Figure 1 Private real GDP/person-87\$bil (logs) 3 2.5 2 1.5 0.5 1890 1915 1940 1965 1990 Private real GDP (Real GDP less govt. expenditures) ----- Consumption-based trend Data source: Farmer (1999)

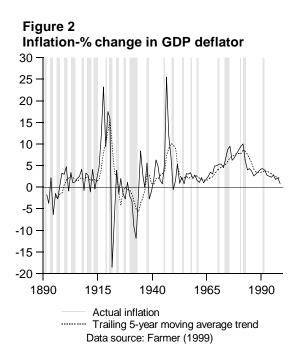


Figure 3: Short-term Movements in Output and Inflation Percent deviation from trend

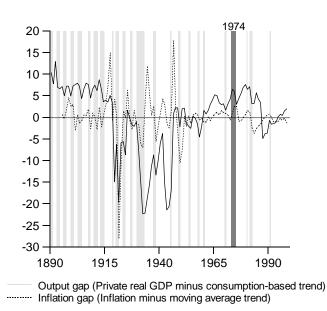


Figure 4: Scatterplot of Short-term Movements Percent deviation from trend

