

Contents

<i>Preface</i>	xi
1 <i>Introduction</i>	1
The variety of regional experience	3
Techniques of analysis	7
Standardisation procedures for the analysis of interregional differences	9
Analysis of variance and the 'evaluation of inner products'	11
The industrial structure of the regions	13
2 <i>Regional Specialisation and the Location of Manufacturing Industries in the United Kingdom: 1958 and 1963</i>	15
The level of regional specialisation and industrial localisation	16
Changes in the degree of specialisation and localisation	19
Patterns of regional specialisation and trade in the United Kingdom: a test of some hypotheses	21
Measuring the pattern of regional specialisation	23
Theories of the pattern of regional specialisation based on comparative costs	
(a) The Heckscher-Ohlin Theory	24
(b) Classical trade theory I: comparative labour productivity as the basis of specialisation	28
(c) Classical trade theory II: efficiency wage differences as the basis of specialisation	31
(d) Absolute unit labour costs as the basis of specialisation	33

3	<i>Relative Costs as a Determinant of Changes in the Pattern of Regional Specialisation and Industrial Location</i>	43
	Specialisation change and comparative unit	
	labour costs	46
	Locational change and absolute labour costs	53
	Movement patterns and unit labour costs	56
4	<i>Types of Unemployment: Cyclical v. Non-cyclical Unemployment</i>	60
	Types of unemployment	60
	Cyclical v. non-cyclical unemployment	62
	The sensitivity of regional to national unemployment	66
	Brechling's model	67
	The sources of variations in the sensitivity of regional to national unemployment	69
	Results of the analysis	75
5	<i>Types of Unemployment: Demand-deficient v. Non Demand-deficient Unemployment</i>	80
	Classification according to cures	80
	Classification according to causes: the use of vacancy statistics	83
	(a) Measurement when unemployment exceeds vacancies	86
	(b) Measurement when vacancies exceeds unemployment	88
	The dependence of structural and frictional unemployment on the pressure of demand	88
	Methods to overcome the dependence of the measurement of non demand-deficient (and structural) unemployment on the pressure of demand	90
	Results	93
	The geographic dimension of structural unemployment	112
	Equalisation of regional unemployment rates	117

6	<i>The Determinants of Productivity Growth in the Regions of the United Kingdom: 1958-68</i>	128
	The neoclassical approach to the analysis of productivity growth	128
	Johansen's approach	131
	Estimates of the components of productivity growth for the regions of the United Kingdom	134
	An alternative approach using the rate of increase in wages as a proxy for the rate of capital deepening	140
	The contribution of interregional resource shifts to productivity growth in the United Kingdom	142
	Increasing returns to scale	143
	Adjustments to the estimates of capital deepening	146
	The contribution of intra-regional (inter-industry) resource shifts to regional productivity growth	150
7	<i>Interregional Differences in 'Efficiency': 1958 and 1963</i>	156
	The CES production function	156
	Estimates of the relative efficiency parameter for regional manufacturing 1958 and 1963	159
	The CES production function with allowance for increasing returns	162
	Regional efficiency parameters and the doctrine of general locational disadvantage	165
8	<i>The Determinants of Employment Growth in Regional Manufacturing Industry</i>	170
	Shift-share analysis of employment growth	171
	A macroeconomic view of employment growth	179
	The labour requirements approach	180
	The manning ratio approach to the demand for labour	187

9	<i>The Growth Experience of the Regions: A Harrodian Interpretation</i>	192
	The relation between the actual and natural growth rates	194
	The relation between the actual and warranted growth rates	195
	The technical progress function	200
10	<i>An Export Demand Model of Interregional Growth Rate Differences</i>	205
	The model	206
	Divergent or convergent growth?	211
	Regional 'competitiveness'	214
	Productivity growth	217
	Government investment	218
	Conclusion	218
11	<i>Summary and Conclusions</i>	220
	<i>Appendix 1</i>	
	<i>The Elasticity of Substitution and Returns to Scale in United Kingdom Manufacturing Industry, 1958 and 1963</i>	226
	The elasticity of substitution	226
	Estimation with constant returns to scale	230
	Non-constant returns to scale	234
	Interpretation of the results: a critique	237
	<i>Index of Names</i>	243
	<i>Index of Subjects</i>	245