

Report on Aris Spanos, “The ‘Pre-eminence of Theory’ versus the ‘General-to-Specific Cointegrated VAR Perspectives in Macro-Econometric Modeling”

This is a very nicely done paper. I have no major comments or problems. Most of the comments below are expositional/grammatical. There are few that have some substance; but, as I said, none is vital.

Detailed Comments

- p. 2: In light of Colander’s recent revision of his paper, I won’t comment on the introduction. It should be said, however, that Colander’s revision was substantial and it may suggest rewriting more than the introduction.
- p. 3, line 1 in sect. 2.1: “dominates” should be “dominate.”
- p. 3, two paras. after 2.1 heading: one paragraph says “underlying” and the other “underlying.” “Underlying” is right in both cases.
- p. 4, 2nd inset quotation: the great puzzle is that Kydland and Prescott never tell us how the “currently established theory” got established and whether anything could ever count against it.
- p. 5, in (III) *passim*: exactly what constitutes “substantive information” is not clear.
- p. 5, line 19 up: “viewed suspiciously” is better than “suspiciously viewed.”
- p. 5, last para.: Hoover, Johansen, and Juselius paper in the May 2008 *American Economic Review* is relevant here.
- p. 6, first full para.: I don’t think that it is fair to interpret Sargent as claiming empirical adequacy on the standard that the model “is not obscenely at variance with the data.” Read the whole paragraph from which that phrase is drawn and you will see that Sargent points out numerous ways in which the model fails and takes, on the whole, a rather tentative tone. One may still disagree with his judgments, but he should not be painted more extreme than he really is.
- p. 6, line 2 in new section: should be “the London-School-of-Economics (LSE) tradition.” Even so commonplace an acronym as LSE needs to be defined on first use.
- p. 6, inset point (a): This should say “independent of any economic theory.” The reason if, first, it is not independent of statistical theory; and second, it is not independent of empirical modeling assumptions. My paper "[Probability and Structure in Econometric Models.](#)" (forthcoming in The Proceedings of the 13th International Congress of Logic, Methodology and Philosophy of Science to be published by King's College Publications, London) is relevant here.
- p. 6, line 4 after inset (c): a phrase such as “pre-eminence of theory” used adjectively should be hyphenated, so “pre-eminence-of-theory advocate.”
- p. 6, line 5 after inset (c): “inveterate” = chronically or habitually is the wrong word. Perhaps “insuperable” or “intractable” would be better?
- p. 6, lines 7-8 up: the issue of realisticness is addressed in Hoover, Johansen, and Juselius’s *American Economic Review* article.

- p. 9, 1st full para. *passim*: I strongly urge dropping the M-S acronym. It occurs infrequently enough that it burdens the reader to remember what it means. Better just to write “misspecification testing” each time.
- p. 10, bottom of first full para.: the Duhem thesis is that there is no *one* way to apportion blame *ever*. It is not that there is ambiguity about it; it is that disambiguation is simply not possible.
- p. 10, lines 9-11: “it’s often insufficiently appreciated . . .” – another way is that the statistical specification is in fact part of the identification and must conform to the probability model compatible with the statistical tests used.
- p. 11, first full para., line 2: I don’t know what you are trying to say by calling “their use . . . *ostensible*” [my emphasis]
- p. 11, line 7 in sect. 4: see above; write “misspecification testing” not M-S.
- p. 12, line 4 up in 2nd para.: better English to write “one hopes” than “hopefully,” which expresses a mood characterizing an action.