Figure 1: Logs Versus Levels Linear Representations for Some U.S. Macroeconomic Series

Real Per Capita U.S. Gross Domestic Product (GDP)

Real Per Capita Government Expenditures (GGE)

Real Per Capita Personal Consumption Expenditures (PCE)

Real Per Capita Gross Priv. Fixed Domestic Investment (INV)

Figure 2: Monte Carlo Results for I(1) Data Generating Processes

5% Nominal Size Test Results

Empirical Test Level

Empirical Test Power

DGP-S1

DGP-P1

DGP-S2

DGP-P2

DGP-S3

DGP-P3

DGP-S4

DGP-P4

Sample (x 100)
Figure 3: Monte Carlo Results for I(0) Data Generating Processes
5% Nominal Size Test Results

Empirical Test Level

DGP-S5

DGP-S6

DGP-S7

DGP-S8

Empirical Test Power

DGP-P5

DGP-P6

DGP-P7

DGP-P8

Sample (x 100)

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R=T^0.50 --- R=T^0.90
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R=T^0.75 --- R=T^0.95