TABLE VII

(a) Regression (12), Model A; $y_t = \hat{\mu} + \hat{\theta}DU_t + \hat{\beta}t + \hat{d}D(TB)_t + \hat{\alpha}y_{t-1} + \sum_{i=1}^{k}\hat{c}_i \Delta y_{t-i} + \hat{e}_t$

$T_B = 1929$	T	λ	k	$\hat{\mu}$	$t_{\hat{\mu}}$	$\hat{\theta}$	$t_{\hat{\theta}}$	$\hat{\beta}$	$t_{\hat{\beta}}$	$\hat{d}$	$t_{\hat{d}}$	$\hat{\alpha}$	$t_{\hat{\alpha}}$	$S(\hat{e})$
Real GNP	62	0.33	8	3.441	5.07	−0.189	−4.28	0.0267	5.05	−0.018	−0.30	0.282	−5.03[a]	0.0509
Nominal GNP	62	0.33	8	5.692	5.44	−0.360	−4.77	0.0359	5.44	0.100	1.09	0.471	−5.42[a]	0.0694
Real per capita GNP	62	0.33	7	3.325	4.11	−0.102	−2.76	0.0111	4.00	−0.070	−1.09	0.531	−4.09[b]	0.0555
Industrial production	111	0.63	8	0.120	4.37	−0.298	−4.58	0.0323	5.42	−0.095	−0.99	0.322	−5.47[a]	0.0875
Employment	81	0.49	7	3.402	4.54	−0.046	−2.65	0.0057	4.26	−0.025	−0.77	0.667	−4.51[a]	0.0295
GNP deflator	82	0.49	5	0.669	4.09	−0.098	−3.16	0.0070	4.01	0.026	0.53	0.776	−4.04[b]	0.0438
Consumer prices	111	0.63	2	0.065	1.12	−0.004	−0.21	0.0005	1.75	−0.036	−0.79	0.978	−1.28	0.0445
Wages	71	0.41	7	2.38	5.45	−0.190	−4.32	0.0197	5.37	0.085	1.36	0.619	−5.41[a]	0.0532
Money stock	82	0.49	6	0.301	4.72	−0.071	−2.59	0.0121	4.18	0.033	0.68	0.812	−4.29[b]	0.0440
Velocity	102	0.59	0	0.050	0.932	−0.005	−0.20	−0.0002	−0.35	−0.136	−2.01	0.941	−1.66	0.0663
Interest rate	71	0.41	2	−0.018	−0.088	−0.343	−2.06	0.0105	2.64	0.197	0.64	0.976	−0.45	0.2787

(b) Regression (14), Model C; $y_t = \hat{\mu} + \hat{\theta}DU_t + \hat{\beta}t + \hat{\gamma}DT_t + \hat{d}D(TB)_t + \hat{\alpha}y_{t-1} + \sum_{i=1}^{k}\hat{c}_i \Delta y_{t-i} + \hat{e}_t$

$T_B = 1929$	T	λ	k	$\hat{\mu}$	$t_{\hat{\mu}}$	$\hat{\theta}$	$t_{\hat{\theta}}$	$\hat{\beta}$	$t_{\hat{\beta}}$	$\hat{\gamma}$	$t_{\hat{\gamma}}$	$\hat{d}$	$t_{\hat{d}}$	$\hat{\alpha}$	$t_{\hat{\alpha}}$	$S(\hat{e})$
Common stock prices	100	0.59	1	0.353	4.09	−1.051	−4.29	0.0070	4.43	0.0139	3.98	0.128	0.76	0.718	−4.87[b]	0.1402
Real wages	71	0.41	8	2.115	4.33	−0.190	−3.71	0.0107	3.79	0.0066	3.33	0.031	0.78	0.298	−4.28[c]	0.0330

(c) Regression (10), Model B; $y_t = \tilde{\mu} + \tilde{\beta}t + \tilde{\gamma}DT_t^* + \tilde{y}_t$; $\tilde{y}_t = \tilde{\alpha}\tilde{y}_{t-1} + \sum_{i=1}^{k}\tilde{c}_i\Delta\tilde{y}_{t-1} + \tilde{e}_t$

$T_B = 1973\text{:I}$	T	λ	k	$\tilde{\mu}$	$t_{\tilde{\mu}}$	$\tilde{\beta}$	$t_{\tilde{\beta}}$	$\tilde{\gamma}$	$t_{\tilde{\gamma}}$	$\tilde{\alpha}$	$t_{\tilde{\alpha}}$	$S(\tilde{e})$
Quarterly real GNP	159	0.66	10	6.977	1160.51	0.0087	97.73	−0.0031	−12.06	0.86	−3.98[c]	0.0097

NOTE: a, b, and c denote statistical significance at the 1%, 2.5%, and 5% level respectively.