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On Generalized Bisection of N-Simplices

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Kurzfassung

This paper contributes to the literature on the evolution of overall specialisation along the process of economic development by simultaneously estimating 'specialisation curves' emerging from fully comparable employment and export statistics in a sample of 32 economies (1980–2000). We apply semiparametric estimation methods, which allow us to combine the flexibility of the estimation with the inclusion of country-specific effects, demonstrating that their omission can be the source of contradictions in nonparametrically revealed patterns of diversification along the path of growth. We find no strong support for a U-shaped pattern (which is very sensitive to the methodological setting applied) but rather a robust tendency towards manufacturing despecialisation in the initial phase of economic growth that is confirmed both by export and employment specialisation patterns.