PUSHING REGIONS BEYOND THEIR BORDERS

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## THE SPATIAL OKUN'S LAW FOR THE SPANISH REGIONS: NEW EVIDENCE WITH ALTERNATIVE SPATIAL MEASURES

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In this paper we empirically test the Okun Law for the Spanish regions, augmenting the standard model that relates output and unemployment gaps allowing for regional spatial dependence. We build several spatial weighting matrices, combining both geographical and economic information, and test for spatial dependence in the Okun Law. Our results show substantial regional heterogeneity as regards the Okun coefficient, and the existence of a clear spatial pattern. However, the latter is better modeled in terms of a rather complex spatial dependence indicator instead of the usual geographical spatial weighting matrices.

## INFLUENCE OF RAPIDLY SPREADING SPARSELY POPULATED AREAS ON THE EMERGENCE OF SPATIAL EXCLUSION: THE CASE OF LITHUANIA

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Recently, the network of sparsely populated areas (hereinafter SPA) is expanding not only in Lithuania but also in other countries of the world, especially in the Nordic countries. For many years, majority of Northern European countries have successfully implemented specific regional development policy programs, strategies for resolving SPA problems (Jauhiainen, 2000, Gloersen, 2009). However, in Lithuania, the lack of regional policy measures implemented by the SPA, researchers of social geography perform research (Daugirdas, Baubinas, 2003, 2007, 2008; Daugirdas ir kt., 2013; Baranauskienė, Daugirdas, 2017).

In Lithuania, SPA (the rural population density of 12.5 inhabitants per square kilometer used in the study) is a rapid spread of the network, which comprises entire regions of the North-East and South of Lithuania, and already covers about 50% of the country's territory. Analyzing the 2001-2018 the number of sparsely populated municipalities (LAU1) has increased from 7 to 23 in the period, and in the wards (LAU2) - from 109 to 204. Such territories can be categorized as problematic, where the population is rapidly disappearing, not only due to emigration to the largest three cities of Lithuania - Vilnius, Kaunas and Klaipėda, which are not only the main national centers but also compete globally (Burneika et al., 2017), but also abroad; the population is aging, settlements are emptying, the network of public institutions disappears and territories become unattractive for investment. The SPA population is increasingly undermined by the accessibility and quality of public services, and therefore faced with spatial exclusion, becoming peripheral populations, further adversely affecting demographic, social and economic processes. Therefore, there should be deliberate regional policy in such areas.

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## CONNECTIVITY AND ECONOMIC GROWTH: A PANEL STUDY FOR EUROPEAN REGIONS

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The aim of this paper is to study the way the local creative economy and the connected economy affect regional economic growth in Europe. The paper builds upon a specific literature on creative and connected economies and shows that in many regions they appear as the main engine of growth.