

## **APPENDICES**

## APPENDIX A

### Table A.1

List of Data

<b>Year</b>	<b><i>g</i> (GDP per capita growth) (%)</b>	<b><i>FDI</i> (Share of FDI in GDP) (%)</b>	<b><i>H</i> (secondary school enrollment rate) (%)</b>	<b><i>GC</i> (share of GC in GDP) (%)</b>	<b><i>H<sub>I</sub></i> (enrollment in tertiary education/ population) (%)</b>
1986	0.70	0.0002	46.51	5.01	0.171
1987	1.36	0.0283	45.92	6.03	0.175
1988	3.03	0.0302	41.68	6.36	0.177
1989	5.63	0.0647	36.64	7.85	0.204
1990	3.12	2.7813	33.19	7.54	0.220
1991	4.03	3.9028	32.52	6.59	0.299
1992	6.73	4.8033	33.15	6.92	0.344
1993	6.22	7.0276	37.22	7.33	0.348
1994	7.03	11.9395	42.73	8.26	0.404
1995	7.76	8.5860	48.14	8.19	0.413
1996	7.60	9.7131	53.26	8.35	0.696
1997	6.48	8.2701	57.61	8.13	0.891
1998	4.15	6.1412	61.74	7.62	0.904
1999	3.21	4.9227	62.00	6.79	0.959
2000	5.36	4.1639	65.00	6.42	0.943
2001	5.47	3.9992	67.21	6.33	0.952
2002	5.68	3.9914	68.92	6.23	0.984
2003	5.78	3.6660	72.15	6.32	1.025
2004	6.31	3.5543	72.97	6.41	1.619
2005	6.94	3.6926	73.03	6.16	1.629
2006	6.97	3.8023	71.31	5.89	1.729

**Table A.2**  
List of Data (continued)

<b>Year</b>	<b><i>I</i> (Share of <i>I</i> in GDP) (%)</b>	<b><i>R</i> (%)</b>	<b><i>G</i> (%)</b>
1986	14.02	8.90	2.84
1987	16.15	10.80	3.63
1988	14.91	19.20	6.01
1989	14.82	42.60	4.68
1990	14.73	51.00	5.09
1991	14.75	45.00	5.81
1992	16.89	34.10	8.70
1993	21.90	12.00	8.08
1994	24.27	12.00	8.83
1995	25.42	12.00	9.54
1996	26.51	9.60	9.34
1997	27.00	9.60	8.15
1998	28.70	11.40	5.76
1999	27.82	7.20	4.77
2000	28.70	6.24	6.79
2001	29.73	6.84	6.89
2002	31.34	7.80	7.08
2003	32.73	7.20	7.34
2004	33.47	7.56	7.79
2005	33.88	8.40	8.43
2006	34.02	8.40	8.16

**APPENDIX B**  
**Diagnostic check**

1. Diagnostic Tests for Growth Equation (model with  $H$  variable) (5.1a)

VEC Residual Serial Correlation LM  
Tests

H0: no serial correlation at lag order  $h$

Sample: 1986 2006

Included observations: 19

Lags	LM-Stat	Prob
1	24.18500	0.0855

Probs from chi-square with 16 df.

VEC Residual Heteroskedasticity Tests: No Cross Terms (only levels and squares)

Sample: 1986 2006

Included observations: 19

Joint test:		
Chi-sq	df	Prob.
111.5687	100	0.2018

2. Diagnostic Tests for Growth Equation (model with  $H_1$  variable) (5.1b)

VEC Residual Serial Correlation LM  
Tests

H0: no serial correlation at lag order  $h$

Sample: 1986 2006

Included observations: 19

Lags	LM-Stat	Prob
1	9.548952	0.8891

Probs from chi-square with 16 df.

VEC Residual Heteroskedasticity Tests: No Cross Terms (only levels and squares)

Sample: 1986 2006

Included observations: 19

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Joint test:

Chi-sq	df	Prob.
94.01702	100	0.6497

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### 3. Diagnostic Tests for Investment Equation (5.2)

VEC Residual Serial Correlation LM

Tests

H0: no serial correlation at lag order h

Sample: 1986 2006

Included observations: 19

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Lags	LM-Stat	Prob
1	17.91782	0.8459

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Probs from chi-square with 25 df.

VEC Residual Heteroskedasticity Tests: No Cross Terms (only levels and squares)

Sample: 1986 2006

Included observations: 19

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Joint test:

Chi-sq	df	Prob.
187.9400	180	0.3273

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