

For both economies these figures for sectoral capital coefficients were available from their respective input-output tables. For the Indian economy the wage rate was available from the Indian Labour Year Book 1995. For the economy of Bangladesh we had the data on wage rates for all the sectors (CIRDAP, June 1996).

#### Consumption Coefficients

From the input-output table of India and Bangladesh we take the consumption vector, and allocate to the workers by the wage share of value added.

Finally, we divide this by total employment to get consumption per unit of labor, i.e. the consumption coefficients.

#### Capital and Labour

In order to estimate the total capital stock of an economy, we require data on the degree of capacity utilization of that economy. For India, we obtained the rate to be roughly around 60% from ten Raa and Chakraborty (1991). Given this rough estimate of capacity utilization, the total capital stock for the Indian economy is obtained. The capacity utilization rate in Bangladesh is also assumed to be around 60% and the capital stock for the economy of Bangladesh is also obtained.

The figures for the total labor force for both economies are the total economically active population, which includes persons employed, as well as those who are willing to supply labor. For India this figure is available from Government of India, Planning Commission (1995) and for Bangladesh it is available from the World Development Report (1995).

TABLE A.1  
SECTORAL LABOUR AND CAPITAL COEFFICIENTS IN INDIA AND BANGLADESH

Sector Code	Sector	India		Bangladesh	
		Labour Coefficient	Capital Coefficient	Labour Coefficient	Capital Coefficient
1.	Agriculture	47.56762	392793	00154	003919
2.	Livestock fishing and forestry	42.38762	229301	000650	001197
3.	Other food products	8.837465	076284	000626	000942
4.	Textiles	8.837465	409056	000578	000506
5.	Mining and manufacturing	8.832467	794772	000274	000260
6.	Chemicals	8.832468	244908	000089	000385
7.	Machinery	8.832467	333914	000155	000138
8.	Construction	32.86478	018992	0	0
9.	Electricity and gas	4.602278	443211	000034	000037
10.	Service	18.93939	487776	002054	002187

TABLE A.2

Country	Capital Stock (Rs millions)	Labor (millions)
India	5,876,701	282.42
Bangladesh	521,360	36.24

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