

Figures

Fig. 2.1.	The role of mediating factors	20
Fig. 4.1.	Results of permutation tests for selected inequality measures - CV, Gini (U), AT and TE(0) (A) and WI (B)	58
Fig. 4.2.	Results of permutation tests for selected inequality measures - WI and Gini (U) (A) and CC (B)	59
Fig. 5.1.	Alternative mapping techniques of inter-urban income disparities	64
Fig. 5.2.	Alternative methods of coordinate transformation	71
Fig. 5.3.	Classification of localities according to relative levels of average income in 1999 (“concentric circle” method)	73
Fig. 5.4.	Classification of localities according to relative levels of average income in 1999 (proportional increment method)	74
Fig. 5.5.	Localities with different rates of income change between 1991 and 1999 (proportional increment method)	75
Fig. 5.6.	Changes in average incomes between 1991 and 1999 across urban localities in Israel, per cent	77
Fig. 6.1.	Regional and inter-regional disparities in Belgium: employment rate at the district level in 2001	86
Fig. 6.2.	Dynamic shift-share components, Flemish region, 1995-2001	93
Fig. 6.3.	Dynamic shift-share components, Walloon region, 1995-2001	95
Fig. 6.4.	Dynamic shift-share components, Brussels, 1995-2001	95
Fig. 6.5.	Virtual and actual employment and the ratio of actual to virtual employment, Flemish region, 1995-2001	99
Fig. 6.6.	Virtual and actual employment and the ratio of actual to virtual employment, Walloon region, 1995-2001	100
Fig. 6.7.	Virtual and actual employment and the ratio of actual to virtual employment, Brussels, 1995-2001	100
Fig. 6.8.	Ratio of actual to virtual employment, Flemish provinces, 1995-2001	101
Fig. 6.9.	Ratio of actual to virtual employment, Walloon provinces, 1995-2001	101
Fig. 6.10.	Ratio of actual to virtual employment, by industry, Flemish region, average 1995-2001	102
Fig. 6.11.	Ratio of actual to virtual employment, by industry, Walloon region, average 1995-2001	102
Fig. 6.12.	Ratio of actual to virtual employment, by industry, Brussels, average 1995-2001	102
Fig. 6.13.	Administrative regions and districts of Belgium	105
Fig. 7.1.	GDP growth rate, unemployment rate (UE) and public sector surplus (or deficit) as a percent of GDP (PSS) in Finland, 1988-2001	111
Fig. 7.2.	Main regions in Finland	114

Fig. 7.3.	Real per capita disposable income in main regions in 1971-2000	116
Fig. 7.4.	Per capita factor income and disposable income in main regions in 1971-2000, index	117
Fig. 7.5.	Gini coefficients based on three income concepts, 1971-2000	118
Fig. 7.6.	Gini coefficients by income variables and main regions in 1971-2000	119
Fig. 7.7.	The poor population by region 1971-2000	120
Fig. 7.8.	Gini elasticities of income components by main regions in 1990s	124
Fig. 7.9.	Trade off between unemployment rate and Gini coefficient by main regions	125
Fig. 8.1.	Regional authority areas	144
Fig. 9.1.	Level of unemployment in some European countries: 1988-2000	149
Fig. 9.2.	Employment growth in the United States, the Netherlands and European Union	150
Fig. 9.3.	Regional differences in unemployment within select European countries, 1998	151
Fig. 9.4.	Registered unemployment 1952-2001 (percent of the labour force in the Netherlands)	152
Fig. 9.5.	The regional dispersion of registered unemployment per COROP region	156
Fig. 9.6.	Registered unemployment per COROP region, 1988	157
Fig. 9.7.	Registered unemployment per COROP region, 1998	158
Fig. 9.8.	Development of the number of non-working job-seekers in the Netherlands by socio-economic group, March 1993-October 1999	160
Fig. 9.9.	Regional differences in long term unemployment (> 3 years), 1993 by RBA region	163
Fig. 9.10.	Regional differences in long term unemployment (> 3 years), 1999 by RBA region	164
Fig. 10.1.	Map of Slovene NUTS III regions	172
Fig. 10.2.	Standard deviations of log GVA per capita and log Income tax base per capita and Gini coefficients for GVA	175
Fig. 10.3.	The average annual growth rate in GVA pc 1990-1999 estimated with OLS and GVA pc in 1990	176
Fig. 11.1.	Natural regions and administrative districts of Israel (as of 1995)	191
Fig. 11.2.	1995 Census: indicators of population distribution - population density and housing density	195
Fig. 11.3.	1995 Census: indicators of wealth and housing - ownership of personal computers and homeownership level	197
Fig. 11.4.	1995 Census: indicators of employment and wages - monthly income per employee and participation in the labour force	198

Fig. 11.5.	1995 Census: indicators of education and ethnic makeup - average years of schooling and percentage of residents who had immigrated from Asia and Africa - 1st generation	200
Fig. 11.6.	Changes in selected indicators of interregional inequalities over the whole country (1961-1995 Census data)	201
Fig. 12.1	Sigma and financial autonomy for the large and small countries samples	225
Fig. 13.1.	The dispersion of GDP per capita around the national average: countries ranked by size, NUTS III level, 2000	240
Fig. 13.2.	GDP per capita at the NUTS III level (country average=100), 2000	241
Fig. 13.3.	β -convergence for EU enlargement countries; NUTS III level, 1995 - 2000	242
Fig. 13.4.	The weighted coefficient of variation of countries ranked by size: NUTS III level, 1995 and 2000	243
Fig. 13.5.	The weighted coefficient of variation and the size of the countries, 1995-2000	244
Fig. 13.6.	The evolution of the average coefficient of variation of small and large countries over the period 1995 - 2000	245
Fig. 14.1.	Evolution of employment in the various regional production systems, 1975-1995	256
Fig. 14.2.	Evolution of exchange rate of Swiss franc, 1973-1995	259
Fig. 16.1.	Regional gross domestic product 2000 per capita in Euro	287

Tables

Table 1.1.	Key attributes of the small countries examined in this volume	5
Table 2.1.	Size-related attributes and their expected impacts on regional disparities	18
Table 3.1.	Taxonomy of regional equilibria	42
Table 4.1.	Commonly used measurements of regional inequality	49
Table 4.2.	The reference and test distributions	55
Table 4.3.	Results of sensitivity tests	56
Table 5.1.	Test localities	71
Table 6.1.	Shift-share components, Belgian regions employment, 1995-2001 (national benchmark) percent	90
Table 6.2.	Shift-share components, Belgian districts employment, 1995-2001 (national benchmark) percent	91
Table 6.3.	Dynamic shift-share components, Belgian districts employment, 1995-2001 (national benchmark) percent	94
Table 6.4.	Belgian spatial administrative divisions	104
Table 6.5.	Definition of industries	105
Table 7.1.	The rich population by region in 1971, 1990 and 2000	120
Table 7.2.	Within group and between group inequality in 1971-2000, in percent	121
Table 7.3.	Sub-group decompositions of the changes in disposable income inequality	122
Table 7.4.	Decomposition of the squared coefficient of variation (I ₂) by main region and income source in selected years	123
Table 8.1.	Decomposition of living standards in Irish regions: 1960-79 (percent p.a.)	132
Table 8.2.	Decomposition of living standards in Irish regions: 1979-96 (percent p.a.)	133
Table 8.3.	Sectoral productivity in Irish regions: 1960-79 (percent p.a.)	135
Table 8.4.	Sectoral productivity in Irish regions: 1979-96 (percent p.a.)	135
Table 8.5.	Adjusting manufacturing and aggregate regional productivity for transfer pricing: 1979 to 1996 (percent p.a.)	136
Table 8.6.	Sectoral employment shares in Irish regions: 1960, 1979 and 1996 (percent)	138
Table 8.7.	Decomposing regional productivity, 1960-79 (percent p.a.)	139
Table 8.8.	Decomposing regional productivity, 1979-96 (percent p.a.)	139
Table 8.9.	Definition of regional authority areas	144
Table 8.10.	Sector classification	145
Table 9.1.	Indicators of unused supply of labour in the Netherlands, 1999	153
Table 9.2.	Regional component in unemployment as percent of the labour force	155

Table 9.3.	Deviation of the development of the number of NWW persons with certain characteristics compared to the total number of NWW persons	161
Table 9.4.	Regional extremes in the development of the number of non-working job-seekers per RBA-region, March 1993 - October 1998	162
Table 10.1.	Basic indicators of the regions	172
Table 10.2.	Comparison of the internal regional disparities on the NUTS III level; population weighted coefficient of variation of regional GDP	174
Table 10.3.	The determinants of the regional GVA pc; Equation 10.1 - the fixed effects model; dependent variable lnGVApc	179
Table 10.4.	The determinants of the regional GVA pc; Equation 10.2 - pooled regression model; dependent variable lnGVApc	181
Table 10.5.	The factor loadings after varimax normalized rotation of the principal components analysis	184
Table 11.1.	Districts and natural regions of Israel (as in 1995 Census)	192
Table 11.2.	1995 Census: factor analysis - explanation of total variance	203
Table 11.3.	1983 Census: factor analysis - explanation of total variance	205
Table 11.4.	1972 Census: factor analysis - explanation of total variance	207
Table 12.1.	Different measures of regional inequalities in GDP per worker	219
Table 12.2.	Correlation coefficients of the inequality indices	220
Table 12.3.	Decentralisation measures	222
Table 12.4.	Public sector size and party orientation variables	223
Table 12.5.	Coefficient of correlation between the decentralisation index and regional inequality	224
Table 12.6.	Correlation between public sector size, parties in government and inequality indices	226
Table 12.7.	Regression analysis of regional inequality	228
Table 12.8.	Regression analysis of regional inequality with decentralisation, public sector size and party in government for Small Countries	229
Table 13.1.	Basic demographic and economic characteristics of EU Enlargement Countries ranked by size	235
Table 13.2.	Basic regional characteristics of EU Enlargement Countries, 2000	236
Table 13.3.	Regional inequalities in the EU Enlargement Countries, NUTS III level: 1995 and 2000	239
Table 14.1.	Regional implications of stages in banking development	253
Table 14.2.	Evolution of employment in the various RPSs*, 1975-1995	257
Table 14.3.	Annual increase at the canton level of per capita income (1975-1995), in Swiss francs	258
Table 17.1.	R&D and patenting comparisons: Israel and Ireland in context	303

Author Index

A

Aaberge R, 120
Aalbu H, 270
Abe H, 207
Acs Z, 17, 297
Adametz C, 290
Adams TM, 65
Ahola E, 279
Aiginger K, 291
Alanen A, 267
Alesina A, 3, 15, 217
Allégret JP, 254
Andréosso-O'Callaghan B, 298, 306
Andrienko GL, 65-66
Andrienko NV, 65-66
Anson J, 188, 190
Archambault E, 303
Armstrong H, 2, 4, 8, 15-16, 196, 213, 215, 277
Atkinson AB, 48, 113, 116
Attwood EA, 130
Audretsch DB, 297-299
Azzoni CR, 44

B

Badinger H, 288
Baggi M, 262
Balaz V, 233
Balchin PN, 207
Bar-El E, 307
Barff R, 92-93
Barro RJ, 113, 176, 211
Baumont C, 53
Beaud M, 87
Beenstock M, 34, 43
Béguelin JP, 259
Bertram G, 4, 15-16
Berzeg K, 96
Best M, 299
Beugelsdijck S, 300
Birmie JE, 136
Björklund A, 120
Blattner N, 258
Blien U, 96
Bodenhöfer HJ, 291
Boncoeur J, 252
Boyle GE, 130, 132

Braczyk H-J, 299
Bradley J, 133, 141
Brakman S, 2, 34
Breathnach P, 140
Brennan G, 216
Briguglio L, 4, 15
Broersma L, 150
Buchanan JM, 142, 216
Buck TW, 89

C

Callanan B, 306
Câmara G, 65
Cambell J, 65
Cameron D, 216
Carbonaro G, 177, 182
Carrington A, 53
Carroll GR, 23
Carsjens GJ, 65
Casson M, 285
Castles F, 217, 222, 229
Ceccato V, 66
Champernowne DG, 51, 219
Chandra S, 26
Cheshire PC, 177, 182
Chopard R, 262
Clapp J, 65
Clapp JL, 65
Clipson A, 57
Coe N, 300
Colomer J, 222
Colpaert A, 65-66
Constantin D, 234
Cooke P, 285, 299, 308
Cornet M, 300
Corpataux J, 256, 257
Coulter P, 48-49, 60
Cowell FA, 51, 219
Crepon B, 297
Crevoisier O, 256-257, 260, 264
Crone M, 305-306
Crowards T, 3, 15
Cuadrado-Roura JR, 137

D

Dalton H, 48, 50-51, 53, 218
Davelaar E, 300
Davies C, 308

Davis DR, 34
De Brabander GL, 89
De Jong CF, 199
de Kervenoael RJ, 15-16
De la Mothe J, 297
Deloitte Touche, 260
Dent BD, 65-67
Dicken P, 300
Dillinger W, 212
Dinc M, 104
Dorling D, 63, 65-66
Dormard S, 87
Dosi G, 299
Dow SC, 251-253
Doyle E, 136, 142
Drabkin-Darin H, 188, 190
Drudy PJ, 305
Duguet E, 297
Dunford M, 207
Dunn ES, 86
Dykes JA, 63, 66

E

Easterly W, 4, 8
Eberts RW, 44
Economou D, 207, 234
Ein-Dor P, 4
Ekamper P, 166
Elazar DJ, 213
Elfring T, 150
Epstein R, 57
Erell E, 17, 208
Ersson S, 216
Ertur C, 2, 53
Esteban J, 137, 218
Estevão M, 85, 87, 104
Etzion Y, 190

F

Fama EF, 36
Farnetti R, 254
Fawcett JT, 199
Fazekas K, 233
Feitelson E, 307
Feldman M, 297, 299
Felsenstein D, 43, 106, 199, 307
Fernandez E, 300
Fernández MM, 87
Fitschen A, 65
Fitzgerald J, 133
Freeman C, 4
Freeman J, 23

Freinkman L, 215
Frenkel A, 298-299, 302, 304, 307-309
Friedlander J, 190, 199
Fritz O, 290
Fujita M, 2, 298, 309

G

Gahagan MN, 63, 65-66
Gallagher L, 142
Garcia Greciano B, 137
Garretsen H, 2, 34
Gastwirth JL, 39-40
Gatrell A, 63
Geary RC, 130
Geldner N, 289, 291
Gerhardter G, 290
Gorg H, 302
Gorzalak G, 234
Gould ED, 30
Grabher G, 286
Gradus Y, 188-189
Gratzl B, 258
Griliches Z, 297-298
Grime K, 234
Grimes S, 17, 301, 305, 308, 310
Grossman G, 34
Gruber M, 290, 291, 292
Guesnier B, 87
Gulic A, 170, 180
Guptill SC, 65, 67

H

Haapanen M, 272
Hanell T, 270
Hannan MT, 23
Hanson GH, 34
Hare AD, 14
Hartmann C, 290
Haukka J, 277
Hausermann H, 233
Hayek, 284
Heckman JJ, 29-30
Heidenreich M, 299
Heil, 216
Helpman E, 19, 34
Hemerijck A, 147
Henderson J, 300
Henry E, 130
Heshmati A, 297
Hess M, 300
Hesterberg T, 57
Hewitt-Dundas N, 306

Hibbs DA, 217
Hirschman AO, 2
Hitchens DMWN, 136
Hofer H, 137, 288
Honkapohja S, 112
Honohan P, 133
Honoré BE, 29-30
Huovari J, 267, 271
Hutschenreiter G, 291

I

Ingham M, 234
Isralowitz R, 190, 199

J

Jacobsen A, 285
Jaffe AB, 297
Jalan B, 15
James A, 286
Jääntti M, 120
Jayet H, 95-96
Jeglitsch H, 291
Jenkins SP, 120
Johnston R, 44
Johnston S, 170
Jones CI, 34
Jun MJ, 65
Junquera B, 300

K

Kalela J, 109, 112
Kangasharju A, 267, 270-271
Kaufmann T, 258
Kauhanen M, 272
Kavas D, 170
Kearney I, 133
Kennedy K, 129
Kiander J, 109, 112
Kimerling AJ, 65, 67
Kipnis BA, 188, 190, 300, 308
Kivikuru U, 109, 112
Klitgaard R, 65
Kloosterman RC, 150
Kluge G, 48-49, 60-61
Knight PL, 92-93
Koga D, 65
Kornai J, 182
Kortelainen S, 279
Koskela E, 112
Kowalski J, 234
Kraak MJ, 65
Kraay A, 4, 8

Krakover S, 188-189
Krugman P, 2, 19, 34
Kukar S, 170, 180
Kuznets S, 1, 2, 16, 211

L

Lambelet JC, 255
Lampard EE, 86
Lane JE, 216
Le Gallo J, 2, 53
Lerman RI, 48, 51-52, 122
Levine R, 211
Leyshon A, 254
Li X, 15, 16
Lijphart A, 222, 227
Lipshitz G, 53, 188, 190
Loikkanen HA, 109, 112, 269-271
Lööf H, 297
Lorentzen A, 233
Lorenz MO, 47-48
Lundvall BA, 4
Luukkonen T, 301

M

Maceachren A, 65
Mairesse J, 297
Majcen B, 170
Malmberg A, 286
Marcy G, 16
Marimon R, 86, 96-98, 101, 103
Markusen A, 63, 207
Martin R, 63, 255
Martinez-Vazquez J, 214, 220
Maskell P, 286
Massey D, 283
Maung AC, 50
McCann P, 21
McCarthy TG, 130, 132
McCrone G, 273
McKinney M, 44
McNab R, 214, 220
Menéndez AJL, 87
Mera K, 189
Metcalfe JS, 286
Meunier O, 89, 106
Meyler A, 141, 305
Michalet CA, 254
Mignolet M, 89, 106
Milner C, 16
Minassian G, 234
Minns R, 255
Mitchell R, 65

Molho I, 199
Monaghan S, 57
Monteiro AM, 65
Mookherjee D, 121
Moore DS, 57, 88
Morgan K, 285, 299
Morgenroth E, 141
Morrison JL, 65, 67
Muehrcke PC, 65, 67
Muilu T, 65, 66
Murray AT, 63
Murray J, 306
Musgrave R, 213
Muth RF, 86
Myers MD, 4
Myrdal G, 211, 251-252

N

Naukkarinen A, 65-66
Neary P, 286
Nemes-Nagy J, 233
Neubauer, 270
Niittykangas H, 278
Nijkamp P, 300
North DC, 213
Nyberg P, 112
Nygård F, 122

O

O'Farrell P, 147, 150, 305
O'Leary E, 129-131, 136-137, 140-142
Oates WE, 212-213, 216
ÖIR, 289
Oosterhaven J, 155

P

Palme G, 291
Paquet G, 297
Parr JB, 207
Patterson MG, 96
Pearlmutter D, 188, 194
Pecar J, 170, 172, 175-176
Pedersen PJ, 120
Pehkonen J, 271
Pekkala S, 270-272, 274, 278
Perkins DH, 1, 8, 16
Perloff HS, 86
Persky JJ, 50
Persson LO, 66
Petrakos G, 233-234, 238
Pierson P, 216
Pigou AC, 50

Poot J, 2, 4
Porteous DJ, 254
Porter R, 65
Portnov BA, 17, 61, 106, 188, 190, 194
Prudhomme R, 213-215
Puga D, 21
Pyatt G, 31, 51-52

R

Raagmaa G, 233
Rainwater L, 116
Raman KS, 4
Ramos FR, 65
Rantala A, 269-270
Ratti R, 262
Raymond JL, 137
Read R, 4, 8, 15-16
Renelt D, 211
Richardson HW, 2, 196
Riihelä M, 119, 270-271
Ritsilä J, 272, 277
Robinson AH, 65, 67
Robinson EAG, 4, 15
Rodriguez M, 65
Rodríguez-Pose A, 176, 211, 238
Roper S, 17, 53, 298, 300-302, 304-310
Rosenthal H, 217
Roth JP, 259
Rovolis A, 238
Roy AD, 26
Ruane F, 302
Rusanen J, 65-66
Russel JS, 65

S

Sala-i-Martin X, 48, 63, 113, 176, 211
Sandström A, 122
Schmidt MG, 217, 222-223
Schremmer C, 291
Schumpeter J, 2, 211, 284
Schweitzer ME, 44
Scitovsky T, 15
Seegerstrom PS, 34
Selwyn P, 4
Sen A, 48-49, 51
Servo LMS, 44
Shachar A, 188, 190, 199
Shah A, 16, 20
Shankar R, 16, 20
Shaw M, 65
Shefer D, 188, 190, 299, 304, 307-309
Shefer S, 308-309

- Shorrocks A, 121
Shyy TK, 63
Siebert H, 2, 41
Siegel S, 132
Silber J, 51-52, 61
Simpura J, 109, 112
Smeeding TM, 116
Smith N, 120
Soen D, 188
Sonis M, 188
Spolaore E, 3, 15
Sposati A, 65
Stark T, 44
Steiner J, 291
Steiner M, 283, 285-286, 288-291
Stevens BH, 88
Stillwell FJB, 88, 92
Stöhr W, 288-289
Streeten P, 1, 4, 15-16
Streibler E, 285
Strobl E, 141, 305
Sturm D, 288
Sui DZ, 65
Sullström R, 119, 269-271
Sunley P, 63
Suoniemi I, 120
Syrquin M, 1, 8, 16
Szopo P, 291
- T**
Taipale M, 271
Tam M-YS, 50
Tanzi V, 213, 215
Tarrant MA, 65
Taylor J, 196, 213, 215, 277
Tervo H, 268, 271-273, 275, 277-278
Teubal M, 307
Theseira M, 65
Thierstein A, 256-257
Thisse JF, 298, 309
Thouément H, 252
Thrall G, 65
Thrift NJ, 254
Tichy G, 289
Tobler W, 17
Tödting F, 289
Tomaney J, 213
Tong S, 215
Totev S, 233-234
Toulemonde E, 97-98, 106, 131
Tsonas EG, 2
- Tsui K, 215, 218
Tunstall R, 213
Tyner J, 65
- U**
Url T, 288
- V**
Van der Knaap W, 65
Van Dijk J, 150, 155
Van Marrewijk C, 2, 34
Van Wissen L, 166
Vartiainen P, 274
Vazquez CJ, 300
Venables AJ, 2
Vihriälä V, 112
Virkkala S, 275
Visser J, 147
Vonderohe AP, 65
- W**
Ward N, 213
Wayland D, 47
Webster CJ, 66
Weinstein DE, 34
Wennemo T, 120
Westaway T, 16
White H, 39, 179
Williamson JG, 48, 143, 189
Wilson R, 308
Wojan TR, 50
Wolf K, 96
Wong C, 207
Wood J, 63, 67
Wörgötter A, 137, 288
Wrynn J, 302
Wu FL, 66
- X**
Xie YC, 65
- Y**
Yearly S, 301-302
Yeung HYC, 300
Yitzhaki S, 30, 31, 48, 51-52, 122
Yossifov P, 215
- Z**
Zhang T, 215
Zhao X, 215
Zilibotti F, 86, 96-98, 101, 103
Zitikis R, 39-40
Zou H, 215

Subject Index

A

absolute dispersion, 55
accessibility, 9
actual distance method, 75, 83
additionality, 296
agglomeration, 9, 21, 23, 306, 330, 333
agglomeration economies, 20, 24, 155,
195, 319, 331
Albania, 250
allocation of resources, 226
allocative efficiency, 305
Andorra, 41
Armenia, 15
asymptotic distribution (Gini), 43
Atkinson index, 52, 53, 56, 65, 232-233
Australia, 14, 45
Austria, 5, 183, 186, 303, 307-308, 310,
313
Austrian school, 304-305
Azerbaijan, 15

B

B2B spillovers, 322
backwash effects, 202
banking sector dualisation, 270, 281
Barro-type growth models, 7
Belgium, 4-5, 8, 39, 45, 92, 163, 226,
235
Beta convergence, 122, 141, 144, 146,
149, 189, 254, 257, 262, 288
Bhutan, 15
bi-national R&D funds, 323, 329
bootstrapping, 7, 61
Brazil, 48
Bulgaria, 250-252, 254-255, 257
business cycles, 39
business incubators, 330
Byelorussia, 14

C

Canada, 4, 39, 234
capital investment, 224
capital mobility, 47, 268
capital stock, 224
Central Limit Theorem, 41
centralisation, 229
chart maps, 73

China, 229

city-states, 4, 16
civilian R&D investment, 324
closed economies, 38
cluster maps, 73
cluster policy, 314
cluster strategy, 311
clusters, 304, 306, 314
Cobb-Douglas production function, 37,
45
coefficient of variation, 36, 53, 55, 65,
131-133, 167, 169, 186, 260-261
cohesion policies, 251
collaborative networks, 321
commuting, 43, 179
comparative advantage, 319
competence clusters, 311
competitive advantage, 9
concentric circle method, 76, 79, 83, 85
constitutional structure, 235, 236
convergence, 25, 44, 119, 140, 142, 201-
202, 221, 262, 289, 308
coordinate transformations, 68, 74
correlation coefficients, 173, 234, 239
Coulter coefficient, 52-53, 65
counterfactual, 143, 145, 149, 296
creative destruction, 305
credit rationing, 270
Croatia, 183
cross-border cooperations, 314
cumulative causation, 269, 291, 306
Czech Republic, 24, 251, 257

D

Dalton transfer principle, 233
Dalton's coefficient, 56
decartelisation, 269, 281-282
decentralisation, 8, 224-227, 230, 235,
239-242, 244
decomposition of change, 131
de-industrialisation, 269
demand and reserve coefficient, 65
demand-side policies, 228
demography, 140, 142
Denmark, 4, 24, 25, 186, 324
density, 7, 22
dependency ratio, 291

deregulation, 120, 271
designated areas, 328
development economics, 5, 16-17
development policies, 251
development towns, 203
development zone, 293-294
direct subsidies, 294
discontinuities, 21
diseconomies of agglomeration, 2
diseconomies of scale, 19
disposable income, 119, 125, 127
distributional impacts, 17
divergence, 18, 140, 202
diversification, 39
double income households, 180
dual funding system, 272
Dublin, 57
Dutch Disease, 159-160
dynamic shift-share, 93, 100, 103, 112

E

economic integration, 8, 270
economic theory, 7, 28, 48
economies of scale, 16, 29, 37
economies of scope, 306
empirical democracy theory, 231
endogenous growth, 38, 226, 229, 296
enterprise promotion, 293
entrepreneurship, 305, 323
entropy, 53
Estonia, 249, 251, 255, 257, 260
EU Accession States, 8
EU collaborative programmes, 323
EU enlargement, 249, 251, 254
EU membership, 312
EU regional policy, 296
export/import dependency, 21
export-led growth strategy, 152
export-orientation, 18
external trade, 3, 14, 24

F

factor analysis, 8, 200, 206, 215-216, 220
factor income, 119, 125, 127-128
factor mobility, 7, 21-23, 30
FDI, 323
federalism, 226, 236, 239
female labour market participation, 162
financial autonomy, 235, 239, 242
financial centres, 268

financial globalisation, 271
financial institutions, 269, 272
financial markets, 268
financial metropolises, 282
financial services, 8, 268-269, 271-272, 283
Finland, 5, 8, 14, 35, 57, 118-119, 126, 136, 140, 285, 296-297, 299, 319, 323-324, 332
fiscal centralisation, 18
fiscal decentralisation, 228-229, 235, 239, 242, 244-245
fishnet/mesh surfaces, 74
fixed effects panel data regression, 190
France, 57, 234, 272

G

Gamma convergence, 141, 144, 146, 150-151
general regional equilibrium, 47
generalised entropy measures, 131, 137
geo-demographic analysis, 71
Georgia, 15
Germany, 6, 163, 232, 234
Gini coefficient, 7, 33, 35, 43, 52, 54-56, 61-66, 119, 123, 127-128, 130, 133, 135, 137, 188, 232, 241
GIS Mapping, 7, 68
global capital flows, 8, 323
global challenges, 3
global cities, 268
global economy, 3, 19
global inequality, 33
global production network, 322
globalisation, 9, 303-304, 314
globalisation trap, 314
governance structure, 7, 22
graduated colour, 73
graduated symbol, 73
Great Britain, 276
Great Migration, 287
Greece, 24, 186
greenfield manufacturing facilities, 327
gross income, 119, 125

H

head office economy, 275
high tech products, 288
high-tech industry, 322, 328
high-tech production, 217, 221
high-tech start-ups, 320

Hirschman-Henfirdahl index, 191
 Holland, 8
 Hong Kong, 4
 Hoover coefficient, 52-53, 65
 housing construction, 219, 221
 housing density, 207-208
 housing services, 45
 human capital, 297
 Hungary, 4, 24, 184, 250-251, 255, 257, 260
 hyperinflation, 219

I

Iceland, 14
 income elasticity of demand, 47
 income inequality, 68, 119
 income redistribution, 226
 income transfers, 295
 income-output ratio, 145
 increasing returns, 37
 India, 39
 Industrial Development Authority, 152
 industrial policy, 154
 industrial regions, 274
 industrial SME systems, 278
 industrial strategy, 8
 industrial structure, 21
 industrialisation, 152, 319
 industry mix effect, 94
 inequality, 119, 122-123, 136
 inequality aversion, 233
 inequality indices, 66
 inequality measurement, 51, 54, 57
 inflation, 231
 information asymmetry, 271
 information society, 297
 information technology industries, 287
 innovation, 38, 306
 innovation by invitation, 326, 329
 innovation policy, 8, 318, 324, 329
 innovation-led regional development, 320, 322
 institutional competencies, 320
 institutional constraints, 235, 237
 institutional pluralism, 235, 237
 internal economies, 332
 internal migration, 3
 international competition, 270
 international financial activities, 282
 international trade, 2, 3
 internationalisation, 249, 272, 282, 303

interregional convergence, 15, 21
 interregional inequality, 33, 35, 200, 213, 219, 221
 interregional migration, 2, 19, 21, 290
 interregional spillovers, 18
 intersectoral growth, 148
 inter-urban income disparities, 7
 intraregional inequality, 35
 intrasectoral growth, 149
 inward investment, 324, 326-327, 329
 inward technology transfer, 326-327
 Ireland, 5, 8, 25, 57, 140, 319, 320, 323-325, 331-332
 islands, 4, 16
 isolines, 74
 Israel, 5, 8, 25, 35, 57, 200, 318-320, 323, 324, 329
 IT industry, 122, 136
 Italy, 4, 6, 24, 163, 183, 186, 234

J

Japan, 57, 234
 job machine model, 162

K

knowledge spillovers, 319, 321-322
 Koku, 51
 Kullback-Leibler redundancy index, 65
 KwaZulu-Natal province, 72

L

labour costs, 161
 labour force participation, 209
 labour market policy, 178, 180, 310
 labour migration, 179
 labour mobility, 23, 45
 labour productivity, 244
 labour supply, 16
 land supply, 7, 20, 22-23
 land-use mapping, 71
 Latvia, 251, 255, 257, 260, 263
 law of large numbers, 39
 liability of newness, 25
 liability of smallness, 14, 17, 25
 Liberalisation, 270
 Lijphart index, 235-236
 Lindeberg condition, 42
 liquidity preference, 269
 Lithuania, 251, 255, 257
 living standards, 141-142, 154
 Ljubljana, 57

local inequality, 33
local networks, 333
local supply-chains, 321
local technology transfer, 333
local venture capital markets, 320
location patterns, 287, 291
location quotient, 202
locational advantages, 320
locational patterns, 286
long-distance commuting, 3, 21, 25
long-term unemployed, 173
Luxembourg, 4, 283

M
macroeconomic stability, 227
Malta, 4
mass immigration, 21, 58
max/min ratio, 254, 262
mean logarithmic deviation, 131
measures of decentralisation, 235
mergers/acquisitions, 272
metropolitan “shadow” effect, 21
metropolitan dominance, 257
micro data, 119, 122
migration, 232, 291
Mongolia, 15
monopolistic competition, 306
Monte Carlo simulation, 44
multinational companies, 272

N
national business cycle, 105
national innovation systems, 324
national spatial strategy, 155
natural resources, 7, 19, 22, 24, 71
neoclassical convergence theory, 269
neoclassical growth theory, 2, 224-225
neoclassical model of regional
 equilibrium, 45
neoinstitutionalist economists, 226
Nepal, 15
network-building, 304
new economic geography, 2, 20, 37,
 155, 182, 306
new growth theory, 155, 305
New Jersey Critique, 28, 30, 45, 47-48
New Zealand, 4, 14, 24
Norway, 14, 229, 232

O
one-region-economies, 251
open systems architecture, 321
optimal regional convergence, 54
optimal spatial distribution, 332
output growth, 29

P
panel data regression, 190
partisan influence, 231
patent applications, 326
path dependency, 196
pension funds, 271-272
performance effect, 94
Poland, 250-251, 255, 257, 260
political decentralisation, 235
pooled regression model, 190, 194-195
population density, 19, 21, 29, 207-208
population weighted coefficient of
 variation, 53, 206
Portugal, 4, 24, 234
principal components, 215
principle of transfers, 55
productivity, 140, 142, 145
productivity convergence, 154
productivity growth, 149, 224
profit outflows, 140, 142, 147
proportional increment, 79
proportional increment method, 75, 84-
 85
public choice theory, 227
public finance, 280
public goods, 37
public sector, 225, 230

R
R&D, 318-319, 321-322, 324, 327
R&D spillovers, 318
rank concordance measure, 144
regional authority areas, 140
regional budgeting, 22
regional competence, 299
regional competitiveness, 299
regional convergence, 2-3, 9, 18-19, 21-
 22, 118, 123, 136, 148, 155, 286, 289
regional development, 286, 289-290,
 305, 309
regional disaggregation, 45
regional disparities, 122, 227, 230, 240,
 303
regional divergence, 25

- regional effect, 95
 regional employment disparities, 92
 regional equality, 292
 regional fiscal autonomy, 22
 regional funding circuits, 268, 281-282
 regional GVA, 186, 188, 192, 194, 196
 regional heterogeneity, 7, 28
 regional housing markets, 30
 regional identities, 303
 regional innovation and technology
 policy, 298, 310, 331
 regional innovation premium, 311
 regional innovation strategies, 320, 333
 regional innovation systems, 320, 328
 regional networks, 306
 regional policy, 8, 21, 140, 152, 160,
 182, 196, 228, 285-286, 292-295,
 297, 299, 307, 310, 312-313
 regional price convergence, 54
 regional production systems, 273, 307,
 314
 regional productivity, 230
 regional share, 94
 regional spillovers, 227, 308
 regional transport subsidies, 294
 regional unemployment disparities, 159,
 160, 179
 regional welfare differences, 286
 regionalisation, 295
 relative dispersion, 55
 residual effect, 95
 residual growth, 148
 resource constraints, 16
 resource utilization, 292
 restricted least squares method, 105
 Romania, 250-251, 255
 Roy Model, 29, 31, 33-35
 Russia, 30, 45, 228
- S**
- sectoral employment shifts, 150
 sectoral productivity growth, 145
 securitisation, 270
 segmentation, 39, 40
 self-selection model, 31
 shift-share analysis, 7, 93, 112, 148
 Sigma convergence, 122, 141, 143-144,
 146-147, 151, 187, 232, 239, 241-
 242, 253
 Sigma divergence, 145, 148
 Singapore, 4
- Slovak Republic, 186
 Slovakia, 15, 24, 249, 251-252, 255, 257
 Slovenia, 5, 8, 15, 57, 182, 195-196,
 251-252, 255, 257, 263
 small business advice centres, 330
 SME, 282, 304
 social cohesion, 7, 17, 20-22, 24
 social infrastructure, 37
 social interaction, 29, 35-36, 43
 social multiplier, 36
 social returns, 322
 South Africa, 72
 South-eastern Europe, 250
 Spain, 6, 24, 163, 226, 234
 spatial dependence, 43
 spatial filtering technique, 308
 spatial scales of analysis, 3
 spatially referenced data, 72
 special economic zones, 229
 spurious correlation, 236
 statistical theory, 48
 stratification, 33
 structural change, 94-95, 101, 122, 140,
 145, 148, 249
 structural funds, 296
 structural unemployment, 172, 179, 290
 subsidiarity, 296
 Sweden, 24, 126, 234, 245, 318
 Swiss franc, 268, 273, 276, 278, 280
 Switzerland, 5, 24, 39, 229, 234, 245,
 268-269, 273, 275-276, 278
- T**
- tacit knowledge, 306
 targeted industrial policy, 153-154
 tax reductions, 294
 tax reform, 121
 technological knowledge transmission,
 305
 technological linkages, 306
 technology park, 298, 309
 technology transfer, 321, 329
 territorial networks, 311
 tertiary industries, 25
 the Netherlands, 5, 25, 159, 164-166,
 234
 Theil index, 52-53, 56, 65, 232, 241
 thematic mapping, 72
 tourist regions, 274
 tourist sector, 273, 279
 traded goods, 45

transaction costs, 23, 306, 308
transitional economies, 4, 250
transport costs, 9, 19-21, 23
transportation mapping, 71

U

UK, 28, 48, 226, 325
Ukraine, 14
unemployment, 120, 161, 164-168, 172-
174, 178-179, 231, 289, 296
unification, 35
untraded interdependencies, 321
Upas Tree effect, 19
urban diseconomies, 155

urbanisation, 333
USA, 28, 41, 48, 231-232, 276, 323, 325

V

virtual employment, 105, 107-109, 111
visualization techniques, 70-72, 83

W

weighted coefficient of variation, 253-
254, 262
welfare differences, 288
welfare policy, 295
Williamson index, 7, 52, 53, 65, 202,
212

Contributors

OEDZGE ATZEMA, Department of Human Geography and Planning, Faculty of Geosciences, Utrecht University, P.O. Box 80.115, NL-3508 TC Utrecht, the Netherlands.

Email: o.atzema@geog.uu.nl

MICHAEL BEENSTOCK, Department of Economics, Hebrew University of Jerusalem, Mount Scopus, Jerusalem 91905, Israel.

Email: msbin@mscc.huji.ac.il

JOSÉ CORPATAUX, Institute for Regional and Economic Research (IRER), University of Neuchâtel, Pierre-à-Mazel 7, 2000 Neuchâtel, Switzerland.

Email: jose.corpataux@unine.ch

OLIVIER CREVOISIER, Institute for Regional and Economic Research (IRER), University of Neuchâtel, Pierre-à-Mazel 7, 2000 Neuchâtel, Switzerland.

Email: olivier.crevoisier@unine.ch

DANIEL FELSENSTEIN, Department of Geography, Hebrew University of Jerusalem Mount Scopus, Jerusalem 91905, Israel.

Email: msdfels@mscc.huji.ac.il

CARLOS GIL, Department of Economics, Universidad Pública de Navarra, Campus de Arrosadia 31006 Pamplona (Navarra), Spain.

Email: cargil@unavarra.es

RIMMA GLUHIH, Jacob Blaustein Institute for Desert Research, Ben-Gurion University of the Negev, Sede Boqer Campus 84990 Israel.

Email: rgluhih@bgumail.bgu.ac.il

DIMITRIS KALLIORAS, Department of Planning and Regional Development, University of Thessaly, Pedion Areos 38 334, Volos, Greece.

Email: dkallior@uth.gr

HEIKKI A. LOIKKANEN, Department of Geography, University of Helsinki, Arkadiankatu 7, FIN-00014 Helsinki, Finland.

Email: heikki.loikkanen@helsinki.fi

OLIVIER MEUNIER, Centre de Recherches sur l'Economie Wallonne (CREW), University of Namur, Rempart de la Vierge 8, 5000 Namur, Belgium.

Email: olivier.meunier@fundp.ac.be

MICHEL MIGNOLET, Department of Economics and Centre de Recherches sur l'Economie Wallonne (CREW), University of Namur, Rempart de la Vierge 8, 5000 Namur, Belgium.

Email: michel.mignolet@fundp.ac.be

EOIN O'LEARY, Department of Economics, University College Cork, Western Road, Cork, Republic of Ireland.

Email: eoin.oleary@ucc.ie

PEDRO PASCUAL, Department of Economics, Universidad Pública de Navarra, Campus de Arrosadia 31006 Pamplona (Navarra) Spain.

Email: ppascual@unavarra.es

GEORGE PETRAKOS, Department of Planning and Regional Development, University of Thessaly, Pedion Areos 38 334, Volos, Greece.

Email: petrakos@prd.uth.gr

BORIS A. PORTNOV, Department of Natural Resources & Environmental Management, Faculty of Social Sciences, University of Haifa, Mount Carmel, Haifa 31905, Israel.

Email: portnov@nrem.haifa.ac.il

YIANNIS PSYCHARIS, Department of Planning and Regional Development, University of Thessaly, Pedion Areos 38 334, Volos, Greece.

Email: psycharis@prd.uth.gr

MANUEL RAPÚN, Department of Economics, Universidad Pública de Navarra, Campus de Arrosadia 31006 Pamplona (Navarra), Spain.

Email: mrapun@unavarra.es

MARJA RIIHELÄ, Government Institute for Economic Research (VATT), Arkadiankatu 7, FIN-00100 Helsinki, Finland.

Email: marja.riihela@vatt.fi

STEPHEN ROPER, Aston Business School, Aston Triangle, Birmingham B4 7ET, United Kingdom.

Email: s.roper@aston.ac.uk

MICHAEL STEINER, Department of Economics, Karl-Franzens University, Universitätsstraße 15/F4, A-8010 Graz, Austria.

Email: michael.steiner@uni-graz.at

RISTO SULLSTRÖM, Government Institute for Economic Research (VATT), Arkadiankatu 7, FIN-00100 Helsinki, Finland.

Email: risto.sullstrom@vatt.fi

HANNU TERVO, School of Business and Economics, University of Jyväskylä, P.O. Box 35, FIN-40014 University of Jyväskylä, Finland.
Email: htervo@econ.jyu.fi

JOUKE VAN DIJK, Urban and Regional Studies Institute (URSI) and Department of Economic Geography, Faculty of Spatial Sciences, University of Groningen, P.O. Box 800, NL-9700 AV Groningen, the Netherlands.
Email: j.van.dijk@frw.rug.nl

PETER WOSTNER, The Republic of Slovenia Government Office for Structural Policies and Regional Development, Kotnikova 28, 1000 Ljubljana, Slovenia.
Email: peter.wostner@gov.si