

Table 1 Clusters' Profile

	Group A	Group B	Group C	Group D	Group E	Group F
GS Average	9.239	8.478	9.441	11.680	11.296	4.673
GS Trend	-0.165	-0.321	0.057	0.038	0.020	0.247
GS Stability	3.680	4.211	6.101	5.576	5.144	6.428
Wealth	478280	302973	106098	44946	20801	6477
Institution	1.52	1.20	0.49	0.08	-0.23	-0.60
GDP/Capita	28782	18448	6432	3074	1175	385
Pop Growth	0.55	1.08	1.25	1.92	2.37	2.64

Note: The three GS variables are from authors' estimation. Panel data of GS data are available from the World Bank. GDP and Wealth are for 2000 at the 2000 US dollars rate, and population growth is average population growth between 1970 and 2006, all of which are obtained from the World Development Indicator. Data used to construct "Institution" are obtained from Kaufmann et al. (2008) [9]. The "Institution" variable measures six dimensions of governance: Voice and Accountability, Political Stability and Absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption.

Table 2 Country List of the Clustered Groups

A	B	C	D	E	F
Austria	Australia	Brazil	Botswana	Bolivia	Bangladesh
Denmark	Canada	Chile	Costa Rica	Cote d'Ivoire	Benin
Finland	Greece	Korea, Rep.	Dominican Rep.	Egypt	Burkina Faso
France	Hong Kong	Uruguay	Ecuador	Guatemala	Chad
Iceland	Ireland		El Salvador	Indonesia	China
Japan	Israel		Fiji	Jordan	Congo, Dem. Rep.
Netherlands	Italy		Jamaica	Morocco	Ethiopia
Norway	New Zealand		Malaysia	Philippines	Ghana
Sweden	Portugal		Mexico	Sri Lanka	Honduras
UK	Spain		Paraguay		India
USA			Peru		Madagascar
			South Africa		Kenya
			Thailand		Mozambique
			Trinidad Tobago		Nepal
			Tunisia		Pakistan
			Turkey		Rwanda
					Senegal
					Sierra Leone
					Syria
					Togo
					Uganda

Table 3 Multinomial Logit Regression Results

Model 1

	Group A	Group B	Group C	Group D	Group E
Pop growth	-12.09** (4.89)	-8.26* (4.50)	-4.21*** (1.54)	-2.72** (1.09)	-0.93 (0.81)
Institution	26.70** (11.77)	22.49* (11.53)	9.48*** (2.95)	6.90*** (2.26)	3.42* (1.69)
Constant	-0.71 (6.62)	1.98 (6.11)	7.80** (3.25)	7.49*** (2.66)	2.79 (2.16)

N = 70

Log-likelihood value = -49.43

Pseudo R-squared = 0.57

Model 2

	Group A	Group B	Group C	Group D	Group E
Pop growth	-9.97*** (2.587)	-6.97*** (1.96)	-4.99*** (1.73)	-2.54*** .891	-.986 (.875)
N. resource	-25.34 (16.15)	-12.60** (5.22)	-17.34** (8.62)	-10.52** (4.19)	-12.6** (5.22)
Constant	16.13*** (3.57)	4.07*** (2.51)	10.92*** (3.31)	7.631*** (2.50)	4.074 (2.51)

N = 67

Log-likelihood value = -63.64

Pseudo R-squared = 0.43

Note: Standard errors are in parentheses. *, **, and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively. Group F is omitted as the base group.

Table 4 Countries Profile in Group A

	GS Average	GS Trend	Pop Density	Natural Resource
Austria	9.23	-0.10	97	0.01
Denmark	6.72	-0.03	126	0.02
Finland	8.59	-0.14	17	0.03
France	9.00	-0.30	107	0.01
UK	4.99	-0.30	243	0.02
Iceland	6.28	-0.41	3	NA
Japan	15.97	-0.26	348	0.00
Netherland	11.73	-0.12	470	0.02
Norway	13.21	0.24	15	0.12
Sweden	10.25	-0.13	22	0.02
USA	5.66	-0.26	31	0.03

Note: Natural Resource is the share of natural capital in total wealth in 2000.

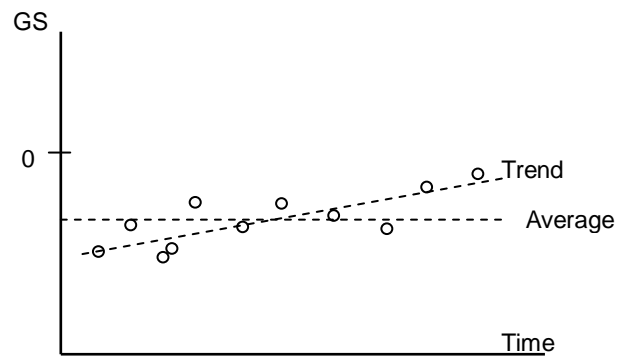


Figure 1 GS Flow and Sustainable Assessment: Spot values alone are not sufficient for assessment.

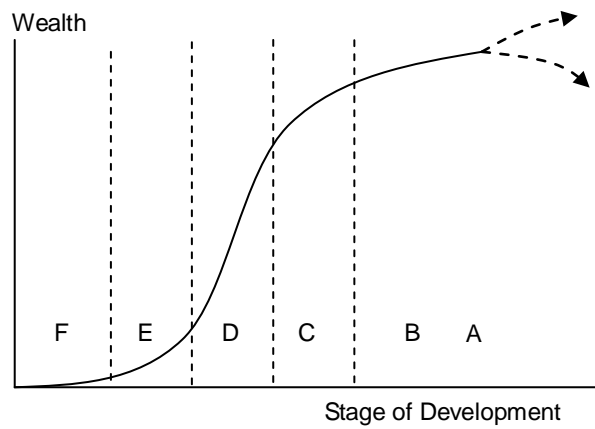


Figure 2 Sustainability Pathways: Capital Accumulation