

TABLE 3: Conditional Convergence in the Augmented Solow Model
Single cross section and panel methods: Dependent variable is $\ln y_t - \ln y_0$

Sample:	AFRICA				OECD			
	CROSS	POOLED	FIXED	GMM	CROSS	POOLED	FIXED	GMM
<i>Unrestricted</i>								
Constant	2.7711 (2.2275)	1.0998 *** (0.2675)		-0.0228 (0.0184)	4.5356 *** (1.1306)	1.1947 *** (0.1865)		0.0431 *** (0.0041)
$\ln(y_0)$	-0.3826 ** (0.1339)	-0.0399 * (0.0221)	-0.3458 *** (0.0443)	-0.2734 *** (0.0681)	-0.5121 *** (0.0535)	-0.0928 *** (0.0172)	-0.2352 *** (0.0362)	-0.5374 *** (0.0176)
$\ln(s)$	0.2979 ** (0.1004)	0.0739 *** (0.0142)	0.1464 *** (0.0261)	0.4540 *** (0.0598)	0.4466 ** (0.1843)	0.1188 *** (0.0307)	0.0993 * (0.0499)	0.2987 *** (0.0205)
$\ln(n+g+\delta)$	-0.5293 (0.9831)	-0.4368 *** (0.1065)	-0.4649 *** (0.1228)	-0.3601 *** (0.1077)	-0.6657 * (0.3535)	-0.2065 *** (0.0573)	-0.2133 ** (0.0830)	-0.0798 *** (0.0088)
$\ln(h)$	0.3327 *** (0.1020)	-0.0027 (0.0134)	0.0162 (0.0146)	0.0106 (0.0487)	0.1722 (0.1037)	-0.0463 * (0.0236)	0.0271 (0.0370)	0.1286 *** (0.0140)
R ² adjusted	0.43	0.13	0.40		0.83	0.47	0.61	
Implied λ	0.0161 ** (0.0072)	0.0068 * (0.0038)	0.0707 *** (0.0113)	0.0532 *** (0.0156)	0.0239 *** (0.0037)	0.0162 *** (0.0032)	0.0447 *** (0.0079)	0.1285 *** (0.0064)
<i>Restricted</i>								
Constant	2.9818 *** (0.9517)	0.3632 ** (0.1724)		-0.0169 (0.0151)	4.4299 (0.4981)	0.9679 *** (0.1443)		0.0309 *** (0.0028)
$\ln(y_0)$	-0.3830 ** (0.1318)	-0.0411 * (0.0226)	-0.3669 *** (0.0440)	-0.2597 *** (0.0677)	-0.5123 *** (0.0520)	-0.1022 *** (0.0166)	-0.2449 *** (0.0346)	-0.4081 *** (0.0129)
$\ln(s) - \ln(n+g+\delta)$	0.3006 *** (0.0954)	0.0696 *** (0.0145)	0.1599 *** (0.0258)	0.4489 *** (0.0593)	0.4551 ** (0.1607)	0.1315 *** (0.0303)	0.1088 ** (0.0488)	0.2066 *** (0.0169)
$\ln(h) - \ln(n+g+\delta)$	0.3312 *** (0.0995)	-0.0034 (0.0138)	0.0110 (0.0147)	-0.0040 (0.0422)	0.1771 * (0.0899)	-0.0202 (0.0193)	0.0450 (0.0315)	0.0533 *** (0.0108)
R ² adjusted	0.45	0.08	0.39		0.84	0.46	0.61	
Implied α	0.2962 *** (0.0527)	0.6487 *** (0.0501)	0.2974 *** (0.0334)	0.6371 *** (0.0308)	0.3976 *** (0.0744)	0.6158 *** (0.0620)	0.2728 *** (0.0848)	0.3094 *** (0.0168)
Implied β	0.3264 *** (0.0526)	-0.0314 (0.1400)	0.0205 (0.0265)	-0.0056 (0.0608)	0.1548 * (0.0584)	-0.0943 (0.1125)	0.1128 (0.0668)	0.0797 *** (0.0143)
Implied λ	0.0161 ** (0.0071)	0.0070 * (0.0039)	0.0762 *** (0.0116)	0.0501 *** (0.0153)	0.0239 *** (0.0036)	0.0180 *** (0.0031)	0.0468 *** (0.0076)	0.0874 *** (0.0036)
N	37	234	234	188	22	119	119	96
Wald test for restriction:								
p-value	0.92	0.00	0.01	0.39	0.92	0.06	0.36	0.00

Notes:

Three asterisks, two asterisks, and one asterisk denote statistical significance at the 0.01, 0.05, and 0.10 levels, respectively, with standard errors in parentheses; for the convergence rate (λ), and the physical and human capital shares (α and β), the standard errors are estimated using the Delta Method. For the estimation methods: CROSS is the single cross-section, POOLED is the pooled regression, FIXED is the least squares dummy variable with fixed effects, and GMM is the generalized method of moments.