

**Table 1. Determinants of FDI Inflows: Property, Plant, & Equipment (1977 - 1994).**

	Independent Variable									
	Relative Abatement Costs	Market Proximity	Population	Unemp. Rate	Union. Rate	Average Wages	Total Road Mileage	Land Value	Energy Prices	Tax Effort
<i>I. Chemical Sector</i>										
Mean	-0.068 (0.142)	1.373 (0.227)	0.039 (0.236)	0.093 (0.019)	-0.052 (0.012)	0.770 (0.263)	-0.226 (0.122)	0.185 (0.104)	-0.531 (0.321)	-1.101 (0.286)
Q1	-0.322 (0.141)	0.951 (0.203)	-0.572 (0.188)	0.055 (0.019)	-0.099 (0.011)	-0.224 (0.222)	-0.626 (0.227)	-0.074 (0.131)	-0.879 (0.227)	-1.798 (0.491)
Q2	-0.105 (0.158)	1.310 (0.226)	-0.046 (0.237)	0.097 (0.017)	-0.074 (0.017)	0.606 (0.25)	-0.363 (0.123)	0.265 (0.118)	-0.626 (0.194)	-1.225 (0.244)
Q3	0.250 (0.218)	1.698 (0.206)	0.927 (0.266)	0.130 (0.021)	-0.041 (0.01)	1.302 (0.328)	0.192 (0.169)	0.474 (0.148)	0.086 (0.261)	-0.566 (0.441)
KL	-0.198 (0.092)	1.601 (0.472)	-0.673 (0.603)	0.036 (0.019)	-0.113 (0.014)	-1.131 (0.715)	-0.768 (0.423)	-0.422 (0.141)	-0.0003 (0.212)	-0.114 (0.341)
<i>II. Total Manufacturing</i>										
Mean	0.251 (0.108)	0.902 (0.113)	0.330 (0.141)	0.047 (0.017)	-0.045 (0.006)	1.843 (0.199)	-0.359 (0.093)	-0.123 (0.086)	-0.190 (0.121)	-0.243 (0.281)
Q1	0.079 (0.113)	0.648 (0.061)	0.098 (0.131)	0.020 (0.013)	-0.053 (0.006)	1.463 (0.183)	-0.530 (0.069)	-0.285 (0.066)	-0.513 (0.172)	-0.600 (0.242)
Q2	0.257 (0.104)	0.912 (0.111)	0.339 (0.106)	0.054 (0.017)	-0.043 (0.006)	1.866 (0.174)	-0.299 (0.065)	-0.082 (0.064)	-0.200 (0.123)	-0.229 (0.256)
Q3	0.452 (0.084)	1.085 (0.121)	0.649 (0.121)	0.078 (0.017)	-0.033 (0.006)	2.184 (0.159)	-0.183 (0.082)	0.008 (0.069)	0.107 (0.149)	0.139 (0.215)
KL	-0.079 (0.046)	0.150 (0.210)	0.473 (0.300)	-0.003 (0.010)	-0.024 (0.008)	-0.743 (0.346)	-0.102 (0.205)	-0.144 (0.078)	0.160 (0.105)	-0.353 (0.170)

NOTES: Dependent variable and all independent variables except unemployment rate and unionization rate are in logs. State and time fixed effects also included. 1987 is omitted due to lack of abatement data for that year. Q1, Q2, and Q3 refer to first, second, and third quartile, respectively. AICc used for bandwidth selection. KL corresponds to parametric results from Keller and Levinson (2002). Standard errors in parentheses.

**Table 2. Determinants of FDI Inflows: Employment (1977 - 1991).**

	Independent Variable									
	Relative Abatement Costs	Market Proximity	Population	Unemp. Rate	Union. Rate	Average Wages	Total Road Mileage	Land Value	Energy Prices	Tax Effort
<i>I. Chemical Sector</i>										
Mean	-0.148 (0.105)	0.744 (0.116)	0.541 (0.158)	0.072 (0.024)	-0.023 (0.005)	0.075 (0.214)	-0.068 (0.082)	0.174 (0.059)	-0.337 (0.176)	-0.295 (0.216)
Q1	-0.300 (0.206)	0.587 (0.115)	0.348 (0.151)	0.045 (0.019)	-0.034 (0.005)	-0.172 (0.182)	-0.168 (0.071)	0.096 (0.073)	-0.550 (0.116)	-0.603 (0.252)
Q2	-0.134 (0.107)	0.774 (0.119)	0.547 (0.161)	0.065 (0.022)	-0.022 (0.005)	0.053 (0.147)	-0.043 (0.095)	0.168 (0.067)	-0.293 (0.166)	-0.249 (0.233)
Q3	0.040 (0.154)	0.883 (0.147)	0.742 (0.148)	0.094 (0.021)	-0.012 (0.008)	0.405 (0.189)	0.042 (0.097)	0.257 (0.083)	-0.076 (0.149)	-0.005 (0.285)
KL	-0.397 (0.072)	1.101 (0.367)	-1.181 (0.489)	0.057 (0.015)	-0.028 (0.011)	0.600 (0.543)	-1.072 (0.290)	-0.223 (0.112)	-0.053 (0.153)	0.134 (0.266)
<i>II. Total Manufacturing</i>										
Mean	0.118 (0.069)	0.683 (0.054)	0.529 (0.092)	-0.001 (0.016)	-0.014 (0.003)	0.291 (0.127)	-0.168 (0.056)	0.159 (0.052)	0.058 (0.086)	-0.061 (0.185)
Q1	0.014 (0.089)	0.582 (0.061)	0.301 (0.068)	-0.025 (0.015)	-0.018 (0.006)	-0.154 (0.147)	-0.317 (0.065)	0.084 (0.061)	-0.154 (0.067)	-0.246 (0.179)
Q2	0.102 (0.072)	0.726 (0.073)	0.458 (0.081)	-0.003 (0.016)	-0.013 (0.005)	0.223 (0.158)	-0.117 (0.053)	0.183 (0.044)	0.040 (0.084)	-0.012 (0.154)
Q3	0.221 (0.085)	0.853 (0.082)	0.621 (0.118)	0.020 (0.011)	-0.006 (0.004)	0.666 (0.183)	0.063 (0.054)	0.261 (0.056)	0.197 (0.054)	0.250 (0.153)
KL	-0.013 (0.041)	0.342 (0.191)	-0.040 (0.273)	-0.002 (0.009)	0.007 (0.007)	-0.842 (0.314)	-0.097 (0.185)	-0.163 (0.071)	-0.093 (0.095)	-0.001 (0.154)

NOTES: See Table 1.