And, it is also important to observe that some cases of convergence across regions within individual states have been documented. For example, studies of per capita incomes trends across the US states and Japanese prefectures, where internal barriers to technology diffusion and trade and investment are low, appear to confirm convergence, albeit at a surprisingly slow pace (about two percent per year).[11] A similar result is in evidence within Europe.

The puzzles persist

Convergence and divergence co-exist. At some times and in some places, we observe convergence. Yet, as has been pointed out, income differentials across rural agrarian societies are comparatively small; since the rich industrialized countries were themselves agrarian not so long ago, it is evident that over the several hundred years of industrialization the *dominant* trend was and still is towards divergence, not convergence.[12]

There is no shortage of explanations as to why divergence rather than convergence is the dominant force.

One answer is that it is just plain hard to develop. After all, if the Ozarks haven't managed to plug into the US economy, why should we expect states in far less ideal circumstances such as those in central Sub-Saharan Africa to plug into the global economy?[13]

---

income convergence, others have traded heavily but not experienced convergence and, of course, still others have not managed to get a foothold in the trading system at all despite trying.

[11] See Xavier X. Sala-i-Martin, "The Classical Approach to 'Convergence Analysis", *The Economic Journal,* 106 (July 1996), 1019-1936.

[12] William Easterly, "The Elusive Quest for Growth", op. cit., pg 62.

[13] The difficulties of development at the international level have only mirrored the frustration of regional development at the national level where the same mixed pattern of some success and much failure has also emerged. Increasing returns has been adduced to explain why many backward nations