



On Tuesday 1 July 2025, 04:00-21:00 GMT, we'll be making some site updates on Taylor & Francis Online. You'll still be able to search, browse and read our articles, where access rights already apply. Registration, purchasing, activation of tokens, eprints and other features of Your Account will be unavailable during this scheduled work.

Home ► All Journals ► Economics, Finance & Business ► International Review of Applied Economics ► List of Issues ► Volume 30, Issue 1 ► Rational underdevelopment: regional econ

International Review of Applied Economics >
Volume 30, 2016 - [Issue 1](#)

499 6 0
Views CrossRef citations to date Altmetric

Original Articles

Rational underdevelopment: regional economic disparities under the Heckscher-Ohlin Theorem

Marcus Gumpert

Pages 89-111 | Received 26 Sep 2014, Accepted 14 Jul 2015, Published online: 22 Nov 2015

Cite this article <https://doi.org/10.1080/02692171.2015.1074165>

Check for updates

We Care About Your Privacy

We and our 899 partners store and access personal data, like browsing data or unique identifiers, on your device. Selecting "I Accept" enables tracking technologies to support the purposes shown under "we and our partners process data to provide," whereas selecting "Reject All" or withdrawing your consent will disable them. If trackers are disabled, some content and ads you see may not be as relevant to you. You can resurface this menu to change your choices or withdraw consent at any time by clicking the ["privacy preferences"] link on the bottom of the webpage [or the floating icon on the bottom-left of the webpage, if applicable]. Your choices will have effect within our Website. For more details, refer to our Privacy Policy. [Here](#)

We and our partners process data to provide:

...

I Accept

Reject All

Show Purpose

the technology-endowed region offers financial transfers to the technologically lagging region. This equalizes regional incomes but also reduces the possibility that the laggard will adopt the new technology and decrease its developmental disadvantage. We also discuss the influence of mobile factors, which reduce regional inequality. The results show that rational underdevelopment extends beyond wage subsidies to mobile factors and capital. The analysis has implications for economic policies aimed at reducing inter-regional inequality.

Keywords:

- regional economic disparities
- rational underdevelopment
- factor mobility
- interregional transfers
- regional policy
- uneven development

JEL Classifications:

- F10
- F11
- F19
- O10
- O11
- R00
- R10
- R15
- R19
- R20

Disclosure statement

No poten

Notes

1. Partial
2. Au (2007, 13).

Relate



Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

 Sign me up



Copyright

Accessib

Registered
5 Howick Pl

or & Francis Group
orma business

