

INTRODUCTION

This is a quarterly newsletter presenting recently completed projects and updates of ongoing research activity as well as highlights of publications, workshops, seminars and conference presentations.

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PROJECT UPDATES

EdEN — **Education Economics Network** (2016—2018) supported by the European Union H2020 programme

Partners: *Katholieke Universiteit Leuven, Universiteit Maastricht, Politecnico Milano*



EDEN project organizes a Summer school in Budapest on applied techniques and hands-on data in education research. This Summer School held between **16-18th October** introduces some of the most interesting new developments that may be useful to scholars in education economics. It aims to give practical experience using cutting-edge techniques and software from three key areas. In the section Laboratory experiments economists give introduction to behavioural economics, followed by a discussion on do's and don't's in the laboratory as well as on general ethical issues. They introduce Z-tree conducting an experiment with it and looking at the data has been created. In the Machine

learning section a statistician expert explains how machines can help, and compares normal regressions with regression Trees. Use of random forests and boosting will also be shown. The Data visualization section deals with both practical and theoretical issues. Expert from the field of investigative journalism shows the history of data visualization and gives practical tips and advices on how to visualize outputs. Tableau will be introduced and the students will be able to create their own charts and figures.

[Download](#) the program.

Agglomeration and Social Networks (ASANET)

Momentum Program of the Hungarian Academy of Sciences, (2017- 2022)



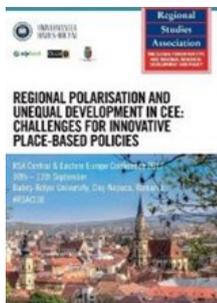
New research group at CERS HAS. The "Agglomeration and Social Networks" research group will seek a new understanding on the complex relationship between social networks and agglomeration economies through formulating three empirical work packages and collaborating with internationally leading institutes. First, they will use telephone call data to identify inter-industry communication ties in the city; compare these industry-level networks across towns and regions; and distinguish formal and informal connections to find statistical relationship between communication structure and the level of development in regions. Second, they will conduct a representative survey and analyze the sources of social tie formation at workplaces and the persistence of these ties; then simulate co-worker networks for the whole economy from administrative datasets and search causal relationship between the structure of the network and economic growth on the firm level and on the city or region level.

Third, they will investigate the role of collaboration networks in spatial concentration of technological excellence over the life-course of technologies by creating geo-located co-inventor networks from patent data and examining the relation between network structure and spatial dynamics and R&D performance.

Contemporary theories of space and spatiality in the Central Eastern European context financed by National Research Development and Innovation Office, 2015–2018

The Institute for Regional Studies organized the special session *Contemporary theories of space and spatiality and their application in practice* during the Regional Studies Association Central & Eastern Europe Conference in September in Cluj–Napoca. The following presentations introduced the findings of the ongoing research

project Contemporary theories of space and spatiality in the Central Eastern European context.



Revisiting the theory on the 'production of space' in order to better understand and challenge socio-spatial inequalities in CEE *Judit Timár*

Geographical scale's changing conceptualisation and actor-network theory: A view from Central and Eastern Europe *Márton Berki*

The evolution of absolute space: from the philosophical roots of the concept, to its current role in social sciences *Gergely Tagai*

Marginalized elements and all-encompassing structures: theoretical contributions to the notions of lived space and the everyday life *Ildikó Egyed*

The concept of autopoietic closed systems and the functioning of the spaces of the European Union *László Faragó*

Spatiality and the Central and Eastern European workfare state *Márton Czirfusz*

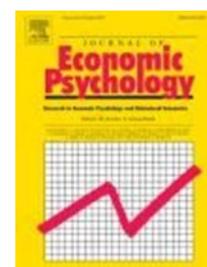
Materiality and spatiality: Changing spaces of electricity provision in Hungary *Márton Fabók*

Read more [about the project](#). Download the [abstract book](#) of the conference..

PUBLICATION HIGHLIGHTS

Tamás Hajdu – Gábor Hajdu: **The association between experiential and material expenditures and subjective well-being: New evidence from Hungarian survey data.** *Journal of Economic Psychology* Vol. 62. 2017. pp. 72–86. .

In the last decade, a number of studies using experimental designs have stated that spending money on experiences rather than on material goods tends to make people happier. In this research we used a novel survey approach to examine the relationships between experiential and material expenditures and life satisfaction. In two studies based on cross-sectional survey data from nationally representative samples in Hungary, we estimated linear and non-linear models. We found no significant evidence supporting the greater return received when buying experiences. Even in the non-linear models the difference between the marginal utilities was not statistically significant at any expenditure rate, although the marginal utility of experiential purchases appeared to be linear, whereas the marginal utility of material purchases was rather decreasing. Nevertheless, our results suggest that a reallocation of an average person's expenditures (spending more on experiences and less on material goods) might be associated with a slightly higher well-being. [Read more](#)



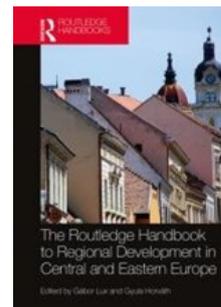
Balázs Lengyel – Rikard H. Eriksson: **Co-worker networks, labour mobility and productivity growth in regions.** *Journal of Economic Geography* Vol. 17. No. 3. 2017. pp. 635–660.

The mobility of workers is an important source of regional dynamics, but the effect of mobility on regional productivity growth is not straightforward, as some firms tend to win while others lose from mobility. In the present paper, we argue that the co-worker networks across plants that are established by labour moves are important for both local learning opportunities and job matching quality and should hence facilitate regional growth. We therefore propose a new homophily-biased perspective on co-worker network creation and show that it suits geographical analyses better than random networks do. Moreover, panel vector autoregression models provide systematic evidence that an increase in co-worker network density is positively related to regional productivity growth. This is found to be important even when only ties across plants that are not directly linked by labour mobility are included. [Read more](#)



Gábor Lux – Gyula Horváth (eds.): The **Routledge Handbook to Regional Development in Central and Eastern Europe**. London; New York: Routledge, 2017. 340 p.

Aiming to deliver a new synthesis of regional development issues at the crossroads between 'post-socialism' and 'post-transition', this book identifies the main driving forces of spatial restructuring in Central and Eastern Europe, and charts the different regional development paths which take shape against the backdrop of post-crisis Europe. A comparative approach is used to highlight common development challenges and the underlying patterns of socio-economic differentiation alike. The issues investigated within the Handbook extend to a discussion of the varied economic consequences of transition, the social structures and institutional systems which underpin development processes, and the broadly understood sustainability of Central and Eastern Europe's current development model. [Read more](#)



Andrea Szalavetz: **The environmental impact of advanced manufacturing technologies: examples from Hungary**. Central European Business Review Vol. 6. No. 2. 2017. pp. 18–29.

The paper demonstrates the beneficial impact of advanced manufacturing technologies (AMT) on firms' environmental performance. Drawing on interviews conducted with 16 Hungarian manufacturing subsidiaries on their experience with AMT, we find three functional areas, where industry 4.0 solutions can not only enhance operational excellence and cost-efficiency, but they can also improve eco-efficiency, process optimization and product and process engineering. [Read more](#)



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RECENT CONFERENCE PRESENTATIONS

Productivity spillovers through labor flows: productivity gap, multinational experience and industry relatedness Zsolt Csáfordi, László Lőrincz, Balázs Lengyel, Károly Miklós Kiss



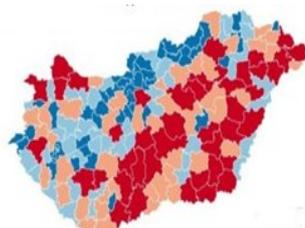
In this study worker flows effect on firm productivity is examined from three aspects. To what extent do workers hired away from 1) more productive firms, 2) multinational enterprises, or 3) related industries increase firm productivity? Putting these aspects in a common framework enables us to compare their importance in firm productivity growth.

[Download](#) the presentation

European meeting of the Econometric Society and the Congress of European Economic Association, (EEA-ESEM) 2017, 21- 25 August, Lisbon, Portugal

The Impact of regional development programs on Hungarian LAU1 regions

Zoltán Bakucs, Imre Fertő



This paper analyses the impact of development support on the wellbeing of Hungarian small regions between 2008 and 2013. Estimations result rather disappointing conclusions. Irrespective of support measure (total subsidy, subsidy/capita subsidy/km²) or methodology employed, the impact is very close to zero, or even negative casting serious doubts with respect to the effectiveness of Rural Development Policy and European convergence.

[Download](#) the presentation

XV. EAAE Congress 2017, 29 August – 1 September, Parma, Italy

UPCOMING EVENTS



October 18 Budapest, 3rd **Eden workshop**

October 19–20 Budapest, **"Efficiency in education and performance measurement in public sector"** 5th International Workshop – Eden project, IE CERS HAS

November 16–17 Budapest, **Transition in Agriculture – Agricultural Economics in Transition**

XIV. international conference of the Agricultural Economics research group, IE

CERS HAS For more information e-mail to **Judit Kis**.

November 22 Budapest, **Symposium In Memoriam György Enyedi (1930–2012)**,

IRS CERS HAS, Hungarian Academy of Sciences,

A symposium dedicated to the memory of György Enyedi member of the Hungarian Academy of Sciences, founder of the HAS Centre for Regional Studies will be co-organised by the HAS Committee on Regional Studies – founded by him – and the Institute for Regional Studies of CERS HAS. In addition to honouring his scientific legacy, students of György Enyedi and members of the new generation of scientists will address issues such as the current state of research activities and schools in Hungarian regional studies and the valorisation of scientific results. The session will also serve as an excellent occasion for participants to reflect on the role of regional sciences in the changing socio-economic and science policy context. For more information e-mail to **Szilárd Rácz**.



November 30 – December 1 Budapest, **3rd The Role of State in Varieties of Capitalism (SVOC)**

New global challenges of European regulation, institutions and policies

organized by the IWE CERS HAS and Center for European Neighborhood Studies, CEU



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