

Convergence Study Of Romanian Nuts Regions

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Content — In the framework of the neoclassical growth model developed by Barro and Sala-i-Martin, the concepts of absolute β -convergence and σ -convergence are applied to a variety of regional sets of Romania, meaning the NUTS1, NUTS2 and NUTS3 (counties) regions. The complex analysis was made on a large data base of population and real GDP (divided by overall CPI) values obtained from the National Institute of Statistics of Romania for a cross-section of all NUTS-type regions, and covering the period from 1995 to 2011. By evaluating the regions economies we decided to aggregate the Romanian NUTS3 regions into two contiguous geographical zones. The first stage linear regression of the logarithmic expression of GDP and the non-linear one display strong evidence of σ -convergence doubled by an absolute β -convergence in both Western and Eastern geographical zones including the NUTS2 regions.

Key words — economic growth, intra-national inter-regional analysis, linear and non-linear regression, neoclassical model, regional convergence, statistical tests.