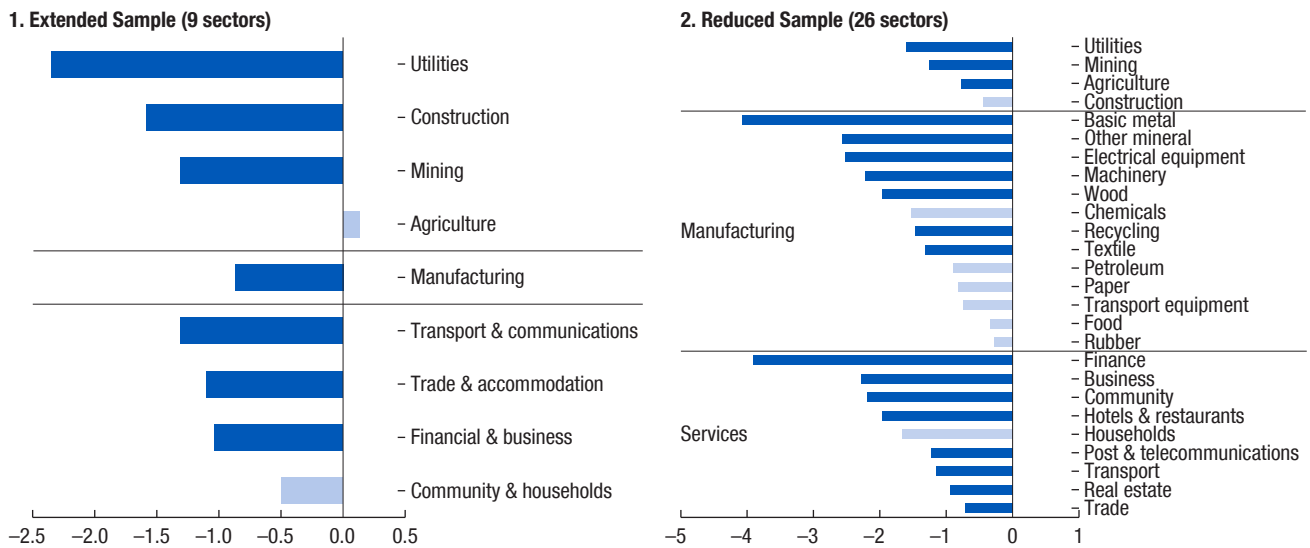


**Figure 3.17. Estimation Results, Beta-Convergence**  
(Coefficient)

There is strong evidence of unconditional productivity convergence to the global frontier (that is, to the productivity level in the most productive countries) for manufacturing as well as for several service industries.



Sources: Groningen Growth and Development Centre database; World KLEMS database; and IMF staff calculations.

Note: This figure shows the estimated coefficients from the unconditional convergence regression for each sector based on labor productivity. Solid bars denote that the coefficient is statistically significant at the 95 percent level. A negative and significant coefficient denotes evidence of productivity convergence across countries. Nonmarket service industries are excluded due to a lack of reliable sectoral purchasing-power-parity data. Panel 1 corresponds to an extended sample of 19 advanced economies and 20 emerging market and developing economies with data for 9 market sectors from 1965 to 2015. Panel 2 corresponds to a reduced sample of 19 advanced economies and 11 emerging market and developing economies with data for 26 market sectors during 1970–2010. See Annex 3.3 for details.