

REGIONAL INEQUALITIES: GENERAL MODELS AND THE CASE OF THE TRANSITION COUNTRIES

JÓZSEF NEMES-NAGY *

NATIONAL DEVELOPMENT, REGIONAL DISPARITIES – MODELS

ABSTRACT - This material addresses the topic of regional disparities. The ground for the study is offered by the classical work made by *J. G. Williamson (1965)*, who examined first on a wide base the development-dependency of regional differences. Former researches (*Nemes-Nagy, J. 1987*) have basically confirmed this relationship, probably making the course of development of regional inequalities more exact since having the available new information. The author concludes that the *alternative is still opened* both in social and in spatial sense for Hungary and for countries following the same course: the endurable differentiated “*European*” way and the more polarised, by crises frequently affected “*Latin-American*” way.

Key words: regional inequalities, transition, polarised development.

In the literature of intra-country regional differences an up to this day often-cited classical study was made by *J. G. Williamson (1965)*, who examined first on a wide base the development-dependency of regional differences. As an answer for the research question – “What connection can be described between national economic development and internal regional differences?” – the author concluded an “inverse U-shaped” model-connection (*Figure 1*). According to this the initial phase of economic development (that is analogous with low-medium level of development) has a characteristic feature of increasing differences (divergence), while – at a precisely not definable level – the period of moderating regional differences (convergence) is likely to come.

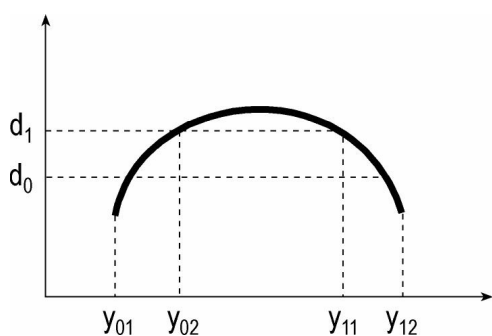


Fig. 1. The classical “inverse U-shaped” model of Williamson (S. Davis - M. Hallet 2002 on the bases of Williamson, J.G. 1965). Horizontal axis measures (national) development or income level, while vertical axis measures (regional) income differences.

Former researches (*Nemes-Nagy, J. 1987*) basically confirmed this relationship, probably making the course of development of regional inequalities more exact since having the available new information (*Figure 2*). Phase I. generalises agriculture-dominated regional economic rates of the precapitalist era, whilst phase II. represents the period of the evolution of capitalist industry with the formation of spatial concentrations. In phase III. after the capitalist conditions of production had become dominant the reduction of sharp dualism of development and economic structure (industry-agriculture duality) got started spontaneously and by initiatives of state economic policy, and the service-centred structure of economy came to the front. This latter factor with the evolution of upwardly levelling regional policy in phase IV. enhances further the regional approximation. In this process it is typical for all main economic branches (agriculture, industry, services) that in the period of forging ahead or drawing back they have rather polarising influences, while at the phase of dominant presence they result equalisation both in income production and in employment (*Lőcsei H. 2004*).

* Institution: Eötvös Loránd University, Department of Regional Geography, Budapest.
E-mail: nemesn@ludens.elte.hu

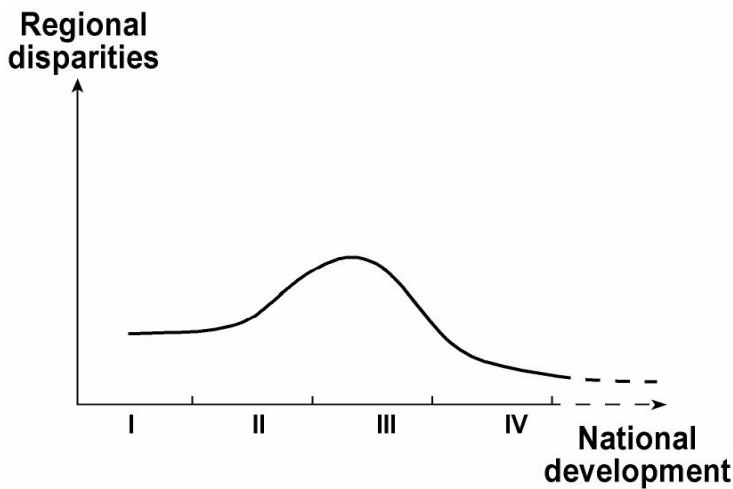


Fig. 2. The modified model (Nemes Nagy J. 1987).

Searching for driving forces of these processes international literature concordantly concludes that long-term spatial processes are dominantly affected by capital-movement and effects of economic efficiency rather than factors of demography, migration and employment. This, however, means not that the worldwide great demographic and migration pressure and the serious unemployment – also in developed regions of Europe – could have an unmarked importance in (social) politics, rather spatial

processes prevailed nowhere with these factors but with capital flows. Nowadays, regional economic growth is unambiguously driven by mending productivity, while the employment has only secondary effects. A general peculiarity is that the factors of employment, demography and age structure increased more the advantage of regions with higher economic efficiency.

Beyond their basic run the two models are the same taking into account that with an empirical background that was ended essentially in the 1970s the authors did not try to make any prognosis or to drive the development trends further. Both models render lasting equalities and slight differences probable on the highest level of development. In a little while appeared the brave enough authors for larger scaled forecasts. For example Amos, O. M. (1988) connected two divergent corrections to the inverse-U of Williamson-Kusnets: a calm, slightly changing, balanced spatial structure and another inequality-increasing phase (Figure 3.). This model had new empiric experiences in the background.

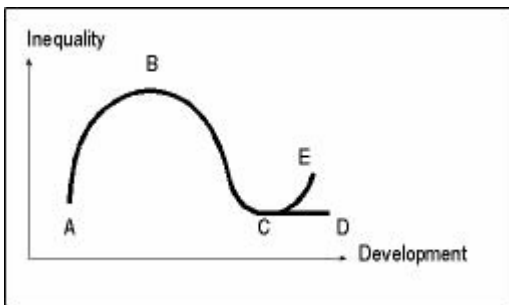


Fig.3. The short-term wave model of the relationship between development and inequality. (Amos, O. M. 1988)

National development, regional differences – empirics.

While until the end of the 1970s by testing the above mentioned overall relations the researchers of this topic could have an information background of 30-40 mostly European countries, nowadays information (regional GDP and income data) for testing the “inverse-U hypothesis” are available approximately for 100 countries.

Although this mass of information is very heterogeneous due to difficulties of review and methodology, it can be concluded (not mentioning here the diversified methodology) that the newest examinations brought a lot of highly significant coherences on the surface regarding the relationship between national development and regional differences.

Researches are going along two characteristic directions of approach and methodology. Until the years of the 1970s main direction in approaching and analysing regional development differences was the analysis of the inequality-based so-called *sigma convergence* – this time the differentiation and dispersion of regional development levels were measured in correlation with the national average (in connection with this approach historical results are presented for one of the most simple polarising indicators on Table 2.). At the turn of the millennium the testing of the growth-theory-based *beta convergence* came into the forefront, in

which regional approximation or differentiation is concluded from the regression connection of regional development levels and pace of development.

First, among research results it should be stressed that all substantive examinations confirm the “cross-section” content of the models in essence: the most developed (e.g. West-European) and less developed countries (e.g. states of Latin-America) are explicitly differentiated also today. Prior ones have much smaller regional development differences on the whole, while the last ones are characterised by strong and fixed differences today as well (according to the new researches of *Shankar-Shah 2001* and *Fallon-Lampart 1998* covering much more countries, comparing results of the 60s and 80s regional inequalities were somewhat reduced in both group of countries, but this duality stood up unchanged). Nowadays it is already hard to find an example on the upsweeping arm of the “inverse-U” since already the most underdeveloped countries are over the development phase of switching over the natural economy dominated equalised spatial structure to the polarising capitalist way of production.

In developed countries of the world the in time curve of regional inequalities followed the Williamson-scheme quite well until the middle or end of the 1970s. In parallel with development and increasing level of development the regional development differences were constantly decreasing. The tendency in these countries was to narrow the gap between developed, peculiarly strongly urbanised regions and the rest of the country at all points during the 20th century, however sharp changeovers were rare.

European processes are characterised with the almost model-like *Italian North-South* relationship (*Daniele, V. 2002*) as an example for zone division or with the shaping of the Paris-countryside duality that reflects a classic core-periphery relation (*Catin - Van Huffel 2002*). In Italy in the second half of the 20th century a definite development convergence was taking place that was, however, carried out mainly not by the closing up of the notably supported Mezzogiorno (Calabria is still the most underdeveloped region up to the present), but by the fast development of the country’s middle part. It is not surprising that the judgement of the Italian regional development is accompanied by continuous discussions. In Europe the most remarkable multiple “*development inversion*” took place in *Belgium*. Here, in the 50s and 60s the traditionally industrialised Walloon region got into a relative depression and switched places on the scale of development with the Flanders (*Mignolet– Mulquin - Vieslet 2002*). Naturally the split and then reunified *Germany* is completely a special case. The 50 years covering research of *Kim, S. 2003* about the development relations of the western provinces pointed out a stormy convergence in the 50s. Beginning from the 60s spatial movements slowed down along with converging and diverging waves following each other. These processes were accompanied with the southwards shift of the economic centre of gravity. In the reunited country – perhaps even as a result of the disengaged new human and capital sources of the GDR (German Democratic Republic), notwithstanding the total cost of the transformation – the last decade of the 20th century is typified by a slow approximation in development not only in West-East relation, but among Western provinces as well.

At the end of the 1970s, however, both in countries of Europe and the New World the unambiguous trend of equalisation, which was generally typifying decades after the second world war, got broken (from the extraordinarily rich literature see for example *Rati M. 1992*, *Sherwood-Call, C. 1996*, *Rey, S. J. 2001*, *Kim- Margo 2003*, about history of the United States, and *Basile - de Nardis – Girardi 2001*, *Ezcurra - Carlos et al 2003* about the European trends). In correlation with the very impressive and comprehensive transformation started in world economy, in the background of these processes stands that in the spatial structure of these tertiary economies the emerging *globalisation and postfordian mechanisms* reevaluated the attributes of the regions. In traditional industrial spaces as a result of internal reasons and worldwide energy crisis the phenomena of depression turned up, rural sights did not become as dynamic in spite of notable supplies, at the same time the spatially concentrated dynamism of knowledge-intensive branches and the financial-economic service sector slightly increased previous inequalities again. While in former spatial structure of development the urban and industrial spaces represented almost the same weight, today the *greatest urban centres*, the large gravity points of concentrating quaternary sector are characteristically exceeding again. The *shaking of the “welfare state” and the employment crisis* has also effects on increasing inequalities.

As a result of that a *more unstable picture of development* features the USA and most of the European countries than before. Regional instability in fluctuation of spatial inequalities can be discovered also in the years at the turn of the millennium, for example data are reporting about decreasing, increasing as well as waving relations of regional inequalities in developed countries of Europe (*Table 2.*). It should be stressed, however, that in spite of these processes the basic formula is unchanged: the most developed countries are much more equalised than countries of the developing world, where influencing factors of equalisation are highly vestigial, furthermore meanwhile for example the driving forces of “new differentiation” are affecting also in differentiated macro-regions of the developing world hampering the revolution of equalisation expected by the forecasts.

On high level waving regional differences see: Columbia – *Moron-Roca 1999*, Chile – *Gobierno de Chile 2002*, Argentina – *Garrido-Marina-Sotelsek 2000*, Brazil – *Mossi-Aroca et al. 2003*, as well with comparing more countries: *Lira, I. S. 2003.*. The same curve of regional development differences are indicated in the case of South Korea and Japan by *Lee, S. 2003*. The extraordinary differences of less developed countries are confirmed also by last years’ data (*Table 2.*), including towards Europe drawing Turkey as well (*Gezici-Hewings 2003*).

An important momentum of the increasing inequalities perceived on most different regional levels and in groups of countries is that it is not about some kind of a general, unstructured polarisation. Namely the process is often accompanied with strong spatial configuration: wealth (level of development) and poverty (backwardness) turn up spatially concentrated by internal assimilation of neighbouring and akin groups of regions and at the same time by detachment among each other. This feature is presented by the so-called *club-convergence* or *twin-peaks theory* (*Major K. 2001*). In the sense of social structures the middle class is growing narrow in many places, on the other hand highly prosperous and hopelessly lagging groups of regions are forming in space. This peculiarity has essential importance respecting social space theories as well, since indicating the intensified power of socio-economic organisation of the intensive interactions originated from the geographical proximity, moreover in a somewhat paradox way, since it runs its course in parallel with the strengthening of *globalisation that virtually makes the effect of distance as secondary*.

REGIONAL DIFFERENCES IN HUNGARY

Regionalists of Hungary fully examined last two decades’ processes of regional transformation on different regional levels (*Cséfalvay Z. 1995, Enyedi Gy. 1996, Kovács Z. 2000, Nemes Nagy J. 2003*), tested the main elements and influencing factors of spatial differences (*Rechnitzer J. 1993, Schwertner J. 1994, Kiss J. 1999, Bajmócy P. 2000, Faluvégi A. 2000, 2004, Beluszky P. 2001, Deák Sz. - Lengyel I. 2003, Forray R. K. – Híves T. 2003, Süli-Zakar I. (ed.) 2003, Obádovics-Kulcsár 2003, G. Fekete É. 2004*) and followed up the changes of the inequalities (*Nagy G. 2002, Kovács T. 2002, Jakobi Á. 2004*). Research outcomes prove a newer, much more differentiated spatial structure than before.

Growth of inequalities gave the decisive trend of the Hungarian regional development in the last two decades. Recently main directions of regional development are shaped already by the new structures, new institutions and actors *evolved after the political transformation*. Deviations from the former spatial structure and movements of the newest period can be well detected in specific (per capita) data of regional GDP (*Table 1.*) that has been generally used for characterising regional development on international level as well. Perhaps it is worth to stress some important findings documented in the table:

- regional processes and spatial structure are characterised by *consistency*, the presence of stable dividing dimensions as well as by conspicuous *changes of positions*. The best example on prior one is the strong capital-countryside duality, the persistent relative backwardness of the Great Plain region, while latter one is best represented by the depression courses connected to industrial transformations and the spectacular forgings ahead. (The relative stability in spatial structure is indicated by the value of the correlation coefficient between the economic development level of the counties in 1975 and 2002: 0.58; as well as by the value calculated without the capital city: 0.38)

- the new, partly modified and more differentiated spatial structure *took shape already at the beginning or in the middle of the 90s*, since then only smaller amount of movements are perceived (to the above presented numbers analogous correlation results between 1994 and 2002 are remarkably high, they have the value of 0.95 and 0.81)
- while the basic trend of the *capital-countryside* relation is the widening of development gap, the internal county ratios are formed by the “downward levelling” or rather by the fluctuation of the recurring differentiation (see Minimum/Maximum ratios on *Table 1.*). The capital city is the only spatial unit, which had increased its relative advantage all along the examined period, while its “negative mates” are Borsod, Békés and Csongrád that were – although with different characteristics – getting backward step by step still up to the present. In recent years increasing instability of development is typical inside the country, the spectacular dynamics got broken in more western counties, the best example is Fejér, but similar signs are appearing on the course of Győr-Moson-Sopron and Vas county.
- More than half of the counties (11) had the level of economic development closer to national average in the “flourishing socialism” than today, only the capital and the inseparable Pest county is on the (relative) top today. The above mentioned reindustrialised western counties reached the best position between 1998 and 2000, more counties of Southern-Transdanubia presented a course of relative stability still until the middle of the 90s, but lately obviously remained without sources of growth.

Also the county level development courses indicate already that concerning regional processes the last decade of the 20th century with the huge transformations can not be considered as a homogenous period.

The *first half of the age* was dominated by *crisis phenomena that accompanied the degradation* of structures of the former system. After the transformation a picture of an unstable economy was outlined on the basis of the available information of economic statistics. During this period basically the unequal spatial formation of crisis factors (decrease of income, radical set-back of investments, unemployment) dominated the spatial processes; by now these factors – in a moderated, but regarding the most crucial regions spatially very fastened form – are relatively dispersed in the country.

The *signs of renewal (particularly in macroeconomics)*, so the nodes of local and regional success have perceptibly appeared *since the middle of the 90s*. These two phases can be clearly detected in shaping regional inequalities of personal income (*Figure 4.*). A fast polarisation in income and development has been witnessed on every regional level in the first half of the 90s, and then from the middle of the decade inequalities became stabilised on high level. More than half of the value of income inequalities could have been charged till the last on capital-countryside differences, in last years countryside regions differentiate also even more determinedly. Micro-regional and city-village differences are deposited of this macrostructure.

In the last couple of years – on different regional levels from the year 1999 or rather 2000 – in inequalities of personal taxable income the signs of a *new phase*, a turn towards *convergence* or decrease of inequalities has been developed. As a result of this inequalities of personal income toned down by now to a level as was at the beginning of the 90s, but the measure is still much higher than differences before the transformation. Behind the underway tendency basically macroeconomic and social factors are standing. Among these can be mentioned the *downward levelling* of the crisis of value production and income of some export-controlled regions that were wavered as a result of global economic and European recession, as well as the levelling effect of the notable and spatially relatively dissolved wage-rise in public sector. The tendency is still indeterminate today. Latest data for 2003 indicate a new smaller polarisation in personal incomes on every regional level, the only exception is the decrease of capital-countryside duality in which the influences of the capital’s agglomeration is primary.

Table 1. Regional development differences.

Regions, counties	GDP per capita (Hungary=100)										
	1975	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Budapest	139	182	183	189	191	191	196	203	204	212	208
Pest	61	76	72	73	77	77	80	78	83	88	89
Central Hungary	114	147	146	148	151	150	154	156	158	164	161
Fejér	106	96	99	103	117	124	114	119	103	94	95
Komárom-E	131	80	86	89	86	84	83	84	92	93	105
Veszprém	116	80	84	81	80	81	80	84	84	79	79
Central	117	86	91	92	96	98	94	97	93	89	92
Győr-M-S	111	103	109	110	109	121	131	134	120	118	120
Vas	82	103	107	109	114	117	118	114	100	99	105
Zala	88	94	92	93	91	90	90	84	85	87	92
Western	96	101	103	105	110	110	115	114	104	103	108
Baranya	108	84	80	78	80	79	78	76	76	74	75
Somogy	71	76	76	75	70	69	69	67	69	68	68
Tolna	77	94	92	91	84	86	89	81	84	78	72
Southern	88	84	82	80	78	77	78	74	75	73	72
Borsod-A-Z	111	70	76	71	69	69	67	64	64	62	63
Heves	100	73	74	74	72	73	72	71	75	73	73
Nógrád	77	62	59	57	53	57	55	54	56	55	54
Northern Hungary	102	70	73	69	67	68	66	64	66	64	64
Hajdú-Bihar	83	83	78	78	76	76	72	71	74	73	75
Jász-N-Sz	93	79	77	76	75	72	67	66	69	68	66
Szabolcs-Sz-B	59	62	61	59	58	57	55	53	57	54	55
Northern Great Plain	77	74	71	70	69	68	64	63	66	64	65
Bács-Kiskun	79	77	79	76	73	71	70	66	69	68	66
Békés	89	80	78	76	72	69	68	66	66	62	61
Csongrád	109	94	93	93	90	89	86	82	81	77	77
Southern Great	91	83	83	81	78	76	75	71	72	69	68
Maximum/Minimum ratio	2,36	2,94	3,1	3,32	3,6	3,35	3,56	3,83	3,64	3,93	3,85
Maximum/Minimum ratio (exc. Bp.)	2,22	1,66	1,85	1,93	2,21	2,18	2,38	2,53	2,14	2,19	2,21

Source: 1975 – the author's estimations; 1994-2002 official data of the HCSO. Underlined the maximum value of the region.

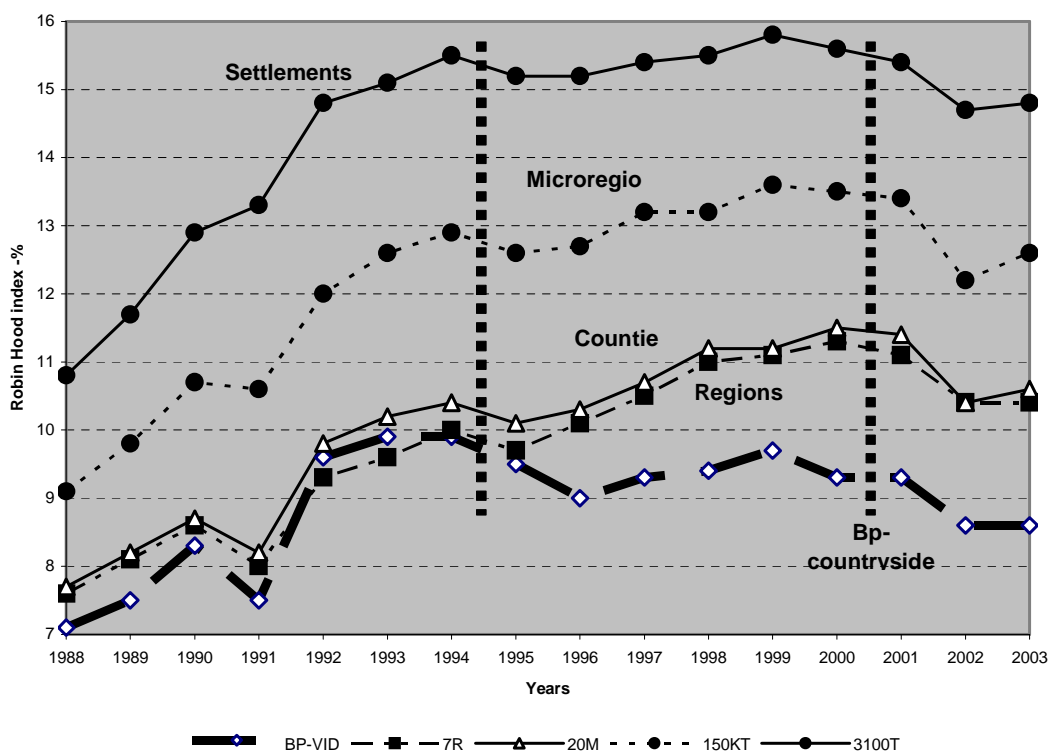


Fig. 4. Formation of regional inequalities of personal incomes between 1988-2003.

Source: Robin Hood index on different regional levels, measuring the unequal distribution of population and taxable incomes, calculated on the settlement-level database of APEH and the Ministry of Finance.

THE CASE OF THE TRANSITION COUNTRIES: BACK TO THE GENERAL MODEL?

Hungarian features are far not unique, they can be inserted in the processes of a larger group of countries, the former socialist (transition) countries. This all in the last decade of the 20th century differentiates further the relations suggested by the previously introduced theoretical models. In these countries the radical socio-economic metamorphosis, the transformation launched completely new processes in spatial cross-section as well.

These countries did not fit the general model even previously, since as compared to their development all were characterised by robust “downward levelling”, according to their level of development they were less differentiated than the same developed capitalist countries. The content of this relative equality was however not established, did not rest on durable real-base. While in modern market economies the elemental carrier of approximation was the tertiarisation of economy, so the gaining ground of branches that are connecting to population share much better than primary or secondary industries, until then such real-content was not mentioned in the socialist countries, since even the widely interpreted infrastructure was the most underplayed sector. Here, the relative equality was primarily resulted by the over-supported manufacturing industries (heavy industry), mass production and levelled wage- and income conditions – in many countries financed on the cost of international indebtedness.

The change of regime signifies not just the return to constitutional state and market economy, but as a not evadable consequence also the getting back to the typical trend of regional inequalities of market economies. This in all concerned countries – just due to former relative equality – unambiguously goes along

with *increasing differences of regional development and income* (Table 2.). Also the numbers of the table show that differences between developed members of the EU and the group of the East-Central-European countries are not so much in size of polarisation, but even in the direction of *alteration* of those (also other indicators denote similar trend – for example according to the calculations of *Baum–Weingarten 2004* the regional dispersion of per capita GDP between 1995 and 2000 did not moderated even in any East-Central-European country).

These processes are unambiguously confirmed by other international comparative analyses of regional characteristics of the East-Central-European transition (*Dunford-Smith 1998, Illés I. 2000, Turnock, D. 2001, Meusburger, P. 2001, Dall’erba, S. – Kamarianakis, Y. et al. 2003, Tondl-Vuksic 2003, Lackenbauer 2004a, 2004b*) and by numerous country analyses as well. Similar spatial processes typify also the in the table not included *Russian Federation* (*Bradshaw- Vartapetov 2003*), as well as the Non-European countries that carried out economic and market opening. The increasing differences between seaside and inner regions of *China* are widely known and researched (*Probáld F. 1999, Kanbur – Zhang 2004*), the previously almost completely homogenous Mongolia is differentiating, and sharp North-South and seaside-mountain polarisation got started in *Vietnam* as well. Sharp and deep social division and occasionally extreme poverty accompanies the unequal regional growth in these countries.

The divergence after the transformation is comprehensive and unambiguous. On the other hand even this course of development can be implicitly fitted into the general model (*Figure 5.*), on which the specific “socialist” trend line, the differentiation after the transformation – aggravated also by economic relapse – is to be visualised.

Factors of differentiation in developed countries (decisively the tertiarisation, the development of communication- and transport infrastructure, the equalised utilisation of human capital) affect the same as the tendency-breaking factors (postfordism, globalisation, crisis of welfare). It is possible that as a result of the battle of these two coexisting mechanisms the equalising processes will get started also in the transition countries (not automatically and presumably with strong deviation in time, with unique marks, brakes, among them faults of economic strategy as well as political or mental brakes). It has similarly the chance that due to the missed chances of economic development in the socialist years – since the main task, remained as a heritage in these countries, is the creation of a *compatible economic structure* – also the development of the new welfare state holds off (or largely lag behind), the polarising forces hold up on long historical distance the strong differentiation and also the connecting social unfairness and the disadvantage in economic competition.

Table 2. Regional development polarisation in EU member states, in former socialist countries, in soviet descendent states and in some Non-European countries at the end of the millennium.

Countries	Nu. of regions	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Austria	9	...	...	2,25	2,25	2,17	2,11	2,10	2,10	2,06	2,12	...
Belgium	11	...	...	3,00	3,07	3,12	3,16	3,18	3,13	3,14	3,02	...
Denmark	15	2,59	2,52	2,38	2,31	2,33	2,18	2,22	2,32	2,28	2,30	2,29
France	22	2,06	2,12	2,13	2,18	2,13	2,08	2,04	2,08	2,05	2,02	...
Finland	20	...	...	1,87	1,88	1,83	2,00	2,00	2,11	2,01	2,04	...
Greece	13	...	...	1,80	1,85	1,85	1,82	1,76	1,77	1,80	1,87	...
Netherlands	12	1,65	1,50	1,54	1,73	1,66	1,69	1,71	1,72	1,71	1,55	...
Ireland	8	1,98	1,85	1,81	1,78	1,82	1,95	1,89	1,82	1,90	...	...
U.K.	13	1,86	1,85	1,86	1,87	1,93	2,01	2,02	2,04	2,00	1,94	...
Germany	16	3,11	2,82	2,75	2,68	2,63	2,66	2,63	2,63	2,63	2,59	2,58
Italy	20	2,21	2,24	2,22	2,25	2,22	2,23	2,15	2,15	2,11	2,14	2,11
Portugal	7	...	...	1,73	1,73	1,79	1,81	1,74	1,70	1,69	1,77	...
Spain	19	...	...	2,09	2,07	2,09	2,13	2,09	2,08	2,12	2,09	2,06
Sweden	21	1,70	1,59	1,57	1,64	1,67	1,72	1,78	1,77	1,74	1,79	...
Bulgaria	6	...	...	...	1,60	1,62	1,49	1,65	1,59	1,67	1,79	1,74
Czech Rep.	14	2,08	2,21	2,27	2,18	2,4	2,58	2,69	2,77	3,02	2,83	2,95

REGIONAL INEQUALITIES: GENERAL MODELS AND THE CASE OF THE TRANSITION COUNTRIES

Poland	16	...	1,85	1,64	1,78	1,84	2,01	2,14	2,21	2,23	2,18	...
Hungary	7	...	1,99	2,06	2,11	2,19	2,21	2,31	2,48	2,39	2,56	2,52
Romania	8	...	1,96	1,73	1,78	1,82	2,14	2,69	2,95	2,95	...	...
Slovakia	8	...	...	3,27	3,31	3,41	3,51	3,58	3,65	3,77	3,82	...
Slovenia	12	...	...	1,68	1,70	1,70	1,69	1,75	1,94	1,95	2,05	...
Estonia	5	...	...	...	2,00	2,16	2,24	2,29	2,40	2,53	2,61	...
Latvia	5	...	...	...	1,96	2,12	2,77	3,27	3,33	2,65	3,29	...
Lithuania	10	...	...	...	...	2,04	2,32	2,24	2,2	2,29	2,50	...
Kazakhstan	17	...	7,95	7,64	5,89	5,58	5,46	7,52	10,42	10,81	11,59	11,93
Kyrgyzstan	8	...	...	2,69	3,28	3,61	4,24	4,24	4,18	...	...	...
Uzbekistan	14	...	...	2,35	2,19	2,87	2,96	2,82	3,43	4,03	4,26	4,21
Argentina	14	11,30	11,54	11,84	12,53	13,34	13,72	13,95	14,47	14,80	...	...
Bolivia	8	2,68	2,63	2,49	2,42	2,52	2,79	2,66	2,77	2,86	2,87	...
Brazil	27	7,33	6,92	7,55	6,88	7,62	9,76	7,82	8,85	8,71	8,39	...
Ecuador	18	3,25	3,29	3,23	3,28	3,22	3,18	3,12	3,17	3,03	...	...
USA	51	4,37	4,17	4,12	4,10	4,20	4,28	4,39	4,66	...	...	...
Rep. South Africa	9	...	...	4,07	4,02	3,88	3,74	3,38	3,86	3,02	3,26	3,19
Vietnam	8	...	...	5,83	6,05	6,00	5,57	5,66	5,70	...	...	...
Philippines	16	7,21	7,06	6,87	7,03	7,33	7,17	7,10	7,60	7,91	6,75	6,89
Turkey	81	14,89	14,11	14,13	16,31	14,80	14,13	13,87	13,68	10,85	...	...

Source of data: author's calculations on data of national statistical agencies, EUROSTAT and UNDP.

Table contents *quotients* of GDP per capita values of *most* and *least* developed regions, bold numbers indicate highest rate of polarisation for each country.

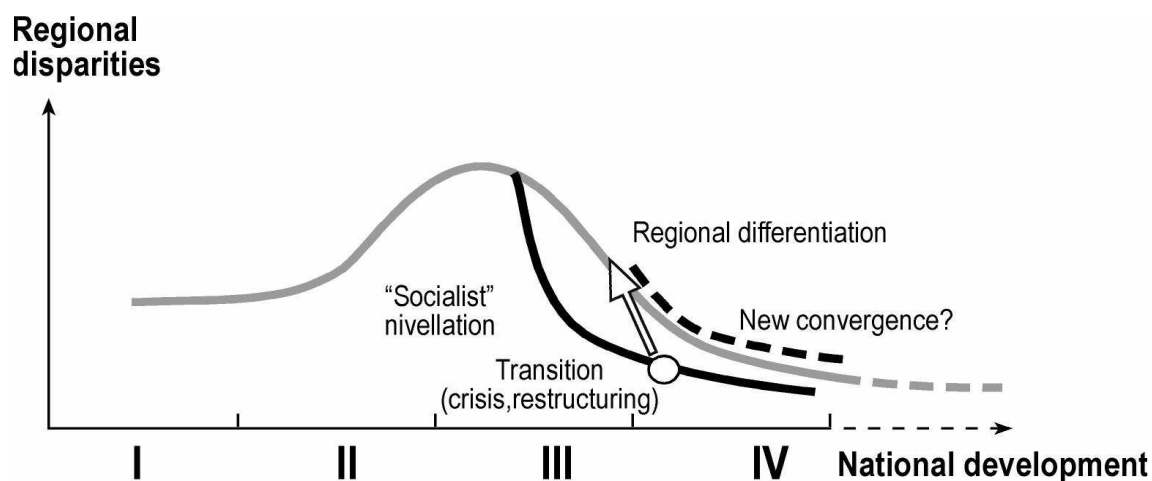


Fig. 5. Return to the general trend in the transition countries.

The great question of the near future – just in reflect of the newest processes of the developed world appearing already in the *model of Amos* – is that whether the *new levelling* gets started in these countries?

In the mirror of all these the *alternative is still opened* both in social and in spatial sense for Hungary and for countries following the same course: the endurable differentiated “*European*” way and the more polarised, by crises frequently affected “*Latin-American*” way. (While the developed part of Europe is a decade distance far from Hungary, the countries of Argentina, Chile, Uruguay and Mexico belong today already essentially to the same group of development – according to HDI data of the UN they belong into the

lowest third of the most developed countries – as most East-Central-European countries, the difference is that in those countries the social and regional inequalities are still much greater.)

It should be seen also that the trend-brake of spatial processes of developed countries and the new smaller differentiation evolves very hard question marks regarding also the role and the scope of *regional policy* and *regional development* playing key role in regional approximation according to the opinion or hope of lots. In the European scientific life an important circumstance of the extraordinarily keen so-called *convergence-debate* today is the scaling of the role of regional policy lifted on the level of integration (just as a result of the social, economic and regional relations plenty of contradictory research outcomes and sets of arguments emerge). Also there is not any unambiguous proof on that the huge amounts for regional development aims were got utilised effectively in all respects. Mostly the scheme seems to be come true that regional supports in the given field of continental or global economy somewhat reduced development inequalities *between countries*, but hardly the differences *within the countries* (that is why *Martin P. 1998* speaks with reason about “Pan-European convergence and local divergence”). It follows from this also that the above mentioned “European way” for the former socialist countries means in real that *the relative close-up of the countries become realised in a more polarised spatial structure that before*.

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