The Economics of European Regions: Theory, Empirics, and Policy

Dipartimento di Economia e Management

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- Solow model with poverty trap or better **multiple equilibria** (but why only two?)
  - ☑ **endogenous investment rate**
  - ☑ **endogenous growth rate of population/employment**
  - ☑ **increasing returns to scale (change in output composition)**
  - ☑ **endogenous level of human capital**
- ☑ **Factor reallocation** across regions
- ⇨ Core-periphery model: **two sector economy** and factor reallocation across regions
- Solow with **limited technological spillovers**
- Solow with **factor reallocation** across regions and **limited technological spillovers**
- Solow with **many intermediate goods**

Growth rate of compensation per employee, GDP and GVA per worker in EU regions
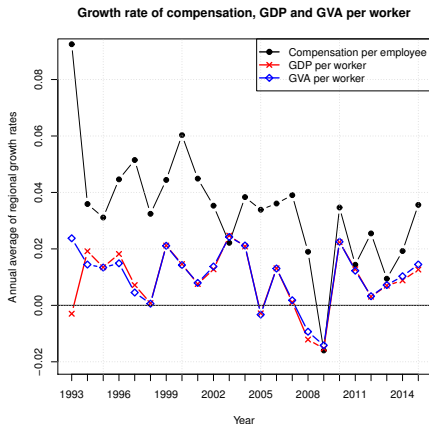

Figura: Growth rate of compensation per employee, GDP and GVA per worker in

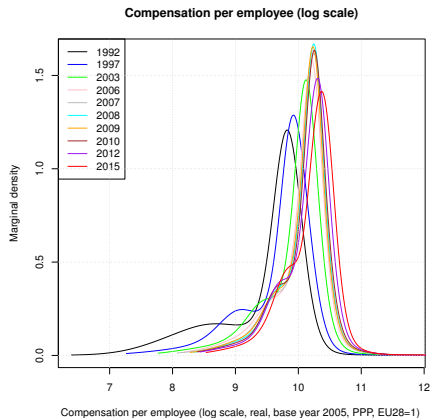# Distribution dynamics of compensation per employee

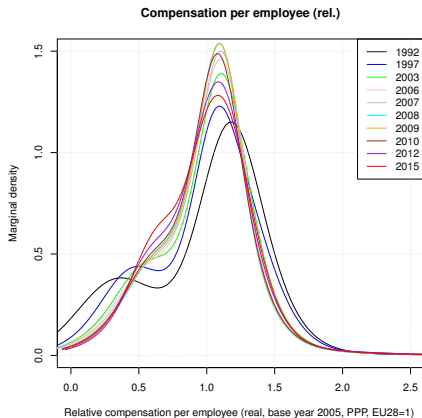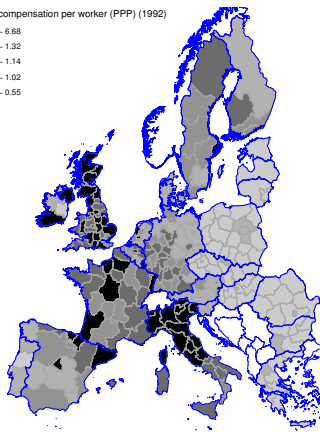Figura: Distribution dynamics of compensation per employee

Figura: Distribution dynamics of (rel.) compensation per employee

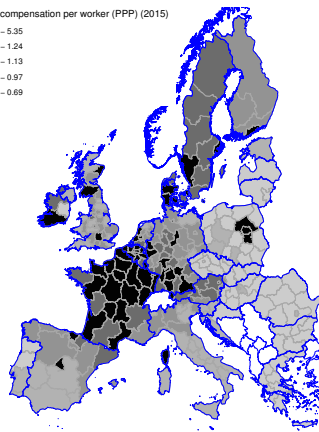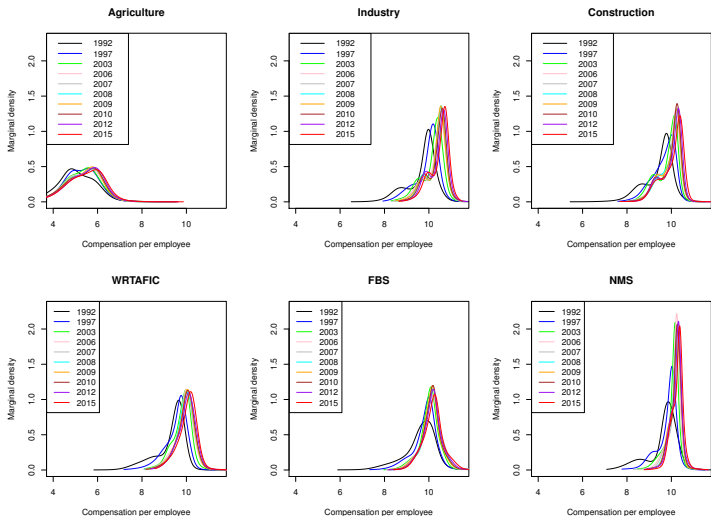# Distribution dynamics of relative compensation per employee

Figura: Map of relative compensation per employee in 1992

Figura: Map of relative compensation per employee in 2015
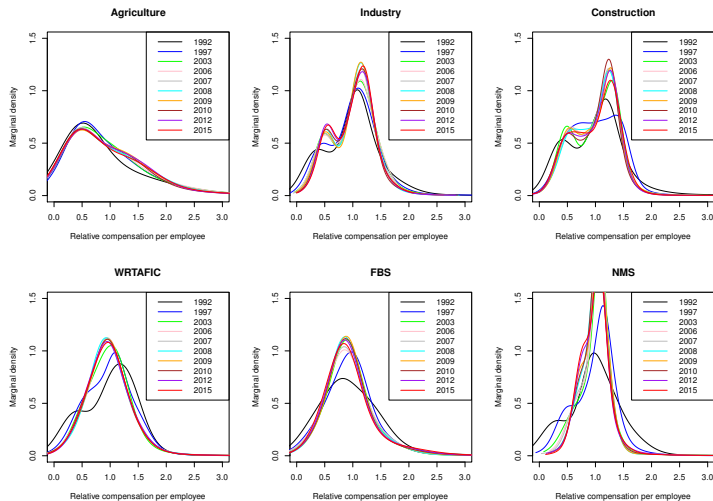
Sectoral distribution dynamics

Sectoral distribution dynamics (rel.)

Figura: Distribution dynamics at sectoral level