Table S1: Descriptive Statistics

	LE00	TERT	GDPG
Mean	53.22445	1.638048	1.855284
Median	54.92229	1.369445	2.634297
Maximum	61.37293	3.596652	14.42068
Minimum	42.87385	0.454883	-17.66895
Std. Dev.	6.837759	0.849405	7.666039
Skewness	-0.271755	0.770228	-0.707288
Kurtosis	1.504860	2.615205	3.344536
Jarque-Bera	3.690819	3.676567	3.091273
Probability	0.157961	0.159090	0.213176
Sum	1862.856	57.33167	64.93494
Sum Sq. Dev.	1589.668	24.53063	1998.117
Observations	35	35	35

Table S2: Stationarity test results

GDPG

Null Hypothesis: GDPG has a unit root
Exogenous: Constant, Linear Trend
Lag Length: 0 (Automatic - based on SIC, maxlag=8)

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-3.605457	0.0443
Test critical values:	1% level	-4.252879	
	5% level	-3.548490	
	10% level	-3.207094	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
Dependent Variable: D(GDPG)
Method: Least Squares
Date: 04/29/16 Time: 09:37
Sample (adjusted): 1981 2014
Included observations: 34 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
GDPG(-1)	-0.567545	0.157413	-3.605457	0.0011
C	1.340997	2.526396	0.530795	0.5993
@TREND(1980)	-0.036624	0.122947	-0.297881	0.7678

R-squared	0.301613	Mean dependent var	-0.330955
Adjusted R-squared	0.256556	S.D. dependent var	7.897943
S.E. of regression	6.809860	Akaike info criterion	6.758717

Sum squared resid	1437.600	Schwarz criterion	6.893396
Log likelihood	-111.8982	Hannan-Quinn criter.	6.804647
F-statistic	6.694000	Durbin-Watson stat	2.056040
Prob(F-statistic)	0.003833		

LE00

Null Hypothesis: LE00 has a unit root
Exogenous: Constant, Linear Trend
Lag Length: 1 (Automatic - based on SIC, maxlag=8)

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-4.677396	0.0036
Test critical values:	1% level	-4.262735	
	5% level	-3.552973	
	10% level	-3.209642	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
Dependent Variable: D(LE00)
Method: Least Squares
Date: 04/29/16 Time: 09:39
Sample (adjusted): 1982 2014
Included observations: 33 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
LE00(-1)	-0.144928	0.030985	-4.677396	0.0001
D(LE00(-1))	1.276552	0.149273	8.551822	0.0000
C	9.314656	2.014030	4.624885	0.0001
@TREND(1980)	-0.099043	0.025803	-3.838475	0.0006

R-squared	0.749311	Mean dependent var	-0.128635
Adjusted R-squared	0.723378	S.D. dependent var	1.540682
S.E. of regression	0.810320	Akaike info criterion	2.530438
Sum squared resid	19.04195	Schwarz criterion	2.711833
Log likelihood	-37.75223	Hannan-Quinn criter.	2.591472
F-statistic	28.89373	Durbin-Watson stat	1.332161
Prob(F-statistic)	0.000000		

TERT

Null Hypothesis: TERT has a unit root
Exogenous: Constant, Linear Trend
Lag Length: 0 (Automatic - based on SIC, maxlag=8)

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-2.917736	0.1698
Test critical values:	1% level	-4.252879	
	5% level	-3.548490	
	10% level	-3.207094	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
Dependent Variable: D(TERT)
Method: Least Squares
Date: 04/29/16 Time: 09:39
Sample (adjusted): 1981 2014
Included observations: 34 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TERT(-1)	-0.425320	0.145771	-2.917736	0.0065
C	0.179995	0.124539	1.445300	0.1584
@TREND(1980)	0.032312	0.012270	2.633443	0.0131

R-squared	0.215790	Mean dependent var	0.063063
Adjusted R-squared	0.165196	S.D. dependent var	0.362861
S.E. of regression	0.331537	Akaike info criterion	0.713945
Sum squared resid	3.407428	Schwarz criterion	0.848624
Log likelihood	-9.137061	Hannan-Quinn criter.	0.759874
F-statistic	4.265122	Durbin-Watson stat	1.966694
Prob(F-statistic)	0.023105		

DTERT

Null Hypothesis: D(TERT) has a unit root
Exogenous: None
Lag Length: 0 (Automatic - based on SIC, maxlag=8)

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-6.661460	0.0000
Test critical values:	1% level	-2.636901	
	5% level	-1.951332	
	10% level	-1.610747	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
Dependent Variable: D(TERT,2)
Method: Least Squares
Date: 04/29/16 Time: 09:40
Sample (adjusted): 1982 2014
Included observations: 33 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(TERT(-1))	-1.161427	0.174350	-6.661460	0.0000

R-squared	0.580866	Mean dependent var	0.010556
Adjusted R-squared	0.580866	S.D. dependent var	0.568264
S.E. of regression	0.367898	Akaike info criterion	0.867810
Sum squared resid	4.331155	Schwarz criterion	0.913159
Log likelihood	-13.31886	Hannan-Quinn criter.	0.883068
Durbin-Watson stat	2.024681		

Table S3: Lag Selection Criterion

VAR Lag Order Selection Criteria
Endogenous variables: GDPG LE00 DTERT
Exogenous variables: C
Date: 04/29/16 Time: 09:41
Sample: 1980 2014
Included observations: 32

Lag	LogL	LR	FPE	AIC	SC	HQ
0	-223.2352	NA	277.5864	14.13970	14.27712	14.18525
1	-171.5002	90.53637	19.28009	11.46876	12.01841	11.65095
2	-149.4887	34.39296*	8.701265*	10.65554*	11.61743*	10.97438*

* indicates lag order selected by the criterion
LR: sequential modified LR test statistic (each test at 5% level)
FPE: Final prediction error
AIC: Akaike information criterion
SC: Schwarz information criterion
HQ: Hannan-Quinn information criterion

Table S4: Granger Causality test results

Pairwise Granger Causality Tests
Date: 04/29/16 Time: 09:44
Sample: 1980 2014
Lags: 2

Null Hypothesis:	Obs	F-Statistic	Prob.
LE00 does not Granger Cause DTERT	32	0.45672	0.6382
DTERT does not Granger Cause LE00		4.16258	0.0266
GDPG does not Granger Cause DTERT	32	0.28626	0.7533
DTERT does not Granger Cause GDPG		1.57568	0.2253
GDPG does not Granger Cause LE00	33	0.53828	0.5897
LE00 does not Granger Cause GDPG		2.54746	0.0963

Table S5: VAR model results

Vector Autoregression Estimates
Date: 04/29/16 Time: 09:54
Sample (adjusted): 1983 2014
Included observations: 32 after adjustments
Standard errors in ( ) & t-statistics in [ ]

	LE00	DTERT	GDPG
LE00(-1)	1.806937	-0.019087	0.767377
	(0.11836)	(0.05106)	(0.84721)
	[15.2658]	[-0.37384]	[0.90577]
LE00(-2)	-0.851504	0.010985	-0.328834
	(0.11941)	(0.05151)	(0.85468)

	[-7.13108]	[0.21327]	[-0.38475]
DTERT(-1)	0.026479	-0.285069	-5.727211
	(0.46640)	(0.20118)	(3.33835)
	[0.05677]	[-1.41698]	[-1.71558]
DTERT(-2)	1.325366	-0.245359	-3.048795
	(0.49032)	(0.21150)	(3.50954)
	[2.70306]	[-1.16011]	[-0.86872]
GDPG(-1)	0.022819	-0.004924	0.153769
	(0.02789)	(0.01203)	(0.19964)
	[0.81812]	[-0.40928]	[0.77023]
GDPG(-2)	-0.026219	0.002421	-0.091172
	(0.02569)	(0.01108)	(0.18385)
	[-1.02075]	[0.21850]	[-0.49591]
C	2.147102	0.530502	-21.52713
	(1.55478)	(0.67065)	(11.1286)
	[1.38097]	[0.79103]	[-1.93440]
R-squared	0.985780	0.109218	0.385016
Adj. R-squared	0.982367	-0.104570	0.237420
Sum sq. resids	20.49961	3.814127	1050.238
S.E. equation	0.905530	0.390596	6.481474
F-statistic	288.8379	0.510869	2.608576
Log likelihood	-38.28075	-11.37365	-101.2626
Akaike AIC	2.830047	1.148353	6.766413
Schwarz SC	3.150677	1.468983	7.087043
Mean dependent	52.59585	0.069308	1.104829
S.D. dependent	6.819220	0.371647	7.422172
Determinant resid covariance (dof adj.)		4.806606	
Determinant resid covariance		2.291968	
Log likelihood		-149.4887	
Akaike information criterion		10.65554	
Schwarz criterion		11.61743	

Table S6: Variance Decomposition

Variance Decomposition of LE00: Period	S.E.	LE00	DTERT	GDPG
1	0.905530	100.0000	0.000000	0.000000
2	1.886895	99.41105	0.026835	0.562112
3	2.950110	97.29279	2.327870	0.379343
4	3.992233	95.01889	4.772048	0.209060
5	4.941190	93.13295	6.723439	0.143612
6	5.760569	91.36491	8.508101	0.126989
7	6.422258	89.85377	10.00877	0.137455
8	6.920124	88.58930	11.24872	0.161980

9	7.265399	87.52632	12.28020	0.193482
10	7.479976	86.66583	13.10636	0.227818

Variance Decomposition of DTERT:

Period	S.E.	LE00	DTERT	GDPG
1	0.390596	0.033597	99.96640	0.000000
2	0.405555	0.326844	99.10655	0.566607
3	0.410463	0.540094	98.74875	0.711153
4	0.412011	0.709247	98.56906	0.721689
5	0.412662	0.934532	98.33384	0.731628
6	0.413337	1.130210	98.13948	0.730313
7	0.413672	1.278819	97.99012	0.731058
8	0.413964	1.387200	97.88253	0.730269
9	0.414172	1.453528	97.81622	0.730253
10	0.414273	1.485892	97.78341	0.730696

Variance Decomposition of GDPG:

Period	S.E.	LE00	DTERT	GDPG
1	6.481474	0.730531	7.778917	91.49055
2	7.056049	1.713488	19.26416	79.02236
3	7.198392	4.133802	19.90286	75.96334
4	7.424177	7.680763	20.89789	71.42135
5	7.610347	11.34471	20.66771	67.98758
6	7.776326	14.75356	20.12791	65.11853
7	7.940684	17.56891	19.97766	62.45343
8	8.076188	19.66071	19.95358	60.38571
9	8.174526	21.06844	19.97802	58.95353
10	8.239790	21.89072	20.07472	58.03456

Cholesky Ordering: LE00 DTERT GDPG

Figure S1: Impulse Response Function