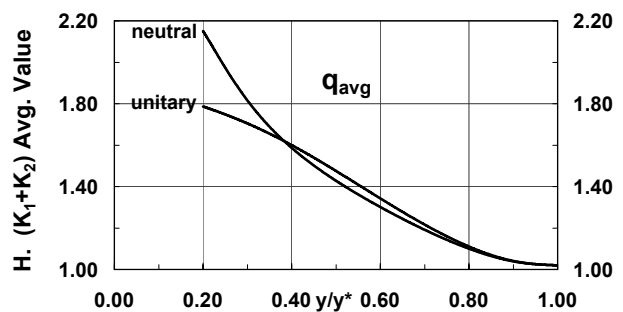
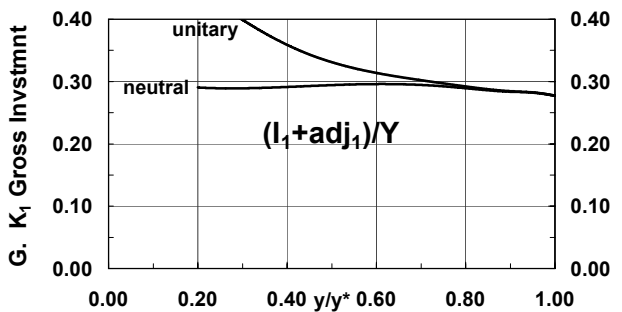
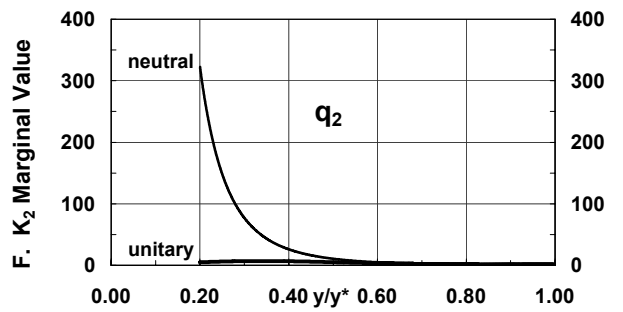
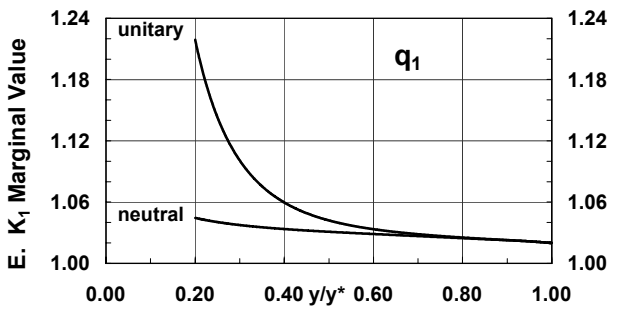
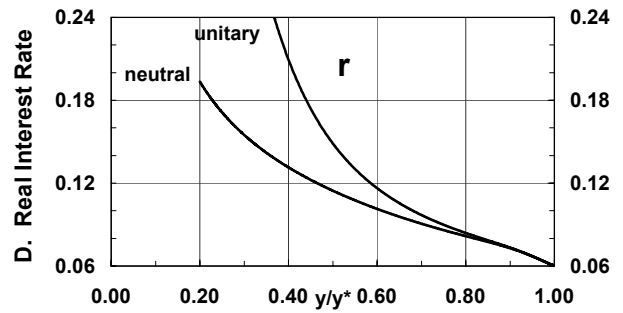
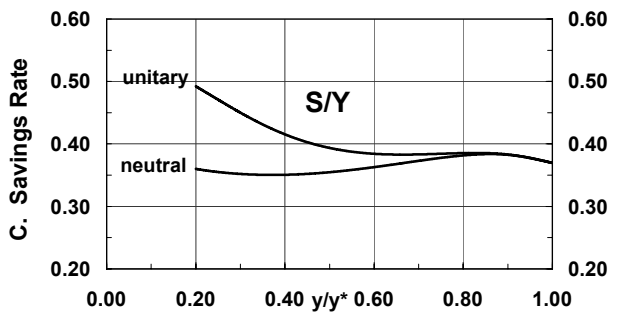
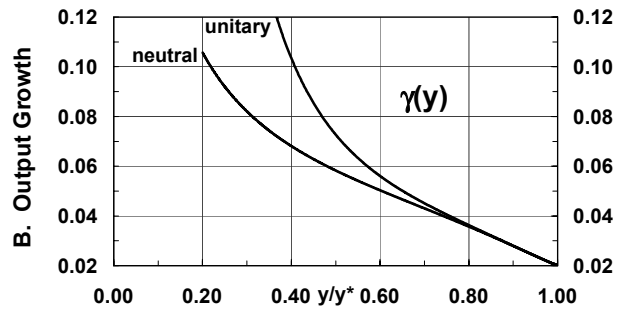
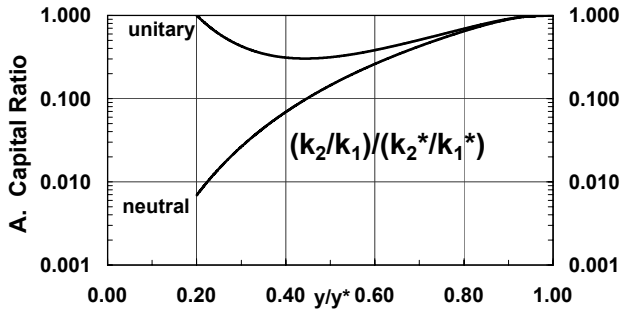
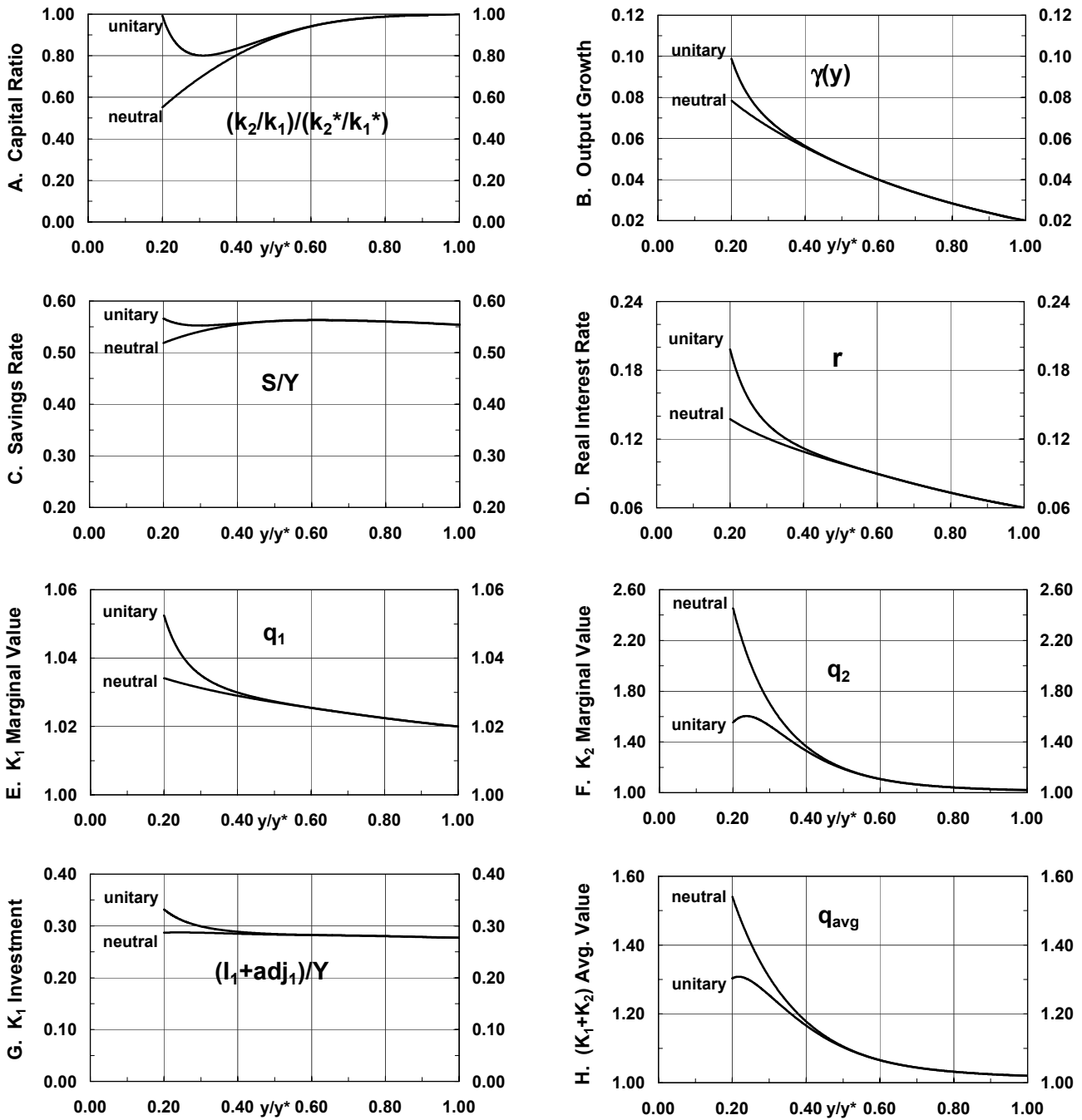


Supplemental Figure 1: Neutral vs. Unitary Initial Capital Ratio, Narrow Combined Capital Share



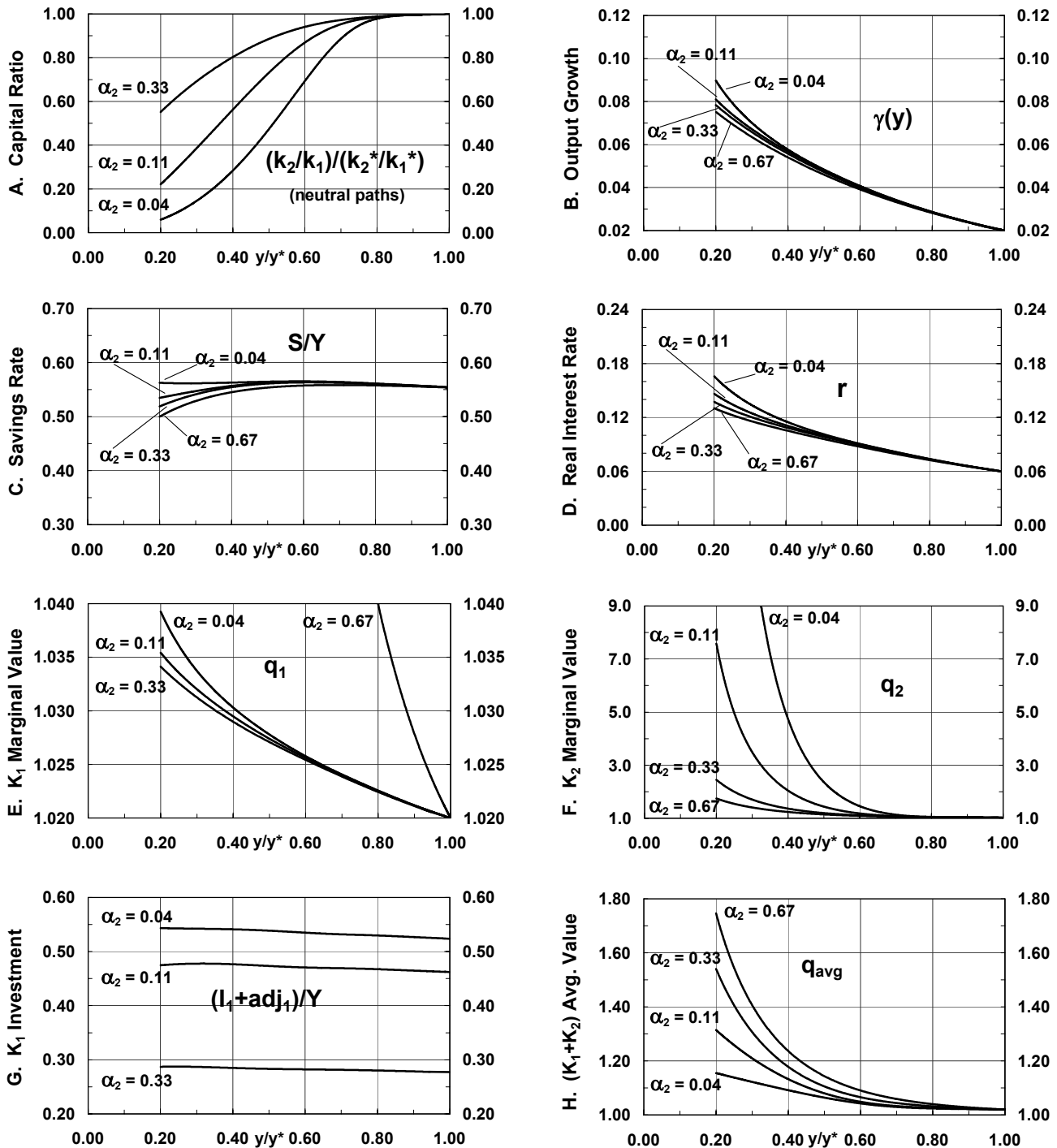
Parameters: Capital Shares: $\alpha_1 = 0.33$; $\alpha_2 = 0.11$. Steady-State Marginal Values: $q_1^*, q_2^* = 1.02$. Installation Cost Convexity: $\phi_1 = 1$; $\phi_2 = 6$. Capital Depreciation: $\delta_1, \delta_2 = 0.06$. Population Growth: $n = 0.02$. Technological Progress: $x = 0.02$. Intertemporal Elasticity (Reciprocal): $\theta = 1.5$. Time Preference: $\rho = 0.03$.

Supplemental Figure 2: Neutral vs. Unitary Initial Capital Ratio, Broad Combined Capital Share



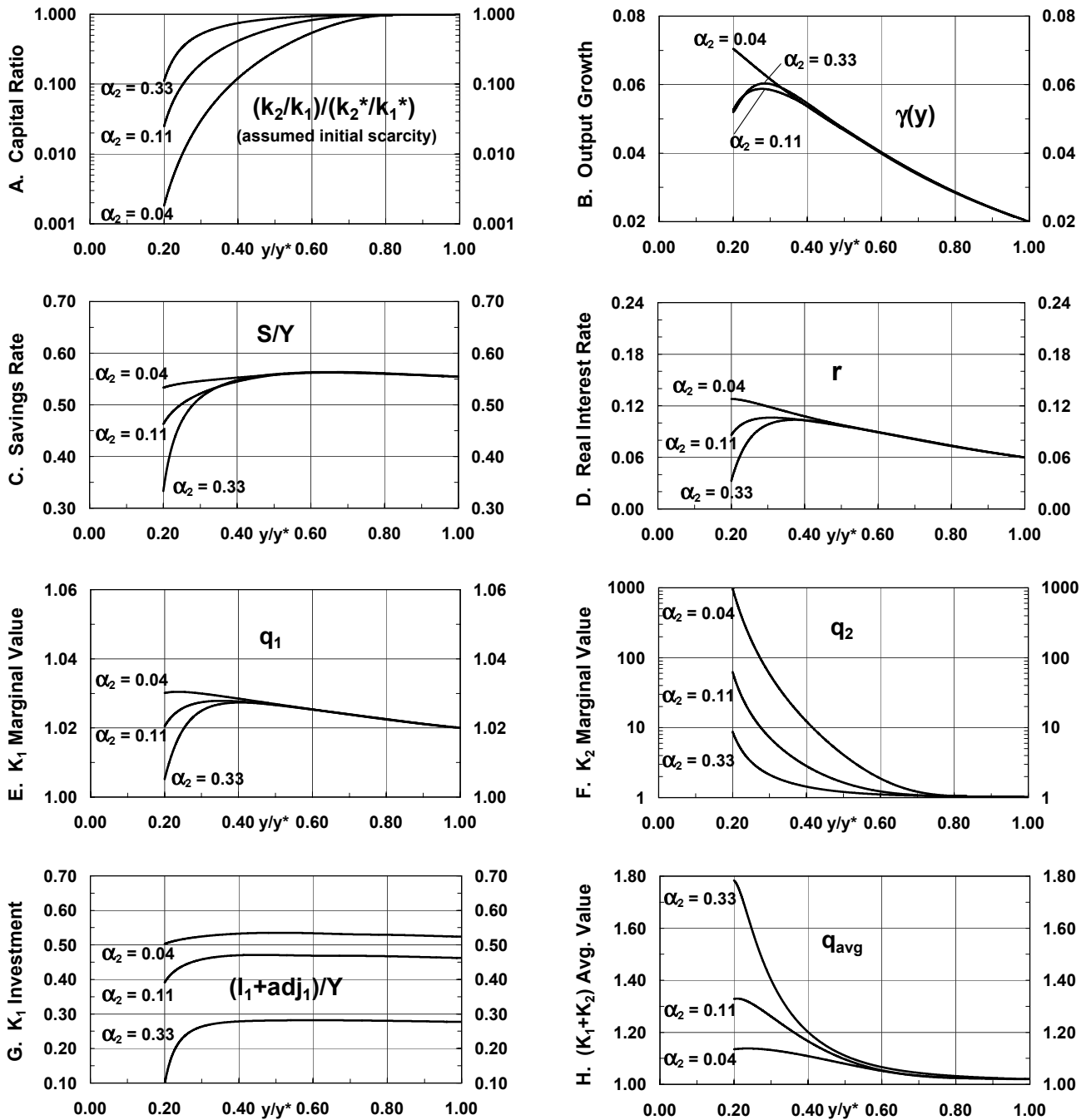
Parameters: Capital Shares: $\alpha_1 = 0.33$; $\alpha_2 = 0.33$. Steady-State Marginal Values: $q_1^*, q_2^* = 1.02$. Installation Cost Convexity: $\phi_1 = 1$; $\phi_2 = 6$. Capital Depreciation: $\delta_1, \delta_2 = 0.06$. Population Growth: $n = 0.02$. Technological Progress: $x = 0.02$. Intertemporal Elasticity (Reciprocal): $\theta = 1.5$. Time Preference: $\rho = 0.03$.

Supplemental Figure 3: Alternative K_2 Shares, Broad Combined Capital Share, Neutral Paths



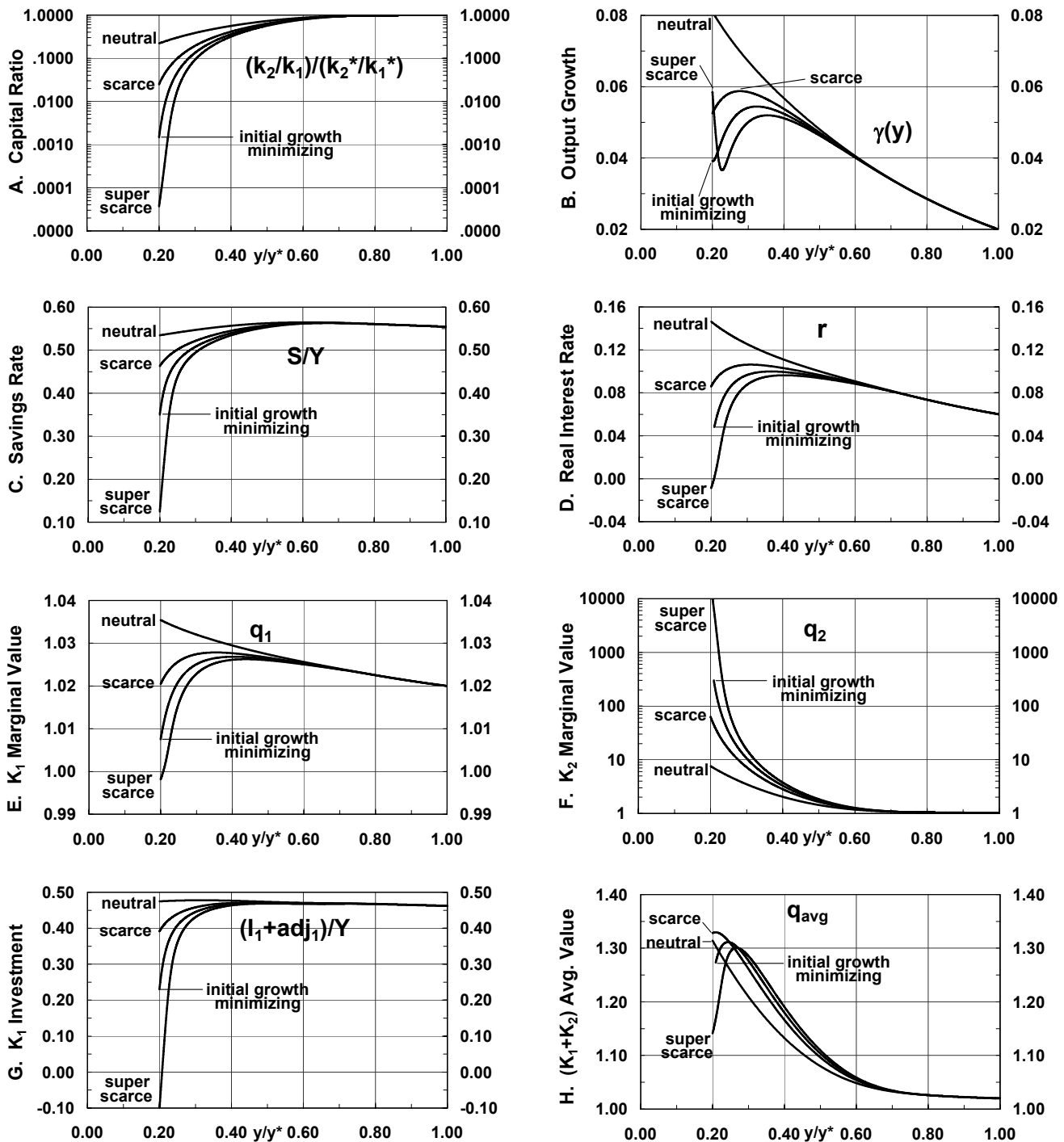
Parameters: Capital Shares: $\alpha_1 + \alpha_2 = 0.67$; $\alpha_2 = 0.67, 0.33, 0.11, 0.037$. Steady-State Marginal Values: $q_1^*, q_2^* = 1.02$. Installation Cost Convexity: $\phi_1 = 1, \phi_2 = 6$. Capital Depreciation: $\delta_1, \delta_2 = 0.06$. Population Growth: $n = 0.02$. Technological Progress: $x = 0.02$. Intertemporal Elasticity (Reciprocal): $\theta = 1.5$. Time Preference: $\rho = 0.03$.

Supplemental Figure 4: Alternative K_2 Shares, Broad Combined Capital Share, Initial K_2 Scarcity



Parameters: Capital Shares: $\alpha_1 + \alpha_2 = 0.67$; $\alpha_2 = 0.33, 0.11, 0.037$. Steady-State Marginal Values: q_1^* , $q_2^* = 1.02$. Installation Cost Convexity: $\phi_1 = 1, \phi_2 = 6$. Capital Depreciation: $\delta_1, \delta_2 = 0.06$. Population Growth: $n = 0.02$. Technological Progress: $x = 0.02$. Intertemporal Elasticity (Reciprocal): $\theta = 1.5$. Time Preference: $\rho = 0.03$.

Supplemental Figure 5: Varying Initial Scarcity, Broad Combined Capital Share, Narrow Bottleneck,



Parameters: Capital Shares: $\alpha_1 = 0.56$; $\alpha_2 = 0.11$. Steady-State Marginal Values: $q_1^*, q_2^* = 1.02$. Installation Cost Convexity: $\phi_1 = 1$, $\phi_2 = 6$. Capital Depreciation: $\delta_1, \delta_2 = 0.06$. Population Growth: $n = 0.02$. Technological Progress: $x = 0.02$. Intertemporal Elasticity (Reciprocal): $\theta = 1.5$. Time Preference: $\rho = 0.03$.