

Inter-firm learning and regional development

IBS Research Group led by Balázs Lengyel

Work Plan for 2012-14

I. General aims

The project aims to find new evidence on regional growth during economic transition with special attention on the effect of government incentives and foreign-owned companies.

The project has three **major aims**:

1. contribute to Economic Geography literature with new evidence on regional growth from a Central European transition economy;
2. provide knowledge for policy makers concerning the local effects of foreign-owned firms and government incentives in a peripheral EU country;
3. connect concepts and methods of Evolutionary Economic Geography (EEG) and approaches of complexity thinking.

II. Expected results

Final product: a book published at an international publisher

Internal products:

- 6 published papers in leading international journals
- 6 published papers in Hungarian peer reviewed journals or books

III. Detailed Research plan including methodology

A. Summary of key activities

Timeframe	Activity to be carried out
Jan. 2012 – June 2012	Literature overview, data preparation and external grant seeking
July 2012 – Dec. 2012	Entropy and relatedness calculation
Jan. 2013 – June 2013	First round of publication; Measurement extension; regression analyses

July 2013 – Dec. 2013	Second round of publication Model refinement
Jan. 2014 – June 2014	Third round of publication
July 2014 – Dec. 2014	Summary and book preparation

B. Detailed description of each planned research activity, including necessary resources and expected outputs

1. *Literature overview: Jan. 2012 – June 2012*

Books, published articles and working papers will be reviewed from the literature of evolutionary economic geography, evolutionary economics, economics of transition, institutional economics, regional growth and development etc.

Necessary resources: access to ScienceDirect and EBSCO

Expected outcomes: 2 papers submitted to Hungarian peer reviewed journals or books

2. *Data preparation: Jan. 2012 – June 2012*

Companies will be traced; company entries and exits will be defined.

Necessary resources: a high-capacity computer

Expected outcomes: panel database of Hungarian firms that can be repeatedly utilized in evolutionary analyses

3. *External grant seeking: Jan. 2012 – June 2012*

Application will be sent to Hungarian and international research funds in order to finance research visits and conference attendance.

Necessary resources: none

Expected outcomes: external resources

4. *Entropy and relatedness calculation: July 2012 – Dec. 2012*

Indicators of local inter-firm learning will be computed from the data in co-operation with internationally recognized scholars in the field of evolutionary economic geography.

Foreign firms' effect in regional innovation systems will be calculated.

Necessary resources: refunding travel costs

Expected outcomes:

- research results
- company and regional level indicators that can be used in further analyses

5. First round of publication: Jan. 2013 – June 2013

Results from entropy analyses and relatedness calculation will be prepared for publication.

Necessary resources: none

Expected outcomes:

- 2 papers submitted to Hungarian peer reviewed journals or books
- 2 papers submitted to international journals

6. Measurement extension and regression analyses: Jan. 2013 – June 2013

Regression models will be developed, in which foreign ownership will be controlled for, in order to capture the effect of foreign direct investment on regional industrial dynamics.

Necessary resources: refunding travel costs

Expected outcomes: research results

7. Second round of publication: July 2013 – Dec. 2013

Results from measurement extension and regression analyses will be prepared for publication.

Necessary resources: none

Expected outcomes: 2 papers submitted to international journals

8. Model refinement: July 2013 – Dec. 2013

Measurement methods and results drawn from entropy statistics and spatial industrial dynamics will be combined in order to get a better view on regional growth in a dual economy from both evolutionary and complexity perspectives.

Necessary resources: refunding travel costs

Expected outcomes: research results

9. *Third round of publication: Jan. 2014 – June 2014*

Model refinement results will be prepared for publication.

Necessary resources: none

Expected outcomes:

- 2 papers submitted to Hungarian peer reviewed journals
- 2 papers submitted to international journals

10. *Book preparation: July 2014 – Dec. 2014*

Research results will be summarized in a book.

Necessary resources: further external resources to finance lectors and editors

Expected outcomes: a book published at an international publisher