

Contents

ABSTRACT	VII
1 INTRODUCTION	1
2 THE THEORETICAL MODEL	3
2.1 Steady-States and Stability	6
2.2 Initial Migration	9
2.3 Derivation of Growth Equation and Tests	12
2.4 Endogeneity and Conditional Steady State	14
2.5 The Spatial Wavelength	16
3 EMPIRICAL ANALYSIS	18
3.1 Econometric Specification	19
3.2 Barro and Sala-i-Martin (1995) Data	21
3.3 Eurostat Data – NUTS2	22
3.3.1 Centers and Peripheries	22
3.3.2 Alternative Threshold Variables	27
3.4 Eurostat Data – NUTS3	30
4 CONCLUSION	34
REFERENCES	36
APPENDIX	39
Appendix 1: Derivation of Growth Equation and Dynamical System	39
Appendix 2: Proof of Proposition 1	40
Appendix 3: Proof of Proposition 4	41
Appendix 4: Derivation of consumption function	43
Appendix 5: Data Description	44

List of Tables

Table 1:	Threshold Estimation on the Data of Barro and Sala-i-Martin (1995)	22
Table 2:	Threshold Estimation of European Regions, NUTS2, Threshold Population Density, 1980/1981-1996	25
Table 3:	Differences Across Centers and Peripheries	26
Table 4:	Threshold Estimation of European Regions, NUTS2, Alternative Thresholds, 1980/1981-1996	28
Table 5:	Threshold Estimation of European Regions, NUTS3, 1980/1981-1996	31
Table 6:	Threshold Estimation of European Regions, NUTS3, Multiple Splits in Preferred Specification, 1980/1981-1996	34
Table A1:	Provides an overview of the variables used	45
Table A2:	NUTS3 Variables	46
Table A3:	NUTS3 Summary Statistics	46

List of Figures

Figure 1:	A Parabel to a Continous Space Model – Perfect Match	17
Figure 2:	A Parabel to a Continous Space Model – Regional Units Too Large	17
Figure 3:	A Parabel to a Continous Space Model – Regional Units Too Small	18