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DO SOCIO-CULTURAL CONDITIONS HELP CONVERGENCE BETWEEN ECONOMIES?

Abstract:

This paper is focused on the main trends and factors of convergence or divergence between economies which influences significantly the frequently discussed global inequality. On a dataset of HDP per capita in a group of 150 countries over 30 years it is tested if there is any relative/conditioned convergence between countries, where selected institutional and cultural factors were chosen as the condition for the regression analysis testing if similar institutional and religion factors may help the convergence between economies. The regression unsurprisingly shows that countries with low HDP per capita do not grow any faster than the rich countries even within groups with similar institutional conditions and religion background.

Keywords:

socio-cultural conditions, convergence