

Table 1.1. Mexico: Data on Maquiladora Activity 1990, 1995, 2000

Item	1990	1995	2000
Employment as a percent of manufacturing employment	4.0	4.6	8.7
Employment as a percent of economically-active population	1.7	2.0	3.8
Gross value added as a percent of manufacturing GDP	4.8	6.5	8.7
Gross value added as a percent of total GDP	0.9	1.3	1.9
Exports as a percent of manufacturing exports	49.0 ^[1]	46.2	54.2
Exports as a percent of total exports	37.1 ^[1]	39.1	47.7

Source: INEGI, Banco de Información Económica, Censo General de Población y Vivienda 1990, Conteo General de Población y Vivienda 1995, and Censo General de Población y Vivienda 2000, www.inegi.gob.mx.

^[1] It refers to 1991.

Table 1.2. Mexico: Average Annual Percent Changes 1991-1995, 1996-2000

Item	1991-1995	1996-2000
Gross Domestic Product	1.6	5.4
Manufacturing GDP	1.2	7.8
Exports ^[1]	25.5	16
Foreign Direct Investment ^[1]	25.7	20.5
Maquiladora Employment	6.8	15.8
Maquiladora Gross Value Added ^[2]	7.0	14.3
Maquiladora exports	18.4 ^[3]	21.2 ^[1]

Source: INEGI, Banco de Información Económica, www.inegi.gob.mx.

^[1] In current US dollars.

^[2] In constant 1993 Mexican pesos.

^[3] It refers to 1991-1995.

Table 1.3. Mexico: Manufacturing Gross Value Added Growth Accounting 1995-2000

Year	Manufacturing (000s current MXP)	Maquiladora (000s current MXP)	Share of maquiladoras in total manufacturing	Manufacturing growth rate	Maquiladora growth rate	Contribution of maquiladora growth to manufacturing growth
1995	218,732,817	20,033,642	0.0916	41.0%	48.7%	10.9%
1996	304,855,153	30,250,668	0.0992	39.4%	51.0%	12.9%
1997	365,408,656	44,065,748	0.1206	19.9%	45.7%	27.7%
1998	436,888,083	60,289,630	0.1380	19.6%	36.8%	26.0%
1999	506,013,472	80,420,854	0.1589	15.8%	33.4%	33.5%
2000	574,984,759	104,006,584	0.1809	13.6%	29.3%	38.9%

Source: Author's calculations based on data from the Sistema de Cuentas Nacionales de México (INEGI).

First-Step Regression

Dependent Variable: Log of Per-Capita Maquiladora Payroll Employment

Variables	(1)	(2)^[1]
Constant	1.108 (0.75) ^[2]	2.537 (1.52)
Log Road Transp Time	-4.333 (7.77)*	-4.438 (6.96)*
N	96	64
R2	0.391	0.439
SEE	3.698	3.462

^[1] It excludes the data for year 1980.

^[2] Absolute t-values in parenthesis.

* Significant at the 0.01 level.

Table 5.2. Dependent Variable: Log Literacy Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.855 (105.81)*** ^[4]	0.016 (0.54)	-0.117 (3.32)***	-0.430 (11.37)***	-0.344 (3.11)***	-0.364 (3.40)***	-0.364 (4.33)***	0.115 (0.76)	0.115 (1.15)	-0.301 (3.40)***
Per-Capita Maquiladora Employment	1.299 (3.98)***									
Pred. Log PC Maquiladora Employment		0.016 (5.59)***	0.013 (5.40)***	0.004 (2.25)**	-0.019 (1.67)*	-0.008 (0.71)	-0.008 (0.90)	-0.013 (1.44)	-0.013 (2.17)**	-0.006 (0.66)
Log Average Earnings			0.035 (6.31)***	0.227 (12.37)***	0.033 (11.21)***	0.120 (5.60)***	0.120 (7.15)***	-0.096 (2.12)**	-0.096 (3.21)***	0.086 (3.85)***
Per-Capita GDP Growth Rate (Prior 5 Years)			0.015 (0.09)	-0.217 (1.70)*	-0.060 (0.90)	-0.094 (1.35)	-0.094 (1.72)*	0.047 (0.48)	0.047 (0.72)	-0.013 (0.19)
Pred Log PC Maq Employ*d_90										-0.001 (0.44)
Pred Log PC Maq Employ*d_00										-0.002 (1.18)
Log Avg Earn*d_90										-0.035 (1.13)
Log Avg Earn*d_00										-0.100 (3.75)***
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							2540.00		3406.09	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			11.67							
Hausman Prob > Chi-2			0.003							
Log Likelihood							247.348		203.1388	
R2	0.144	0.249								
Adj R2			0.471	0.762	0.927	0.941		0.959		0.962
SEE	0.073	0.084	0.071	0.047	0.026	0.023		0.015		0.019

^[1] Literacy rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.3. Dependent Variable: Log Elementary Schooling Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.794 (87.86)*** ^[4]	-0.082 (2.15)**	-0.279 (8.07)***	-0.562 (14.33)***	-0.880 (5.18)	-0.609 (4.39)***	-0.609 (5.60)***	0.042 (0.28)	0.042 (0.42)	-0.541 (4.53)***
Per-Capita Maquiladora Employment	1.065 (2.92)***									
Pred. Log PC Maquiladora Employment		0.014 (3.87)***	0.010 (4.00)***	0.003 (1.31)	-0.061 (3.51)***	-0.012 (0.81)	-0.012 (1.03)	-0.015 (1.68)	-0.015 (2.53)**	-0.012 (0.93)
Log Average Earnings			0.057 (10.33)***	0.211 (11.07)***	0.062 (13.89)***	0.167 (6.04)***	0.167 (7.70)***	-0.098 (2.14)**	-0.098 (3.23)***	0.117 (3.87)***
Per-Capita GDP Growth Rate (Prior 5 Years)			-0.319 (2.06)**	-0.227 (1.71)*	-0.318 (3.07)***	-0.113 (1.25)	-0.113 (1.59)*	0.095 (0.96)	0.095 (1.45)	0.004 (0.05)
Pred Log PC Maq Employ*d_90										0.000 (0.14)
Pred Log PC Maq Employ*d_00										-0.002 (0.79)
Log Avg Earn*d_90										-0.069 (1.67)
Log Avg Earn*d_00										-0.134 (3.70)***
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							2081.86		2134.55	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			9.43							
Hausman Prob > Chi-2			0.009							
Log Likelihood							222.3598		202.5425	
R2	0.083	0.138								
Adj R2			0.635	0.816	0.876	0.929		0.935		0.950
SEE	0.082	0.107	0.069	0.049	0.040	0.030		0.015		0.026

^[1] Elementary schooling rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.4. Dependent Variable: Log Secondary Schooling Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.393 (35.64)*** ^[4]	-0.604 (6.59)***	-1.174 (13.12)***	-1.607 (12.28)***	-0.875 (1.77)*	-0.986 (2.08)**	-0.986 (2.65)***	-1.044 (2.27)**	-1.044 (3.44)***	-1.006 (2.21)**
Per-Capita Maquiladora Employment	1.759 (3.95)***									
Pred. Log PC Maquiladora Employment		0.033 (3.70)***	0.021 (3.30)***	0.007 (1.13)	0.047 (0.94)	-0.023 (0.45)	-0.023 (0.58)	-0.027 (0.97)	-0.027 (1.46)	0.010 (0.20)
Log Average Earnings			0.141 (9.91)***	0.419 (6.59)***	0.119 (9.10)***	-0.261 (2.76)***	-0.261 (3.52)***	-0.017 (0.12)	-0.017 (0.19)	-0.010 (0.09)
Per-Capita GDP Growth Rate (Prior 5 Years)			0.803 (2.00)**	0.294 (0.67)	0.386 (1.29)	0.368 (1.19)	0.368 (1.52)	0.218 (0.73)	0.218 (1.10)	-0.195 (0.58)
Pred Log PC Maq Employ*d_90										0.007 (0.69)
Pred Log PC Maq Employ*d_00										-0.002 (0.20)
Log Avg Earn*d_90										0.479 (3.03)***
Log Avg Earn*d_00										0.312 (2.27)**
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							950.11		3973.05	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			7.54							
Hausman Prob > Chi-2			0.023							
Log Likelihood							104.343		131.665	
R2	0.142	0.127								
Adj R2			0.565	0.636	0.814	0.852		0.964		0.870
SEE	0.100	0.254	0.179	0.163	0.117	0.104		0.047		0.098

^[1] Secondary schooling rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.5. Dependent Variable: Log High Schooling Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.212 (28.67)*** ^[4]	-1.335 (11.12)***	-1.939 (14.23)***	-2.031 (9.29)***	-1.353 (1.23)	-0.523 (0.59)	-0.523 (0.76)	-1.485 (3.42)***	-1.485 (5.17)***	-0.626 (0.75)
Per-Capita Maquiladora Employment	0.808 (2.71)***									
Pred. Log PC Maquiladora Employment		0.024 (2.04)**	0.011 (1.14)	0.010 (0.93)	0.071 (0.63)	-0.010 (0.10)	-0.010 (0.13)	-0.025 (0.94)	-0.025 (1.43)	0.049 (0.53)
Log Average Earnings			0.151 (6.98)***	0.177 (1.66)*	0.126 (4.36)***	-1.087 (6.17)***	-1.087 (7.87)***	-0.050 (0.38)	-0.050 (0.58)	-0.603 (2.87)***
Per-Capita GDP Growth Rate (Prior 5 Years)			0.712 (1.16)	1.120 (1.52)	0.244 (0.37)	1.174 (2.05)**	1.174 (2.61)*	0.202 (0.71)	0.202 (1.07)	0.112 (0.18)
Pred Log PC Maq Employ*d_90										0.003 (0.15)
Pred Log PC Maq Employ*d_00										-0.005 (0.27)
Log Avg Earn*d_90										0.933 (3.23)***
Log Avg Earn*d_00										0.783 (3.11)***
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							378.35		5772.30	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			2.66							
Hausman Prob > Chi-2			0.264							
Log Likelihood							44.7831		135.2022	
R2	0.073	0.042								
Adj R2			0.356	0.353	0.414	0.674		0.975		0.723
SEE	0.067	0.334	0.272	0.273	0.260	0.194		0.044		0.179

^[1] High schooling rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.6. Dependent Variable: Log Undergraduate Schooling Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.071 (16.00)*** ^[4]	-2.109 (8.98)***	-3.561 (25.65)***	-4.654 (30.83)***	-5.204 (7.08)***	-3.358 (7.49)***	-3.358 (9.55)***	-1.937 (2.72)**	-1.937 (4.12)***	-3.073 (8.53)***
Per-Capita Maquiladora Employment	0.468 (2.61)**									
Pred. Log PC Maquiladora Employment		0.067 (2.96)***	0.034 (3.44)***	0.008 (1.07)	-0.159 (2.12)**	0.094 (1.95)*	0.094 (2.48)**	-0.009 (0.20)	-0.009 (0.31)	0.115 (2.90)***
Log Average Earnings			0.415 (18.81)***	0.973 (13.26)***	0.419 (21.55)***	0.600 (6.71)***	0.600 (8.55)***	-0.177 (0.82)	-0.177 (1.25)	0.540 (5.94)***
Per-Capita GDP Growth Rate (Prior 5 Years)			-2.033 (3.27)***	-1.099 (2.16)**	-2.416 (5.40)***	-0.911 (3.13)***	-0.911 (3.99)***	0.546 (1.17)	0.546 (1.77)	-0.772 (2.90)***
Pred Log PC Maq Employ*d_90										-0.007 (0.94)
Pred Log PC Maq Employ*d_00										-0.010 (1.17)
Log Avg Earn*d_90										0.082 (0.65)
Log Avg Earn*d_00										-0.356 (3.26)***
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							7276.33		2801.97	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			2.31							
Hausman Prob > Chi-2			0.316							
Log Likelihood							109.8217		103.6494	
R2	0.068	0.0854								
Adj R2			0.834	0.923	0.934	0.979		0.950		0.962
SEE	0.040	0.653	0.277	0.188	0.174	0.098		0.072		0.019

^[1] Undergraduate schooling rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.7. Dependent Variable: Log House with Tap Water Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.163 (21.79)*** ^[4]	-1.273 (9.80)***	-2.168 (21.25)***	-2.732 (19.58)***	-1.400 (2.28)**	-1.909 (2.99)***	-1.909 (3.82)***	-5.087 (3.50)***	-5.087 (5.29)***	-2.178 (4.42)***
Per-Capita Maquiladora Employment	1.399 (4.62)***									
Pred. Log PC Maquiladora Employment		0.055 (4.34)***	0.036 (4.93)***	0.017 (2.41)**	0.088 (1.41)	0.001 (0.01)	0.001 (0.02)	0.076 (0.86)	0.076 (1.30)	-0.014 (0.26)
Log Average Earnings			0.228 (14.08)***	0.611 (9.02)***	0.199 (12.26)***	0.029 (0.23)	0.029 (0.30)	1.322 (3.01)***	1.322 (4.54)***	0.106 (0.85)
Per-Capita GDP Growth Rate (Prior 5 Years)			0.749 (1.64)	-0.238 (0.50)	0.319 (0.85)	-0.072 (0.17)	-0.072 (0.22)	-0.505 (0.53)	-0.505 (0.80)	-0.176 (0.48)
Pred Log PC Maq Employ*d_90										-0.011 (1.08)
Pred Log PC Maq Employ*d_00										-0.001 (0.10)
Log Avg Earn*d_90										0.019 (0.11)
Log Avg Earn*d_00										0.620 (4.16)***
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							1128.68		770.95	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			6.53							
Hausman Prob > Chi-2			0.038							
Log Likelihood							76.07237		57.867	
R2	0.185	0.1672								
Adj R2			0.732	0.804	0.863	0.874		0.828		0.928
SEE	0.176	0.361	0.204	0.174	0.146	0.140		0.148		0.106

^[1] House with tap water rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.8. Dependent Variable: Log House with Electric Power Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.205 (15.85) ^{***[4]}	-1.232 (5.87) ^{***}	-2.828 (35.26) ^{***}	-3.148 (34.28) ^{***}	-1.616 (2.59) ^{**}	-2.949 (6.43) ^{***}	-2.949 (8.21) ^{***}	-1.932 (4.48) ^{***}	-1.932 (6.78) ^{***}	-2.726 (7.29) ^{***}
Per-Capita Maquiladora Employment	1.576 (3.02) ^{***}									
Pred. Log PC Maquiladora Employment		0.045 (2.23) ^{**}	0.011 (1.85) [*]	-0.004 (0.86)	0.131 (2.05) ^{**}	0.031 (0.63)	0.031 (0.80)	0.016 (0.63)	0.016 (0.95)	0.010 (0.24)
Log Average Earnings			0.420 (32.97) ^{***}	0.702 (15.73) ^{***}	0.393 (23.80) ^{***}	0.813 (8.89) ^{***}	0.813 (11.34) ^{***}	0.113 (0.86)	0.113 (1.31)	0.493 (5.21) ^{***}
Per-Capita GDP Growth Rate (Prior 5 Years)			0.375 (1.04)	-1.166 (3.76) ^{***}	0.197 (0.52)	-0.997 (3.35) ^{***}	-0.997 (4.28) ^{***}	-0.332 (1.18)	-0.332 (1.78)	-0.204 (0.74)
Pred Log PC Maq Employ*d_90										-0.010 (1.30)
Pred Log PC Maq Employ*d_00										-0.013 (1.55)
Log Avg Earn*d_90										-0.555 (4.27) ^{***}
Log Avg Earn*d_00										-0.460 (4.06) ^{***}
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							5324.80		12894.19	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			0.03							
Hausman Prob > Chi-2			0.984							
Log Likelihood							135.6759		135.6759	
R2	0.088	0.050								
Adj R2			0.928	0.963	0.938	0.972		0.989		0.982
SEE	0.118	0.583	0.160	0.115	0.148	0.100		0.044		0.080

^[1] House with electric power rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.9. Dependent Variable: Log House with Drainage Rate^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.278 (8.35)*** ^[4]	-1.032 (2.76)***	-4.037 (22.97)***	-3.718 (27.74)***	1.378 (0.91)	-3.081 (5.49)***	-3.081 (7.00)***	-1.769 (1.90)*	-1.769 (2.87)	-2.729 (5.56)***
Per-Capita Maquiladora Employment	3.219 (2.39)**									
Pred. Log PC Maquiladora Employment		0.069 (1.92)*	0.006 (0.52)	-0.001 (0.17)	0.554 (3.58)***	-0.008 (0.14)	-0.008 (0.18)	-0.073 (1.28)	-0.073 (1.94)*	0.016 (0.30)
Log Average Earnings			0.752 (26.91)***	0.847 (13.01)***	0.658 (16.41)***	0.539 (4.81)***	0.539 (6.14)***	-0.229 (0.81)	-0.229 (1.23)	0.452 (3.64)***
Per-Capita GDP Growth Rate (Prior 5 Years)			3.607 (4.58)***	-0.631 (1.39)	2.961 (3.21)***	-0.736 (2.02)**	-0.736 (2.58)***	0.572 (0.94)	0.572 (1.42)	-0.501 (1.38)
Pred Log PC Maq Employ*d_90										-0.013 (1.23)
Pred Log PC Maq Employ*d_00										-0.017 (1.46)
Log Avg Earn*d_90										0.067 (0.39)
Log Avg Earn*d_00										-0.359 (2.41)**
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							11231.22		14441.37	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			2.11							
Hausman Prob > Chi-2			0.348							
Log Likelihood							88.30751		86.34314	
R2	0.057	0.0377								
Adj R2			0.889	0.975	0.884	0.986		0.990		0.990
SEE	0.303	1.039	0.351	0.167	0.359	0.123		0.095		0.106

^[1] House with drainage rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.10. Dependent Variable: Log Life Expectancy^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	71.248 (262.76)*** ^[4]	4.309 (343.69)***	4.224 (446.01)***	4.166 (329.34)***	4.252 (61.16)***	4.208 (58.45)***	4.208 (74.56)***	4.322 (97.90)***	4.322 (148.01)***	4.222 (59.03)***
Per-Capita Maquiladora Employment	32.178 (2.94)***									
Pred. Log PC Maquiladora Employment		0.004 (3.26)***	0.002 (3.16)***	0.000 (0.39)	0.003 (0.49)	0.003 (0.40)	0.003 (0.51)	-0.004 (1.39)	-0.004 (2.10)**	0.003 (0.34)
Log Average Earnings			0.022 (14.74)***	0.060 (9.83)***	0.021 (11.17)***	0.054 (3.76)***	0.054 (4.80)***	-0.023 (1.74)*	-0.023 (2.63)***	0.042 (2.30)**
Per-Capita GDP Growth Rate (Prior 5 Years)			0.040 (0.95)	-0.047 (1.10)	0.022 (0.52)	-0.022 (0.47)	-0.022 (0.59)*	0.024 (0.83)	0.024 (1.25)	0.001 (0.01)
Pred Log PC Maq Employ*d_90										0.000 (0.13)
Pred Log PC Maq Employ*d_00										0.000 (0.25)
Log Avg Earn*d_90										-0.015 (0.59)
Log Avg Earn*d_00										-0.046 (2.11)**
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							733.23		3857.22	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			0.71							
Hausman Prob > Chi-2			0.701							
Log Likelihood							285.4434		281.5333	
R2	0.084	0.1016								
Adj R2			0.733	0.814	0.797	0.814		0.963		0.823
SEE	2.464	0.035	0.019	0.016	0.016	0.016		0.005		0.015

^[1] Life expectancy rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.11. Dependent Variable: Log Infant Mortality^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	33.560 (27.35)*** ^[4]	3.108 (27.15)***	3.773 (30.21)***	3.790 (19.94)***	2.499 (2.32)**	3.484 (3.18)***	3.484 (4.05)***	3.405 (13.20)***	3.405 (19.96)***	3.477 (3.09)***
Per-Capita Maquiladora Employment	-132.322 (2.67)***									
Pred. Log PC Maquiladora Employment		-0.032 (2.85)***	-0.018 (2.08)**	-0.013 (1.40)	-0.158 (1.44)	0.016 (0.14)	0.016 (0.17)	0.016 (1.03)	0.016 (1.56)	-0.031 (0.25)
Log Average Earnings			-0.154 (7.75)***	-0.242 (2.62)***	-0.127 (4.47)***	0.229 (1.05)	0.229 (1.34)	0.039 (0.50)	0.039 (0.75)	-0.084 (0.30)
Per-Capita GDP Growth Rate (Prior 5 Years)			-1.710 (3.05)***	-0.504 (0.79)	-1.743 (2.66)***	-0.990 (1.39)	-0.990 (1.77)*	0.032 (0.19)	0.032 (0.29)	-0.357 (0.43)
Pred Log PC Maq Employ*d_90										0.003 (0.11)
Pred Log PC Maq Employ*d_00										0.013 (0.51)
Log Avg Earn*d_90										-0.626 (1.60)
Log Avg Earn*d_00										-0.565 (1.66)
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							194.84		16088.20	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			0.82							
Hausman Prob > Chi-2			0.663							
Log Likelihood							24.00018		168.5636	
R2	0.071	0.0794								
Adj R2			0.429	0.482	0.402	0.469		0.991		0.463
SEE	11.150	0.318	0.249	0.237	0.255	0.240		0.026		0.242

^[1] Infant mortality rate (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.12. Dependent Variable: Modified Index of Human Development^[1]

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7) ^[2]	(8) ^[3]	(9) ^{[2][3]}	10
Constant	0.752 (103.81)*** ^[4]	-0.127 (4.13)***	-0.303 (10.49)***	-0.590 (22.59)***	-0.447 (6.71)***	-0.352 (5.69)***	-0.352 (7.26)***	-0.262 (2.67)	-0.262 (4.04)	-0.313 (5.41)***
Per-Capita Maquiladora Employment	1.255 (4.29)***									
Pred. Log PC Maquiladora Employment		0.015 (4.98)***	0.011 (5.35)***	0.003 (2.29)**	-0.012 (1.84)*	0.003 (0.45)	0.003 (0.57)	-0.009 (1.58)	-0.009 (2.39)***	0.007 (1.15)
Log Average Earnings			0.047 (10.26)***	0.215 (16.90)***	0.042 (23.71)***	0.067 (5.43)***	0.067 (6.93)***	-0.005 (0.17)	-0.005 (0.26)	0.068 (4.67)***
Per-Capita GDP Growth Rate (Prior 5 Years)			-0.013 (0.10)	-0.093 (1.05)	-0.238 (5.86)***	-0.163 (4.06)***	-0.163 (5.18)***	-0.059 (0.93)	-0.059 (1.40)	-0.156 (3.65)***
Pred Log PC Maq Employ*d_90										-0.002 (1.98)*
Pred Log PC Maq Employ*d_00										-0.003 (1.96)*
Log Avg Earn*d_90										0.033 (1.62)
Log Avg Earn*d_00										-0.009 -0.520
State Fixed Effects			No	No	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects			No	Yes	No	Yes	Yes	Yes	Yes	Yes
N	96	96	96	96	96	96	96	64	64	96
Wald Chi-2							7605.70		7759.50	
Wald Prob > Chi-2							0.000		0.000	
Hausman Chi-2			14.73							
Hausman Prob > Chi-2			0.001							
Log Likelihood							300.0694		230.5577	
R2	0.164	0.209								
Adj R2			0.636	0.884	0.973	0.980		0.982		0.983
SEE	0.066	0.086	0.058	0.033	0.016	0.014		0.010		0.012

^[1] Modified Index of Human Development (not log) in model (1).

^[2] GLS estimator.

^[3] It excludes the data for the year 1980.

^[4] Absolute t-values in parenthesis for all models except (7) and (9). Absolute z-values for models (7) and (9).

* Significant at the 0.1 level.

** Significant at the 0.05 level.

*** Significant at the 0.01 level.

Table 5.1 (a) Mexico: State summary statistics (by year)

Year	1980			1990			2000		
	N	Mean	St. Dev.	N	Mean	St. Dev.	N	Mean	St. Dev.
Maq payroll employment (employees)	32	7060	25667	32	14071	35405	32	40164	79269
Maq gross value added (1993 MXP)	32	1029	3821	32	308422	785794	32	859553	1791858
Maq payroll employment per capita (employees)	32	0.0052	0.0212	32	0.0068	0.0162	32	0.0158	0.0292
Maq gross value added per capita (1993 MXP)	32	0.0008	0.0032	32	0.1449	0.3602	32	0.3233	0.6546
Literacy rate (15 or older)	32	0.825	0.090	32	0.873	0.069	32	0.904	0.054
Elementary schooling rate	32	0.720	0.081	32	0.836	0.056	32	0.854	0.040
Secondary schooling rate	32	0.334	0.065	32	0.396	0.094	32	0.499	0.091
High schooling rate	32	0.170	0.043	32	0.222	0.064	32	0.267	0.063
Undergraduate schooling rate	32	0.031	0.017	32	0.085	0.029	32	0.110	0.029
House with tap water rate	32	0.122	0.029	32	0.158	0.028	32	0.250	0.082
House with electric power rate	32	0.107	0.036	32	0.172	0.020	32	0.380	0.048
House with drainage rate	32	0.075	0.031	32	0.119	0.033	32	0.730	0.128
Life expectancy rate	32	69.284	2.518	32	71.331	1.214	32	74.022	0.796
Infant mortality rate	32	38.057	14.587	32	35.972	6.499	32	22.973	3.551
Real GDP per capita (1993 MXP)	32	3.13E+07	4.61E+07	32	3.46E+07	4.69E+07	32	4.60E+07	6.15E+07
Real GDP per capita growth rate (prior 5 years)	32	8.24%	4.35%	32	1.47%	4.84%	32	4.94%	1.76%
Road transp time to major U.S. border city (hours)	32	15.830	7.952	32	15.830	7.952	32	14.079	7.159
Average Earnings (Current MXP)	32	3.936	1.559	32	20.376	4.198	32	94.208	22.377
Index of Modified Human Development	32	0.706	0.062	32	0.777	0.058	32	0.807	0.055

Source: Author's calculations based on data from the Censo General de Población y Vivienda 1980, 1990, and 2000, Sistema de Cuentas Nacionales de México (INEGI), Instituto Mexicano del Transporte, and the UNDP.

Table 5.1 (b) Mexico: State summary statistics

Year	Total		
	N	Mean	St. Dev.
Maq Payroll Employment (Employees)	96	20432	53661
Maq Gross Value Added (1993 MXP)	96	389668.2	1173324
Maq Payroll Employment Per Capita (Employees)	96	0.0093	0.0231
Maq Gross Value Added Per Capita (1993 MXP)	96	0.1563	0.4469
Literacy Rate (15 or older)	96	0.868	0.079
Elementary Schooling Rate	96	0.803	0.085
Secondary Schooling Rate	96	0.409	0.108
High Schooling Rate	96	0.219	0.069
Undergraduate Schooling Rate	96	0.075	0.042
House With Tap Water Rate	96	0.176	0.075
House With Electric Power Rate	96	0.220	0.122
House With Drainage Rate	96	0.308	0.310
Life Expectancy Rate	96	71.546	2.561
Infant Mortality Rate	96	32.334	11.504
Real GDP Per Capita (1993 MXP)	96	3.73E+07	5.18E+07
Real GDP Per Capita Growth Rate (5 Prior Years)	96	4.88%	4.75%
Road Transp Time To Major U.S. Border City (Hours)	96	15.246	7.660
Average Earnings (Current MXP)	96	39.507	41.561
Index of Modified Human Development	96	0.763	0.072

Source: Author's calculations based on data from the Censo General de Población y Vivienda 1980, 1990, and 2000, Sistema de Cuentas Nacionales de México (INEGI), Instituto Mexicano del Transporte, and the UNDP.