tive electrical equipment, radio and television sets, and other light electrical goods; sewing machines and typewriters; various types of machinery; surgical and medical instruments; some measuring or scientific instruments; and watches and clocks.

As will be noted later, most of the items just enumerated are marginal also in the sense that exports by less developed countries form only a very small part of international trade in these goods. They are nevertheless of particular interest, since these products could be regarded as next in line for the achievement of an export potential by some of the less developed countries as the growth of their experience and capacity in manufacturing permits them to move beyond the more strongly labor-intensive types of production. And one may further observe that the development of labor skills (including managerial experience and technical abilities) seems no less important than the growth of physical capital, if this kind of evolution is to occur.

It may be asked, however, whether any pattern of industries by factor intensity discerned for the United States would hold true for other countries. Doubt on this score is natural, given the lower wage rates and higher capital costs generally prevailing in other countries, especially the less-developed ones. All industries will no doubt tend to use more labor in relation to capital in poor low-wage countries than in richer ones, at least in auxiliary services if not in basic production processes. But if this substitution were stronger in some industries than in others, the ranking of industries by factor intensity would also differ from country to country. And if the tendency were widespread, it would means that—contrary to the "strong factor intensity" hypothesis underlying the factor proportions theorem—one could not confidently rank industries according to their requirements of labor and capital nor look at the relative factor endowments of different countries for clues to the likely composition and direction of their foreign trade.

Despite problems of comparability, the analysis of value added per employee in the United States and other countries developed at various levels of industrial aggregation gives little evidence of factor-intensity reversals. The comparisons tend rather to support the strong-factor-intensity hypothesis underlying the factor-proportions theorem and, more specifically, the relevance of the U.S. pattern of factor intensities to other countries at very different levels of economic development and with very different factor-price ratios. The selection of labor-intensive manufactures based on value added per employee in the United States stands up well on the basis of similar data for other countries, including detailed comparisons with the United Kingdom, Japan, and India.

Apart from any influence which may be exerted by differences in factor-price ratios, the interindustry pattern of factor intensities may change because the rate of technological advance is faster in some industries than in others, leading to new combinations of the factors of production. And these changes may be registered sooner in some countries than in others, depending on technological leadership, entrepreneurial initiative, and the conditions of competition.

In recent years a good deal of attention has been given to the rate of technological progress and changing factor proportions in textiles, especially cotton textiles. Thus, A Study on Cotton Textiles prepared