

**Table A.1 -- Stochastic Dominance Tests**

Null Hypothesis	$F(\sigma_{SK}) = G(\sigma_{NK})$	$G(\sigma_{NK}) \leq F(\sigma_{SK})$
Threshold 1	0.000	0.000
Threshold 2	0.000	0.000
Threshold 3	0.000	0.681
Threshold 4	0.000	0.584
Threshold 5	0.000	0.461

NOTES: Probability values are obtained via bootstrapping. The null hypothesis is rejected if the p-value is smaller than some significance level  $\alpha$ , ( $0 < \alpha < 1/2$ ). The first column tests whether the null hypothesis that the two distributions are equal. The second column tests the null hypothesis that the distribution of elasticity of substitution estimates between physical capital and unskilled labor dominates the distribution of elasticity of substitution estimates between physical capital and skilled labor (CSC).

**Table A.2 -- Quartile Values for Nonparametric Estimates**

	Q1	Q2	Q3
$\sigma_{SK1}$	-20.040	0.340	30.768
	<i>90.493</i>	<i>2.288</i>	<i>51.327</i>
$\sigma_{SK2}$	-75.439	-7.900	2.840
	<i>90.136</i>	<i>14.375</i>	<i>0.962</i>
$\sigma_{SK3}$	-3.673	1.404	23.943
	<i>16.180</i>	<i>4.862</i>	<i>144.789</i>
$\sigma_{SK4}$	-0.644	2.043 <sup>22</sup>	15.962
	<i>0.491</i>	<i>0.876</i>	<i>13.448</i>
$\sigma_{SK5}$	-0.193	1.358	5.034 <sup>2</sup>
	<i>0.924</i>	<i>0.746</i>	<i>23.560</i>
$\sigma_{NK1}$	1.221	3.614	6.930
	<i>5.660</i>	<i>0.984</i>	<i>4.665</i>
$\sigma_{NK2}$	-0.001	3.431	10.321
	<i>1.386</i>	<i>1.137</i>	<i>5.587</i>
$\sigma_{NK3}$	1.159	9.143	25.379
	<i>3.532</i>	<i>10.128</i>	<i>20.004</i>
$\sigma_{NK4}$	0.448	10.216	55.055
	<i>3.986</i>	<i>3.562</i>	<i>18.400</i>
$\sigma_{NK5}$	-0.772	7.313	278.447
	<i>7.580</i>	<i>4.891</i>	<i>35.756</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. Region and time effects are also included. Q1, Q2 and Q3 refer to the first, second, and third quartile, respectively. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript number (22) corresponds to where the estimate shows significant evidence of CSC at the 5% (10%) level.

**Table A.3 -- Median Elasticity of Substitution Across Different Groups of Countries**

Year	$\sigma_{SK1}$	$\sigma_{SK2}$	$\sigma_{SK3}$	$\sigma_{SK4}$	$\sigma_{SK5}$	$\sigma_{NK1}$	$\sigma_{NK2}$	$\sigma_{NK3}$	$\sigma_{NK4}$	$\sigma_{NK5}$
OECD	-0.017 <i>4.405</i>	0.016 <i>0.715</i>	0.584 <i>0.968</i>	1.625 <i>1.347</i>	1.057 <sup>22</sup> <i>0.473</i>	2.907 <i>1.830</i>	3.959 <i>1.759</i>	10.623 <i>9.431</i>	87.718 <i>56.337</i>	405.003 <i>227.189</i>
Non-OECD	2.680 <i>31.391</i>	-22.963 <i>136.099</i>	4.223 <i>38.003</i>	5.775 <i>0.514</i>	2.287 <i>1.105</i>	4.592 <i>1.464</i>	3.195 <i>4.989</i>	8.293 <i>4.297</i>	6.619 <i>3.605</i>	4.420 <i>2.758</i>
Latin America	-1.307 <i>4.283</i>	-21.291 <i>39.631</i>	-21.660 <sup>2</sup> <i>6.313</i>	12.848 <i>4.740</i>	2.989 <sup>2</sup> <i>0.992</i>	5.565 <i>1.573</i>	6.025 <i>1.807</i>	13.734 <i>3.337</i>	11.904 <i>8.446</i>	25.727 <i>6.452</i>
Africa	11.936 <i>1854.910</i>	-129.380 <i>514.223</i>	44.867 <i>152.970</i>	6.586 <i>22.183</i>	0.572 <i>0.997</i>	4.813 <i>2.603</i>	2.695 <i>11.197</i>	11.141 <i>4.875</i>	2.943 <i>1.246</i>	-0.031 <i>0.273</i>
Regime 1	-0.089 <i>2.396</i>	-0.179 <i>0.375</i>	0.156 <i>0.266</i>	1.624 <i>1.024</i>	0.929 <i>0.418</i>	2.923 <i>1.016</i>	2.959 <i>2.352</i>	9.143 <i>10.128</i>	29.791 <i>51.566</i>	164.542 <i>444.071</i>
Regime 2	-0.928 <i>3.748</i>	-13.785 <i>70.587</i>	-13.082 <i>105.511</i>	0.688 <sup>22</sup> <i>0.321</i>	1.915 <i>1.122</i>	3.284 <i>1.352</i>	4.555 <i>1.849</i>	7.295 <i>5.115</i>	7.738 <i>3.684</i>	11.470 <i>13.075</i>
Regime 3	0.915 <i>10.002</i>	-1.888 <i>5.327</i>	0.048 <i>0.317</i>	0.132 <i>0.100</i>	0.222 <i>0.190</i>	2.496 <i>2.156</i>	0.119 <i>1.309</i>	3.677 <i>2.089</i>	2.287 <i>10.362</i>	1.104 <i>2.631</i>
All	0.340 <i>2.288</i>	-7.900 <i>14.375</i>	1.404 <i>4.862</i>	2.043 <sup>22</sup> <i>0.876</i>	1.358 <i>0.746</i>	3.614 <i>0.984</i>	3.431 <i>1.137</i>	9.143 <i>10.128</i>	10.216 <i>3.562</i>	7.313 <i>4.891</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. Region and time effects are also included. The median refers to the median elasticity for all countries over all periods for a particular group. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. AICc used for bandwidth selection. OECD includes countries which were in the OECD as of 1990, whereas "Regime 1, 2, and 3" includes the countries of Regimes 1, 2 and 3 in Table 3 of Papageorgiou and Chmelarova (2005). Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate exhibits significant evidence of CSS or CSC at the 5% (10%) level, respectively.

**Table A.4 -- Median Elasticity of Substitution Across Countries for Each Time Period**

Year	$\sigma_{SK1}$	$\sigma_{SK2}$	$\sigma_{SK3}$	$\sigma_{SK4}$	$\sigma_{SK5}$	$\sigma_{NK1}$	$\sigma_{NK2}$	$\sigma_{NK3}$	$\sigma_{NK4}$	$\sigma_{NK5}$
1965	-0.051 <sup>22</sup> <i>0.798</i>	-16.941 <i>11.073</i>	0.641 <sup>2</sup> <i>0.320</i>	1.911 <sup>22</sup> <i>0.960</i>	0.988 <i>0.443</i>	4.116 <i>1.445</i>	2.856 <i>1.491</i>	12.009 <i>3.015</i>	8.336 <i>2.679</i>	4.617 <i>4.776</i>
1970	-1.118 <i>24.612</i>	-8.776 <i>60.052</i>	1.048 <i>9.705</i>	2.403 <i>1.292</i>	0.788 <i>0.951</i>	3.455 <i>3.376</i>	4.738 <i>7.399</i>	11.134 <i>4.875</i>	9.177 <i>4.746</i>	5.613 <i>5.979</i>
1975	-0.116 <i>10.897</i>	-13.198 <sup>22</sup> <i>7.334</i>	0.993 <i>4.575</i>	2.309 <sup>22</sup> <i>1.681</i>	1.022 <i>0.810</i>	3.030 <i>1.036</i>	2.945 <i>2.352</i>	7.494 <i>7.413</i>	9.994 <i>2.277</i>	2.901 <i>2.633</i>
1980	0.382 <i>2.288</i>	-7.933 <i>16.472</i>	0.689 <i>4.257</i>	1.354 <i>0.888</i>	1.385 <i>0.562</i>	3.346 <i>1.510</i>	4.324 <i>1.624</i>	7.955 <i>2.421</i>	13.296 <i>7.799</i>	4.388 <i>2.758</i>
1985	1.391 <i>0.492</i>	-3.736 <i>47.831</i>	0.001 <i>1.320</i>	2.258 <sup>22</sup> <i>0.920</i>	1.538 <i>0.828</i>	4.018 <i>1.445</i>	3.575 <i>1.698</i>	9.951 <i>8.067</i>	14.365 <i>5.946</i>	5.562 <i>5.979</i>
1990	0.298 <i>2.288</i>	-1.534 <i>7.931</i>	3.079 <i>29.488</i>	1.842 <i>0.864</i>	2.309 <i>0.892</i>	4.484 <i>1.643</i>	0.035 <i>6.004</i>	10.471 <i>6.566</i>	13.944 <i>7.803</i>	65.214 <i>46.101</i>
All	0.340 <i>2.288</i>	-7.900 <i>14.375</i>	1.404 <i>4.862</i>	2.043 <sup>22</sup> <i>0.876</i>	1.358 <i>0.746</i>	3.614 <i>0.984</i>	3.431 <i>1.137</i>	9.143 <i>10.128</i>	10.216 <i>3.562</i>	7.313 <i>4.891</i>

NOTES: In the regression function used to estimate each of these elasticities the dependent and independent variables are in levels. Region and time effects are also included. The median coefficient for each year over all countries is given. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate exhibits significant evidence of CSS or CSC at the 5% (10%) level, respectively.

**Table A.5 -- Median Elasticity of Substitution Across Time for Each Country**

Country	$\sigma_{SK1}$	$\sigma_{SK2}$	$\sigma_{SK3}$	$\sigma_{SK4}$	$\sigma_{SK5}$	$\sigma_{NK1}$	$\sigma_{NK2}$	$\sigma_{NK3}$	$\sigma_{NK4}$	$\sigma_{NK5}$
ALGERIA	0.192	0.222	0.102 <sup>22</sup>	1.635 <sup>2</sup>	1.521 <sup>2</sup>	3.218	7.779	14.936	61.208	544.351
	25.950	2.380	2.220	1.149	1.128	1.080	6.446	6.030	21.053	194.775
ARGENTINA	-0.002	0.016	-0.018	-5.312 <sup>2</sup>	0.451	-0.003	-1.416	0.000	575.459	73.496
	3.442	0.715	0.337	1.496	0.581	14.607	134.137	727.888	250.346	798.122
AUSTRALIA	-0.073	-1.490	0.003	1.976 <sup>2</sup>	1.316 <sup>2</sup>	3.948	10.337	49.257	247.446	8942.140
	8.384	2.701	2.999	1.060	0.524	1.386	5.587	35.407	61.670	2524.040
AUSTRIA	-3.180	0.161	0.139	1.625 <sup>2</sup>	0.987 <sup>1</sup>	3.048	7.135	16.605	44.325	-14502.000
	32.804	1.610	1.773	1.347	0.443	1.036	4.030	13.631	17.205	2287.130
BANGLADESH	-11.237	0.109	1.702	-0.932	0.013	-2.325	0.399	4.294	-10.516	-330.441
	28.738	2.869	0.772	2.133	0.205	0.553	6.922	30.059	69.546	4956.680
BELGIUM	-10.832	6.084	0.314	1.043 <sup>2</sup>	0.787	2.348	2.776	11.174	94.871	911.324
	11.664	44.721	1.223	0.991	0.951	0.752	1.688	8.277	31.140	883.188
BOLIVIA	-3.226	-1.579	-0.037	2.965 <sup>2</sup>	1.843 <sup>2</sup>	4.254	10.761	49.649	132.984	6781.420
	24.416	2.923	6.848	1.766	0.935	1.640	7.394	27.270	37.761	2121.670
BRAZIL	-0.159 <sup>22</sup>	-1.154	0.752	2.332 <sup>22</sup>	1.596 <sup>11</sup>	10.271	30.062	155.877	1203.830	-93726.800
	0.458	5.156	7.576	1.025	0.782	2.975	22.827	124.936	687.349	55142.500
CANADA	0.048	0.109	0.584	0.448	0.056	2.049	1.014	14.391	-50.121	598.953
	1.701	0.938	0.968	0.873	0.726	0.910	3.086	10.318	1795.550	1493.590
CHILE	-2.396	-2.612	0.952	-0.255	-0.088	-0.016	0.218	-1.331	1.775	-4723.330
	11.653	7.604	1.833	0.886	0.322	2.950	0.858	3.344	2.695	4128.260
COLOMBIA	-2.836	-2.518	0.550	3.437 <sup>2</sup>	1.372	3.778	6.328	13.989	53.066	49750.600
	35.528	5.077	15.518	2.512	0.562	1.384	4.101	7.959	16.103	71922.600
COSTA RICA	-3.854	0.278	0.107	0.733 <sup>2</sup>	0.689	1.467	2.064	23.074	262.935	579.736
	17.172	1.917	0.598	0.667	0.488	0.891	2.745	25.666	104.892	1319.270
CYPRUS	-0.017	2.591	2.256 <sup>1</sup>	-0.624	-0.659	0.396	0.530	-13.856	-2.765	-158.374
	4.405	1.980	0.762	1.002	0.438	0.752	0.887	5.311	44.117	376.852
DENMARK	20.590	-13.915	0.053	1.652 <sup>2</sup>	1.075	3.332	7.258	43.171	253.539	-5963.910
	658.043	12.507	2.242	0.980	0.456	1.051	3.637	31.539	55.861	5446.500
ECUADOR	0.119	-7.966	0.502	1.799 <sup>2</sup>	1.020	3.121	5.938	9.917	69.310	1286.790
	10.986	35.301	3.277	2.053	0.810	0.981	2.896	8.067	16.984	2163.280
EL SALVADOR	-4.915	-12.901	0.637	-0.322	0.302	-0.001	0.009	-1.158	6.842	17.580
	11.648	7.035	0.320	0.929	0.721	1.275	2.218	2.975	4.080	11.763
FINLAND	1.735	0.014	0.073	-0.103	0.020	0.014	-0.012	0.293	0.146	-11.317
	4.609	0.445	0.573	0.188	0.330	1.240	0.744	2.654	14.323	2760.730
FRANCE	15.006	9.495	2.116	0.588 <sup>2</sup>	-0.668	1.121	0.791	2.206	38.010	122.414
	12.180	34.565	1.033	0.639	1.438	0.602	0.839	1.559	8.921	101.700
GERMANY, WEST	1.905	-7.900	0.787	1.816 <sup>2</sup>	1.086 <sup>1</sup>	3.359	5.654	7.413	62.033	-593.217
	117.397	14.375	8.923	0.807	0.548	1.183	3.709	2.846	14.274	53.130
GHANA	13.196	-31.950	3.026	3.946	3.070	3.069	4.555	4.711	10.469	6.556
	702.399	70.399	29.488	3.708	0.637	1.310	1.849	3.178	5.834	6.212

GREECE	-88.863	-24.234	-5.883	0.202	0.052	-0.546	-2.122	-0.767	-1.841	0.003
	118.061	71.388	30.815	0.537	1.370	1.040	3.135	3.651	1.553	0.140
GUATEMALA	4.940	-26.976 <sup>2</sup>	-36.899 <sup>2</sup>	-16.586	-0.541 <sup>11</sup>	-0.113	0.257	0.068	-3.558	-10.543
	13.665	12.684	7.258	23.996	2.404	0.607	0.773	5.580	2.599	3.333
HAITI	-2.719	-0.494	-0.881	-1.247	-4.184	1.878	0.328	0.188	0.168	12.735
	6.398	4.256	1.002	0.777	1.896	4.099	2.410	1.911	0.163	13.701
HONDURAS	-0.030	-3.472	2.201	23.829	4.515	6.435	8.200	13.883	55.767	254.416
	7.910	8.539	9.826	6.180	1.073	4.632	14.819	51.691	49.957	236.055
ICELAND	-79.898	-46.595	0.319	-27.803 <sup>2</sup>	-27.823	5.084	4.327	8.124	8.987	7.313
	888.482	32.799	67.661	8.678	19.277	0.839	1.790	2.997	3.201	4.891
INDIA	-18.443	-43.153	22.700 <sup>1</sup>	7.171	-0.840	2.327	1.834	2.567	6.207	-247.151
	20.316	30.029	4.973	1.149	1.290	0.838	1.051	1.790	4.688	346.299
INDONESIA	-23.987	-497.631	23.358	-162.467 <sup>2</sup>	-26.045	2.065	1.804	2.230	1.577	3.220
	115.704	394.526	68.514	70.620	34.745	1.560	1.587	2.996	1.774	1.400
IRAN	-21.430 <sup>2</sup>	-36.470	-27.013	28.154	2.755	6.650	15.388	22.282	35.567	424.168
	3.611	73.666	26.661	3.065	0.831	2.486	6.936	15.431	24.443	1420.570
IRAQ	-74.125 <sup>22</sup>	-7.516	3.386	10.062	6.531	13.521	44.780	95.773	73.993	54.467
	42.790	45.547	19.416	6.423	2.879	2.513	11.471	36.853	37.287	55.255
IRELAND	-14.182	-177.579	-4.067	10.833	2.574	9.454	16.892	34.095	45.660	9366.020
	91.562	254.757	40.706	4.069	0.859	1.565	6.572	19.224	18.896	13992.400
ISRAEL	9.709	-62.898	-34.588	52.712	4.804	10.716	15.761	16.671	27.218	785.156
	2.169	159.037	61.694	5.833	3.391	6.754	8.454	18.952	30.079	578.221
ITALY	-39.496	-7.959	-2.818	-29.212 <sup>2</sup>	1.133	5.107	5.682	13.106	11.080	167.754
	144.973	19.770	12.687	2.209	0.701	1.390	2.103	7.131	4.327	391.690
JAMAICA	12.768	-35.980	-62.711	31.030	6.009	12.075	28.207	38.735	38.746	161.275
	3.445	79.139	63.760	3.687	2.833	4.922	14.251	26.273	44.122	285.278
JAPAN	-14.312	-10.957 <sup>2</sup>	-3.714	-51.115 <sup>2</sup>	1.993	3.636	4.454	7.295	5.518	11.424
	119.240	5.529	16.180	22.847	0.987	1.136	1.606	5.115	2.794	20.012
JORDAN	2.767	-0.094	-9.120	-1.005	0.027	0.144	-5.731	-0.013	2.238	-24.410
	6.957	4.222	6.303	2.329	0.563	10.085	2.525	2.010	7.108	15.633
KENYA	6.237	-108.100	-285.638	-138.974 <sup>2</sup>	6.931	3.837	8.349	17.582	10.628	10.439
	4.554	73.409	133.358	30.609	2.170	2.439	4.576	13.054	9.052	21.790
KOREA, REP.	135.617	5.124	2.988	2.467	2.310	4.314	7.293	12.492	10.353	13.970
	336.027	59.065	8.663	2.894	0.892	1.515	1.804	3.188	3.160	24.540
MALAWI	7.741	87.270	46.830	157.040 <sup>1</sup>	23.289	12.239	24.735	33.294	25.145	18.694
	2.083	111.235	72.179	14.905	5.178	5.587	10.682	53.892	43.059	24.690
MALAYSIA	-35.989	-33.830	-29.143 <sup>2</sup>	8.372	-0.137	-4.125	2.685	3.412	4.402	-3.334
	96.934	110.369	5.692	5.641	0.719	1.182	1.492	2.252	2.310	19.834
MALI	-0.454	-243.585 <sup>2</sup>	-250.831	66.974 <sup>1</sup>	11.999	5.525	10.487	21.594	11.334	11.955
	11.813	18.451	247.865	6.767	1.489	1.992	3.912	8.451	7.754	15.608
MAURITIUS	-556.758 <sup>2</sup>	-362.885	-152.076 <sup>2</sup>	-228.828 <sup>2</sup>	-14.242	1.770	5.470	9.811	4.731	1.733
	258.495	289.468	28.920	48.787	27.788	1.282	2.265	3.528	3.225	2.307

MEXICO	6.090	-61.459	26.068	14.044	-25.479 <sup>2</sup>	5.024	-0.575	11.141	8.936	1.281
	69.590	395.078	135.701	54.978	6.865	1.782	3.151	4.875	3.753	2.872
MOZAMBIQUE	-97.779	-33.151	-76.174 <sup>2</sup>	-15.440 <sup>2</sup>	3.155	3.248	7.942	16.101	11.904	19.344
	78.626	31.130	12.748	3.553	1.535	1.492	3.523	6.816	8.446	40.733
MYANMAR	-35.096 <sup>22</sup>	-9.578	-65.768 <sup>2</sup>	71.837 <sup>1</sup>	6.100	3.166	8.311	16.044	11.837	10.790
	21.366	17.053	18.909	4.897	1.451	1.668	4.016	8.142	10.628	11.534
NETHERLANDS	-8.159 <sup>22</sup>	-72.180	-57.959	20.490	2.674	5.981	11.489	11.875	15.974	600.028
	5.249	182.336	86.388	2.076	2.731	1.823	5.441	10.853	19.388	447.838
NEW ZEALAND	-4.372	178.999 <sup>1</sup>	35.626	-121.904 <sup>2</sup>	-69.142	4.001	7.057	5.872	5.180	1.263
	64.789	18.795	42.920	9.835	43.254	1.420	2.697	5.789	3.491	2.035
NORWAY	13.007	-568.187	16.065	20.021	2.547	4.148	5.537	11.025	5.709	8.366
	814.552	1793.920	2.987	50.476	2.804	1.445	1.698	8.794	1.899	6.091
PAKISTAN	-0.740	-0.368	-0.276	-0.926	0.194	1.157	0.064	-0.477	0.062	1.423
	19.401	1.171	2.634	0.696	1.777	2.103	3.918	4.278	0.064	26.878
PANAMA	-16.651	-98.314	11.405	9.012	3.636	5.574	9.278	20.681	13.534	7.173
	2142.820	146.193	45.872	16.308	1.068	1.345	2.902	4.171	4.769	4.397
PARAGUAY	253.149	-75.420	14.213	63.472	-0.354	5.803	4.965	15.309	14.260	-2.323
	2177.080	90.136	38.917	31.848	33.646	1.883	7.782	6.568	3.662	5.888
PERU	-0.989	13.336	9.709	-0.142	-0.089	-0.337	-2.320	-0.718	-1.038	0.361
	4.744	7.520	14.490	0.906	1.035	0.463	4.598	3.133	2.697	1.566
PHILIPPINES	919.302	-423.122	15.433	-4.733 <sup>2</sup>	-2.513	2.496	2.377	3.677	1.116	-0.031
	2890.900	1690.090	9.799	0.674	2.418	2.156	2.127	2.089	1.985	0.273
PORTUGAL	118.315	0.094	-1.758	-0.394	-1.520 <sup>1</sup>	9.482	-2.232	-4.507	-1.458	-11.810
	180.118	4.277	9.297	1.602	0.914	2.992	3.766	11.178	12.153	3.358
SENEGAL	-2.232 <sup>2</sup>	0.009	-0.002	0.076	0.165	0.021	-0.034	-0.002	-0.595	0.159
	0.353	0.664	2.899	0.125	0.137	0.622	1.595	0.509	0.418	0.753
SIERRA LEONE	11.936	-981.762	179.688	156.604	-143.243	6.212	-3.731	13.542	9.246	-3.763
	1854.910	4307.900	1285.670	603.492	173.412	2.637	5.091	7.000	4.483	5.750
SINGAPORE	18.501	-32.343	12.118	-1.236	-1.043	-0.218	-7.595	2.862	-0.194	-0.013
	16.192	45.834	9.873	1.043	7.589	0.941	6.602	4.453	0.711	1.515
SPAIN	-137.905	0.976	-1.938	-0.458	-0.262	0.156	-0.016	-1.664	-0.866	-0.086
	276.501	2.761	6.569	0.716	1.155	6.302	1.524	4.581	3.911	1.296
SRI LANKA	-1.098	1.640	5.277	0.044	2.876	-0.457	-4.405	-1.160	-1.450	-3.647
	24.612	6.318	18.608	20.411	7.767	1.474	4.788	4.407	1.168	11.817
SUDAN	-78.873	-13.048	-33.981 <sup>22</sup>	-3.551	6.215	-1.126	-7.367	-2.479	-2.231	3.325
	335.217	188.927	14.579	14.134	5.859	0.934	5.540	4.183	0.963	5.475
SWEDEN	-212.121 <sup>2</sup>	-75.458	79.023	-0.315	-0.342	-0.558	1.737	1.057	-1.687	0.005
	74.090	485.428	140.482	9.910	0.608	6.260	5.297	3.714	5.997	0.306
SWITZERLAND	14.103	-134.547	89.232	21.966	4.510	4.517	-2.408	10.516	7.812	1.740
	992.755	464.348	513.503	36.386	3.444	3.145	3.358	6.566	3.180	5.102
TANZANIA	-33.368 <sup>22</sup>	-37.845	-31.864	30.010 <sup>22</sup>	16.289 <sup>1</sup>	89.043	162.739	369.304	3744.940	-729879
	21.562	281.301	266.487	18.476	12.712	50.795	203.680	437.260	2060.770	361940

THAILAND	10.503	41.119	22.244	81.314	18.406	11.310	30.761	33.050	102.812	306.252
	<i>3.639</i>	<i>83.734</i>	<i>61.255</i>	<i>17.481</i>	<i>5.456</i>	<i>10.279</i>	<i>31.926</i>	<i>91.199</i>	<i>268.608</i>	<i>737.755</i>
TUNISIA	-0.973	-10.440	12.514 <sup>2</sup>	5.807 <sup>1</sup>	3.529	22.581	44.735	147.757	-477.324	-300.266
	<i>181.141</i>	<i>35.328</i>	<i>26.836</i>	<i>11.558</i>	<i>2.167</i>	<i>3.195</i>	<i>12.833</i>	<i>31.620</i>	<i>54.803</i>	<i>190.897</i>
TURKEY	761.784	-254.117	34.866	-156.677	-28.899 <sup>2</sup>	2.542	2.785	3.603	0.341	-1.036
	<i>633.077</i>	<i>1091.030</i>	<i>86.343</i>	<i>158.520</i>	<i>4.408</i>	<i>2.406</i>	<i>1.904</i>	<i>1.946</i>	<i>2.443</i>	<i>0.682</i>
U.K.	27.828	-22.804	0.988	1.116	-2.824	3.172	-0.670	16.098	2.166	-0.332
	<i>386.413</i>	<i>42.849</i>	<i>9.156</i>	<i>6.174</i>	<i>4.958</i>	<i>1.985</i>	<i>2.535</i>	<i>7.598</i>	<i>2.710</i>	<i>1.082</i>
U.S.A.	-10.865	-50.651	9.074	-0.195	21.927	0.827	-2.405	0.818	-3.169	-9.819
	<i>48.828</i>	<i>884.494</i>	<i>6.099</i>	<i>0.502</i>	<i>33.968</i>	<i>2.395</i>	<i>5.746</i>	<i>3.607</i>	<i>2.465</i>	<i>5.559</i>
UGANDA	76.475	-216.713	211.324	56.177	72.332	27.098	-33.889	98.538	106.581	11.242
	<i>672.117</i>	<i>1161.760</i>	<i>648.159</i>	<i>485.134</i>	<i>49.381</i>	<i>12.755</i>	<i>15.043</i>	<i>63.366</i>	<i>31.463</i>	<i>18.497</i>
URUGUAY	641.543	-305.824	26.573	-7.812	0.080	3.098	-12.325	5.491	-0.899	-1.166
	<i>585.078</i>	<i>723.696</i>	<i>16.369</i>	<i>48.605</i>	<i>3.228</i>	<i>7.288</i>	<i>6.820</i>	<i>9.108</i>	<i>5.995</i>	<i>1.491</i>
VENEZUELA	4095.420	-211.755	221.030	-14.133	15.039	3.916	-13.406	3.254	-2.846	-5.959
	<i>2973.530</i>	<i>1349.690</i>	<i>357.793</i>	<i>23.053</i>	<i>11.104</i>	<i>10.858</i>	<i>7.012</i>	<i>7.260</i>	<i>10.002</i>	<i>2.804</i>
ZAIRE	-7.118	-529.874 <sup>2</sup>	18.943	-127.439 <sup>2</sup>	-32.686	3.334	2.239	3.164	2.085	1.682
	<i>112.590</i>	<i>143.640</i>	<i>26.145</i>	<i>40.266</i>	<i>33.050</i>	<i>1.510</i>	<i>1.750</i>	<i>2.611</i>	<i>2.253</i>	<i>1.867</i>
ZAMBIA	-209.044	-80.138	17.691	-27.777	-0.073	0.112	0.311	0.004	-0.667	0.091
	<i>661.612</i>	<i>195.638</i>	<i>39.902</i>	<i>25.666</i>	<i>5.515</i>	<i>1.826</i>	<i>1.155</i>	<i>1.576</i>	<i>1.155</i>	<i>1.199</i>
ZIMBABWE	-2.281	-7.071	0.943	3.629 <sup>2</sup>	1.821 <sup>2</sup>	6.636	16.367	35.110	233.745	15370.300
	<i>16.770</i>	<i>29.929</i>	<i>21.549</i>	<i>1.898</i>	<i>0.959</i>	<i>2.400</i>	<i>9.528</i>	<i>22.404</i>	<i>76.533</i>	<i>4880.350</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. Region and time effects are also included. The median elasticity for each country over the six time periods (1965-1990) is given. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate shows significant evidence of CSS or CSC at the 5% (10%) level, respectively.



**Table B.1 -- Stochastic Dominance Tests for the Distributions of Elasticity of Substitution Estimates**

Null Hypothesis	$F(\sigma_{KS}) = G(\sigma_{KN})$	$G(\sigma_{KN}) \leq F(\sigma_{KS})$	$F(\sigma_{KS}) \leq G(\sigma_{KN})$
Direct Elasticity of Substitution			
Threshold 1	0.000	0.999	0.425
Threshold 2	0.000	0.999	0.999
Threshold 3	0.000	0.999	0.050
Threshold 4	0.000	0.999	0.000
Threshold 5	0.000	0.999	0.500
Allen-Uzawa Elasticity of Substitution			
Threshold 1	0.000	0.883	0.999
Threshold 2	0.000	0.999	0.999
Threshold 3	0.000	0.999	0.060
Threshold 4	0.000	0.999	0.100
Threshold 5	0.000	0.999	0.800
Morishima Elasticity of Substitution			
Threshold 1	0.000	0.999	0.050
Threshold 2	0.000	0.999	0.675
Threshold 3	0.000	0.999	0.000
Threshold 4	0.000	0.999	0.075
Threshold 5	0.000	0.999	0.999

NOTES: Probability values are obtained via bootstrapping. The null hypothesis is rejected if the p-value is smaller than some significance level  $\alpha$ , ( $0 < \alpha < 1/2$ ). The first element in  $F(\sigma_{KS}) = G(\sigma_{KN})$ , for example, tests whether the distribution (for all countries over all time periods) of the elasticity of substitution between physical capital and skilled labor (those who attained college) is different from the distribution of the elasticity of substitution between physical capital and unskilled labor (those who did not attain college). Similarly, the second column tests the null of CSC and the third tests the null of CSS.

**Table B.2 -- Quartile Values for Nonparametric Estimates of Three Different Elasticity of Substitution Measures**

	Direct Elasticity of Substitution			Allen-Uzawa Elasticity of Substitution			Morishima Elasticity of Substitution		
	Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
$\sigma_{KS1}$	-19.183 <sup>2</sup>	-0.007	3.816	-0.133	2.641	19.948	-8.664	0.150	7.887
	<i>8.093</i>	<i>5.927</i>	<i>70.025</i>	<i>1.664</i>	<i>2.151</i>	<i>9.981</i>	<i>9.600</i>	<i>1.526</i>	<i>8.537</i>
$\sigma_{KS2}$	-7.860 <sup>2</sup>	0.096	7.623	-4.143 <sup>2</sup>	-0.027 <sup>2</sup>	7.880	-7.456 <sup>2</sup>	-1.094	8.754
	<i>2.586</i>	<i>0.920</i>	<i>5.273</i>	<i>1.419</i>	<i>0.183</i>	<i>3.874</i>	<i>3.402</i>	<i>3.501</i>	<i>3.237</i>
$\sigma_{KS3}$	-8.079 <sup>2</sup>	-0.981 <sup>2</sup>	1.193 <sup>2</sup>	-0.179	0.665	2.878	-7.877	-1.431 <sup>2</sup>	0.612 <sup>22</sup>
	<i>2.285</i>	<i>0.573</i>	<i>1.034</i>	<i>0.718</i>	<i>0.536</i>	<i>0.701</i>	<i>4.409</i>	<i>0.141</i>	<i>1.841</i>
$\sigma_{KS4}$	-8.171 <sup>2</sup>	-0.404	1.186 <sup>2</sup>	-0.001	0.649	2.603 <sup>2</sup>	-1.656	-0.294	1.041
	<i>2.270</i>	<i>1.543</i>	<i>0.870</i>	<i>0.150</i>	<i>7.259</i>	<i>1.052</i>	<i>0.994</i>	<i>0.934</i>	<i>0.521</i>
$\sigma_{KS5}$	-2.259	0.614 <sup>22</sup>	3.301 <sup>2</sup>	0.064	1.111	3.625 <sup>2</sup>	-0.674	0.088	2.161
	<i>1.475</i>	<i>0.605</i>	<i>1.962</i>	<i>0.099</i>	<i>0.767</i>	<i>0.952</i>	<i>0.623</i>	<i>1.768</i>	<i>0.427</i>
$\sigma_{KN1}$	0.111	2.466	8.019	0.276	3.077	9.782	0.355	3.877	12.340
	<i>0.117</i>	<i>0.542</i>	<i>3.852</i>	<i>0.289</i>	<i>0.671</i>	<i>2.343</i>	<i>0.171</i>	<i>2.691</i>	<i>8.417</i>
$\sigma_{KN2}$	1.093	2.340	5.813	0.687	2.979	6.473	0.526	3.493	10.043
	<i>0.529</i>	<i>4.406</i>	<i>0.956</i>	<i>0.200</i>	<i>0.419</i>	<i>1.661</i>	<i>0.319</i>	<i>0.382</i>	<i>0.551</i>
$\sigma_{KN3}$	0.315	2.164	5.704	0.477	2.334	6.751	-0.159	1.444	6.747
	<i>0.255</i>	<i>0.651</i>	<i>1.066</i>	<i>0.290</i>	<i>0.759</i>	<i>1.940</i>	<i>0.560</i>	<i>0.290</i>	<i>1.777</i>
$\sigma_{KN4}$	-0.014	2.598	6.732	0.566	2.446	7.620	-0.229	0.759	3.830
	<i>0.241</i>	<i>2.395</i>	<i>1.014</i>	<i>1.041</i>	<i>0.459</i>	<i>1.409</i>	<i>0.387</i>	<i>0.413</i>	<i>4.089</i>
$\sigma_{KN5}$	0.018	4.968	30.616	0.140	4.226	33.361	-1.817	1.298	13.244
	<i>0.230</i>	<i>1.636</i>	<i>5.444</i>	<i>0.294</i>	<i>1.390</i>	<i>8.898</i>	<i>1.735</i>	<i>0.625</i>	<i>15.130</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. OECD status effects and time effects are also included. Q1, Q2 and Q3 refer to the first, second, and third quartile, respectively. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate shows significant evidence of CSS or CSC at the 5% (10%) level, respectively.

**Table B.3 -- Median Elasticity of Substitution Across Different Groups of Countries (Using Each Elasticity of Substitution Measure)**

Year	$\sigma_{KS1}$	$\sigma_{KS2}$	$\sigma_{KS3}$	$\sigma_{KS4}$	$\sigma_{KS5}$	$\sigma_{KN1}$	$\sigma_{KN2}$	$\sigma_{KN3}$	$\sigma_{KN4}$	$\sigma_{KN5}$
Direct Elasticity of Substitution										
OECD	0.285	-1.495	1.510	1.169	1.478	2.039	1.981	1.938	2.729	5.823
	<i>1.936</i>	<i>0.904</i>	<i>1.001</i>	<i>0.585</i>	<i>0.508</i>	<i>0.299</i>	<i>2.742</i>	<i>0.323</i>	<i>6.273</i>	<i>6.596</i>
Non-OECD	-0.935	1.039 <sup>2</sup>	-4.013	-3.917	0.120 <sup>2</sup>	2.763	3.046	2.605	2.453	4.838
	<i>5.580</i>	<i>0.520</i>	<i>6.247</i>	<i>3.992</i>	<i>0.201</i>	<i>0.662</i>	<i>0.228</i>	<i>0.407</i>	<i>0.683</i>	<i>1.325</i>
Latin America	-4.438 <sup>2</sup>	1.039 <sup>2</sup>	-5.986 <sup>2</sup>	-5.654 <sup>22</sup>	-0.702 <sup>2</sup>	3.246	4.469	4.198	3.234	10.645
	<i>2.342</i>	<i>0.520</i>	<i>2.327</i>	<i>3.960</i>	<i>0.839</i>	<i>1.145</i>	<i>0.707</i>	<i>1.573</i>	<i>0.995</i>	<i>2.984</i>
Africa	-18.657	1.391	-8.455 <sup>22</sup>	-4.618	0.196	5.360	3.639	3.374	2.788	4.818
	<i>16.810</i>	<i>2.353</i>	<i>4.587</i>	<i>6.814</i>	<i>2.218</i>	<i>1.504</i>	<i>0.240</i>	<i>2.058</i>	<i>1.627</i>	<i>2.201</i>
Regime 1	-0.002 <sup>2</sup>	0.694	-0.102 <sup>2</sup>	-0.281	0.158	1.022	1.557	1.779	2.144	5.823
	<i>0.078</i>	<i>0.415</i>	<i>0.148</i>	<i>0.300</i>	<i>0.181</i>	<i>0.288</i>	<i>0.459</i>	<i>0.440</i>	<i>1.851</i>	<i>6.596</i>
Regime 2	-1.851	-1.999 <sup>2</sup>	-1.186 <sup>2</sup>	-0.789 <sup>22</sup>	0.393 <sup>2</sup>	2.516	1.942	2.040	2.296	3.034
	<i>2.812</i>	<i>0.950</i>	<i>0.572</i>	<i>1.376</i>	<i>0.544</i>	<i>0.945</i>	<i>0.226</i>	<i>0.425</i>	<i>0.232</i>	<i>0.626</i>
Regime 3	-0.063	1.116	-2.449	-0.631	0.088	0.467	1.787	0.380	0.026	2.209
	<i>2.333</i>	<i>8.198</i>	<i>1.371</i>	<i>0.660</i>	<i>0.835</i>	<i>0.249</i>	<i>0.820</i>	<i>0.459</i>	<i>1.414</i>	<i>1.340</i>
All	-0.007	0.096	-0.981 <sup>2</sup>	-0.404	0.614 <sup>22</sup>	2.466	2.340	2.164	2.598	4.968
	<i>5.927</i>	<i>0.920</i>	<i>0.573</i>	<i>1.543</i>	<i>0.605</i>	<i>0.542</i>	<i>4.406</i>	<i>0.651</i>	<i>2.395</i>	<i>1.636</i>
Allen-Uzawa Elasticity of Substitution										
OECD	-0.409 <sup>2</sup>	-0.148 <sup>2</sup>	-0.380 <sup>2</sup>	0.314	0.398 <sup>2</sup>	1.374	2.145	3.525	2.425	38.736
	<i>0.360</i>	<i>0.466</i>	<i>0.388</i>	<i>0.081</i>	<i>0.276</i>	<i>0.380</i>	<i>0.591</i>	<i>0.549</i>	<i>2.522</i>	<i>11.633</i>
Non-OECD	7.052	2.233	1.030	1.350	1.702	3.856	3.095	2.491	1.984	2.422
	<i>3.395</i>	<i>0.363</i>	<i>0.694</i>	<i>0.773</i>	<i>0.576</i>	<i>1.025</i>	<i>0.736</i>	<i>0.537</i>	<i>1.025</i>	<i>1.307</i>
Latin America	3.692	1.221 <sup>2</sup>	0.725	0.962 <sup>2</sup>	1.220 <sup>2</sup>	4.639	4.740	4.019	3.467	7.843
	<i>3.781</i>	<i>0.423</i>	<i>8.864</i>	<i>0.521</i>	<i>0.403</i>	<i>3.025</i>	<i>1.183</i>	<i>0.762</i>	<i>0.489</i>	<i>2.261</i>
Africa	48.888	8.140	5.319	3.533	2.607	7.254	3.992	2.993	1.983	0.845
	<i>45.569</i>	<i>3.715</i>	<i>2.568</i>	<i>1.628</i>	<i>1.333</i>	<i>3.563</i>	<i>1.261</i>	<i>3.025</i>	<i>0.300</i>	<i>0.607</i>
Regime 1	0.447	-0.245 <sup>2</sup>	0.119 <sup>2</sup>	0.169 <sup>2</sup>	0.440 <sup>2</sup>	1.402	2.764	2.322	4.625	16.010
	<i>3.714</i>	<i>0.205</i>	<i>0.110</i>	<i>0.181</i>	<i>0.201</i>	<i>0.713</i>	<i>0.293</i>	<i>0.275</i>	<i>0.746</i>	<i>3.942</i>
Regime 2	2.981	0.646 <sup>22</sup>	0.828	1.120	1.153	2.172	1.997	1.547	1.436	2.497
	<i>2.500</i>	<i>0.323</i>	<i>0.366</i>	<i>0.391</i>	<i>0.570</i>	<i>1.785</i>	<i>0.457</i>	<i>0.383</i>	<i>0.722</i>	<i>2.351</i>
Regime 3	3.460	1.258	0.644	0.972	0.696	1.283	1.416	0.717	0.804	0.458
	<i>2.267</i>	<i>0.955</i>	<i>1.825</i>	<i>0.725</i>	<i>0.752</i>	<i>0.656</i>	<i>2.609</i>	<i>0.365</i>	<i>0.525</i>	<i>2.033</i>
All	2.641	-0.027 <sup>2</sup>	0.665	0.649	1.111	3.077	2.979	2.334	2.446	4.226
	<i>2.151</i>	<i>0.183</i>	<i>0.536</i>	<i>7.259</i>	<i>0.767</i>	<i>0.671</i>	<i>0.419</i>	<i>0.759</i>	<i>0.459</i>	<i>1.390</i>
Morishima Elasticity of Substitution										
OECD	-0.772	-3.228 <sup>22</sup>	-3.266	-0.383	0.329	2.670	2.398	-0.163	0.020	-0.011
	<i>0.774</i>	<i>2.433</i>	<i>1.358</i>	<i>0.637</i>	<i>0.115</i>	<i>2.938</i>	<i>0.598</i>	<i>0.599</i>	<i>0.123</i>	<i>0.151</i>
Non-OECD	0.830	0.258 <sup>2</sup>	-0.976	-0.178	0.001 <sup>22</sup>	5.065	4.869	2.220	1.502	2.013
	<i>1.319</i>	<i>0.835</i>	<i>0.376</i>	<i>0.210</i>	<i>0.316</i>	<i>2.156</i>	<i>0.996</i>	<i>2.501</i>	<i>2.449</i>	<i>0.867</i>
Latin America	0.568	-0.020 <sup>2</sup>	-1.436 <sup>2</sup>	-0.210	0.146 <sup>22</sup>	4.955	5.760	2.626	2.063	5.102
	<i>0.838</i>	<i>0.313</i>	<i>0.953</i>	<i>0.368</i>	<i>0.319</i>	<i>3.184</i>	<i>1.330</i>	<i>0.495</i>	<i>1.230</i>	<i>2.215</i>
Africa	12.056	0.820	-2.747 <sup>2</sup>	-0.158	-0.039	15.962	10.308	4.258	2.299	0.533
	<i>19.139</i>	<i>2.650</i>	<i>2.654</i>	<i>0.664</i>	<i>0.213</i>	<i>5.555</i>	<i>4.441</i>	<i>0.794</i>	<i>0.966</i>	<i>0.316</i>
Regime 1	-0.030 <sup>22</sup>	-0.342 <sup>2</sup>	-0.907	-0.375	-0.011	2.389	2.247	0.986	0.286	2.330
	<i>0.378</i>	<i>0.289</i>	<i>0.440</i>	<i>0.233</i>	<i>0.499</i>	<i>0.941</i>	<i>0.705</i>	<i>0.933</i>	<i>0.358</i>	<i>1.191</i>
Regime 2	0.568	-1.214 <sup>2</sup>	-0.549	-0.005	0.236	2.506	2.253	1.324	0.901	1.769
	<i>0.838</i>	<i>0.848</i>	<i>0.431</i>	<i>0.433</i>	<i>0.438</i>	<i>3.016</i>	<i>0.782</i>	<i>0.925</i>	<i>1.043</i>	<i>0.685</i>
Regime 3	0.852	0.435 <sup>22</sup>	-0.945	-0.130	-0.032 <sup>2</sup>	1.729	3.102	0.880	0.358	0.755
	<i>0.921</i>	<i>0.388</i>	<i>0.991</i>	<i>0.194</i>	<i>0.143</i>	<i>0.840</i>	<i>1.083</i>	<i>0.808</i>	<i>1.372</i>	<i>0.138</i>
All	0.150	-1.094	-1.431 <sup>2</sup>	-0.294	0.088	3.877	3.493	1.444	0.759	1.298
	<i>1.526</i>	<i>3.501</i>	<i>0.141</i>	<i>0.934</i>	<i>1.768</i>	<i>2.691</i>	<i>0.382</i>	<i>0.290</i>	<i>0.413</i>	<i>0.625</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. OECD status effects and time effects are also included. The median refers to the median elasticity for all countries over all periods for a particular group. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. OECD includes countries which were in the OECD as of 1990, whereas "Regime 1, 2, and 3" includes the countries of Regimes 1, 2 and 3 in Table 3 of Papageorgiou and Chmelarova (2005). Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate exhibits significant evidence of CSC or CSS at the 5% (10%) level, respectively.

**Table B.3a -- Median Elasticity of Substitution Across Time for Each Country (Direct Elasticity of Substitution)**

Country	$\sigma_{KS1}$	$\sigma_{KS2}$	$\sigma_{KS3}$	$\sigma_{KS4}$	$\sigma_{KS5}$	$\sigma_{KN1}$	$\sigma_{KN2}$	$\sigma_{KN3}$	$\sigma_{KN4}$	$\sigma_{KN5}$
ALGERIA	-1.079 <sup>22</sup>	-2.509 <sup>2</sup>	1.484	1.719	2.591	2.398	2.365	2.501	4.510	2.606
	1.235	1.376	0.809	0.503	2.005	0.384	0.230	0.651	10.005	15.951
ARGENTINA	-0.032	-0.171	0.001	0.000	-0.006	-0.054	-1.850	-0.012	-0.023	0.027
	0.074	0.458	0.202	0.266	0.361	0.286	0.817	14.884	2.538	12.208
AUSTRALIA	-8.489 <sup>22</sup>	-7.866 <sup>2</sup>	1.762	2.811	4.725	3.468	3.772	3.492	5.071	58.066
	5.053	2.992	1.607	0.859	2.929	0.495	0.370	1.422	11.198	29.533
AUSTRIA	-39.463 <sup>2</sup>	-2.284 <sup>2</sup>	1.340	1.777	2.071	2.049	2.327	2.063	2.723	22.968
	3.119	1.129	0.740	0.455	1.064	0.308	0.200	0.461	6.012	65.650
BANGLADESH	-0.427	0.706	0.296	0.157	-0.067	0.265	0.783	0.553	-0.177	5.823
	1.529	2.059	0.179	0.344	0.134	0.033	1.213	0.676	1.333	6.596
BELGIUM	-0.753	-4.532 <sup>2</sup>	0.932	1.100	1.444	1.423	1.440	1.559	2.347	15.468
	1.600	2.720	0.417	0.257	0.702	0.252	0.129	0.378	5.502	22.609
BOLIVIA	-0.370	-10.531 <sup>2</sup>	3.185	3.928	4.552 <sup>22</sup>	4.619	4.365	3.524	6.154	66.884
	6.757	4.491	1.929	2.417	2.999	0.654	0.389	0.737	13.546	31.900
BRAZIL	-1.039	-10.297 <sup>2</sup>	4.543	-32.118	8.174	7.430	6.458	10.366	15.650	77.711
	5.568	4.390	5.800	9.251	4.793	0.980	0.542	2.960	25.584	42.418
CANADA	0.340	0.909	0.561 <sup>22</sup>	0.429	0.366	0.248	1.036	1.623	-0.526	-4.697
	0.165	0.276	0.191	0.152	0.239	0.123	0.180	0.404	3.077	10.484
CHILE	0.013	1.141	0.612 <sup>11</sup>	-0.108	-0.169	0.230	0.365	0.022	-0.471	2.140
	0.228	0.621	0.268	0.133	0.323	0.212	0.164	0.059	0.570	8.360
COLOMBIA	-0.501	-9.965 <sup>2</sup>	3.973	2.866	4.835 <sup>2</sup>	3.509	3.241	2.291	4.145	140.371
	2.438	4.459	2.668	0.896	2.882	0.489	0.538	0.410	9.096	49.898
COSTA RICA	1.956	0.773	0.658	0.694	1.478 <sup>2</sup>	0.791	1.381	1.934	2.597	121.488
	0.923	0.440	0.585	0.159	0.508	0.296	0.161	0.582	4.240	53.569
CYPRUS	-0.665 <sup>2</sup>	1.205	0.863	1.790	-0.912	0.311	0.699	-0.053	0.054	0.938
	0.266	0.790	0.487	1.703	0.954	0.063	0.494	0.162	0.506	2.532
DENMARK	0.306	-7.044 <sup>2</sup>	1.392	2.161	3.484	2.678	2.638	2.998	3.896	21.205
	2.549	3.119	1.072	0.605	2.442	0.353	0.187	0.700	8.192	37.827
ECUADOR	0.285	-6.301 <sup>2</sup>	1.647	1.842	2.150	2.142	1.998	1.752	2.631	9.542
	1.936	3.377	1.006	0.478	1.193	0.317	0.157	0.321	6.178	17.740
EL SALVADOR	0.280	1.033	0.686	-0.079	-0.130	0.151	0.474	-0.066	0.115	0.917
	0.257	0.863	0.329	0.169	0.111	0.072	0.193	0.190	0.349	1.633
FINLAND	-0.295	0.084	0.025	0.071	0.164	-0.183	-0.032	-0.124	-0.437	-1.354
	1.771	0.818	0.064	0.187	0.396	2.398	0.732	1.005	0.267	45.858
FRANCE	1.689	-3.595	2.403	0.650	0.411 <sup>1</sup>	0.592	0.884	0.366	-0.173	-6.611
	0.650	3.510	1.739	0.208	0.244	0.118	0.140	0.103	0.928	2.589
GERMANY, WEST	0.353	-7.073 <sup>2</sup>	3.796	2.845	3.201	2.846	2.637	1.938	3.508	5.176
	2.259	4.205	3.393	0.853	1.826	0.371	0.218	0.323	3.995	2.434
GHANA	1.734	-9.013 <sup>22</sup>	4.046	3.581	3.461	2.872	2.123	1.788	1.954	1.560
	4.024	5.597	3.901	1.018	2.115	0.381	0.153	0.373	2.204	0.636

GREECE	1.776	-1.970	5.878	0.205	0.505	0.917	1.099	-0.067	-0.269	-0.541
	1.818	1.129	4.049	0.123	0.332	0.235	2.207	0.149	0.276	0.434
GUATEMALA	-0.517	0.022	8.677	0.741	0.277	0.536	1.188	-0.665	1.665	1.979
	0.611	0.478	4.373	0.457	0.112	0.159	0.315	1.522	0.943	1.176
HAITI	-0.136	-1.698	-2.023 <sup>2</sup>	-3.232 <sup>2</sup>	0.052	-0.123	0.023	0.079	-0.216	-4.314
	0.384	1.259	0.714	1.088	0.201	1.281	0.381	0.237	0.259	6.369
HONDURAS	-5.619 <sup>22</sup>	0.394	-3.153 <sup>2</sup>	-4.209 <sup>2</sup>	-3.682 <sup>2</sup>	7.607	6.115	6.819	6.229	17.028
	3.277	6.845	0.889	1.420	2.316	2.624	0.927	1.319	1.279	4.766
ICELAND	-2.018	-4.426 <sup>2</sup>	-0.762 <sup>2</sup>	0.652	0.220	1.858	1.799	1.655	2.140	2.723
	2.984	1.897	0.633	1.025	2.559	0.543	0.296	0.426	0.418	0.396
INDIA	0.826	-1.231 <sup>22</sup>	-0.154	-0.263 <sup>2</sup>	0.798 <sup>2</sup>	1.429	1.057	1.132	1.098	4.968
	0.419	1.206	0.919	0.253	0.207	0.334	0.123	0.297	0.160	1.636
INDONESIA	-6.683	-4.177 <sup>22</sup>	-2.669 <sup>2</sup>	0.245	2.313	2.779	1.930	2.107	2.287	2.268
	4.932	3.276	1.676	1.460	0.749	0.920	0.173	0.340	0.630	0.447
IRAN	-10.851 <sup>22</sup>	2.678	-7.075 <sup>2</sup>	-8.947 <sup>2</sup>	-6.476	6.394	5.387	5.263	4.879	28.087
	9.276	15.663	1.916	2.894	6.253	0.998	0.744	0.865	2.272	14.978
IRAQ	-31.936	3.371	-5.896 <sup>2</sup>	-10.391 <sup>2</sup>	-7.994 <sup>2</sup>	9.169	6.548	8.116	5.499	10.929
	33.436	23.180	3.083	5.424	4.880	3.198	0.556	1.631	1.345	3.423
IRELAND	-55.997	16.680	-10.954 <sup>2</sup>	-13.441 <sup>2</sup>	-5.120 <sup>2</sup>	8.217	6.990	6.603	5.426	75.965
	65.219	86.942	3.049	4.286	7.358	1.249	0.569	0.899	1.193	27.123
ISRAEL	-36.147 <sup>22</sup>	8.112	-17.755 <sup>2</sup>	-22.374 <sup>2</sup>	-5.832 <sup>22</sup>	16.216	11.147	10.319	9.201	30.369
	28.498	55.467	9.195	11.003	9.309	2.658	1.069	3.207	4.648	9.887
ITALY	-4.438 <sup>22</sup>	-2.823 <sup>2</sup>	-2.051 <sup>2</sup>	-2.844 <sup>2</sup>	-1.724 <sup>22</sup>	3.246	2.073	2.311	1.988	8.688
	2.342	1.403	0.625	1.478	1.240	1.145	0.165	0.355	0.410	4.259
JAMAICA	-22.924	4.495	-11.739 <sup>2</sup>	-15.934	-5.152	11.667	11.144	10.368	9.301	21.252
	20.792	34.013	3.179	13.920	9.777	1.842	0.972	1.410	3.688	7.006
JAPAN	-3.773 <sup>22</sup>	-3.219 <sup>2</sup>	-1.842 <sup>2</sup>	-2.460	-1.198 <sup>2</sup>	2.578	1.580	1.877	0.740	3.298
	2.217	1.430	0.888	1.728	1.035	0.940	0.349	0.357	0.325	0.893
JORDAN	-2.229	1.039	-0.854	0.278	0.208	-0.063	0.048	-0.176	-0.032	-0.202
	1.922	0.520	1.723	0.715	0.177	0.074	0.135	0.055	0.073	0.278
KENYA	-22.620 <sup>22</sup>	11.716	-22.128	-19.865	-5.984	14.512	10.318	10.176	6.913	12.798
	18.263	52.868	13.855	17.596	14.050	2.703	1.153	3.823	3.687	6.948
KOREA, REP.	-5.963 <sup>22</sup>	-2.171 <sup>2</sup>	-1.880 <sup>22</sup>	-2.252	-1.464 <sup>22</sup>	2.516	1.642	2.012	0.619	2.952
	4.076	1.417	1.202	1.735	1.078	0.945	0.177	0.421	0.297	1.321
MALAWI	-78.891	7.304	-17.307	-24.954 <sup>22</sup>	-6.110	18.414	13.341	12.961	9.643	13.149
	71.370	48.757	9.520	16.121	10.681	2.879	1.817	1.760	4.140	3.857
MALAYSIA	-1.851	-1.477 <sup>22</sup>	-0.955 <sup>22</sup>	0.936	-0.702 <sup>22</sup>	1.914	1.206	1.222	0.554	2.888
	2.812	1.116	0.846	0.575	0.839	0.741	0.360	0.270	0.484	1.213
MALI	-65.818	16.675	-22.463 <sup>2</sup>	-20.208	-4.875	10.594	7.100	7.066	5.404	9.593
	64.548	86.452	12.648	14.062	8.287	1.685	0.551	2.295	2.657	2.886
MAURITIUS	-21.141	-3.103	-10.119 <sup>2</sup>	-9.119	-2.851	5.390	3.603	4.056	3.117	4.555
	27.948	29.214	6.046	10.470	4.756	0.852	0.589	0.680	1.565	1.298

MEXICO	-24.376	-17.728	-16.487 <sup>2</sup>	-8.532	-3.054	8.162	5.151	4.305	4.849	6.054
	30.388	38.329	6.539	14.402	4.920	1.594	0.662	0.785	2.228	1.984
MOZAMBIQUE	-5.067 <sup>22</sup>	-3.399	-3.852 <sup>2</sup>	-4.105 <sup>2</sup>	-2.053 <sup>2</sup>	3.627	3.046	3.088	2.824	5.085
	3.058	5.295	2.596	1.629	1.761	0.533	0.228	0.465	0.547	1.601
MYANMAR	-8.223 <sup>22</sup>	1.116	-5.919 <sup>2</sup>	-8.087	-4.597 <sup>22</sup>	5.077	4.092	3.798	3.067	5.810
	6.909	8.198	3.092	7.791	4.417	0.792	0.306	0.556	1.482	1.795
NETHERLANDS	-35.713	8.872	-12.654 <sup>2</sup>	-15.611	-5.277 <sup>22</sup>	12.019	7.750	7.087	6.678	24.846
	30.260	50.661	3.623	16.347	8.499	4.719	0.679	2.099	3.437	8.215
NEW ZEALAND	-54.262	-0.794	-7.970 <sup>2</sup>	-8.567	-3.481	5.573	3.639	4.454	3.112	4.838
	67.981	16.109	4.496	9.211	5.616	0.856	0.240	1.423	1.491	1.325
NORWAY	-18.143	-18.244 <sup>2</sup>	-8.094	-6.301	-2.534 <sup>2</sup>	3.751	2.532	2.711	2.788	3.912
	17.167	9.447	6.705	8.922	1.933	0.581	0.317	0.677	1.627	1.277
PAKISTAN	0.194	0.133	-0.354 <sup>22</sup>	-0.326	-0.095 <sup>2</sup>	-0.883	-0.088	0.199	-0.268	3.818
	0.221	0.283	0.232	0.104	0.338	0.891	0.416	0.102	0.273	1.535
PANAMA	-52.961	-3.068	-8.584 <sup>2</sup>	-8.534	-3.739	4.564	3.407	3.584	2.730	4.298
	49.695	33.828	2.673	9.098	4.152	0.664	0.320	0.547	0.895	1.058
PARAGUAY	-50.411	-7.825	-15.708 <sup>2</sup>	-11.210	0.730	12.961	7.003	7.652	-0.055	14.525
	49.554	22.270	5.608	19.641	6.162	6.445	0.745	1.641	0.782	7.970
PERU	0.380	0.950 <sup>1</sup>	-0.052	-0.073	-0.040 <sup>2</sup>	0.725	-1.590	-1.004	-0.219	4.233
	0.460	0.414	0.532	0.152	0.149	0.735	0.532	0.487	0.208	1.484
PHILIPPINES	-18.657	-12.595	-2.226	2.223	0.798	2.173	1.720	-1.918	-0.376	1.975
	16.810	11.311	1.961	1.506	0.757	0.459	0.287	0.907	0.187	0.823
PORTUGAL	-11.006	-5.603 <sup>2</sup>	-6.810 <sup>2</sup>	-7.789	-7.714	4.918	1.236	0.908	-0.485	-1.065
	12.056	2.773	1.609	2.800	4.484	1.383	0.389	0.391	1.801	1.115
SENEGAL	-0.005	0.214	-0.139	-0.075	0.019	-0.022	0.062	0.040	0.026	-0.054
	1.927	0.422	2.012	2.954	0.552	0.680	0.230	0.912	1.414	0.475
SIERRA LEONE	-106.732	-49.796	-52.195 <sup>22</sup>	-29.097	2.804	17.213	9.437	11.992	11.393	15.517
	104.936	288.547	33.911	51.469	12.821	8.538	1.028	2.903	5.569	5.026
SINGAPORE	5.686 <sup>11</sup>	6.120 <sup>1</sup>	0.069 <sup>11</sup>	-0.758	-0.172	1.267	-0.984	-2.120	0.017	-0.264
	1.687	1.730	0.466	0.677	0.728	0.757	0.685	0.797	0.464	1.568
SPAIN	2.216	-0.084	-0.966	-0.041	-0.251	-0.042	-1.279	0.087	-0.001	-0.986
	3.535	0.558	1.745	0.082	0.230	0.196	0.261	1.402	10.559	1.733
SRI LANKA	2.502 <sup>1</sup>	0.947 <sup>1</sup>	-0.444	0.218	3.323	0.025	-1.977	-1.262	-1.157	1.126
	0.708	0.719	0.537	0.284	1.133	0.298	0.414	0.406	1.209	1.796
SUDAN	3.609	0.703 <sup>1</sup>	-1.045	0.301 <sup>11</sup>	2.224	0.355	-3.481	-1.986	-1.849	1.033
	3.351	1.391	0.357	0.726	1.120	0.280	0.657	0.342	0.432	3.539
SWEDEN	-5.500 <sup>22</sup>	-4.564	-0.429	-0.932	0.226	2.718	2.340	-3.885	0.822	-1.303
	2.667	8.325	5.542	3.216	0.848	1.053	4.406	2.101	0.673	0.993
SWITZERLAND	-147.848	-35.135 <sup>22</sup>	-27.738 <sup>22</sup>	-7.833	-3.624	10.277	4.911	9.424	-1.134	8.952
	197.325	19.513	19.194	14.881	6.316	5.353	1.110	2.367	1.158	5.526
TANZANIA	-20.530	-172.676 <sup>2</sup>	72.977	-300.598	59.287 <sup>2</sup>	81.528	59.489	50.450	70.300	1075.738
	89.554	63.528	45.817	74.053	32.728	11.052	7.831	11.444	162.757	383.903

THAILAND	-66.527 <sup>2</sup>	7.648	-20.682 <sup>2</sup>	-24.937 <sup>2</sup>	-6.876	23.411	20.651	19.932	18.842	50.671
	<i>29.087</i>	<i>63.010</i>	<i>5.463</i>	<i>7.299</i>	<i>19.827</i>	<i>3.769</i>	<i>2.865</i>	<i>3.592</i>	<i>8.473</i>	<i>25.609</i>
TUNISIA	-130.316	12.266	-24.156 <sup>2</sup>	-29.697	-6.251 <sup>22</sup>	19.368	16.195	13.924	12.187	26.654
	<i>114.848</i>	<i>86.187</i>	<i>6.991</i>	<i>29.869</i>	<i>9.065</i>	<i>3.047</i>	<i>1.479</i>	<i>1.920</i>	<i>3.457</i>	<i>8.525</i>
TURKEY	-18.012	-16.697	-3.587	5.275	4.114	2.466	1.335	1.403	0.357	2.373
	<i>18.104</i>	<i>14.641</i>	<i>4.124</i>	<i>2.688</i>	<i>1.295</i>	<i>0.542</i>	<i>0.532</i>	<i>0.503</i>	<i>1.854</i>	<i>0.951</i>
U.K.	-22.586	-14.571	-7.165 <sup>2</sup>	-2.019	0.368	4.467	2.340	1.291	-0.036	3.257
	<i>24.615</i>	<i>14.517</i>	<i>3.163</i>	<i>1.556</i>	<i>1.620</i>	<i>0.978</i>	<i>0.471</i>	<i>0.733</i>	<i>0.269</i>	<i>1.336</i>
U.S.A.	11.744	1.391	0.134	-1.398	0.429	2.520	-2.169	-0.454	0.657	-2.311
	<i>7.775</i>	<i>2.353</i>	<i>0.693</i>	<i>3.128</i>	<i>0.952</i>	<i>1.245</i>	<i>1.358</i>	<i>0.402</i>	<i>0.813</i>	<i>1.409</i>
UGANDA	-176.520	27.037	-103.928 <sup>2</sup>	-112.145	-16.653	105.939	73.277	49.694	51.703	59.142
	<i>197.446</i>	<i>80.160</i>	<i>57.963</i>	<i>208.798</i>	<i>85.157</i>	<i>21.363</i>	<i>10.129</i>	<i>11.217</i>	<i>28.332</i>	<i>18.001</i>
URUGUAY	-39.724	-43.528	-6.991	0.799	0.075	9.331	3.750	-1.406	-2.686	4.595
	<i>50.281</i>	<i>30.574</i>	<i>8.091</i>	<i>3.553</i>	<i>2.693</i>	<i>3.037</i>	<i>1.926</i>	<i>1.182</i>	<i>1.462</i>	<i>2.866</i>
VENEZUELA	-106.350	-45.902	-8.707	1.491	0.581	6.284	2.813	-16.292	9.270	5.403
	<i>112.696</i>	<i>65.376</i>	<i>15.373</i>	<i>4.442</i>	<i>5.568</i>	<i>2.160</i>	<i>1.000</i>	<i>10.285</i>	<i>4.785</i>	<i>3.794</i>
ZAIRE	-5.734	-5.409 <sup>22</sup>	-3.252 <sup>22</sup>	-3.921	2.534	3.391	2.248	2.475	2.476	2.837
	<i>4.309</i>	<i>3.718</i>	<i>2.337</i>	<i>3.865</i>	<i>5.434</i>	<i>1.239</i>	<i>0.278</i>	<i>0.658</i>	<i>1.115</i>	<i>0.691</i>
ZAMBIA	4.547 <sup>11</sup>	-0.768	1.214	1.257	2.034	1.288	1.183	1.127	1.216	1.419
	<i>1.364</i>	<i>1.259</i>	<i>1.473</i>	<i>0.550</i>	<i>0.612</i>	<i>0.371</i>	<i>0.198</i>	<i>0.332</i>	<i>0.553</i>	<i>0.264</i>
ZIMBABWE	-0.939	-16.468 <sup>2</sup>	5.912	-29.262 <sup>2</sup>	7.748	7.286	5.911	5.707	7.950	39.277
	<i>6.024</i>	<i>7.262</i>	<i>3.873</i>	<i>8.630</i>	<i>4.480</i>	<i>0.956</i>	<i>0.494</i>	<i>1.128</i>	<i>8.209</i>	<i>15.127</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. OECD status effects and time effects are also included. The median elasticity for each country over the six time periods (1965-1990) is given. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate shows significant evidence of CSS or CSC at the 5% (10%) level, respectively.

**Table B.3b -- Median Elasticity of Substitution Across Time for Each Country (Allen-Uzawa Elasticity of Substitution)**

Country	$\sigma_{KS1}$	$\sigma_{KS2}$	$\sigma_{KS3}$	$\sigma_{KS4}$	$\sigma_{KS5}$	$\sigma_{KN1}$	$\sigma_{KN2}$	$\sigma_{KN3}$	$\sigma_{KN4}$	$\sigma_{KN5}$
ALGERIA	-1.227 2.104	-1.456 <sup>2</sup> 0.684	-0.087 <sup>2</sup> 0.360	0.034 <sup>2</sup> 0.206	0.456 <sup>2</sup> 0.212	2.332 0.448	3.254 0.286	2.732 0.846	5.296 1.233	21.175 5.153
ARGENTINA	0.312 0.950	-0.424 0.100	-0.018 0.223	-0.239 0.138	-0.011 0.182	0.005 1.733	-3.758 2.169	0.009 3.798	1.118 5.766	-0.012 11.146
AUSTRALIA	-0.133 <sup>22</sup> 1.614	-1.512 <sup>2</sup> 1.316	-0.237 <sup>22</sup> 0.416	0.047 <sup>2</sup> 0.241	0.618 <sup>2</sup> 0.238	4.277 0.752	5.231 0.745	4.774 2.335	10.205 2.204	107.206 21.057
AUSTRIA	-1.575 <sup>22</sup> 1.159	-1.268 <sup>2</sup> 0.634	-0.101 0.304	0.085 <sup>2</sup> 0.184	0.440 <sup>2</sup> 0.201	2.133 0.425	4.339 0.442	2.723 2.036	4.303 0.849	72.050 12.497
BANGLADESH	-3.365 6.792	0.328 0.287	0.277 0.503	-0.230 0.086	0.462 0.872	0.451 0.727	0.231 0.558	-0.240 3.351	-0.557 1.166	-1.523 6.826
BELGIUM	1.058 0.995	-0.522 <sup>2</sup> 0.345	-0.184 <sup>22</sup> 0.234	-0.325 <sup>2</sup> 0.133	0.378 <sup>2</sup> 0.187	1.242 0.295	1.778 0.184	2.063 1.062	7.123 1.066	29.473 8.594
BOLIVIA	0.473 2.374	-3.589 <sup>2</sup> 1.515	-0.135 <sup>2</sup> 0.691	0.191 <sup>2</sup> 0.344	0.774 <sup>2</sup> 0.303	5.122 3.025	4.853 0.508	4.796 1.411	8.328 2.072	134.168 30.153
BRAZIL	0.623 <sup>22</sup> 2.088	-3.371 <sup>2</sup> 1.100	-0.736 <sup>22</sup> 1.014	0.152 <sup>2</sup> 0.438	1.233 <sup>2</sup> 0.443	16.153 2.817	9.879 1.398	13.097 6.818	25.758 6.792	473.941 119.579
CANADA	-0.210 <sup>22</sup> 0.092	-0.605 <sup>2</sup> 0.304	0.334 0.391	0.205 0.143	0.482 <sup>2</sup> 0.461	0.976 0.171	2.112 0.229	0.548 1.282	1.995 4.573	35.316 16.483
CHILE	-0.831 0.583	-0.195 0.199	0.124 0.298	-0.402 <sup>2</sup> 0.141	-0.479 0.248	0.269 0.379	0.085 0.572	-0.156 0.571	0.958 0.499	-73.275 60.516
COLOMBIA	0.254 2.286	-3.224 <sup>2</sup> 1.920	0.276 1.398	0.247 <sup>2</sup> 0.301	0.624 <sup>2</sup> 0.242	3.420 0.606	4.016 0.752	2.334 0.759	4.829 1.127	188.445 41.021
COSTA RICA	-0.363 <sup>22</sup> 0.262	-0.613 <sup>2</sup> 0.681	-0.319 <sup>2</sup> 0.205	-0.649 <sup>2</sup> 0.106	0.293 0.195	1.239 0.328	2.711 0.245	3.911 1.766	8.872 2.803	43.666 26.281
CYPRUS	-2.989 3.645	1.061 1.034	0.887 0.837	-0.002 0.184	0.332 0.230	0.750 0.652	0.340 0.345	-1.731 1.528	1.651 1.834	13.041 7.736
DENMARK	1.284 3.621	-1.383 <sup>2</sup> 0.987	-0.245 <sup>22</sup> 0.347	-0.015 <sup>2</sup> 0.200	0.574 <sup>2</sup> 0.217	2.638 0.477	3.369 0.350	4.386 2.228	9.425 1.844	47.510 13.144
ECUADOR	1.322 1.425	-1.414 <sup>2</sup> 0.699	-0.494 <sup>2</sup> 0.510	-0.033 <sup>2</sup> 0.176	0.462 <sup>2</sup> 0.198	2.318 0.449	2.345 0.220	2.130 0.637	7.189 1.324	40.550 8.142
EL SALVADOR	-0.208 3.848	1.746 0.730	-0.001 0.494	-0.185 <sup>22</sup> 0.169	-0.025 0.319	0.079 0.423	0.101 0.322	-0.120 0.473	0.959 0.493	-1.031 0.931
FINLAND	-0.213 0.347	-0.050 0.161	0.044 0.164	-0.195 0.126	0.005 0.253	-0.001 0.354	-0.150 0.629	0.002 0.645	-0.017 0.658	-25.365 15.417
FRANCE	1.904 1.142	-1.204 2.018	1.937 3.248	0.244 <sup>2</sup> 0.049	0.535 <sup>2</sup> 0.172	0.387 0.283	0.959 0.226	-0.136 0.672	0.808 0.195	4.896 1.622
GERMANY, WEST	0.684 2.139	-1.405 <sup>2</sup> 1.106	0.609 0.787	0.169 <sup>2</sup> 0.259	0.741 <sup>2</sup> 0.268	3.884 2.030	3.087 0.272	1.789 0.592	5.502 1.166	9.948 2.098
GHANA	2.201 2.207	-1.224 1.990	-0.247 1.319	1.120 0.391	0.944 <sup>2</sup> 0.275	3.558 1.997	2.291 0.241	1.286 0.498	2.078 0.426	3.227 0.800



GREECE	7.910 <sup>1</sup>	0.137	-5.029 <sup>2</sup>	-0.092	0.425	0.846	0.693	-0.297	-0.296	0.131
	2.635	3.405	1.169	0.126	0.212	0.379	0.478	0.311	0.116	0.232
GUATEMALA	3.670 <sup>11</sup>	3.177 <sup>1</sup>	0.415	1.130	0.097	-1.089	0.074	-0.716	0.447	1.515
	1.934	0.911	3.006	0.772	0.307	0.734	0.366	1.374	0.571	0.764
HAITI	-0.087	-0.271	-0.289	-0.363 <sup>2</sup>	0.044	0.046	0.061	0.386	1.328	1.286
	1.017	0.087	0.096	0.109	0.177	0.527	0.121	0.452	0.428	0.878
HONDURAS	1.005	-3.241 <sup>2</sup>	-0.103 <sup>2</sup>	0.244 <sup>2</sup>	1.158 <sup>2</sup>	7.944	5.604	8.090	7.330	15.308
	1.177	1.516	0.467	0.461	0.660	4.175	1.155	1.322	1.052	2.733
ICELAND	1.749	0.483	1.392	2.254	1.746	1.640	1.779	1.471	1.186	2.002
	1.397	1.244	0.644	0.645	0.522	0.398	0.474	0.224	0.161	0.437
INDIA	1.399	1.221	1.386	0.301 <sup>2</sup>	0.656	0.420	0.672	0.706	1.040	3.745
	0.459	0.423	0.383	0.146	0.283	0.258	0.121	0.202	0.227	2.318
INDONESIA	9.513	0.517	3.074	1.999	5.216	2.380	1.956	1.319	0.860	0.908
	7.539	2.329	1.217	0.546	0.990	0.631	0.359	0.215	0.165	0.285
IRAN	2.027	-10.310	0.005	0.529	0.718 <sup>1</sup>	9.255	4.865	5.759	5.710	19.916
	2.239	3.883	1.372	0.650	0.491	2.816	0.993	1.107	1.512	33.071
IRAQ	12.383	-9.124 <sup>2</sup>	-0.004 <sup>2</sup>	0.653 <sup>2</sup>	1.855	9.994	7.715	7.534	6.728	1.336
	8.654	3.828	1.087	1.062	1.110	2.715	1.182	1.427	1.146	7.036
IRELAND	19.268	-21.984 <sup>2</sup>	0.400 <sup>2</sup>	0.864 <sup>2</sup>	0.874	10.438	7.425	7.618	6.317	66.333
	26.246	20.537	4.902	0.475	0.670	2.924	1.642	1.528	1.014	86.179
ISRAEL	13.654	-9.871	-1.009	1.728 <sup>2</sup>	2.377	24.949	14.520	12.085	12.467	38.886
	12.489	13.923	3.644	3.471	1.415	12.929	3.340	2.852	2.435	17.871
ITALY	2.497	-0.760	0.232 <sup>2</sup>	0.531 <sup>22</sup>	0.400 <sup>22</sup>	2.644	2.301	2.251	1.815	7.843
	2.464	1.102	0.539	0.207	0.253	0.573	0.498	0.457	0.688	2.261
JAMAICA	9.053	-5.148 <sup>22</sup>	-0.569 <sup>2</sup>	0.926	1.852 <sup>2</sup>	17.396	11.467	12.823	12.018	14.295
	12.267	6.202	2.006	0.520	1.252	5.149	2.607	2.745	2.514	4.193
JAPAN	1.190	-0.312 <sup>22</sup>	0.412 <sup>2</sup>	0.621 <sup>2</sup>	0.657 <sup>2</sup>	2.113	1.997	1.498	1.089	1.824
	1.359	0.667	0.191	0.367	0.212	0.504	0.457	0.226	0.604	0.562
JORDAN	-1.172	-0.027 <sup>2</sup>	-0.136 <sup>2</sup>	-3.445	0.110	-1.019	-0.144	-0.216	-0.128	-0.192
	0.303	0.183	0.414	1.825	0.385	0.417	0.427	0.185	0.128	0.596
KENYA	30.058 <sup>2</sup>	-21.510	0.725	3.419 <sup>22</sup>	4.116	20.242	10.186	7.972	7.863	12.636
	16.390	11.548	8.864	1.257	2.042	11.058	2.648	1.782	2.025	12.496
KOREA, REP.	5.265	0.379 <sup>2</sup>	0.712	0.398	1.593	2.075	1.666	1.232	1.240	1.927
	4.062	1.067	0.966	0.215	0.495	0.634	0.369	0.313	0.443	0.535
MALAWI	13.055	-8.116	-0.987	1.408	4.855	25.362	14.068	14.627	13.183	10.947
	7.265	14.518	3.574	0.752	2.754	11.665	3.206	3.066	2.967	2.898
MALAYSIA	2.305	0.658	0.790 <sup>2</sup>	0.490 <sup>2</sup>	1.153	0.999	0.906	0.764	0.440	2.179
	2.509	0.783	0.182	0.221	0.570	0.410	0.254	0.428	0.389	0.800
MALI	30.476	-17.296	0.540	1.696	3.307	13.011	10.218	6.292	5.652	8.233
	15.775	8.795	14.477	2.569	1.765	6.223	2.411	1.205	0.811	1.683
MAURITIUS	19.237	-11.848 <sup>2</sup>	2.032	2.944	3.257	6.815	4.929	3.051	2.178	2.674
	10.235	8.495	1.228	1.150	1.474	2.059	0.999	0.417	0.775	0.553

MEXICO	30.501	-29.150 <sup>22</sup>	3.605	3.335	3.207	10.739	6.476	3.870	2.545	3.069
	33.747	25.097	10.995	2.298	1.370	3.626	1.655	1.007	1.171	0.830
MOZAMBIQUE	2.981	-2.312	0.593	0.360	2.233	4.639	3.634	2.964	2.555	3.861
	2.500	1.836	0.343	0.282	0.827	3.025	0.812	0.353	0.381	1.121
MYANMAR	4.392	-7.284 <sup>2</sup>	0.069 <sup>2</sup>	0.664 <sup>2</sup>	1.331	7.204	4.977	4.385	3.787	3.405
	4.853	3.363	1.151	0.339	0.634	2.301	1.194	0.926	1.173	1.007
NETHERLANDS	20.985	-10.773 <sup>2</sup>	-0.525 <sup>2</sup>	0.962 <sup>2</sup>	1.763	13.011	9.731	7.599	9.741	26.172
	11.187	5.090	2.785	0.521	1.052	6.252	2.344	2.025	2.140	12.114
NEW ZEALAND	20.838	-5.790 <sup>2</sup>	1.030 <sup>22</sup>	1.728 <sup>2</sup>	3.261 <sup>22</sup>	6.974	4.962	3.308	2.558	1.932
	11.268	3.988	0.694	1.180	1.377	2.057	0.998	0.447	0.410	0.562
NORWAY	19.172	-4.372 <sup>2</sup>	1.792 <sup>2</sup>	1.336	1.291	4.412	2.916	2.221	1.484	1.944
	17.940	5.699	0.884	3.572	0.881	3.631	0.816	0.352	0.535	0.706
PAKISTAN	0.250	-0.083	-0.145	-0.041	0.101	-0.035	-0.168	0.027	-0.028	1.982
	0.215	0.175	0.185	0.160	0.087	0.173	0.063	0.239	0.076	1.840
PANAMA	21.397	-19.205	1.493	2.513	2.432	5.353	3.989	3.249	2.406	2.415
	21.640	11.184	0.978	1.048	0.994	1.540	0.854	0.458	0.885	0.651
PARAGUAY	137.674	-21.675 <sup>22</sup>	2.504	4.151	4.128	13.228	10.405	5.854	3.996	4.882
	128.113	14.664	1.905	1.753	2.228	6.382	2.967	2.070	1.472	1.638
PERU	2.990	1.578 <sup>22</sup>	3.047	-0.031	-0.019	-0.994	-0.719	-1.381	-0.290	1.171
	5.324	0.976	2.892	0.126	0.133	0.507	0.144	0.988	0.353	0.731
PHILIPPINES	31.876	6.799 <sup>1</sup>	4.989	0.978	0.696	2.418	0.937	0.717	0.137	-0.593
	20.667	5.916	3.821	0.894	0.752	2.916	0.366	0.365	0.302	1.113
PORTUGAL	42.108	-0.920	-0.723	-0.452	-0.217	6.413	3.034	4.324	2.738	1.053
	39.762	1.152	0.531	0.587	0.372	2.918	1.247	1.112	1.454	2.441
SENEGAL	-0.180	0.140	-0.094	-0.445	-0.031	-0.114	-0.009	0.000	-0.002	0.192
	0.744	2.778	1.358	0.120	0.178	0.596	0.317	0.734	0.399	0.221
SIERRA LEONE	309.171	-80.585	23.582 <sup>2</sup>	39.991	27.331	17.831	12.709	6.759	4.943	2.970
	389.463	79.296	11.766	94.473	19.237	8.741	3.958	2.072	1.223	1.304
SINGAPORE	21.730	2.349	-3.275	0.762	-0.031	-0.610	-0.654	-4.429	0.033	-1.956
	13.180	2.184	3.139	1.466	0.761	0.817	0.222	1.189	0.267	2.448
SPAIN	0.478	-2.250	0.099	-0.111	0.045	-0.130	-0.357	0.098	-0.142	-1.951
	1.509	1.881	3.812	10.574	0.333	0.105	0.173	0.162	2.737	1.623
SRI LANKA	1.009	2.630	5.047	1.317	5.372	-1.160	-1.128	-1.735	-1.045	-0.171
	5.380	2.656	5.115	0.896	1.933	0.448	0.885	0.875	0.158	1.108
SUDAN	4.995	7.979	10.928	7.979	1.347	-1.655	-2.958	-5.070	-2.050	-2.518
	13.319	5.592	10.929	4.825	2.219	0.563	0.798	4.400	0.818	6.930
SWEDEN	21.311	7.582	23.033	3.691 <sup>1</sup>	-0.155 <sup>11</sup>	4.326	0.680	0.572	0.096	-1.347
	27.754	11.890	11.110	2.006	0.314	6.931	0.468	0.806	0.546	1.406
SWITZERLAND	320.091	-31.478 <sup>11</sup>	11.303	8.059 <sup>11</sup>	4.087	13.659	7.592	3.707	2.525	3.402
	297.462	24.902	14.460	3.530	2.371	6.427	2.444	0.948	0.852	1.855
TANZANIA	25.587	-84.548	-9.296 <sup>11</sup>	2.808	13.081	137.358	71.096	61.800	102.226	2519.430
	32.650	26.079	19.878	6.161	4.626	75.073	11.393	40.659	28.357	705.611

THAILAND	21.988	-6.885	-1.145	0.411	2.997	35.193	19.262	25.423	26.293	41.739
	<i>11.647</i>	<i>15.555</i>	<i>5.931</i>	<i>2.057</i>	<i>2.238</i>	<i>7.355</i>	<i>4.536</i>	<i>4.009</i>	<i>3.541</i>	<i>7.952</i>
TUNISIA	45.257	-8.892 <sup>2</sup>	-1.454	1.095 <sup>2</sup>	3.119 <sup>2</sup>	25.990	17.964	19.306	17.774	20.165
	<i>74.240</i>	<i>18.048</i>	<i>3.944</i>	<i>2.630</i>	<i>1.985</i>	<i>11.989</i>	<i>3.867</i>	<i>3.938</i>	<i>3.682</i>	<i>7.236</i>
TURKEY	28.956	1.297	5.761 <sup>2</sup>	3.453 <sup>2</sup>	3.802 <sup>2</sup>	2.686	1.156	0.690	0.195	-1.570
	<i>27.900</i>	<i>2.726</i>	<i>1.433</i>	<i>2.068</i>	<i>1.793</i>	<i>2.973</i>	<i>0.414</i>	<i>0.416</i>	<i>0.331</i>	<i>0.935</i>
U.K.	18.948	-3.532	0.089 <sup>2</sup>	-0.064 <sup>2</sup>	2.769 <sup>22</sup>	5.380	2.858	2.774	1.144	-1.511
	<i>15.912</i>	<i>6.397</i>	<i>0.487</i>	<i>0.346</i>	<i>0.921</i>	<i>1.492</i>	<i>1.020</i>	<i>0.520</i>	<i>0.536</i>	<i>1.553</i>
U.S.A.	17.801	12.806	4.786 <sup>1</sup>	0.485	-0.150 <sup>1</sup>	1.763	-0.281	0.100	-0.113	-3.847
	<i>53.090</i>	<i>7.033</i>	<i>4.476</i>	<i>0.899</i>	<i>0.780</i>	<i>1.715</i>	<i>0.545</i>	<i>0.828</i>	<i>0.610</i>	<i>2.731</i>
UGANDA	766.657	-576.331	8.202 <sup>2</sup>	47.594	11.143 <sup>11</sup>	112.814	74.654	49.636	35.184	31.397
	<i>1104.790</i>	<i>299.865</i>	<i>145.215</i>	<i>68.591</i>	<i>13.339</i>	<i>66.081</i>	<i>24.147</i>	<i>12.110</i>	<i>14.983</i>	<i>8.006</i>
URUGUAY	443.211	-0.613 <sup>11</sup>	7.436	6.750	2.550	11.479	3.689	2.188	0.203	-1.277
	<i>429.691</i>	<i>38.978</i>	<i>3.229</i>	<i>4.860</i>	<i>1.961</i>	<i>13.876</i>	<i>2.186</i>	<i>1.452</i>	<i>0.722</i>	<i>2.855</i>
VENEZUELA	637.738	0.352 <sup>2</sup>	43.354	15.237	10.914	8.087	2.729	2.007	0.472	-7.046
	<i>650.432</i>	<i>45.398</i>	<i>30.943</i>	<i>9.457</i>	<i>5.019</i>	<i>10.411</i>	<i>0.876</i>	<i>1.236</i>	<i>1.490</i>	<i>3.805</i>
ZAIRE	5.166	-0.166	2.643	3.136	7.917	3.502	2.288	1.561	0.982	0.708
	<i>4.868</i>	<i>2.511</i>	<i>3.596</i>	<i>0.970</i>	<i>2.224</i>	<i>1.084</i>	<i>0.320</i>	<i>0.363</i>	<i>0.224</i>	<i>0.308</i>
ZAMBIA	3.274	3.225	4.400	2.168	2.197 <sup>1</sup>	0.573	0.255	0.579	-0.248	0.233
	<i>3.228</i>	<i>0.900</i>	<i>1.130</i>	<i>0.532</i>	<i>0.843</i>	<i>0.368</i>	<i>0.163</i>	<i>0.244</i>	<i>0.264</i>	<i>0.328</i>
ZIMBABWE	2.528	-4.651	-0.411	0.375 <sup>11</sup>	1.262 <sup>1</sup>	12.942	7.693	8.439	11.187	101.301
	<i>3.969</i>	<i>1.662</i>	<i>1.552</i>	<i>0.574</i>	<i>0.452</i>	<i>5.558</i>	<i>2.137</i>	<i>2.643</i>	<i>3.057</i>	<i>21.031</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. OECD status effects and time effects are also included. The median elasticity for each country over the six time periods (1965-1990) is given. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate shows significant evidence of CSS or CSC at the 5% (10%) level, respectively.

**Table B.3c -- Median Elasticity of Substitution Across Time for Each Country (Morishima Elasticity of Substitution)**

Country	$\sigma_{KS1}$	$\sigma_{KS2}$	$\sigma_{KS3}$	$\sigma_{KS4}$	$\sigma_{KS5}$	$\sigma_{KN1}$	$\sigma_{KN2}$	$\sigma_{KN3}$	$\sigma_{KN4}$	$\sigma_{KN5}$
ALGERIA	-6.539 3.811	-5.187 <sup>2</sup> 1.862	-8.425 3.791	-1.169 0.445	-0.377 0.459	2.609 1.932	1.916 1.300	-13.653 7.015	-1.156 2.516	-3.872 20.604
ARGENTINA	-0.772 0.774	-0.062 0.058	0.000 0.149	0.007 0.249	-0.004 0.420	-0.072 0.772	-3.153 2.549	0.001 4.115	-0.167 5.422	-0.015 18.409
AUSTRALIA	-2.997 <sup>22</sup> 2.202	-6.182 <sup>2</sup> 2.889	-6.519 3.307	-0.913 0.437	0.099 0.535	4.206 0.953	4.402 1.111	-20.156 11.533	-0.336 3.504	-6.820 18.580
AUSTRIA	-7.273 <sup>22</sup> 3.811	-4.571 <sup>2</sup> 1.211	-6.331 3.003	-1.312 0.740	-0.028 0.440	1.782 0.689	1.397 1.242	-10.836 5.887	-1.560 2.932	-19.805 29.908
BANGLADESH	-0.213 1.660	0.036 0.224	0.439 0.432	0.582 0.395	-0.030 0.834	1.346 1.234	0.001 0.782	1.522 1.535	0.040 1.272	44.565 143.766
BELGIUM	-1.210 4.301	-3.561 3.603	-3.499 1.749	-2.724 <sup>1</sup> 0.394	-0.035 0.422	1.845 0.691	1.308 0.586	-4.148 3.232	-8.169 2.011	-8.042 14.516
BOLIVIA	-3.616 3.039	-8.351 <sup>2</sup> 3.895	-13.908 6.678	-1.091 0.526	-0.304 0.585	5.370 4.325	5.028 0.973	-15.351 6.883	0.242 3.312	-8.517 17.882
BRAZIL	-1.244 <sup>22</sup> 4.134	-8.727 <sup>2</sup> 3.804	-10.451 4.464	-0.507 1.132	0.995 1.106	9.250 1.976	9.786 1.918	-33.130 24.177	1.522 3.759	-14.649 56.095
CANADA	-2.084 0.583	-4.288 2.620	2.659 2.693	0.587 1.188	-0.520 0.435	-1.389 1.237	-1.316 2.216	18.006 15.001	2.456 1.578	32.657 49.995
CHILE	0.042 3.389	-3.856 1.318	0.014 0.910	-0.455 0.595	-1.141 0.823	0.879 1.816	-0.348 0.833	-0.125 0.851	0.256 0.599	-3.423 82.298
COLOMBIA	-3.866 <sup>22</sup> 3.087	-7.742 <sup>2</sup> 3.912	-16.151 8.666	-1.088 0.493	0.074 0.541	4.312 0.919	3.620 0.736	-7.846 4.697	0.103 2.361	-22.117 57.983
COSTA RICA	-2.561 1.585	-3.146 1.213	-3.138 1.320	-2.142 0.349	0.197 0.985	-0.106 1.690	-0.021 1.183	-10.922 6.805	-5.865 2.642	-34.646 57.594
CYPRUS	-1.586 <sup>22</sup> 1.082	1.978 2.356	2.316 1.903	0.127 0.761	1.361 1.321	1.671 0.793	0.260 0.550	-0.112 0.576	0.034 1.102	-7.037 45.928
DENMARK	-5.577 4.617	-5.713 <sup>2</sup> 1.827	-4.485 2.554	-0.817 0.386	0.700 0.570	2.964 1.869	3.475 0.855	-13.984 9.148	-0.370 3.162	-1.822 6.569
ECUADOR	-0.765 1.818	-5.274 <sup>2</sup> 2.460	-3.624 1.507	-0.956 0.382	0.028 0.437	2.670 2.938	1.896 0.595	-1.656 2.058	-2.320 1.237	-4.160 9.535
EL SALVADOR	15.538 23.786	-3.839 1.221	-0.004 1.438	-0.187 0.473	-0.510 0.494	1.129 3.101	-1.386 0.834	0.001 0.578	0.579 0.672	-2.078 0.887
FINLAND	-0.383 0.114	0.012 <sup>11</sup> 0.521	-0.233 0.308	-0.038 0.748	-0.387 0.790	0.000 0.700	-2.662 0.911	0.183 0.865	0.049 1.060	-12.011 35.486
FRANCE	-5.326 4.066	-4.158 7.085	3.164 3.088	0.276 0.160	-0.479 1.467	0.132 0.731	0.635 0.610	0.031 0.175	-0.020 0.102	0.108 1.494
GERMANY, WEST	-2.453 2.682	-5.712 <sup>2</sup> 2.501	-9.075 6.046	-0.492 0.465	1.484 0.775	3.778 2.986	3.599 0.363	-3.097 2.944	0.118 0.553	0.522 0.715
GHANA	-2.680 3.792	-12.946 <sup>2</sup> 7.245	-6.523 <sup>22</sup> 2.918	-0.346 0.409	1.089 0.663	3.877 2.691	2.889 0.350	0.668 1.117	0.266 0.272	0.570 0.737

GREECE	4.480	0.981	-6.703 <sup>2</sup>	-0.300	0.137	1.382	0.963	-0.124	-0.021	-0.011
	1.480	1.866	1.474	0.029	0.188	0.573	0.613	0.091	0.467	0.151
GUATEMALA	1.010	-0.050	1.930	0.120	0.256	-0.878	0.093	-0.191	1.525	2.161
	1.085	1.299	2.545	0.422	0.251	0.649	0.622	0.411	0.885	1.369
HAITI	0.102	0.001	-0.142	-0.117	-0.048	0.093	-0.059	-0.628	-1.253	-4.766
	0.301	0.127	0.157	0.154	0.210	1.622	0.092	0.943	0.570	7.517
HONDURAS	-1.706	0.461	-1.753 <sup>2</sup>	-1.481 <sup>22</sup>	-1.326	4.281	6.673	5.116	3.650	6.689
	2.775	4.630	0.733	0.418	0.719	1.948	1.894	1.757	2.260	5.713
ICELAND	-1.921 <sup>22</sup>	-3.834	-0.430 <sup>2</sup>	-0.303	0.194	2.012	1.947	1.543	0.574	2.548
	1.050	5.526	0.396	0.282	1.812	0.642	0.473	0.598	0.433	0.762
INDIA	0.283	-2.716	-0.060 <sup>2</sup>	-0.030	0.387	0.688	0.259	0.935	0.158	-2.413
	1.026	1.673	0.234	0.207	0.418	0.495	0.633	0.227	1.335	11.299
INDONESIA	-3.003	-3.891 <sup>2</sup>	-1.715	-0.328	1.618	2.537	2.134	1.517	0.525	1.595
	2.916	2.567	1.677	0.411	3.648	0.997	0.464	0.380	0.310	0.475
IRAN	-3.597 <sup>22</sup>	3.575	-3.207 <sup>2</sup>	-1.362 <sup>22</sup>	-0.824 <sup>2</sup>	5.528	6.802	4.303	2.816	7.924
	2.929	11.752	1.427	1.121	0.641	2.372	1.684	1.182	1.283	2.753
IRAQ	-29.397	6.479	-3.447 <sup>2</sup>	-2.115	-2.298	6.816	7.410	4.893	3.245	3.116
	21.834	21.343	1.615	2.133	1.192	2.530	1.790	1.364	1.739	3.193
IRELAND	-39.534	24.114	-6.182 <sup>2</sup>	-2.727	-1.030 <sup>2</sup>	7.717	9.667	5.099	3.536	24.486
	35.136	65.260	3.233	2.040	0.777	2.682	2.335	1.646	1.947	9.678
ISRAEL	-25.334	20.830	-10.544 <sup>2</sup>	-5.314	0.088 <sup>22</sup>	32.019	22.753	11.789	14.252	17.010
	19.002	65.401	6.331	7.903	1.768	20.206	5.646	3.054	8.924	7.611
ITALY	-0.001	-2.553 <sup>2</sup>	-0.907 <sup>2</sup>	-0.465	-0.228	2.232	2.692	1.476	0.891	3.453
	0.975	1.146	0.440	0.307	0.485	2.718	0.558	0.475	0.613	5.327
JAMAICA	-20.153	7.186	-6.223 <sup>2</sup>	-3.972	-1.663 <sup>2</sup>	12.181	14.914	7.157	6.428	11.718
	15.618	25.723	3.169	4.924	1.304	3.981	2.746	2.603	2.774	3.370
JAPAN	0.115	-1.613 <sup>2</sup>	-0.549 <sup>22</sup>	-0.111	-0.346	1.731	1.931	0.877	0.427	0.965
	0.792	0.866	0.431	0.268	0.274	0.702	0.557	0.395	0.559	0.733
JORDAN	-2.014 <sup>2</sup>	0.093	-0.185	-0.796	0.385	-0.380	-0.106	-0.045	-0.009	-0.724
	0.554	0.173	0.202	1.642	0.574	0.387	0.122	0.090	0.213	0.529
KENYA	-74.825	40.763	-19.380	1.767	3.033	42.885	39.577	16.745	17.507	14.490
	60.008	73.469	14.681	9.603	3.433	31.323	11.172	4.908	15.341	4.781
KOREA, REP.	-2.772	-1.518 <sup>2</sup>	-0.576	0.029	0.236	3.247	1.517	0.927	0.342	1.298
	2.471	0.906	0.429	0.310	0.438	2.532	0.387	0.332	0.445	0.539
MALAWI	-83.571	18.583	-10.711 <sup>22</sup>	-4.772	-3.110 <sup>22</sup>	25.173	17.003	11.165	9.724	8.529
	70.600	57.091	5.565	10.281	2.773	6.871	3.029	3.114	4.044	4.085
MALAYSIA	-0.661	-0.993	-0.070	0.078	0.223	1.255	0.596	0.564	0.300	1.109
	2.997	1.714	0.164	0.168	0.355	0.610	0.372	0.313	0.151	0.614
MALI	-74.687	37.296	-15.556 <sup>2</sup>	-4.807	-0.863 <sup>22</sup>	17.982	14.593	6.521	6.066	5.729
	66.063	91.962	8.921	5.751	1.301	12.115	3.322	1.645	4.228	2.365
MAURITIUS	-32.207	-3.987	-5.170 <sup>2</sup>	-1.235	-0.555	8.233	5.593	2.816	2.608	2.367
	31.302	22.662	3.145	3.067	0.953	2.132	1.068	0.673	1.035	1.055

MEXICO	-32.867	-56.339	-8.966	1.505	0.530	27.258	19.538	7.133	4.958	4.912
	33.950	65.751	8.106	4.290	1.787	21.172	5.062	2.098	3.054	1.965
MOZAMBIQUE	-5.922	-4.094 <sup>22</sup>	-1.757 <sup>2</sup>	-0.664	-0.069	3.862	3.756	2.102	1.751	1.842
	11.361	3.927	0.858	0.984	0.613	1.169	0.675	0.573	0.761	1.163
MYANMAR	-6.503 <sup>22</sup>	1.363	-2.908 <sup>2</sup>	-0.805	-0.663	6.336	6.715	3.061	2.563	1.751
	5.659	7.781	1.451	1.404	0.642	1.846	1.688	0.845	1.924	1.270
NETHERLANDS	-43.357	21.525	-7.964 <sup>2</sup>	-2.604	0.470	19.220	11.630	7.548	9.657	20.111
	36.488	20.853	5.508	6.743	1.644	12.813	2.425	1.975	3.134	10.439
NEW ZEALAND	-42.688	-0.935	-4.186 <sup>2</sup>	-2.067	-0.864	7.473	5.046	2.786	2.546	2.380
	40.633	12.189	2.493	6.253	1.290	1.993	0.928	0.694	1.046	1.088
NORWAY	-21.828	-12.572 <sup>2</sup>	-5.872 <sup>22</sup>	-0.652	-0.236	5.027	3.971	1.984	1.330	2.100
	22.696	6.966	3.983	1.029	0.380	1.324	0.735	0.412	0.498	1.392
PAKISTAN	-0.088	0.000	0.004	-0.257	-0.093	-0.124	0.001	-0.126	-0.035	-0.397
	0.253	0.008	0.059	0.155	0.161	0.837	0.051	0.162	0.052	3.885
PANAMA	-30.749	-3.576	-4.538 <sup>22</sup>	-2.388 <sup>2</sup>	-0.812	4.744	5.386	2.646	2.087	1.567
	30.034	24.498	3.491	1.409	0.784	1.443	1.156	0.650	0.676	1.243
PARAGUAY	-116.726	-32.591	-9.787	4.496	-2.059	44.333	28.425	14.187	17.986	17.747
	142.677	56.601	13.485	8.646	17.674	36.067	9.968	4.827	7.420	9.047
PERU	1.113	-1.183	-0.341	-0.122	-0.087	-0.764	-1.047	-3.410	-0.226	-0.567
	1.996	1.021	1.057	0.390	0.107	0.575	0.754	2.040	0.363	1.446
PHILIPPINES	15.262	-3.341	0.272	-0.188	-0.039	4.333	0.961	0.893	0.028	-0.933
	14.365	3.838	0.389	1.327	0.213	1.801	0.219	0.378	0.060	1.339
PORTUGAL	-3.721	-2.644 <sup>2</sup>	-2.306	-1.386	-0.003	16.627	3.907	-0.974	-9.315	-3.357
	22.611	1.644	2.693	3.907	2.488	7.529	1.459	0.983	3.066	6.687
SENEGAL	-0.119	0.386	0.004	0.000	-0.032	0.047	-0.075	-0.006	0.029	0.087
	1.492	4.640	3.628	0.192	0.143	1.949	1.666	3.229	0.499	0.144
SIERRA LEONE	-340.953	-194.253 <sup>2</sup>	-85.019	4.051	-1.477	69.529	55.432	25.610	29.556	26.011
	355.182	101.905	81.074	12.003	39.074	58.367	19.980	7.852	17.333	14.243
SINGAPORE	11.614	0.353 <sup>1</sup>	-0.215 <sup>1</sup>	-1.090	-2.439	-1.706	-0.978	-30.468	-0.003	-6.573
	13.929	0.386	0.577	1.173	5.870	3.627	0.227	9.855	0.738	8.386
SPAIN	-0.065	0.803	-2.097 <sup>1</sup>	-13.740	-3.663	-0.021	-0.112	-7.621	0.015	-0.592
	0.283	0.638	0.276	1.859	0.702	0.039	0.499	0.226	114.577	2.498
SRI LANKA	3.789	-1.251	-3.145	1.971 <sup>11</sup>	0.693	-1.171	-5.084	-13.999	-6.741	1.315
	3.963	2.443	2.088	1.446	1.014	0.695	5.900	42.503	3.717	2.254
SUDAN	11.314 <sup>1</sup>	-13.498	3.523	27.359	-14.970	-2.203	-20.575	-102.850	-64.403	-23.648
	5.122	8.141	2.828	15.278	19.620	0.877	9.398	94.847	208.714	54.254
SWEDEN	20.505	-0.732	0.301	-6.532	-0.153	16.769	1.141	2.902	-0.160	-3.119
	12.328	2.257	4.298	11.523	0.569	25.084	1.166	3.023	1.073	2.920
SWITZERLAND	-525.715	-72.068 <sup>2</sup>	-18.968	2.940	5.635	31.121	21.978	8.463	7.978	5.395
	432.270	40.275	16.305	3.358	5.271	25.859	7.167	2.446	3.681	6.007
TANZANIA	-17.666	-144.784 <sup>2</sup>	-243.118	-9.101	11.194	63.704	61.846	-123.239	14.125	36.505
	70.186	45.833	126.896	8.548	11.495	17.243	12.497	114.787	26.927	268.051

THAILAND	-38.998 <sup>22</sup>	9.785	-11.967 <sup>2</sup>	-5.402	-3.552 <sup>2</sup>	20.490	24.078	14.649	9.618	20.155
	<i>26.890</i>	<i>38.980</i>	<i>5.981</i>	<i>4.795</i>	<i>2.633</i>	<i>7.915</i>	<i>5.940</i>	<i>5.902</i>	<i>6.463</i>	<i>7.008</i>
TUNISIA	-112.283	22.295	-12.215 <sup>2</sup>	-6.105	-1.331 <sup>22</sup>	30.491	28.437	14.744	10.149	20.705
	<i>96.400</i>	<i>73.952</i>	<i>7.137</i>	<i>7.636</i>	<i>2.005</i>	<i>8.064</i>	<i>8.960</i>	<i>6.017</i>	<i>6.811</i>	<i>10.009</i>
TURKEY	11.814	-2.383	-0.032	0.432	0.805	5.979	0.965	0.951	0.068	-1.889
	<i>14.297</i>	<i>2.655</i>	<i>0.849</i>	<i>0.992</i>	<i>0.893</i>	<i>5.014</i>	<i>0.233</i>	<i>0.350</i>	<i>0.126</i>	<i>2.251</i>
U.K.	-10.521	-10.805 <sup>22</sup>	-1.118	-1.380	-0.098	13.829	7.282	1.400	-0.008	-1.344
	<i>13.444</i>	<i>8.552</i>	<i>2.120</i>	<i>3.072</i>	<i>1.615</i>	<i>5.985</i>	<i>2.178</i>	<i>1.475</i>	<i>0.800</i>	<i>2.078</i>
U.S.A.	-27.013	2.152	1.181	-3.278	-6.264	6.889	-0.244	0.790	-0.349	-20.850
	<i>56.883</i>	<i>3.675</i>	<i>4.229</i>	<i>15.428</i>	<i>7.140</i>	<i>7.694</i>	<i>0.984</i>	<i>3.882</i>	<i>3.552</i>	<i>13.858</i>
UGANDA	-157.208	754.908	-211.970	130.547	73.814	1908.812	1747.099	806.774	554.763	720.693
	<i>672.221</i>	<i>715.637</i>	<i>424.515</i>	<i>198.426</i>	<i>436.346</i>	<i>1738.433</i>	<i>1124.479</i>	<i>428.707</i>	<i>557.653</i>	<i>219.461</i>
URUGUAY	34.723	-30.047	1.124	-17.042	-0.948	95.543	18.349	6.458	0.432	-3.111
	<i>740.439</i>	<i>23.658</i>	<i>5.453</i>	<i>21.529</i>	<i>2.421</i>	<i>118.045</i>	<i>6.380</i>	<i>5.610</i>	<i>2.309</i>	<i>9.185</i>
VENEZUELA	184.195	-50.428	3.354	-39.692	-15.318	54.558	10.496	10.301	0.187	-18.732
	<i>591.190</i>	<i>44.397</i>	<i>12.763</i>	<i>27.189</i>	<i>17.720</i>	<i>69.518</i>	<i>5.519</i>	<i>8.652</i>	<i>4.747</i>	<i>29.536</i>
ZAIRE	-5.177	-5.230 <sup>2</sup>	-1.651 <sup>2</sup>	-0.541	1.276	3.347	2.550	1.514	0.678	1.884
	<i>13.109</i>	<i>2.944</i>	<i>1.034</i>	<i>0.544</i>	<i>4.773</i>	<i>0.988</i>	<i>0.523</i>	<i>0.377</i>	<i>0.332</i>	<i>0.522</i>
ZAMBIA	5.101	-1.729	0.632	0.831	2.483	1.028	0.334	1.039	-1.053	0.985
	<i>6.156</i>	<i>3.578</i>	<i>0.939</i>	<i>1.021</i>	<i>1.397</i>	<i>0.484</i>	<i>0.344</i>	<i>0.304</i>	<i>0.645</i>	<i>0.568</i>
ZIMBABWE	-3.105	-12.788 <sup>2</sup>	-17.830	-0.801	1.449	7.830	7.470	-16.143	1.496	3.288
	<i>4.660</i>	<i>5.392</i>	<i>9.353</i>	<i>1.010</i>	<i>1.249</i>	<i>5.767</i>	<i>1.248</i>	<i>11.916</i>	<i>2.135</i>	<i>15.911</i>

NOTES: In the regression function used to estimate each of these elasticities, the dependent and independent variables are in levels. OECD status effects and time effects are also included. The median elasticity for each country over the six time periods (1965-1990) is given. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate shows significant evidence of CSS or CSC at the 5% (10%) level, respectively.

**Table B.4 -- Median Elasticity of Substitution Across Countries for Each Time Period (Using Each Elasticity of Substitution Measure)**

Year	$\sigma_{KS1}$	$\sigma_{KS2}$	$\sigma_{KS3}$	$\sigma_{KS4}$	$\sigma_{KS5}$	$\sigma_{KN1}$	$\sigma_{KN2}$	$\sigma_{KN3}$	$\sigma_{KN4}$	$\sigma_{KN5}$
Direct Elasticity of Substitution										
1965	-4.223 <sup>2</sup> <i>2.342</i>	1.944 <i>0.728</i>	-1.359 <sup>2</sup> <i>1.244</i>	-0.774 <i>1.376</i>	0.009 <sup>2</sup> <i>0.278</i>	4.824 <i>1.711</i>	2.830 <i>0.260</i>	2.948 <i>0.710</i>	5.319 <i>4.311</i>	15.756 <i>7.571</i>
1970	0.332 <sup>22</sup> <i>0.165</i>	10.316 <i>14.329</i>	-0.430 <i>5.542</i>	-0.772 <i>0.677</i>	-1.330 <sup>2</sup> <i>1.003</i>	4.421 <i>2.105</i>	2.357 <i>0.230</i>	2.116 <i>0.329</i>	5.493 <i>10.766</i>	4.961 <i>1.636</i>
1975	-17.446 <i>18.104</i>	1.397 <i>2.353</i>	-0.349 <sup>2</sup> <i>0.809</i>	-0.989 <sup>2</sup> <i>0.259</i>	-0.615 <sup>2</sup> <i>2.211</i>	2.439 <i>0.318</i>	2.071 <i>0.165</i>	1.811 <i>0.205</i>	3.090 <i>1.482</i>	5.125 <i>0.265</i>
1980	5.211 <i>4.668</i>	-1.712 <sup>2</sup> <i>1.259</i>	-1.861 <sup>2</sup> <i>0.888</i>	-0.117 <sup>22</sup> <i>0.792</i>	1.966 <i>2.827</i>	3.648 <i>1.168</i>	2.127 <i>0.240</i>	2.060 <i>0.740</i>	2.086 <i>0.428</i>	23.464 <i>21.647</i>
1985	-9.264 <i>7.491</i>	-7.689 <sup>2</sup> <i>1.643</i>	-0.974 <sup>2</sup> <i>0.573</i>	-1.085 <i>0.636</i>	0.241 <i>0.177</i>	-0.067 <i>0.074</i>	2.402 <i>0.301</i>	2.166 <i>0.651</i>	3.274 <i>6.705</i>	-0.514 <i>0.434</i>
1990	2.063 <i>2.811</i>	-2.487 <i>2.997</i>	-2.352 <sup>2</sup> <i>1.520</i>	-0.002 <i>0.247</i>	1.458 <i>0.985</i>	-2.785 <i>5.391</i>	2.041 <i>1.201</i>	1.883 <i>0.305</i>	0.004 <i>11.768</i>	0.977 <i>2.532</i>
Allen-Uzawa Elasticity of Substitution										
1965	7.329 <i>3.491</i>	5.926 <i>4.850</i>	0.109 <i>0.665</i>	1.355 <i>0.773</i>	3.137 <i>1.468</i>	2.653 <i>0.607</i>	3.226 <i>0.538</i>	2.359 <i>1.147</i>	2.589 <i>1.159</i>	5.669 <i>1.901</i>
1970	10.515 <i>5.230</i>	8.535 <i>1.679</i>	0.648 <i>0.636</i>	1.054 <i>2.050</i>	0.874 <i>0.297</i>	3.871 <i>2.030</i>	3.492 <i>1.517</i>	2.018 <i>1.662</i>	2.613 <i>0.385</i>	4.393 <i>2.984</i>
1975	-3.337 <sup>2</sup> <i>0.905</i>	4.231 <i>2.039</i>	1.156 <i>0.311</i>	0.401 <sup>2</sup> <i>0.215</i>	1.131 <i>0.380</i>	3.706 <i>2.494</i>	2.306 <i>0.498</i>	2.227 <i>0.837</i>	2.269 <i>0.575</i>	2.806 <i>0.666</i>
1980	4.370 <i>4.853</i>	-1.429 <sup>2</sup> <i>0.223</i>	0.037 <sup>2</sup> <i>0.143</i>	-0.105 <sup>22</sup> <i>0.190</i>	-0.029 <sup>2</sup> <i>0.260</i>	3.721 <i>2.494</i>	2.387 <i>0.551</i>	3.106 <i>0.748</i>	2.436 <i>1.221</i>	16.142 <i>5.497</i>
1985	4.323 <i>3.016</i>	-0.984 <sup>2</sup> <i>0.901</i>	0.649 <sup>22</sup> <i>0.636</i>	0.402 <i>0.460</i>	-0.055 <sup>22</sup> <i>0.107</i>	6.706 <i>0.360</i>	3.278 <i>0.286</i>	2.529 <i>0.472</i>	2.396 <i>0.885</i>	3.381 <i>1.855</i>
1990	1.279 <i>3.621</i>	-1.446 <sup>2</sup> <i>0.819</i>	1.157 <i>0.311</i>	0.955 <i>0.895</i>	1.724 <i>0.640</i>	-3.581 <i>2.936</i>	3.007 <i>0.515</i>	2.181 <i>1.452</i>	2.096 <i>3.889</i>	1.256 <i>6.355</i>
Morishima Elasticity of Substitution										
1965	-2.404 <i>2.244</i>	0.370 <sup>2</sup> <i>0.386</i>	-7.183 <sup>2</sup> <i>1.637</i>	-0.487 <i>0.816</i>	-0.006 <i>0.420</i>	4.063 <i>2.321</i>	4.939 <i>1.019</i>	2.798 <i>0.694</i>	1.936 <i>1.943</i>	3.137 <i>3.193</i>
1970	-0.103 <sup>2</sup> <i>0.253</i>	4.025 <i>2.509</i>	-4.551 <sup>22</sup> <i>3.146</i>	-0.366 <i>0.364</i>	-0.578 <sup>2</sup> <i>0.347</i>	7.638 <i>2.682</i>	3.863 <i>0.761</i>	1.872 <i>0.419</i>	1.569 <i>1.477</i>	1.789 <i>0.685</i>
1975	-19.400 <i>15.618</i>	1.012 <i>0.885</i>	-2.554 <sup>2</sup> <i>1.165</i>	-0.953 <i>0.382</i>	-0.370 <i>0.459</i>	2.322 <i>0.844</i>	2.823 <i>0.629</i>	0.966 <i>0.592</i>	0.191 <i>4.747</i>	0.956 <i>0.733</i>
1980	8.758 <i>49.878</i>	-1.484 <sup>2</sup> <i>0.906</i>	-3.597 <sup>2</sup> <i>1.465</i>	-1.185 <i>0.528</i>	1.820 <i>0.717</i>	6.098 <i>1.552</i>	3.416 <i>0.663</i>	1.438 <i>0.422</i>	0.586 <i>0.672</i>	4.639 <i>1.856</i>
1985	0.846 <i>0.702</i>	-5.445 <sup>2</sup> <i>2.728</i>	-0.846 <i>0.870</i>	0.011 <i>0.141</i>	0.353 <i>0.115</i>	4.224 <i>1.581</i>	2.350 <i>0.319</i>	0.911 <i>0.332</i>	0.322 <i>0.985</i>	-1.207 <i>1.262</i>
1990	2.686 <i>2.345</i>	-3.070 <sup>2</sup> <i>0.824</i>	0.764 <i>1.419</i>	1.549 <i>4.170</i>	2.144 <i>4.314</i>	-3.353 <i>4.514</i>	4.078 <i>1.206</i>	1.509 <i>0.377</i>	0.271 <i>0.272</i>	0.543 <i>0.716</i>

NOTES: In the regression function used to estimate each of these elasticities the dependent and independent variables are in levels. OECD status effects and time effects are also included. The median coefficient for each year over all countries is given. S1-S5 and N1-N5 refer to the different categories for skilled and unskilled labor, respectively. LSCV used for bandwidth selection. Standard errors are listed in italics beneath each estimate. The superscript numbers 1 (11) and 2 (22) correspond to where the estimate exhibits significant evidence of CSS or CSC at the 5% (10%) level, respectively.