

SUMMARY . IF SLOPE COEFFICIENT $\hat{\beta}_1 = .2 \dots$

LINEAR : A 1-UNIT INCREASE IN X CORRESPONDS
TO A 0.2 UNIT INCREASE IN Y.

LOG-LINEAR: A 1-UNIT INCREASE IN X CORRESPONDS
TO A 20% INCREASE IN Y BECAUSE $\hat{\beta}_1$ IS THE
GROWTH RATE r IN THE FORMULA $y = a(1+r)^t$.

LOG-LOG: A 1% INCREASE IN X CORRESPONDS TO A
.2% INCREASE IN Y BECAUSE $\hat{\beta}_1$ IS AN ELASTICITY.