APPENDIX D

ESTIMATION METHOD AND RESULTS

D.1) Estimation Method: 3SLS

In this paper, we apply 3SLS method to estimate all parameters in equation (4.3) by estimate simultaneously the system of equation of (4.3) and (4.4). This estimation uses time series data for 1970-2000. Since the technological rate (λ_i) in each country is not necessarily the same to other countries. It suggests that we need to fix the technological rate by putting dummy variable. Then the system of equation is as follows:

$$\Delta_t \ln\frac{X^c_{it}}{l^c_{it}} = \lambda_i + D_i + \alpha_{ki}\Delta_t \ln\frac{k^c_{it}}{l^c_{it}} + \alpha_{Ki}\Delta_t \ln K_{it} + \frac{\beta_{kki}}{2}\Delta_t(\ln\frac{k^c_{it}}{l^c_{it}})^2 + \frac{\beta_{KKi}}{2}\Delta_t(\ln K_{it})^2 + \beta_{kKi}\Delta_t(\ln\frac{k^c_{it}}{l^c_{it}})(\ln K_{it}) + v^c_{it} \quad (1.d)$$

$$(1-\frac{w^c_{it}l^c_{it}}{X^c_{it}}) = \alpha_{ki} + \beta_{kki}\ln\frac{k^c_{it}}{l^c_{it}} + \beta_{kKi}\ln K_{it} \quad (2.d)$$

where D_i is dummy variable in order to fix effect of the technological rate for other countries. Number of dummy variable is equal to number of countries in each group minus one. If there are five countries in the first group, then we need to put four dummy variables in equation (1.d). For instance, in the first group (G1), four dummy variables (D_{GER}, D_{UK}, D_{USA}, and D_{JAP}) are for Germany, the U.K., USA, and Japan, respectively. Thus λ_i represents the technological rate of Australia. To extract the technological rate for each these four countries, it is necessarily computed by using the sum of λ_i and D_i. For example, the technological rate for Germany is the sum of λ_i and D_{GER}.

The system of equation of (1.d) and (2.d) is applied for three country groups. Therefore, we need to estimate this equation system 30 times because, in this study, there are 10 industries and three country groups.

D.2) Test for a Unit Root

In this study, the unit root test follows Dickey and Fuller method. The model of unit root test is as follows:

$$\Delta_t y_t = \alpha + \gamma t + \delta y_{t-1} + \sum_{i=1}^{p} \delta_i \Delta_t y_{t-1} + \mu_t$$

where y_t is value added of output in each sector. In the model, there are both intercept term (α) and time trend (t). The unit root test is to test the joint hypothesis that both intercept term and time trend are zero (α = 0 and γ = 0). If there exist α = 0 and γ = 0, then y_t is stationary (or there is not unit root). On the other hand, if there does not exist α = 0 and γ = 0, then y_t is non-stationary.

The unit root test applies for all output in each sector and each country (10 industrial sector and 11 countries). The results show that almost all outputs in each sector and each country face a problem of unit root. In other word, output data in this study seems to be non-stationary.

Table 1.D

Data System in Regression Estimation

Country	status\variable	Value Added	Capital	Labor	Wage and Salaries	All Variables
Australia	Available Data (%)	**100.00**	**85.16**	**97.42**	**99.35**	**95.48**
	Non-Available Data (%)	0.00	14.84	2.58	0.65	4.52
Germany	Available Data (%)	**99.03**	**96.13**	**100.00**	**100.00**	**98.79**
	Non-Available Data (%)	0.97	3.87	0.00	0.00	1.21
The UK	Available Data (%)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
	Non-Available Data (%)	0.00	0.00	0.00	0.00	0.00
USA	Available Data (%)	**100.00**	**99.68**	**100.00**	**100.00**	**99.92**
	Non-Available Data (%)	0.00	0.32	0.00	0.00	0.08
Japan	Available Data (%)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
	Non-Available Data (%)	0.00	0.00	0.00	0.00	0.00
South Korea	Available Data (%)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
	Non-Available Data (%)	0.00	0.00	0.00	0.00	0.00
Singapore	Available Data (%)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
	Non-Available Data (%)	0.00	0.00	0.00	0.00	0.00
Malaysia	Available Data (%)	**96.77**	**76.77**	**96.77**	**96.77**	**91.77**
	Non-Available Data (%)	3.23	23.23	3.23	3.23	8.23
Indonesia	Available Data (%)	**96.77**	**89.35**	**96.77**	**96.77**	**94.92**
	Non-Available Data (%)	3.23	10.65	3.23	3.23	5.08
Philippines	Available Data (%)	**98.06**	**89.68**	**99.03**	**99.03**	**96.45**
	Non-Available Data (%)	1.94	10.32	0.97	0.97	3.55
Thailand	Available Data (%)	**58.06**	**22.58**	**61.29**	**61.29**	**50.81**
	Non-Available Data (%)	41.94	77.42	38.71	38.71	49.19

Note: The bold number represents available data for each country.

Table 2.D

Technological Rate (λ) and Initial Technological level (ln A)

		FOD	TAX	FOT	FUR	PAP	IDC	RUB	PST	ETM	TPE
Ramda	AUS	0.0284	0.0348	0.0725	0.0017	0.0161	0.0304	0.0065	-0.0208	-0.0087	-0.0034
	GER	-0.0416	0.0199	0.0397	-0.0191	0.0310	-0.0040	0.0462	-0.0126	-0.0120	0.0199
	UK	-0.0024	0.0397	0.0559	-0.0113	0.0038	0.0048	-0.0007	-0.0191	-0.0202	-0.0025
	USA	-0.0440	-0.0048	-0.0379	-0.0119	0.0056	0.0206	-0.0118	-0.0334	-0.0172	-0.0289
	JAP	-0.0217	0.0032	-0.0569	0.0129	0.0024	0.0240	0.0096	-0.0201	-0.0174	-0.0108
	KOR	0.0464	0.0315	-0.1061	-0.2591	-0.0263	0.0624	0.0082	0.0357	-0.0421	-0.0012
	SIN	-0.0189	0.0756	0.2245	0.3885	0.0769	0.0615	0.0133	-0.0295	0.0457	0.0147
	MAL	0.0338	0.0279	0.0312	-0.0344	-0.0749	-0.0242	-0.0542	0.0391	0.0227	0.0633
	INDO	0.0014	-0.0672	-0.1414	-0.0453	-0.0292	0.0272	0.0621	0.0137	-0.0893	0.0010
	PHIL	-0.0826	0.0299	0.0387	-0.0332	0.0335	-0.0195	-0.0662	-0.0403	0.0005	-0.0380
	THAI	-0.0576	0.0073	0.0499	-0.0733	0.1139	0.0592	-0.0818	0.0740	-0.0166	-0.0025
lnA (1970)	AUS	-6.1234	-19.7102	-14.9623	-1.1549	8.0768	21.5723	4.5449	-2.8646	3.7590	7.7400
	GER	-5.5558	-19.6160	-15.1878	-1.0322	7.7567	21.1707	4.1631	-2.9271	3.5950	7.6633
	UK	-6.1963	-19.9786	-15.1318	-1.1090	7.9267	21.4454	4.3969	-3.1486	3.7288	7.4912
	USA	-5.2069	-19.0784	-14.3191	-0.7018	8.5513	22.2383	4.9830	-2.3276	4.3490	8.5845
	JAP	-6.3573	-19.9473	-14.9671	-1.4246	7.7418	21.3984	4.0948	-3.1053	3.5264	7.5352
	KOR	-29.6104	17.9683	1.0044	1.6815	2.5706	-25.5460	-0.5045	-20.7627	10.6043	5.5879
	SIN	-29.6863	17.4336	1.1638	2.1205	2.0644	-25.4284	0.1045	-20.9184	10.4168	5.5035
	MAL	-3.1774	2.5816	-13.5142	0.0129	-20.0533	-15.2832	10.3232	0.7796	-9.1999	-13.5564
	INDO	-4.5545	1.0611	-12.8251	-1.6747	-18.7891	-17.2661	6.6456	-0.3913	-11.1150	-15.3610
	PHIL	-3.3167	2.6411	-13.5886	0.2099	-19.3753	-15.6507	10.3108	1.4251	-9.2833	-13.1356
	THAI	-4.7517	2.1325	-14.2522	0.2565	-23.0197	-17.5270	9.6048	-1.8084	-11.2044	-15.7485

Table 3.D

Structural Parameters

		FOD	TAX	FOT	FUR	PAP	IDC	RUB	PST	ETM	TPE
Alphak	G1	0.8049 *	-0.9474 *	-1.0438 *	0.9447 *	2.2979 *	4.1997 *	1.8352 *	1.0541 *	1.6241 *	2.2135 *
	G2	-2.2228 *	3.6167 *	1.4459 *	1.4816 *	1.4473 *	-1.6934 *	1.1513 *	-1.3238 *	2.4646 *	1.8843 *
	G3	0.9250 *	1.4962 *	-0.4760	1.0976 *	-1.0055 *	-0.5773 *	2.3184 *	1.2725 *	0.4731 *	-0.2034
AlphaK	G1	0.1951	1.9474 *	2.0438 *	0.0553	-1.2979 *	-3.1997 *	-0.8352 *	-0.0541	-0.6241	-1.2135 *
	G2	3.2228 *	-2.6167 *	-0.4459	-0.4816	-0.4472 *	2.6934 *	-0.1513	2.3238 *	-1.4646 *	-0.8843 *
	G3	0.0750	-0.4962	1.4760 *	-0.0976	2.0055 *	1.5773 *	-1.3184 *	-0.2725	0.5269 *	1.2034 *
Betakk	G1	0.0439	-0.0686 *	-0.1005 *	0.0324	0.1196 *	0.2482 *	0.0964 *	0.0592 *	0.0686 *	0.1096 *
	G2	-0.1570 *	0.1962	0.0738 *	0.0679 *	0.0507 *	-0.1242 *	0.0385 *	-0.1100 *	0.1129 *	0.0806 *
	G3	0.0318 *	0.0528 *	-0.0523 *	0.0359 *	-0.0826 *	-0.0598 *	0.1087 *	0.0374 *	0.0206	-0.0313
BetaKK	G1	0.0439	-0.0686 *	-0.1005 *	0.0324	0.1196 *	0.2482 *	0.0964 *	0.0592 *	0.0686 *	0.1096 *
	G2	-0.1570 *	0.1962 *	0.0738 *	0.0679 *	0.0507 *	-0.1242 *	0.0385 *	-0.1100 *	0.1129 *	0.0806 *
	G3	0.0318 *	0.0528 *	-0.0523 *	0.0359 *	-0.0826 *	-0.0598 *	0.1087 *	0.0374 *	0.0206	-0.0313
BetakK	G1	-0.0439	0.0686 *	0.1005 *	-0.0324	-0.1196 *	-0.2482 *	-0.0964 *	-0.0592 *	-0.0686 *	-0.1096 *
	G2	0.1570 *	-0.1962 *	-0.0738 *	-0.0679 *	-0.0507 *	0.1242 *	-0.0385 *	0.1100 *	-0.1129 *	-0.0806 *
	G3	-0.0318 *	-0.0528 *	0.0523 *	-0.0359 *	0.0826 *	0.0598 *	-0.1087 *	-0.0374 *	-0.0206	0.0313

Note: G1 refers to AUS, GER, UK, USA, and JAP.

G2 refers to KOR and SIN.

G3 refers to MAL, INDO, PHIL, and THAI.

- The estimate is significant at the 5 percent level

Table 4.D

Estimation Results for Ten Industrial Sectors in G1

	FOD	TAX	FOT	FUR	PAP
Δln(x/l)					
Δln(k/l)	0.805	-0.947	-1.044	0.945	2.298
	(0.384)*	(0.423)*	(0.347)*	(0.237)*	(0.251)*
Δln(K)	0.195	1.947	2.044	0.055	-1.298
	(0.384)	(0.423)*	(0.347)*	(0.237)	(0.251)*
$[\Delta \ln(k/l)^2]/2$	0.044	-0.069	-0.100	0.032	0.120
	(0.024)	(0.024)*	(0.024)*	(0.017)	(0.017)*
$[\Delta \ln(K)^2]/2$	0.044	-0.069	-0.100	0.032	0.120
	(0.024)	(0.024)*	(0.024)*	(0.017)	(0.017)*
Δln(k/l)*ln(K)	-0.044	0.069	0.100	-0.032	-0.120
	(0.024)	(0.024)*	(0.024)*	(0.017)	(0.017)*
DUM_{GER}	-0.070	-0.015	-0.033	-0.021	0.015
	(0.033)*	(0.052)	(0.062)	(0.055)	(0.046)
DUM_{UK}	-0.031	0.005	-0.017	-0.013	-0.012
	(0.033)	(0.052)	(0.061)	(0.055)	(0.046)
DUM_{USA}	-0.072	-0.040	-0.110	-0.014	-0.011
	(0.033)*	(0.052)	(0.061)	(0.055)	(0.046)
DUM_{JAP}	-0.050	-0.032	-0.129	0.011	-0.014
	(0.033)	(0.052)	(0.061)*	(0.055)	(0.046)
Constant	0.028	0.035	0.073	0.002	0.016
	(0.023)	(0.037)	(0.044)	(0.038)	(0.032)
R^2	-0.17	-1.73	-2.24	-1.52	-0.96
Chi2	27.21	185.15	95.84	4867.88	7922.90
No of obs.	200	150	150	150	150
[1 - wl/x]					
ln(k/l)	0.044	-0.069	-0.100	0.032	0.120
	(0.024)	(0.024)*	(0.024)*	(0.017)	(0.017)*
ln(K)	-0.044	0.069	0.100	-0.032	-0.120
	(0.024)	(0.024)*	(0.024)*	(0.017)	(0.017)*
Constant	0.805	-0.947	-1.044	0.945	2.298
	(0.384)*	(0.423)*	(0.347)*	(0.237)*	(0.251)*
R^2	-0.01	0.07	0.04	0.09	0.14
Chi2	1.20	27.30	19.73	10.71	46.80
No of obs.	200	150	150	150	150

Note: * The estimate is significant at the 5 percent level.

Table 4.D

Estimation Results for Ten Industrial Sectors in G1 (continued)

	IDC	RUB	PST	ETM	TPE
Δln(x/l)					
Δln(k/l)	4.200	1.835	1.054	1.624	2.214
	(0.385)*	(0.243)*	(0.354)*	(0.333)*	(0.321)*
Δln(K)	-3.200	-0.835	-0.054	-0.624	-1.214
	(0.385)*	(0.243)*	(0.354)	(0.0333)	(0.321)*
$[\Delta ln(k/l)^2]/2$	0.248	0.096	0.059	0.069	0.110
	(0.027)*	(0.018)*	(0.027)*	(0.021)*	(0.021)*
$[\Delta ln(K)^2]/2$	0.248	0.096	0.059	0.069	0.110
	(0.027)*	(0.018)*	(0.027)*	(0.021)*	(0.021)*
Δln(k/l)*ln(K)	-0.248	-0.096	-0.059	-0.069	-0.110
	(0.027)*	(0.018)*	(0.027)*	(0.021)*	(0.021)*
DUM_{GER}	-0.034	0.040	0.008	-0.003	0.023
	(0.064)	(0.045)	(0.033)	(0.052)	(0.056)
DUM_{UK}	-0.026	-0.007	0.002	-0.011	0.001
	(0.064)	(0.045)	(0.033)	(0.052)	(0.054)
DUM_{USA}	-0.010	-0.018	-0.013	-0.008	-0.026
	(0.064)	(0.045)	(0.033)	(0.052)	(0.054)
DUM_{JAP}	-0.006	0.003	0.001	-0.009	-0.007
	(0.064)	(0.045)	(0.033)	(0.052)	(0.054)
Constant	0.030	0.006	-0.021	-0.009	-0.003
	(0.046)	(0.032)	(0.024)	(0.037)	(0.039)
R^2	-2.50	-1.02	-0.19	-0.69	-2.05
Chi2	2,852.93	5,704.22	123.58	3,093.92	3,103.99
No of obs.	150	150	150	150	150
[1 - wl/x]					
ln(k/l)	0.248	0.096	0.059	0.069	0.110
	(0.027)*	(0.018)*	(0.027)*	(0.021)*	(0.021)*
ln(K)	-0.248	-0.096	-0.059	-0.069	-0.110
	(0.027)*	(0.018)*	(0.027)*	(0.021)*	(0.021)*
Constant	4.200	1.835	1.054	1.624	2.214
	(0.385)*	(0.243)*	(0.354)*	(0.333)*	(0.321)*
R^2	-1.23	0.08	0.06	0.03	0.10
Chi2	83.95	29.42	20.77	10.55	28.35
No of obs.	150	150	150	150	150

Note: * The estimate is significant at the 5 percent level.

Table 5.D

Estimation Results for Ten Industrial Sectors in G2

	FOD	TAX	FOT	FUR	PAP
Δln(x/l)					
Δln(k/l)	-2.223	3.617	1.446	1.482	1.447
	(0.824)*	(0.4534)*	(0.420)*	(0.036)*	(0.195)*
Δln(K)	3.223	-2.617	-0.446	-0.482	-0.447
	(0.824)*	(0.4534)*	(0.420)	(0.037)	(0.195)*
$[\Delta \ln(k/l)^2]/2$	-0.157	0.196	0.074	0.068	0.051
	(0.048)*	(0.029)*	(0.034)*	(0.026)*	(0.0132)*
$[\Delta \ln(K)^2]/2$	-0.157	0.196	0.074	0.068	0.051
	(0.048)*	(0.029)*	(0.034)*	(0.026)*	(0.0132)*
Δln(k/l)*ln(K)	0.157	-0.196	-0.074	-0.068	-0.051
	(0.048)*	(0.029)*	(0.034)*	(0.026)*	(0.0132)*
DUM_{SIN}	-0.065	0.044	0.331	0.648	0.103
	(0.039)	(0.077)	(0.096)*	(0.147)*	(0.078)
Constant	0.046	0.031	-0.106	-0.259	-0.026
	(0.025)	(0.031)	(0.069)	(0.107)*	(0.050)
R^2	-0.29	-4.06	-3.79	-13.55	-3.70
Chi2	74.09	1,126.78	1,329.97	1,284.91	1,534.75
No of obs.	50	50	50	50	50
[1 - wl/x]					
ln(k/l)	-0.157	0.196	0.074	0.068	0.051
	(0.048)*	(0.029)*	(0.034)*	(0.026)*	(0.0132)*
ln(K)	0.157	-0.196	-0.074	-0.068	-0.051
	(0.048)*	(0.029)*	(0.034)*	(0.026)*	(0.0132)*
Constant	-2.223	3.617	1.446	1.482	1.447
	(0.824)*	(0.4534)*	(0.420)*	(0.036)*	(0.195)*
R^2	-0.09	0.30	0.02	-0.05	0.20
Chi2	29.12	45.25	4.83	6.61	14.55
No of obs.	50	50	50	50	50

Note: * The estimate is significant at the 5 percent level.

Table 5.D

Estimation Results for Ten Industrial Sectors in G2 (continued)

	IDC	RUB	PST	ETM	TPE
Δln(x/l)					
Δln(k/l)	-1.693	1.151	-1.324	2.465	1.884
	(0.491)*	(0.234)*	(0.560)*	(0.298)*	(0.336)*
Δln(K)	2.693	-0.151	2.324	-1.465	-0.884
	(0.491)*	(0.234)	(0.560)*	(0.298)*	(0.336)*
$[\Delta \ln(k/l)^2]/2$	-0.124	0.038	-0.110	0.113	0.081
	(0.029)*	(0.017)*	(0.038)*	(0.019)*	(0.022)*
$[\Delta \ln(K)^2]/2$	-0.124	0.038	-0.110	0.113	0.081
	(0.029)*	(0.017)*	(0.038)*	(0.019)*	(0.022)*
Δln(k/l)*ln(K)	0.124	-0.038	0.110	-0.113	-0.081
	(0.029)*	(0.017)*	(0.038)*	(0.019)*	(0.022)*
DUM_{SIN}	-0.001	0.005	-0.065	0.088	0.016
	(0.057)	(0.080)	(0.047)	(0.066)	(0.083)
Constant	0.062	0.008	0.036	-0.042	-0.001
	(0.037)	(0.051)	(0.031)	(0.043)	(0.052)
R^2	-0.39	-0.66	0.00	-2.86	-2.42
Chi2	114.15	1,280.91	45.05	10,933.36	1,174.72
No of obs.	50	50	50	50	50
[1 - wl/x]					
ln(k/l)	-0.124	0.038	-0.110	0.113	0.081
	(0.029)*	(0.017)*	(0.038)*	(0.019)*	(0.022)*
ln(K)	0.124	-0.038	0.110	-0.113	-0.081
	(0.029)*	(0.017)*	(0.038)*	(0.019)*	(0.022)*
Constant	-1.693	1.151	-1.324	2.465	1.884
	(0.491)*	(0.234)*	(0.560)*	(0.298)*	(0.336)*
R^2	-0.47	0.13	-0.34	0.41	0.04
Chi2	60.05	5.30	63.85	34.84	13.74
No of obs.	50	50	50	50	50

Note: * The estimate is significant at the 5 percent level.

Table 6.D

Estimation Results for Ten Industrial Sectors in G3

	FOD	TAX	FOT	FUR	PAP
Δln(x/l)					
Δln(k/l)	0.925	1.496	-0.476	1.098	-1.005
	(0.177)*	(0.295)*	(0.254)	(0.217)*	(0.314)*
Δln(K)	0.075	-0.496	1.476	-0.098	2.005
	(0.177)	(0.295)	(0.254)*	(0.217)	(0.314)*
$[\Delta \ln(k/l)^2]/2$	0.032	0.053	-0.052	0.036	-0.083
	(0.012)*	(0.018)*	(0.016)*	(0.014)*	(0.019)*
$[\Delta \ln(K)^2]/2$	0.032	0.053	-0.052	0.036	-0.083
	(0.012)*	(0.018)*	(0.016)*	(0.014)*	(0.019)*
Δln(k/l)*ln(K)	-0.032	-0.053	0.052	-0.036	0.083
	(0.012)*	(0.018)*	(0.016)*	(0.014)*	(0.019)*
DUM_{INDO}	-0.032	-0.095	-0.173	-0.011	0.046
	(0.085)	(0.119)	(0.119)	(0.114)	(0.116)
DUM_{PHIL}	-0.116	0.002	0.008	0.001	0.108
	(0.087)	(0.121)	(0.121)	(0.114)	(0.116)
DUM_{THAI}	-0.091	-0.021	0.019	-0.039	0.189
	(0.084)	(0.119)	(0.120)	(0.114)	(0.115)
Constant	0.034	0.028	0.031	-0.034	-0.075
	(0.061)	(0.085)	(0.085)	(0.081)	(0.083)
R^2	-0.38	-2.18	-0.91	-1.02	-0.51
Chi2	22.85	4,330.19	161.55	1,463.23	303.76
No of obs.	120	120	120	120	120
[1 - wl/x]					
ln(k/l)	0.032	0.053	-0.052	0.036	-0.083
	(0.012)*	(0.018)*	(0.254)*	(0.014)*	(0.019)*
ln(K)	-0.032	-0.053	0.052	-0.036	0.083
	(0.012)*	(0.018)*	(0.254)*	(0.014)*	(0.019)*
Constant	0.925	1.496	-0.476	1.098	-1.005
	(0.177)*	(0.295)*	(0.254)	(0.217)*	(0.314)*
R^2	0.04	0.03	-0.18	0.01	-0.53
Chi2	12.43	8.35	27.72	6.20	120.63
No of obs.	120	120	120	120	120

Note: * The estimate is significant at the 5 percent level.

Table 6.D

Estimation Results for Ten Industrial Sectors in G3 (continued)

	IDC	RUB	PST	ETM	TPE
Δln(x/l)					
Δln(k/l)	-0.577	2.318	1.273	0.473	-0.203
	(0.271)*	(0.362)*	(0.147)*	(0.208)*	(0.327)
Δln(K)	1.577	-1.318	-0.273	0.527	1.203
	(0.271)*	(0.362)*	(0.147)	(0.208)*	(0.327)*
$[\Delta \ln(k/l)^2]/2$	-0.060	0.109	0.037	0.021	-0.031
	(0.014)*	(0.025)*	(0.009)*	(0.014)	(0.018)
$[\Delta \ln(K)^2]/2$	-0.060	0.109	0.037	0.021	-0.031
	(0.014)*	(0.025)*	(0.009)*	(0.014)	(0.018)
Δln(k/l)*ln(K)	0.060	-0.109	-0.037	-0.021	0.031
	(0.014)*	(0.025)*	(0.009)*	(0.014)	(0.018)
DUM_{INDO}	0.051	0.116	-0.025	-0.112	-0.062
	(0.122)	(0.154)	(0.122)	(0.097)	(0.117)
DUM_{PHIL}	0.005	-0.012	-0.079	-0.022	-0.101
	(0.123)	(0.158)	(0.122)	(0.098)	(0.117)
DUM_{THAI}	0.083	-0.028	0.035	-0.039	-0.066
	(0.124)	(0.154)	(0.122)	(0.097)	(0.117)
Constant	-0.024	-0.054	0.039	0.023	0.063
	(0.087)	(0.111)	(0.086)	(0.069)	(0.084)
R^2	-0.20	-2.28	-0.41	-0.22	0.03
Chi2	99.19	685.97	1,260.15	6.65	112.46
No of obs.	120	120	120	120	120
[1 - wl/x]					
ln(k/l)	-0.060	0.109	0.037	0.021	-0.031
	(0.014)*	(0.025)*	(0.009)*	(0.014)	(0.018)
ln(K)	0.060	-0.109	-0.037	-0.021	0.031
	(0.014)*	(0.025)*	(0.009)*	(0.014)	(0.018)
Constant	-0.577	2.318	1.273	0.473	-0.203
	(0.271)*	(0.362)*	(0.147)*	(0.208)*	(0.327)
R^2	-0.51	-0.60	0.18	0.11	0.13
Chi2	49.05	19.11	15.30	18.22	45.30
No of obs.	120	120	120	120	120

Note: * The estimate is significant at the 5 percent level.