

Factor Intensity, Product Switching, and Productivity: Evidence from Chinese Exporters

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Exporters are less capital-intensive in China

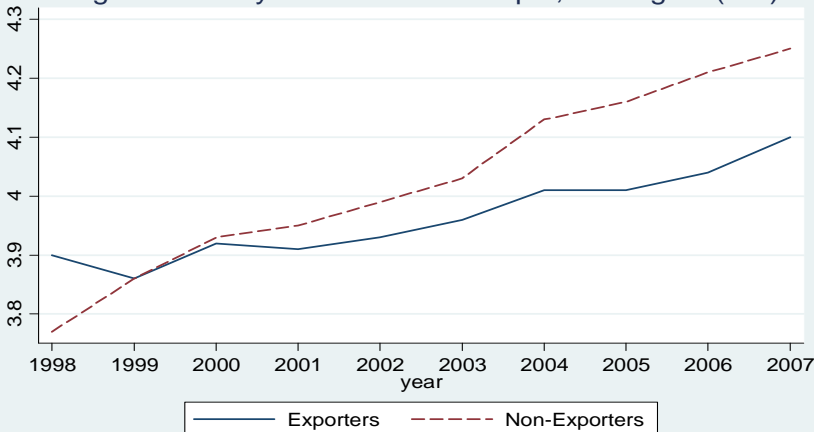
- Superior performance of exporters: larger, more capital-intensive, more skill-intensive, adopt better technology.

Exporters are less capital-intensive in China

- Superior performance of exporters: larger, more capital-intensive, more skill-intensive, adopt better technology.
- We find that in China, a large labor-abundant country, exporters become more productive but less capital-intensive after exporting (within narrowly defined industries and productivity bins).
- The gap in capital intensity between exporters and non-exporters is widening over time (1998-2007).

Mean Capital Intensities of Exporters and Non-exporters

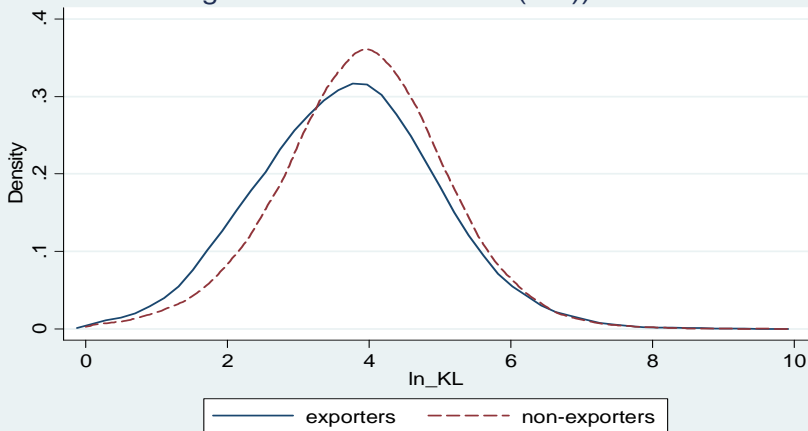
Figure 2: Ten-year Balanced Sample, Average $\ln(K/L)$



Average $\ln(K/L)$ is calculated using China's NBS Industrial Survey Data

Distribution of Capital Intensity

Figure 3: Distribution of $\ln(K/L)$ in 2007



$\ln(K/L)$ are measured relative to the ownership and industry (4-digit) means

What do we do?

- Provide “mirror-image” evidence to Bernard, Jensen, and Schott (2006): US firms more exposed to import competition from low-wage countries; more likely to switch industry and become more capital-intensive. industries.

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- Develop a variant of Bernard, Redding, and Schott (2010; 2011): consider firms producing multiple products of different capital intensity.
- Upon exporting, a firm in a labor-abundant country adds or expands sales of L-intensive products (core competencies) and reduce sales of K-intensive products. (Heckscher-Ohlin forces within firms)

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- Upon exporting, a firm in a labor-abundant country adds or expands sales of L-intensive products (core competencies) and reduce sales of K-intensive products. (Heckscher-Ohlin forces within firms)
- Use transactions-level data to examine the predictions.

Exporting, core competencies, and productivity

- Recent literature on core competencies: upon exporting, firms seek opportunities to specialize in their best-performing (core) products
 - Feenstra and Ma (08); Nocke and Yeaple (08); Eckel and Neary (10); Bernard, Redding, and Schott (10-11); Arkolakis and Muendler (11); Melitz, Mayer, and Ottaviano (12); Manova and Zhang (12).
- Little effort to establish an empirical link between within-firm specialization patterns to firm productivity.

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- Little effort to establish an empirical link between within-firm specialization patterns to firm productivity.
- 2 additional results:
 - ① Firm **ex ante productivity** : a smaller decline in capital intensity after exporting.
 - ② A sharper **post-exporting** decline in capital intensity: a larger increase in measured total factor productivity.

Literature Review

Exporting firms are superior

- Bernard and Jensen (99); Van Biesebroeck (05); Bernard, Jensen, and Schott (06); De Loecker (07); Bustos (11); Harrigan and Reshef (11).

Self-selection

- Bernard, Eaton, Jensen, and Kortum (03); Melitz (03).
- Clerides, Lach, and Tybout (98); Bernard and Jensen (99); Aw, Chung, and Roberts (00); Delgado, Farinas, and Ruano (02).

Learning by Exporting

- Wagner (02); Girma, Greenway, and Kneller (03); Alvarez and Lopez (05); Van Biesebroeck (05); De Loecker (07); Lileeva and Trefler (10) ...

Firm-level Data

- Annual surveys of industrial firms from China's National Bureau of Statistics (NBS) over 1998-2007.
- All state-owned enterprises (SOEs) + all non-SOE with sales over 5 million yuan.
- Account for 94% of total industrial value added in 2007.
- Basic data cleaning procedures (e.g. drop all firms with fewer than 8 employees, winsorize (e.g. Verhoogen, 2008))
- 17% of firms in the raw data set are dropped from the sample in 1998, but this fraction drops to 6% in each year after 2001.
- **148,685** firms in 1998 to **313,048** in 2007.

Measuring Revenue TFP and Capital Intensity

- 3 measures of capital intensity $\ln(K/L)$
 - ① Use the perpetual inventory method (Brandt, et al., 2011) to measure real capital stock, then divide it by the firm's employment.
 - ② Deflated Net value of fixed asset/ employment.
 - ③ (1)/ firm wage bill.
- Revenue TFP are estimated using **Levinsohn and Petrin** (2003) method. Different production functions for exporters and non-exporters.
 - Results are robust to using the standard approach (e.g., Van Biesbroeck, 2005; De Loecker, 2007).

Exporters are less capital-intensive

Sample	All Firms	Domestic	Foreign	All firms
Panel A: Dependent variable $\ln(K/L)$				
Exporter	-0.062***	-0.072***	-0.031***	-0.054***
N	1,976,637	1,555,076	421,561	1,976,637
Panel B: Dependent variable $\ln(K/wL)$				
Exporter	-0.143***	-0.175***	-0.078***	-0.116***
N	1,974,962	1,554,766	421,463	1,976,637
Year FE	Yes	Yes	Yes	Yes
Industry (4-digit) FE	Yes	Yes	Yes	No
Ownership FE	Yes	No	No	No
Firm FE	No	No	No	Yes

Notes: 4-digit industry classification contains 480 industries. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively. Numbers in brackets are p-values corrected for industry-ownership clustering.

Capital Intensity Gap by Bins

		$\Delta \ln(K/L)_{new} - \Delta \ln(K/L)_{non-exp}$			
		ln(TFP) quartiles before exporting			
		1	2	3	4
ln(K/L) qt before exp	1	-0.033***	-0.031***	-0.018**	-0.002*
	2	-0.045***	-0.039***	-0.026***	-0.019**
	3	-0.051***	-0.043***	-0.038***	-0.039***
	4	-0.063***	-0.061***	-0.055***	-0.051***

This table reports the difference of capital intensity growth between new exporters and non-exporters within each bin. In Panel A, bins are defined by ln(TFP) and ln(K/L) quartiles. In Panel B, bins are defined by ln(TFP), ln(K/L) and ln(sales). We calculate these bins industry by industry to ensure each bin covers all industries. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Capital Intensity Gap by Bins - Propensity-scored Matched

		$\Delta \ln(K/L)_{new} - \Delta \ln(K/L)_{non-exp}$		
		(1)	(2)	(3)
K/L Group	TFP Group	All Firms	Domestic	Foreign
	All	-0.051***	-0.054***	-0.042***
Low	Low	-0.046*** -0.048***	-0.049*** -0.048***	-0.036*** -0.037***
	Hi	-0.029** -0.032**	-0.031** -0.041**	-0.029 -0.027
	Low	-0.064*** -0.061***	-0.067*** -0.066***	-0.061*** -0.053***
High	Hi	-0.063*** -0.059***	-0.068*** -0.062***	-0.051*** -0.61***

This table reports the estimation results of the impact of exporting on $\ln(K/L)$ for new exporters, using DID propensity score matching method. The matching is conducted within each bin. These bins (bin1 to bin 8) are illustrated in Panel B of Table 2. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

[▶ Matching equations](#)
[▶ Decision to start exporting](#)
[▶ More Results on TFP](#)
[▶ More Results on \$\ln\(K/L\)\$](#)
[▶ Matching over time](#)

Preferences

- Based on Bernard, Redding, and Schott (2010, 2011).
- Country j has a mass of L_j consumers with identical preferences; each endowed with $\frac{K_j}{L_j}$ amount of capital
- Consumers consume a continuum of products, and derive utility $U = \left[\int_0^1 C_s^\nu ds \right]^{\frac{1}{\nu}}$; elasticity of subst. = $\kappa = \frac{1}{1-\nu} > 1$.

Preferences

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- Consumers consume a continuum of products, and derive utility $U = \left[\int_0^1 C_s^v ds \right]^{\frac{1}{v}}$; elasticity of subst. = $\kappa = \frac{1}{1-v} > 1$.
- Within each product, firms produce horizontally differentiated varieties.

$$C_s = \left[\int_{\omega \in \Omega_s} (\lambda_s(\omega) c_s(\omega))^\rho d\omega \right]^{\frac{1}{\rho}}, \quad 0 < \rho < 1,$$

where elasticity of subst $\sigma = \frac{1}{1-\rho} > \kappa > 1$.

Technology

- Two factors of production – capital and labor; a firm's cost function:

$$TC_s = \left[f_s + \frac{q_s}{\varphi} \right] w^{1-\beta(s)} r^{\beta(s)},$$

where w and r are the wage rate and the rental rate, respectively; $\beta(0) = 0$, $\beta(1) = 1$, and $\beta'(s) > 0$.

- Firm profit is determined by productivity and market-specific fixed cost:

$$\pi_j(\varphi) = \int_0^1 \left[\int_{\lambda_s^*(\varphi)}^{\infty} \pi_{sj}(\varphi, \lambda_s) g(\lambda_s) d\lambda_s \right] ds - f_j$$

Product Cutoffs

- Zero profit condition for selling a product

$$\pi_s(\varphi, \lambda_s^*(\varphi)) = \frac{R_s}{\sigma} (\rho P(s) \varphi \lambda_s^*(\varphi))^{\sigma-1} - f_s w^{1-\beta(s)} r^{\beta(s)} = 0$$

- Product cutoff for domestic sales

$$\lambda_s^*(\varphi) \propto \frac{P(s)^{-\gamma}}{\varphi} \left(\frac{f_s \hat{P}}{R} w^{1-\beta(s)} r^{\beta(s)} \right)^{\frac{1}{\sigma-1}},$$

where γ is a parameter in terms of elasticities of subst.

- Product cutoff for foreign sales

$$\lambda_{sj}^*(\varphi) \propto \frac{\tau_j P_j(s)^{-\gamma}}{\varphi} \left(\frac{f_{sj} \hat{P}_j}{R_j} w^{1-\beta(s)} r^{\beta(s)} \right)^{\frac{1}{\sigma-1}}$$

Product Cutoffs



$$\lambda_{sj}^*(\varphi) = \Phi_j(s) \lambda_s^*(\varphi)$$

$$\Phi_j(s) = \tau_j \left(\frac{f_{sj} \hat{P}_j R}{f_s \hat{P} R_j} \right)^{\frac{1}{\sigma-1}} \left(\frac{P_j(s)}{P(s)} \right)^{-\gamma}$$

- If country j is more capital-abundant than China, $\frac{P_j(s)}{P(s)}$ is decreasing in s . $\Phi_j'(s) > 0$.
- Lu (2011).

Impact of exporting on capital intensity

- Product s 's capital intensity: $\theta_s = \frac{rk_s}{rk_s + wl_s}$
- Capital intensity of the domestic and export baskets:

$$\Theta_d(\varphi) = \int_0^1 \frac{R_s(\varphi, \lambda_s)}{R(\varphi)} \theta_s I_s(\lambda_s \geq \lambda_s^*(\varphi)) ds,$$

$$\Theta_j(\varphi) = \int_0^1 \frac{R_{sj}(\varphi, \lambda_s)}{R_j(\varphi)} \theta_s I_s(\lambda_s \geq \Phi_j(s) \lambda_s^*(\varphi)) ds,$$

- After exporting, a firm's capital intensity:

$$\Theta_{d+j}(\varphi) = \left(1 - \frac{R_j(\varphi)}{R(\varphi) + R_j(\varphi)}\right) \Theta_d(\varphi) + \frac{R_j(\varphi)}{R(\varphi) + R_j(\varphi)} \Theta_j(\varphi)$$

- Since $\Phi_j'(s) > 0$, $\Theta_j(\varphi) < \Theta_d(\varphi)$

Predictions

Hypothesis

A firm's overall capital intensity $\Theta_{d+j}(\varphi)$ after exporting to a capital-abundant country satisfies the following inequality:

$$\Theta_{j,t+1}(\varphi) < \Theta_{t+1}(\varphi) < \Theta_{d,t+1}(\varphi) = \Theta_t(\varphi),$$

where $\Theta_d(\varphi)$ and $\Theta_j(\varphi)$ are the capital intensities of the domestic and foreign baskets of products after exporting.

Predictions

Hypothesis

An ex-ante more productive firm experiences a smaller decline in capital intensity $\Theta_{d+j}(\varphi)$ after exporting. Formally,

$$\frac{\Theta_{d+j}(\varphi)}{\Theta_d(\varphi)} < \frac{\Theta_{d+j}(\varphi')}{\Theta_d(\varphi')} < 1 \quad \text{if } \varphi' > \varphi.$$

Determinants of the Change in Capital Intensity

	Dep. Var.: $\Delta \ln(K/L)_{\text{non-exp}} - \Delta \ln(K/L)_{\text{new}}$		
	All New Exporters	Domestic New Exporters only	Foreign New Exporters only
$\ln(TFP)_{t-1}$	-0.096 [0.006]***	-0.132 [0.007]***	0.021 [0.011]***
$\ln(K/L)_{t-1}$	0.298 [0.000]***	0.345 [0.000]***	0.276 [0.000]***
$\ln(\text{wage rate})_{t-1}$	-0.188 [0.000]***	-0.193 [0.000]***	-0.198 [0.024]**
$\ln(\text{age})_{t-1}$	-0.029 [0.008]***	-0.035 [0.009]***	-0.027 [0.012]**
Ownership FE	Yes	No	No
Industry FE	Yes	Yes	Yes
Province FE	Yes	Yes	Yes
N	49,742	33,409	16,333

All regressors are lagged by one year. Only new exporters are included in the regressions. P-values based on standard errors clustered at the four-digit industry are reported in brackets. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively. Exporters and their matched non-exporters are matched using the DID propensity score matching techniques which is conducted within their own bins.

Product Churning Effects on Measured Productivity

- Product-specific productivity, $\mu_s = R(\varphi, \lambda_s) / x_s(\varphi, \lambda_s)$:

$$\text{Domestic: } \mu_s = \frac{w^{1-\beta(s)} r^{\beta(s)}}{\rho} \left(1 - \frac{f_s}{x_s(\varphi, \lambda_s)} \right);$$

$$\text{Exports: } \mu_{sj} = \frac{\tau_j w^{1-\beta(s)} r^{\beta(s)}}{\rho} \left(1 - \frac{f_{sj}}{x_{sj}(\varphi, \lambda_s)} \right)$$

- $\mu_{sj} > \mu_s$ if $\frac{f_{sj}}{f_s} < \left(\frac{P_j(s)}{P(s)} \right)^\gamma \Psi_j$ and $\tau_j = 1$ (for simplicity)
- The estimated revenue-based productivity of an exporter:

$$\widehat{TFP}_j(\varphi) = \int_0^1 \mu_s \frac{R_s(\varphi, \lambda_s)}{R(\varphi) + R_j(\varphi)} ds + \int_0^1 \mu_{sj} \frac{R_{sj}(\varphi, \lambda_s)}{R(\varphi) + R_j(\varphi)} ds$$

Product Churning Effects on TFP

	Dep. Var.: $\Delta \ln(TFP)_{new} - \Delta \ln(TFP)_{non-exp}$		
	All New Exporters	Domestic	Foreign
$\Delta \ln(L/K)_{t-1}$	0.049 [0.000]***	0.055 [0.005]***	0.022 [0.022]***
$\ln(TFP)_{t-1}$	0.121 [0.000]***	0.135 [0.000]***	0.119 [0.000]***
$\ln(wage_{rate})_{t-1}$	0.087 [0.000]***	0.093 [0.002]***	0.076 [0.002]***
$\ln(age)_{t-1}$	-0.076 [0.009]***	-0.086 [0.013]**	-0.078 [0.037]**
Industry FE	Yes	Yes	Yes
Ownership FE	Yes	No	No
Province FE	Yes	Yes	Yes
N	50,019	33,637	16,382

All regressors are lagged by one year, besides labor intensity increase, which is defined as the first difference in labor intensity from year $t-1$ to t . Only new exporters are included in the regressions. P-values, based on standard errors clustered at the four-digit industry level, are reported in brackets. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Transaction-level Trade Data

- Transaction-level (firm-product-country-year) trade data that cover the universe of Chinese exporters and importers (2000-2006).
- Information on import, export values, and quantities from China to 200 destination countries at the HS 6-digit level.
- We merge the NBS data with the transaction-level trade data based on **firm names and contact information (phone number, area code)**.
- 70% of export value recorded in NBS is merged.

Product Churning

	Nb. of new exporters	Nb. survived next year	Avg nb. products (HS6) added next year	Avg nb. products dropped	Avg nb. of continuing products
2001	15,928	13,187	10.17	4.28	4.85
2002	21,383	18,410	9.56	4.46	5.34
2003	27,107	22,941	10.02	5.58	5.48
2004	37,646	31,583	10.22	6.56	5.13
2005	40,024	33,552	9.29	7.92	4.97
2006	46,400				

Capital Intensity of New Products and Dropped Products

$$\ln(K/L)_{ik} = \alpha + \beta * new_product_{ik} + \delta * dropped_product_{ik} + e_i$$

Dependent Variable = ln(K/L) at firm-product cell						
	(1)	(2)	(3)	(4)	(5)	(6)
	All New Exporters	Intermediaries Excl.	Non-processing	Processing	K-Abundant Dest	K-Scarce
New	-0.048 [0.000]***	-0.049 [0.000]***	-0.050 [0.000]***	-0.045 [0.000]***	-0.050 [0.000]***	-0.043 [0.000]***
Dropped	0.023 [0.000]***	0.021 [0.000]***	0.024 [0.000]***	0.013 [0.005]***	0.022 [0.000]***	0.023 [0.002]***
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
N	326,784	281,035	252,887	73,897	213,272	42,987

This table reports the results of regressions of capital intensity on the new product portfolio dummy and the dropped product portfolio dummy. The omitted group is the continuing product portfolio. The classification of capital abundance is based on Antweiler and Trefler (2002). P-values, based on robust standard errors, are reported in brackets. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Concluding Remarks

- Within a narrow industry, firms become less capital-intensive after exporting, relative to the matched non-exporters. The gap is widening over time.
- Chinese exporters add new products that are more labor-intensive and drop those that are less.
- Ex-ante more productive firms experience a smaller decline in capital intensity.
- Specialization in labor-intensive products contributes to higher measured TFP.
- Research direction: Product churning and TFP estimation

Export Status

- **Non-exporters**: firms that **never** exported up to and including the reporting year.
- **New exporters** : firms that did not export in the previous years but started exporting in the year of analysis.
- **Existing exporters** : firms that have export records in previous years, or firms that start exporting already in their first year of entry.
- New exporters' pre-export characteristics are used to match similar non-exporters.

Exporters are more productive

Dependent variable = $\ln(\text{TFP})$

Sample	All Firms	Private	Foreign	All
Exporter	0.087 [0.000]***	0.095 [0.000]***	0.003 [0.439]	0.124 [0.000]**
Year FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	No
Ownership FE	Yes	No	No	No
Firm FE	No	No	No	Yes
N	1,916,347	1,495,115	421,232	1,916,347

Notes: 4-digit industry classification contains 480 industries. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively. Numbers in brackets are p-values corrected for industry-ownership clustering.

Decision to start exporting

Dependent variable = New-exporter indicator

Probit estimation		
	Domestic firms	Foreign firms
$\ln(TFP)_{t-1}$	0.113 [0.000]***	0.002 [0.314]
$\ln(wage)_{t-1}$	0.030 [0.000]***	0.008 [0.298]
$\ln(K/L)_{t-1}$	-0.038 [0.000]***	-0.031 [0.000]***
Age_{t-1}	-0.059 [0.000]***	-0.119 [0.000]***
$\ln(Sales)_{t-1}$	0.113 [0.000]***	0.101 [0.001]***
Industry FE	Yes	Yes
Provincial FE	Yes	Yes
Year FE	Yes	Yes
Pseudo R-squared	0.103	0.099
Log pseudo-likelihood	-98,745.12	-23,457.83
Observations	1,216,415	150,328

Notes: The dependent variable is an indicator of a firm's first year of exporting. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively. All regressions include a full set of industry and provincial dummies. P-values based on standard error clustered at the industry-province level are in brackets.

Matching estimators to evaluate the exporting effect

- Using matching estimators to evaluate the average (exporting) treatment effect on the treated (ATT):

$$\begin{aligned} ATT &= E [Y_i^1 - Y_i^0 | Start_i = 1] \\ &= E [Y_i^1 | Start_i = 1] - E_{Z|Start_i=1} \{ E [Y_i^0 | Start_i = 0, Z] \}, \end{aligned}$$

where Y_i is firm i 's TFP or capital intensity. Matching variables (Z) include all regressors in the previous Probit estimation.

- Among many matching estimators, use difference-in-difference estimator by Heckman, Ichimura, and Todd (1997, 1998)

More Matching Estimation Results on TFP

Dependent variable = $\ln(\text{TFP})$		
All New Exporters	Domestic Private	Foreign
<u>Local Linear Regression Matching</u>		
0.069 [0.004]***	0.071 [0.006]***	0.062 [0.084]*
<u>Nearest Neighbor Matching</u>		
0.054 [0.002]***	0.056 [0.010]***	0.051 [0.011]**

Notes: $\ln(\text{TFP})$ is estimated using LP (2003) method. P-values are reported in brackets. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

More Matching Results on Capital Intensity

Dependent variable = $\ln(K/L)$

All New Exporters Domestic New Exp. Foreign New Exp. All New Exp.; $\ln(K/wL)$

Local Linear Regression Matching

-0.048
[0.015]**

-0.047
[0.028]**

-0.042
[0.037]**

-0.081
[0.007]***

Nearest Neighbor Matching

-0.062
[0.016]**

-0.075
[0.020]**

-0.040
[0.025]**

-0.103
[0.014]**

Notes: Capital stock is measured by the perpetual inventory method. P-values are reported in brackets. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Over-time Effects on Capital Intensity

Over-time Relative Change in Exporters' Capital Intensity: DID Matching Estimation

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
1999	-0.086 [0.054]*	-0.132 [0.028]**	-0.149 [0.034]**	-0.171 [0.041]**	-0.178 [0.048]**	-0.182 [0.052]*	-0.185 [0.047]**	-0.186 [0.064]*	-0.184 [0.069]*
2000	-0.054 [0.049]*	-0.085 [0.027]**	-0.105 [0.029]**	-0.123 [0.034]**	-0.133 [0.043]**	-0.140 [0.045]**	-0.143 [0.054]*	-0.147 [0.059]*	
2001	-0.053 [0.021]**	-0.102 [0.019]**	-0.124 [0.033]**	-0.141 [0.037]**	-0.149 [0.049]**	-0.155 [0.051]*	-0.157 [0.058]*		
2002	-0.014 [0.352]	-0.062 [0.041]**	-0.075 [0.034]**	-0.081 [0.046]**	-0.090 [0.052]*	-0.096 [0.063]*			
2003	-0.054 [0.019]**	-0.085 [0.022]**	-0.097 [0.025]**	-0.107 [0.034]**	-0.116 [0.037]**				
2004	-0.077 [0.023]**	-0.090 [0.031]**	-0.105 [0.036]**	-0.113 [0.037]**					
2005	-0.052 [0.032]**	-0.086 [0.027]**	-0.101 [0.036]**						
2006	-0.063 [0.009]**	-0.091 [0.011]**							
2007	-0.074 [0.005]**								
Pooled	-0.062 [0.019]**	-0.092 [0.021]**	-0.108 [0.027]**	-0.122 [0.28]**	-0.133 [0.031]**	-0.143 [0.034]**	-0.159 [0.041]**	-0.167 [0.045]**	-0.184 [0.069]**

Notes: Firms are matched using the propensity score matching estimation. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively. P-values based on bootstrapped standard errors are reported in brackets. "Marginal change" refers to the change of $\ln(K/L)$ estimated from balanced sample.

Example: Footwear, Gaiters, & the like

55 HS6

640110	Waterproof footwear incorporating a protective metal toe-cap...
640191	Waterproof footwear covering the knee...
640192	Waterproof footwear covering the ankle but not the knee
640199	Waterproof footwear (not covering the ankle)
640212	Ski-boots & cross-country ski footwear of rubber or plastics
640219	Sport footwear, nes, of rubber or plastics
640220	Footwear with thongs plugged into soles, of rubber or plastics
640230	Footwear, with metal toe-cap, of rubber or plastics
640312	Ski-boots, etc, with rubber/plastics/leather.. soles, leather uppers
640319	Sports footwear, with rubber/plastics/leather..soles, leather uppers
640320	Sandles, with leather soles & straps (over instep, around big toe)
640330	Footwear with a wood base, no inner soles or caps, leather uppers
640340	Footwear, with a metal toe-cap, leather uppers
640351	Footwear with leather soles & uppers, covering the ankle
640359	Footwear with leather soles & uppers, not covering the ankle
640420	Footwear with leather or composition leather soles & textile uppers
640510	Footwear, nes, with leather or composition leather uppers
640520	Footwear, nes, with textile uppers
.....	more

Capital Intensities Across Products

Sector	HS 2-digit	Nb. of HS 6-digits	ln(K/L)	
			Mean	Std. Dev.
Animals & Animal Products	01-05	174	70.9	56.9
Vegetable Products	06-14	254	71.8	61.1
Animal Or Vegetable Fats	15	35	64.9	63.3
Prepared Foodstuffs	16-24	173	94.6	69.0
Mineral Products	25-27	134	90.1	70.9
Chemical Products	28-38	764	111.6	66.5
Plastics & Rubber	39-40	198	79.6	65.2
Hides & Skins	41-43	62	45.5	47.0
Wood & Wood Products	44-46	75	62.3	56.5
Wood Pulp Products	47-49	147	93.7	66.8
Textiles & Textile Articles	50-63	818	68.1	54.9
Footwear, Headgear	64-67	55	27.8	43.0
Articles Of Stone, Plaster, Cement, Asbestos	68-70	147	72.2	64.9
Pearls, Precious Or Semi-Precious Stones, Metals	71	41	32.1	59.5
Base Metals & Articles Thereof	72-83	563	93.9	63.5
Machinery & Mechanical Appliances	84-85	792	99.2	63.9
Transportation Equipment	86-89	121	107.2	66.8
Instruments - Measuring, Musical	90-92	235	99.6	62.8
Arms & Ammunition	93	10	152.4	69.9
Miscellaneous	94-96	130	47.8	51.5
Works Of Art	97-99	9	30.7	53.2