

Table 5: Summary of regressions of relative nonfarm income growth at state borders on state relative business climate indexes, 5 year periods between 1975 and 2005

Index	Year	Positive β_1	significant β_1	Best fit, best period, and largest estimate of $\beta_1 > 0$			2005-2010
				Highest R^2	Matching Period	Matching $ \beta_1 $	
Beacon Hill	2001	4/7	1/7	0.023	95-00	0.067**	0.00985
	2002	4/7	1/7	0.012	95-00	0.049**	0.0119
	2003	4/7	1/7	0.014	95-00	0.057*	0.0209
	2004	4/7	1/7	0.019	95-00	0.064**	0.0151
CED-Development	1989	2/7	1/7	0.023	75-80	0.018	0.00607
	1990	2/7	1/7	0.01	75-80	0.012	0.00165
	1991	1/7	0/7	0.005	75-80	0.00701	-0.00326
CED-Capacity	1990	5/7	1/7	0.005	05-10	0.00605**	0.00605**
	1991	4/7	1/7	0.008	05-10	0.0071**	0.0071**
	1992	5/7	1/7	0.011	05-10	0.008**	0.008**
	1993	5/7	1/7	0.009	05-10	0.0074**	0.0074**
	1994	5/7	0/7	0.005	80-85	0.00726	0.00373
	1995	5/7	0/7	0.005	80-85	0.00696	0.00286
	1996	5/7	2/7	0.011	95-00	0.0088**	0.00292
CED-Fiscal	1990	1/7	0/7	0.001	75-80	0.00843	-1.32E-04
	1991	1/7	0/7	0.001	75-80	0.0117	-3.65E-04
	1992	2/7	0/7	0.005	75-80	0.0209	-0.00296
	1993	2/7	0/7	0	95-00	0.00386	0.0062
	1994	1/7	0/7	0	05-10	0.00307	0.00307
	1995	2/7	0/7	0	75-80	0.00331	0.00643
	1996	2/7	0/7	0	75-80	0.00173	4.70E-04
Fantus	1975	4/7	1/7	0.007	95-00	0.00705*	0.0055
Fraser	2004	1/7	0/7	0.006	05-10	0.0305	0.0305
	2004	1/7	0/7	0.005	05-10	0.0304	0.0304
Grant Thornton	1980	6/7	4/7	0.039	95-00	0.12**	-0.0169
	1981	6/7	6/7	0.036	95-00	0.042**	-0.0126
	1982	6/7	6/7	0.033	95-00	0.055**	-0.0114
	1983	7/7	5/7	0.032	90-95	0.048**	5.60E-04
	1984	7/7	4/7	0.035	90-95	0.042**	0.00291
	1985	7/7	4/7	0.035	90-95	0.041**	0.00499
	1986	6/7	4/7	0.03	85-90	0.051**	-0.00719
New Economy	1999	4/7	0/7	0.005	95-00	0.0211	0.0186
	2002	4/7	0/7	0.005	95-00	0.0302	0.0152
PRI	1999	4/7	3/7	0.024	90-95	0.1**	-0.0399
	2004	4/7	2/7	0.021	90-95	0.07**	-0.055**
Small Business	2000	5/7	2/7	0.066	85-90	0.12**	0.0106
	2001	6/7	3/7	0.067	85-90	0.12**	0.00433
	2002	5/7	3/7	0.072	85-90	0.1**	0.00288
	2003	6/7	3/7	0.07	85-90	0.1**	0.00415
	2004	4/7	3/7	0.072	85-90	0.12**	-0.00111
Tax Foundation	2003	6/7	4/7	0.057	85-90	0.13**	-0.0361
	2004	6/7	4/7	0.049	85-90	0.12**	-0.0344

Significant accounted for all coefficients significant at the 10th percentile. Year's with no positive coefficients report -1 R-sq for best predictive year. Dependent variable is the natural logarithm of the relative growth rate of counties at either side of the border. Standard errors corrected for clustering by border.