

Multiple Trend Breaks and the Unit-Root Hypothesis

Robin L. Lumsdaine, David H. Papell

[Author and Article Information](#)

The Review of Economics and Statistics (1997) 79 (2): 212–218.

<https://doi.org/10.1162/003465397556791> Article history 

[Cite](#) [Permissions](#) [Share](#) 

Abstract

Ever since Nelson and Plosser (1982) found evidence in favor of the unit-root hypothesis for 13 long-term annual macro series, observed unit-root behavior has been equated with persistence in the economy. Perron (1989) questioned this interpretation, arguing instead that the “observed” behavior may indicate failure to account for structural change. Zivot and Andrews (1992) restored confidence in the unit-root hypothesis by incorporating an endogenous break point into the specification. By allowing for the possibility of two endogenous break points, we find more evidence against the unit-root hypothesis than Zivot and Andrews, but less than Perron.

This content is only available as a PDF.

© 1997 President and Fellows of Harvard College and the Massachusetts Institute of Technology

You do not currently have access to this content.

Sign in

Don't already have an account? [Register](#)

Client Account

Email address / Username

Password

Skip content

[Sign In](#)

[Reset password](#)

Sign in via your Institution

Sign in via your Institution

 [Buy This Article](#)

Email Alerts

[Article Activity Alert](#)

[Latest Issue Alert](#)



[View Metrics](#)

[Latest](#)

[Most Read](#)

[Most Cited](#)

Learning Before Testing: A Selective Nonparametric Test for Conditional Moment Restrictions

Health Insurance and Consumption Risk

Long Story Short: Omitted Variable Bias in Causal Machine Learning

Willingness-To-Pay versus Administrative Hurdles: Understanding Barriers to Social Insurance Enrollment in Thailand

Cited By

[Skip to Main Content](#)

Web of Science (803)

Related Articles

Minimum Lagrange Multiplier Unit Root Test with Two Structural Breaks

The Review of Economics and Statistics (November,2003)

Downward Nominal-Wage Flexibility: Real or Measurement Error?

The Review of Economics and Statistics (August,2005)

Using Daily Range Data to Calibrate Volatility Diffusions and Extract the Forward Integrated Variance

The Review of Economics and Statistics (November,1999)

The Structure of Unemployment

The Review of Economics and Statistics (May,2000)

The Review of Economics and Statistics

Online ISSN: 1530-9142 Print ISSN: 0034-6535



MIT Press Direct

A product of The MIT Press

[Newsletter sign up](#)



MIT Press Direct

[Skip to Main Content](#)

[About MIT Press Direct](#)

[Books](#)

[Journals](#)

Information

[Accessibility at MIT](#)
[MIT Press Direct VPAT](#)
[For Authors](#)
[For Customers](#)
[For Librarians](#)
[Direct to Open](#)
[Open Access](#)
[Media Inquiries](#)
[Rights and Permissions](#)
[For Advertisers](#)

MIT Press

[About the MIT Press](#)
[The MIT Press Reader](#)
[MIT Press Blog](#)
[Seasonal Catalogs](#)
[MIT Press Home](#)
[Give to the MIT Press](#)

Contact Us

[FAQ](#)
[Direct Service Desk](#)

© 2026 The MIT Press

[Terms of Use](#) [Privacy Statement](#) [Crossref Member](#) [COUNTER Member](#)

The MIT Press colophon is registered in the U.S. Patent and Trademark Office