

TABLE 1
SUMMARY OF EMPIRICAL STUDIES

AUTHOR	PERIOD	METHODOLOGY	RESULTS
Anderson, et.al. (1986)	(A) 1946-1983	Granger causality	spend-tax
Manage and Marlow (1986)	(A) 1929-1982	Granger causality	fiscal synchronization
Von Fursten- berg, et.al. (1986)	(Q) 1954-1982	VAR	spend-tax
Blackley (1986)	(A) 1929-1982	Granger causality	tax-spend
Ram (1988)	(A) 1929-1983 (Q) 1947-1983	Granger causality	tax-spend
Trehan and Walsh (1988)	(A) 1890-1986	Johansen-Juselius multivariate cointegration	intertemporal budget constraint satisfied
Miller and Russek (1989)	(A) 1947-1986 (Q) 1947-1986	Engle-Granger error-correction	fiscal synchronization
Bohn (1991)	(A) 1792-1988	Johansen-Juselius multivariate cointegration	tax-spend
Jones and Joulfaian (1991)	(A) 1792-1860	Engle-Granger error-correction	spend-tax
Provopoulos Zambaras (1991) (Greece)	(Q) ?	Granger causality	spend-tax
Hoover and Sheffrin (1992)	(Q) 1955-1989	VAR-structural breaks	tax-spend
Baghestani and McNown (1994)	(Q) 1955-1989	Johansen-Juselius multivariate cointegration	independent