

TABLE I

REGRESSION ANALYSIS FOR THE WAGES, QUARTERLY GNP, AND COMMON STOCK PRICE SERIES

Series/Period	Regression: $y_t = \bar{\mu} + \tilde{\beta}t + \bar{\alpha}y_{t-1} + \sum_{i=1}^k \bar{c}_i \Delta y_{t-i} + \bar{\epsilon}_t$							
	k	$\bar{\mu}$	$t_{\bar{\mu}}$	$\tilde{\beta}$	$t_{\tilde{\beta}}$	$\bar{\alpha}$	$t_{\bar{\alpha}}$	$S(\bar{\epsilon})$
(a) Wages								
1900-1970 ^a	2	0.566	2.30	0.004	2.30	0.910	-2.09	0.060
1900-1929	7	4.299	2.84	0.037	2.73	0.304	-2.82	0.0803
1930-1970	8	1.632	3.60	0.012	2.64	0.735	-3.19	0.0269
(b) Common stock prices								
1871-1970 ^a	2	0.481	2.02	0.003	2.37	0.913	-2.05	0.158
1871-1929	3	0.3468	2.13	0.0063	2.70	0.732	-2.29	0.1209
1930-1970	4	-0.5312	-1.64	0.0166	1.96	0.788	-1.89	0.1376
(c) Quarterly real GNP								
1947:I-1986:III	2	0.386	2.90	0.0004	2.71	0.946	-2.85	0.010
1947:I-1973:I	2	0.637	3.04	0.0008	2.99	0.910	-3.02	0.0099
1973:II-1986:III	1	0.883	2.23	0.0008	2.27	0.878	-2.23	0.0102

^aResults taken from Nelson and Plosser (1982, Table 5).