

## 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.

### In this issue:

Project updates  
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## PROJECT UPDATES

### EdEN - Education Economics Network (2016-2018)

supported by the European union H2020 programme

Partners: Katholieke Universiteit Leuven (Belgium), Universiteit Maastricht (The Netherlands), Politecnico Milano (Italy)



Project members held a kick off meeting in Budapest on the 6th of February followed by a workshop on Education Economics in March in Maastricht. Next event is a five days doctoral training on the Structural Models for Policy Evaluation and Discrete Choice Approaches. Presenting academics introduce the literature, the methodology and show how to estimate the models in Stata. Participants are invited to practice with real life datasets and discuss results and "tips and tricks".  
 Date: 6-10 June, 2016  
 Find out [more](#) about it.

### Russia as political and economic centre in the Eurasian space at the beginning of the 21. century (2013-2016)

supported by the Hungarian Research Fund (OTKA)



"*The end of an Era in Eurasia? Conflict in Eastern Ukraine and Economic Downturn in the Post-Soviet Space*" is the title of the newly released volume of the East European Studies which contains a variety of articles on Russia's role in the territory. In the introduction the authors also remember the late Zsuzsa Ludvig, who used to be the principal researcher of this project.

[Download](#) the volume.

**Living from their Land (2012-2016)**

supported by National Research, Development and Innovation Office

*Partner:* Institute of Sociology, Centre for Social Sciences HAS

On the 9 March the Institute for Regional Studies hosted a conference for exchanging and sharing experiences with stakeholders engaged in land use based rural development and employment initiatives. Participants represented a diverse group including village leaders, NGOs, state officials, economical players and researchers. Presentations and debates

touched upon issues from public employment schemes, social cooperatives, examples of value - added development projects in rural areas to the future perspectives of these initiatives. Two Hungarian cooperatives, the Völgység Kincse Fruit Processing Cooperative and the Hetedhét Határ Social Cooperative provided major contribution to the success of the event.

**MAPCOMPETE**

Mapping European Competitiveness (2013-2015),  
supported by the European Union FP7

*Partners:* Bruegel (Belgium), Centro Studi Luca d'Agliano (Italy), Institut für Angewandte Wirtschaftsforschung (Germany), Ecole d'Economie de Paris (France), Fondation Nationale des Sciences Politiques Sciences (France)



As a part of the Breugel Blueprint Series a new volume "Measuring competitiveness in Europe: resource allocation, granularity and trade" was recently released edited by Carlo Altomonte and Gábor Békés. The volume represents an important contribution to the debate on competitiveness. The book compiles the works of a number of eminent scholars who are active in this debate, and stems from 'MapCompete', a Seventh Framework Programme research project that assessed data availability and requirements for the analysis of competitiveness in European Union countries.

Download the volume.

**PUBLICATION HIGHLIGHTS**

Békés G., Muraközy B.: **Measuring productivity premia with many modes of internationalization**. Economics Letters Vol. 139. 2016. p. 61–64.

They show that estimating productivity premia for internationalization modes requires information compression when firms can choose from many modes. Using a unique database of European firms they illustrate the different approaches and suggest that researchers should deliberately choose from them. [Read more](#)

Horn D.: **The effectiveness of apprenticeship training: a within-track comparison of workplace-based and school-based vocational training in Hungary.** Social Science Research Vol. 55. 2016. p. 139–154.

Although apprenticeship training has been praised for its effectiveness in easing the transition of non-college-bound students from school to work, most studies rely on cross-country or cross-track comparisons. This study compares apprenticeship training students with non-apprentices within educational track in a relatively uncoordinated and decentralized institutional setting. Using a rich database and a unique set of observable individual-level characteristics as well as local labor market fixed effects to control for the potential selection bias, the results show that there are no significant differences in employment opportunities between apprentices and non-apprentices within just a year after graduation. [Read more](#)

Kertesi G., Kézdi G.: **On the test score gap between Roma and non-Roma students in Hungary and its potential causes.** Economics of Transition Vol. 24. No. 1. 2016. p. 135-162.

Using unique data from Hungary, the gap in reading and mathematics test scores between Roma and non-Roma 8th grade students is assessed and a substantial gap between them revealed. Standardized test scores as well as the fraction of students with competences considered inadequate are examined. Regardless of measurement and subject area, the bulk of the gap is explained by social differences in income, wealth and parental education. [Read more](#)

Stead D., Pálné Kovács I.: **Shifts in governance and government across Europe.** In: Schmitt P., Well L. V. (eds.): Territorial Governance across Europe: Pathways, Practices and Prospects. London; New York: Routledge, 2016. 278 p. (Routledge Research in Planning and Urban Design) pp. 21–35.

Over recent decades European governance and government has undergone significant transformations (both structural and functional) and will undoubtedly continue to do so in the future. Various trends are shared by many countries across Europe. These include the redefinition of the role of the nation-state, the strengthening of lower levels of self-government, increasing diversity, variation and even asymmetry of governance, increasing marketization of the public domain, and shifting rationales for intervention. [Read more](#)

[Find more publications on our website>>>](#)

## UPCOMING EVENTS

13 June Budapest, Economics with policy - International seminar series – Laura Márquez Ramos: **On the relationship between trade agreements and institutional and political factors.** IE CERS-HAS  
More information coming up soon [on the website](#)

16-17 June Budapest, **Chinese-Hungarian workshop on Labor Economics, Education Economics, Trade and Finance.** CERS-HAS IE  
More information: [kis.judit@krtk.mta.hu](mailto:kis.judit@krtk.mta.hu)

## RECENT CONFERENCE PRESENTATIONS

### Gabor Oblath: **Economic policy and macroeconomic developments in Hungary**

The recent past and factors affecting medium-term prospects

Event: 143rd mBank – CASE Seminar, 17 March 2016, Warsaw, Organiser: mBank and Center for Social and Economic Research, Warsaw

Senior research fellow, Gábor Oblath gave a talk on Economic policy and macroeconomic developments in Hungary. He reviewed the main elements of the government's economic policy, as well as the exogenous factors influencing the country's economic performance. He pointed out that without significant improvements in the institutional environment and the stability/predictability of economic policy, the country's potential growth is expected to be rather low, implying a very slow convergence to the more affluent nations of the European Union.

[Watch the presentation online](#)

[Download the presentation](#)

### Ágnes Orosz: **FDI Patterns in Hungary**

Event: Studying V4 and Georgia experience in the field of administrative reforms to facilitate economic development in Belarus, 11-12 February, Minsk, organiser: PMCG Research, Belarusian Economic Research and Outreach Center (Beroc), Visegrad Fund

This presentation analyses the changes in trade and FDI patterns of the Visegrad countries with special attention to Hungary. FDI has played an essential role in the successful restructuring of the V4 economies after 1990. FDI has contributed to productivity growth, technological modernisation, the creation of an export capacity indispensable for a healthy growth potential and the creation of new jobs, furthermore, non-debt generating FDI is a key factor in improving the country's external balances.

[Download the presentation](#)

### Gabor Békés: **Shipment Frequency of Exporters and Demand Uncertainty: An Inventory Management Approach**

Event: American Economic Association meeting, 3 January 2016, San Francisco, California Organiser: American Economic Association

Firms adjust to differences in market size and demand uncertainty by changing the frequency and size of their export shipments. The authors, G. Békés (CERS-HAS, CEU and CEPR), L. Fontagné (University of Paris 1, Banque de France and CEPII), B. Muraközy (CERS-HAS) and V. Vicard (Banque de France) present their inventory model, where transportation costs and optimal shipment frequency are determined on the basis of demand as well as inventory and per shipment costs. Using a cross section of monthly firm-product-destination level French export data they confirm that firms adjust on both margins for market size. In a stochastic setting, firms adjust to increased uncertainty by reducing their sales and, for a given export volume, by reducing their number of shipments and increasing their shipment size.

[Download the presentation](#)

[Visit the conference website](#)



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