fail to make the proper changes.

GAMMA, KSI och NITER are three parameters in the MOSES-model. **MARKETSΔDATA** is the name of a sub-function in the initialization procedure, (a sub-function to the function **START**). To be able to make changes in the initialization one has to get well acquainted with the initialization program, which is described in part 2. Many parameters which guide firm-behaviour are given their values in the sub-function **MARKETSΔDATA** which is easy to read. One can without difficulty change such parameters according to the pattern above. The examples above are explained in detail on the following pages.

ISTART1:

No changes in the initialization-program are made. The line "synth Δ firms \leftarrow 8 16 18 8" is compulsory in any **ISTARTXX**-function. This line means that there will be 8 synthetic* firms in sector 1, 16 synthetic firms in sector 2, 18 in sector 3 and 8 in sector 4. Thus, this line tells how many synthetic firms will be created during the initialization procedure.

ISTART2:

The APL-functions **MODDEL**, **MODADD** and **MODSUBST** are used to change lines in the initialization-program. The changes will take place when the **ISTARTXX**-function is called, and this happens in the very beginning of the initialization.

Thus: Line 6, example 2, means that we will change a line in the sub-fuction **MARKETS Δ DATA** (see appendix C, part 2). The text before **MODSUBST** (All textstrings should stand between '-symbols) tells the name of the function where the changes are to be made. The text after **MODSUBST** tells what line to be changed and defines the new line. The beginning of the old line stands before the "omega-symbol" (ω) and the new line after this symbol. **MODSUBST** deletes the old line beginning with "GAMMA" and puts in the new line: GAMMA \leftarrow 0.5. **MODADD** works like **MODSUBST**, with one exception. **MODADD** does not delete the old line. The new line is put immediately after the old line. Line 7

* artificial firms,, which define the difference between macro data (national accounting) and micro data (real firms). See Albrecht-Lindberg (1982).

means that we will delete any line in the sub-function **MARKETSADATA** beginning with KSI ←.

3.1.1 Summing up

Syntax:

'function-name' **MODSUBST** 'old line ω new line'
'function-name' **MODADD** 'old line ω new line'
'function-name' **MODEL** 'line'

Don't take too many letters! This may cause overflow during execution. Error: Workspace full.
Don't take too few letters! It might be ambiguous what line you're referring to. Any line (in the function you're looking at) with the same string of letters (in the **beginning** or in the **middle** of the line) might be affected by the **MODSUBST-**, **MODEL-** or **MODADD-**call.*

3.2 New experiment versions

Do:

) **LOAD** MSTART (step 1)

This loads the workspace MSTART, where all previous experiment versions are stored (**MSTART1**, **MSTART2**,...). Make a function

MSTARTXX (step 2)

) **SAVE** (step 3)

On the next page you can see an example of a **MSTART**-function. **MODSUBST**, **MODEL** and **MODADD** are used in the same way as was done above, in connection with new initialization versions.

* Note: It is not allowed to change the function where you are at the moment. Thus **MODSUBST**, **MODEL**, **MODADD** cannot make changes in the function **START**.

An example of a MSTART-function:

```
V MSTART1
[13]  A
[14]  AEXPERIMENT
[15]  A*****
[16]  'INVFIN'  MODSUBST 'QDIV←ωQDIV←0.6×QTAX'
[17]  A
      V
```

Note: **A** is a symbol starting comment-lines, for typographical reasons written as a boldface A.

In a sub-function, called **INVFIN**, in the MOSES-workspace one line is altered.

The new line

```
QDIV ← 0.6 • QTAX
```

means that each firm will, in this particular experiment, pay dividends to the household sector amounting to 60 percent of the corporate tax.

The changes in the MOSES-program take place when the function **UPDATEMOSES** is called. The MSTART-function is, namely, called on a line in the function **UPDATEMOSES**.

If you wish to check that the changes in the MOSES-program have been performed correctly, list the functions you are interested in (in the example above the function **INVFIN**) after the call of the function **UPDATEMOSES** (step 4 in the 6-step procedure presented in section 2). How to read (list) functions is described in the APL reference manual.

Section 4 How to add new model-variables

Say that you have a new variable I which you wish to give as input to the model. The variable I is to be given a value in the initialization procedure.

It is not enough just to add this variable to the initialization-program in a **ISTARTXX**-function, for example with a "MODADD-line".

You must also add the name of the variable to a variable-list in workspace VLISTS before making the initialization. All output-variables from initialization should be listed in this workspace. If this is not done, the variable I will be deleted during the initialization procedure, since it is not mentioned among the output-variables in a variable-list in workspace VLISTS. Thus, this system forces the user to mention all new output-variables from initialization.

There are 6 variable-lists in workspace VLISTS, and the user can extend 5 of them, namely:

Variabelgrupp 1	(=exogenous variables)
Variabelgrupp 2	(=endogenous variables)
Variabelgrupp 3	(=constants)
Variabelgrupp 4	(=indices, parameters of a technical nature)
Variabelgrupp 5	(=miscellaneous)

To add the variable I to a variable-list in workspace VLISTS do:

```
) LOAD VLISTS (step 1)
Variabelgrupp 1 + variabelgrupp 1, ' I ' (step 2)
) SAVE (step 3)
```

Note: We assumed above that I was an exogenous variable, and that was why variabelgrupp 1 was used. The division of variables into 6 groups is purely for book-keeping purposes. If you put a new variable in the wrong group, nothing will happen, but the book-keeping will be messed up.

Note: The text string between the '-signs in step (2) must begin with a blank!

Section 5 Description of the function UPDATEMOSES

UPDATEMOSES is the function doing changes in the model (workspace MOSES) itself, and is step 4 in the 6-step procedure presented in section 2.

The function is documented below, with the APL-code itself. It should be noted that this documents all permanent changes in the model program since 1978.*

In **UPDATEMOSES** four functions are called:

- 1) **PREPARE Δ RUN** (Fixes headlines etc for printing out simulation-results)
- 2) **PERMANENT Δ CHANGES**** (Permanent changes in the model-program since 1978)
- 3) **MOSES Δ VARIANTS**** (Larger permanent changes in the model-program since 1978)
- 4) **MSTARTXX** (The experiment version function)

Note: The MSTART-function should never be used for permanent changes of the model.

The model-program is updated in this fashion, so as to make it possible to repeat old experiments from 1978 and onwards. Another reason for this updating procedure is that the changes are clearly

* For a complete understanding of these changes one needs, however, the model program itself, the so called MOSES code, which will be presented in another part of the MOSES manual.

** The changes in **PERMANENT Δ CHANGES** are maybe more permanent than **MOSES Δ VARIANTS**, that is why they are separate.

defined, and could be checked up by anyone wishing to convince himself that the changes have been properly done.

Section 5 Description of update MOSES

▽ UPDATEΔMOSES NUM
[1] ATHIS FUNCTION DOES:
[2] A(1): PREPARES HEADLINES ETC. FOR PRINT-OUT FROM MOSES-RUN
[3] A(2): MAKES CHANGES IN THE MOSES PROGRAM FROM 1978
[4] A
[5] PREPAREΔRUN
[6] PERMANENTΔCHANGES
[7] MOSESΔVARIANTS
[8] AEXPERIMENT-MODULES IN WORKSPACE MSTART.
[9] ATHEY ARE CALLED MSTARTXX WHERE XX IS THE NUMBER IN
[10] ATHE CALL 'UPDATEMOSES XX ' .
[11] A
[12] 'GIVE THE NAME OF THE WORKSPACE WITH START-'
[13] 'VALUES FROM INITIALIZATION (FOR EXAMPLE R1 ETC.) :'
[14] INITWORKSPACE+
[15] ε')COPY ',INITWORKSPACE
[16] ATHIS LINE FETCHES INDATA FROM INITIALIZATION...
[17] .PREPARE2
[18] ε')COPY MSTART MSTART',τNUM
[19] ε'MSTART',τNUM
[20] ALINE ABOVE MEANS THAT MSTARTXX IS EXECUTED.
[21] A
[22] A IF YOU WANT MARKET TIME-SERIES RESULTS TO BE PRINTED OUT
[23] A DURING SIMULATION REMOVE COMMENT ON NEXT LINE...
[24] A TRACE1
[25] A
[26] ATRACE1 PRINTS OUT TIME-SERIES RESULTS...
[27] A
▽

Section 5 Description of update MOSES

V PERMANENTΔCHANGES

[1] A 'PERMANENT' CHANGES IN MOSES:

[2] A

[3] 'MARKETΔCONFRONT' MODADD 'PTωQPURCHG+QPURCHG×PTC(10)×(1+(QWG+WGΔ_REF))÷100'

[4] A CORRECTION OF DEFLATOR FOR GOVERNMENT'S PURCHASES

[5] A

[6] 'INVFIN' MODSUBST 'K1BOOK←K1BOOKωK1BOOK+K1BOOK-QDEPRBOOK+0ΓQREVL_RHOBOOK×K1BOOK←QINV+K1BOOK'

[7] A BOOK-VALUE SHOULD NOT BE UPDATED WITH INFLATION

[8] A

[9] A CHANGES TO VECTOR-FORMAT ON MAX/MIN/OPT-STO MADE PERM.

[10] A CORRESPONDING FOR MAX/MIN/OPT-IMSTO IN FN. 'INDΔPURCHASESHARES'

[11] A

[12] A

[13] 'PLANQREVISE' MODSUBST 'QIMQ←0Γω_a QIMQ-LINE MOVED ABOVE IMSTO'

[14] 'PLANQREVISE' MODADD 'QQ←QQωQIMQ←0Γ((QIO)IMARKET;JMUL7 QPLANQSAVE)+(OPTIMSTO-IMSTO)÷4×TMIMSTO'

[15] A

[16] EXDΔQDWG←''

[17] A THE Z-SECTOR IS OBSOLETE AND ISN'T ANY LONGER USED.

[18] A THE FOLLOWING LINES DELETE OR CHANGE LINES SO THAT

[19] A THIS SECTOR IS IGNORED.

[20] 'LABOURΔMARKET' MODDEL 'ZLABOUR'

[21] 'MARKETΔCONFRONT' MODSUBST 'PT←QωPT←QPRELPDOM,(QPDOMCIN]×1+QDPIN),1'

[22] 'HOUSEHOLDΔINIT' MODSUBST 'INMONEYωINMONEYHH+QTRANS+QINPAY+QTDIV+(SUM2 L×QW÷4)+(LG×QWG÷4)+(QINTH←NH+,xRIH×WH÷4)'

[23] 'HOUSEHOLDΔINIT' MODSUBST 'QTWS←(LGωQTWS+(LG×QWG÷4),SUM2 L×QW÷4'

[24] 'HOUSEHOLDΔINIT' MODSUBST 'QTI←QTDIωQTI←QTDIV+QTRANS+(+/QTWS)-QWTAX)+QINTH'

[25] 'LUUPDATE' MODSUBST 'LF←ωLF←LU+LG+SUM2 L'

[26] 'QΔEXO' MODDEL 'TXVAZ←'

[27] 'LABOURΔUPDATE' MODSUBST 'RU←RU+QωRU←RU+QCHRU←(LU÷LU+LG+SUM2 L)-RU'

[28] 'DOMESTICΔRESULT' MODDEL 'QPZ←'

[29] 'FINALQPSQM' MODDEL 'QMZ←'

[30] 'FINALQPSQM' MODDEL 'QCHKZ←'

Section 5 Description of update MOSES

[31] 'FINAL@P@SQM' MODEL 'QDIVZ+'
[32] 'INFIN' MODSUBST 'QCTAX+(SU@QCTAX+(SUM2 @TAX)'
[33] 'Y@COUNTRY@TOTAL' MODEL 'CT@CHKZ+'
[34] 'DOMESTIC@RESULT' MODEL 'QSZ+'
[35] 'INDIRECT@TAXES' MODSUBST 'QVATAX+@QVATAX+(TXVA2x@PURCHG+@SPEMKT,
IN;]+.xNH),0'
[36] 'Y@INDUSTRY@TOTAL' MODSUBST 'L@TOT+@L@TOT+LG+SUM2 L'
[37] A
[38] 'VARIANTS+VARIANTS,' PERMANENT CHANGES 1980-81 '

▽

Section 5 Description of update MOSES

▽ MOSESΔVARIANTS
[1] NEGΔIMSTO
[2] INDΔPURCHΔSHARES
[3] POSITIVEΔNETΔWORTH

▽ PREPAREARUN
[1] LOEPNR←NUM
[2] DATUM
[3] DSCR←'**** EXPERIMENT ',γNUM
[4] DPW←120
[5] ε')MAXCORE 352'
[6] A MAXIMUM CORE IN COMPUTER-MEMORY...

▽ PREPARE2
[1] A THIS LINE GIVES THE WORKSPACE A NEW NAME,
[2] A FOR EXAMPLE S3V7
[3] A
[4] ε')WSID S',(γNUM),'V',1↓INITWORKSPACE
[5] DSCR←DSCR,' ',ISTART=' ',1↓INITWORKSPACE
[6] DSCR←DSCR,' *****'

▽ DATUM;TS
[1] TS←OTS
[2] TIMESTAMP←(TWO TSC[1]),'-',(TWO TSC[2]),'-',(TWO TSC[3]),' ',(TWO TS
[4]),':',(TWO TSC[5])

▽ RESULT←TWO NUMBER
[1] A
[2] A TO REPRESENT ANY NUMBER WITH TWO INTEGER PLACES.
[3] A FRACTIONAL PART IS ROUNDED, BIGGER THAN 99 GETS TRUNCATED,
[4] A AND SMALLER THAN 10 GETS LEADING ZEROES.
[5] A
[6] ALWAYS '(NUMBER≥0)^(0=ρρNUMBER)'
[7] RESULT←"2↑'00',γ[0.5+NUMBER

Section 5 Description of update MOSES

```

V  NEGAIMSTO
[1]  A  ALLOWS INPUT-GOODS INVENTORIES TO HAVE LEVELS BELOW ZERO
[2]  ENS 1=1↑ρ'PLANGREWISE' MODFNP 'SHORTAGE+0]ωSHORTAGE+0x'
[3]  VARIANTS+VARIANTS,' NEG-IMSTO'
V
V  POSITIVEANETΔWORTH
[1]  A  FROM 81-02-02 A COMBINATION WITH 'NULLIFYANEGΔNW'
[2]  A
[3]  A  TO MAKE SURE BORROWING DO NOT EXCEED ASSETS,
[4]  A  AND TO , THOUGH IN QUITE A CRUDE WAY , ADJUST
[5]  A  NEW-BORROWING TO THE DEBT/EQUITY-RATIO
[6]  A  STEP 1: QΔBW ≤ REDCHBW(=.15)×BW
[7]  A          2: QΔBW REDUCED IF 0.1<(NW/A)≤0.3
[8]  A          3: QΔBW =0          IF 0.1≥(NW/A)
[9]  A          4: FIRMS ARE NULLIFIED THE 6'TH QUARTER WITH   NW<0
[10] A
[11] A  'INVFIN' MODADD 'QDESCHBW+(0ωQDESCHBW[THO]+REDCHBW×BW[THO)+(QDESCH
BW>REDCHBW×BW)/↑ρBW]'
[12] A  'INVFIN' MODADD 'QDESCHK2+(RWωQDESCHBW+(BWACHECK ((BW+QDESCHBW)+(
K1+(K2+QDESCHK2)+K3)))×QDESCHBW'
[13] A
[14] A  'INVFINAADJUSTMENTS' MODADD 'A NW ISωBAD+BAD+(NW<0)'
[15] A  'INVFINAADJUSTMENTS' MODADD 'BADωREALLYΔBAD+BAD=6'
[16] A  'INVFINAADJUSTMENTS' MODADD 'REALLYω±(0<(+/REALLYΔBAD))/'' NULLIF
YΔNW REALLYΔBAD ''
[17] A
[18] A  'NULLIFY' MODADD 'SHRINK ''AMANωSHRINK ''BAD''
[19] A  'NULLIFY' MODADD 'SHRINK ''QW''ωSHRINK ''REALLYΔBAD''
[20] A
[21] A  VARIANTS+VARIANTS,' POS-NET-WORTH-ELSE-NULLIFY '
[22] A
V
```

Section 5 Description of update MOSES

▽ INDAPURCHASHARES

- [1] A PURCHASING-SHARE INDIVIDUALIZED IN THE FOLLOWING WAY :
- [2] A I/O-MATRIX ENDOGENOUS IN VOLUME TERMS
- [3] A PURCHASING SHARE: $(\sum I=1..10 IO[X I]) \div (\sum I=1..13 IO[X I])$
- [4] A PURCH.-SHARES ARE INDIVIDUAL FOR MKT X=1...4
- [5] A THE RELATION $(IO[X I]) \div (IO[X J])$; $I, J \in [1, 10], I \neq J$; IS
- [6] A FIXED THOUGH.....
- [7] A NOTE: IF FN. *ADDFIRM* SHOULD BE USED, CHANGE LINES
- [8] A 'Q+' AND 'QQ+'
- [9] A
- [10] A FROM FRED OCT-80
- [11] A
- [12] 'TARGASEARCH' MODSUBST 'QEXPPNET+@QEXPPNET+QEXPP-SHAREx(QEXPPIM+.xIO)[MARKET]'
- [13] 'MAXIMSTO' MODSUBST 'R+(QIO)@R+((QIO)[MARKET;] MULT7 SHARE)MULT7 REFQIMSTO x IMBIG'
- [14] 'MINIMSTO' MODSUBST 'R+(QIO)@R+((QIO)[MARKET;] MULT7 SHARE)MULT7 REFQIMSTO x IMSMALL'
- [15] 'OPTIMSTO' MODSUBST 'R+(QIO)@R+((QIO)[MARKET;] MULT7 SHARE)MULT7 REFQIMSTO x IMSMALL+IMBETAxIMBIG-IMSMALL'
- [16] 'PLANQREVISE' MODSUBST 'MAT+(QIO)@MAT+(QIO)[MARKET;] MULT7 SHARE'
- [17] 'PLANQREVISE' MODSUBST 'IMSTO+@IMSTO+MAXIMSTO[IMSTO+QIMQ-MAT MULT7 QQ'
- [18] 'PLANQREVISE' MODSUBST 'QIMQ+0[(QIO)@QIMQ+0[(MAT MULT7 QPLANQSAVE)+(OPTIMSTO-IMSTO)÷4xTMIMSTO'
- [19] 'FINALQPQSQM' MODSUBST 'QVA+@QVA+QVAX1+QDVA+⁻¹+(QQxQP-SHAREx((QPDQMX1-TXVA2)+.xIO)[MARKET])÷QVA'
- [20] A WE ALSO SHRINK VAR. *SHARE* IN NULLIFY
- [21] A
- [22] 'VARIANTS+VARIANTS,' INDIVIDUAL-PURCHASING-SHARES '

▽

Section 6 In case of trouble...

Here are some tricky situations in connection with the running of the model:

- 1) Error during simulation. Not the model itself.

Make the system command

) SI.

You can then see in what function the simulation was interrupted.

If you are interrupted in a "print-out"-function (not the model itself) you can usually continue the simulation by doing:*

→[]LC+1

This means that you skip the line where you were interrupted. This can damage the printing out of results in some tables, but not the simulation itself.

- 2) Error during simulation. The model itself.

If you are interrupted in a function belonging to the model itself, this is usually due to one firm (out of 147) behaving in a perverse way (getting production volume less or equal to zero or something like that).

You must then either change some lines in the model or some lines in the initialization. Due to the character of the problem it may take anything

* In front of LC should be an APL-symbol which is an empty square. For typographical reasons this is written as [].

from a couple of hours to weeks to correct this error, since one has to get well acquainted with the model-code itself to understand why things have gone wrong. (A quick solution may be to nullify (=delete) this firm in the beginning of the simulation, but this is not the best solution.)

3) Error during initialization

Usually due to some technicalities when using the functions MODADD, MODSUBST, etc... See section 3.

4) Editing an APL-function

While making changes in an APL-function one might sometimes wind up in a situation where it is impossible to get a new line-number, when pressing the RETURN-key. This comes about if one is writing an expression with ' in, and for some reason just has given one apostrophe. One must write both a left-hand apostrophe and a right-hand apostrophe to get a new line-number.

Section 7 Printing out the result

The result is, as mentioned previously, stored in a workspace called SXXVYY, where XX is the number of the experiment version, and YY is the number of the initialization version.

A function **PRINT** should be used to print out the result.

The result is a number of tables with different names.

To print out a table perform:

PRINT 'name of table'.

The names of the tables, available after a run, are shown if one performs the function call:

ALLREPORTS

Example:

We wish to print out the table called

YEARLYΔINDUSTRYΔTOTAL.

Perform:

PRINT 'YEARLYΔINDUSTRYΔTOTAL'

You then get yearly performance of some main economic indicators.

This result is printed out on the screen and on a printer connected in series with the terminal, after each simulated year. Deleted firms (bankruptcy) are also printed out during simulation.

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