

Economic Development and Non-Monotonic Spatial Transitions

Ryo Itoh*

2007/6/2

概要

The purpose of the present study is to analyse non-monotonic spatial changes along to economic development. The basic structure of the model is similar to Ottaviano(1999, 2001) and Baldwin(2001), which investigated the migration process between symmetric two regions under perfect foresights, but this model adds human-capital as the new variable. The main focus of the present study is to investigate how the level of migration cost influences the shape of converging process. From the analysis of the model, population distribution draws an inverted-U curve along to economic development when the cost of migration is low enough. Also, transition of inter-regional income inequalities is in inverted-U when migration cost is in intermediate level.

Key words: *economic development, interregional inequalities, migration cost, the inverted-U hypothesis.*

JEL classification: O15, R11

*Graduate School of Information Sciences, Tohoku University, Aramaki, Aoba-ku, Sendai, 980-8579, Japan. E-mail: itoh@se.is.tohoku.ac.jp