

FLOWS IN THE SPATIAL ECONOMY

REPORT ON THE 16TH ANNUAL MEETING OF HUNGARIAN REGIONAL SCIENCE ASSOCIATION

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The Hungarian Regional Science Association (HRSA) organized its 16th Annual Meeting on October 18-19, 2018 at the Faculty of Economics and Business of John von Neumann University in Kecskemét. This meeting hosting a record number of participants (200) welcomed presentations discussing various flows – labour, capital, knowledge, trade, etc. – in the spatial economy. As customary, the general meeting of the Association was held during the first morning of the event. The presidential report outlined the activities of the reporting year and future of HRSA, while the Audit Committee Report highlighted the organisation's continuous financial stability. The general meeting was concluded by attending participants' vote on the Pro Regional Science Award.

In 2018, the scientific programme was restructured and complemented with new elements, an English-language roundtable session on scientific publishing was held following the General Assembly with the participation of *David Bailey* (Aston University), *Andrea Morrison* (Utrecht University), *Judit Timár* (HAS CERS Institute for Regional Studies) and *Balázs Lengyel* (HAS CERS Institute for Economics) and moderated by *Gábor Lux* (HAS CERS Institute for Regional Studies). Participants shared their publishing and editing experiences with the audience and highlighted the growing importance of the internet and social media surfaces in disseminating and enhancing the impact of scientific publications.

Conference participants were greeted by *Piroska Ailer*, rector of John von Neumann University before the first English-language plenary session, and presentations followed under the leadership of HRSA President *Zoltán Gál*.

David Bailey, professor of Aston University and editor-in-chief of *Regional Studies* presented the main industrial policy consequences of Industry 4.0 referring to technological innovations (artificial intelligence, biotechnology, nanotechnology, robotics, etc). Using EU terminology, Industry 4.0 describes production organisation processes with the help of virtual computing model-based production chains and autonomous communicating objects. These processes require substantial economic revaluation on behalf of both industrial (technology sharing, innovation, new types of knowledge) and political (rethinking industrial policy,

infrastructural developments, support system) stakeholders. The presentation reflected on the FDI attraction capacity of Hungary, possibilities to decrease vulnerability and increase added value as well as the potential industrial impacts of Brexit.

Andrea Morrison, associate professor of Utrecht University held a presentation on the innovation outcomes of large-scale migration towards the USA between 1850 and 1920. Thirty million immigrants arrived to the USA in the examined period leading to a general increase of labour supply, decreasing wages, and job losses for the local population due to competitive market effects. Immigrants and their various subgroups were liable to produce other types of impacts. Empirical data-based modelling suggests that qualified scientists may contribute to the generation of new knowledge and bolster local research and innovation activities, while enhancing the scientific performance of American researchers in their respective sector.

Magdolna Sass, senior research fellow of HAS CERS Institute of Economics, in examining the objectives of the main FDI stakeholders in Central and Eastern Europe, highlighted the role of indirect impacts alongside those of direct investment (e.g. creation of FDI chains and networks, establishment of regional sites, tax optimisation, etc.) as well as the methodological problems related to the divergence of official statistics and effective investors.

The plenary session of the first day was followed by eight parallel sessions (of which two in English-language) and during the second day of the conference, eight further parallel sessions (of which one in English-language) were organised. The two blocks of parallel sessions contained 140 presentations discussing various aspects of spatial economic processes: innovation and knowledge networks, metropolitan development models, shrinking small-and mid-sized towns, digital innovation systems, rural spatial processes and environment, social flows, border research, tourism and transport, trade, spatial development and the local embeddedness of large firms.

As a further organisational innovation, the annual meeting was terminated by a Hungarian-language plenary session led by *János Rechnitzer*, professor of Széchenyi István University.

Imre Varga, associate professor of Eötvös Loránd University and professor *Dávid Lóránt*, general secretary of the Hungarian Geographical Society presented the results of their research on spatial processes in Western Hungarian regional labour markets. The lecture based on statistical data analysis presented intra-regional disparities of labour markets (employment, wages, commuting) at the level of counties as well as employment-related outmigration tendencies stemming from various geographical location producing labor shortage in multiple sectors in various parts of the region.

Imre Lengyel, professor of the University of Szeged and *Attila Varga*, professor of the University of Pécs and vice president of HRSA examined the role of geography in economic growth in Hungary. They outlined economic growth tendencies of the country and distinct

counties (centre, FDI manufacturing, reindustrialised, knowledge centre, rural) and the spatiality of the main factors of growth. According to the presentation, sluggish economic growth is not primarily due to large spatial inequalities in various factors but rather the inefficient allocation and utilisation of resources. The concentration of resources leads to higher agglomeration benefits, bolstering national growth as well. The main problem is that the excessive concentration of resources in the centre and the main university knowledge centres does not contribute to national growth. This problem and its root causes as highlighted by the results of the analysis performed by the lecturers raised several questions and dilemmas discussed in the framework of a debate session under the leadership of János Péter Kiss (ELTE), Gábor Lux (HAS CERS Institute for Regional Studies) and Ernő Molnár (Debrecen University), moderated by Erika Nagy (HAS CERS Institute for Regional Studies).

The official granting of the awards established by the HRSA took place during the closing event of the two-day annual meeting. The Pro Regional Science Award was granted by the univocal decision of the general meeting to János Rechnitzer, professor of Széchenyi István University, head of the Doctoral School of Regional and Economic Sciences, scientific advisor of HAS CERS Institute for Regional Studies, honorary president of HRSA, for his outstanding organisational, scientific and educational work in the domain of regional science. The Association announced the call for proposals of the Outstanding Young Regionalist Award for the tenth time, which was granted by the HRSA Presidency and heads of the 13 HRSA Regional Sections to Katalin Lipták, associate professor and head of department of the Institute of World and Regional Economics of the Faculty of Business and Economics of the University of Miskolc, recognizing her valuable educational, organisational and public activities in regional science.

The parallel sessions and chairs were the following:

- Theoretical and methodological questions of spatial analysis (Chair: Ákos Jakobi assistant professor, Eötvös Loránd University)
- Innovation, knowledge and networks (Chair: Balázs Lengyel senior research fellow, HAS CERS Institute of Economics)
- Cities today and tomorrow. Development models of cities in Hungary (Chair: János Rechnitzer professor, Széchenyi István University)
- Central and Eastern European regions on crossroads (Chair: Zoltán Gál professor, president of HRSA)
- Differentiating urban network: shrinking small and medium sized cities in Hungary. (Chair: Bálint Koós research fellow, HAS CERS Institute for Regional Studies)
- Cluster-based digital information systems in urban context (Chair: Tamás Gyulai, AI3PA Smart Cluster)

- Rural spatial processes and environmental problems (Chair: Bálint Csatári emeritus researcher, HAS CERS Institute for Regional Studies)
- Decisions and processes in the economic field I. (Chair: Zita Finta chancellor, John von Neumann University)
- Tourism and transportation (Chair: Melinda Jászberényi associate professor, Corvinus University of Budapest)
- Spatial questions and answers from regional/territorial development (Chair: László Faragó scientific advisor, HAS CERS Institute for Regional Studies)
- Social flows in spatial context (Chair: Viktória Szirmai professor, Kodolányi János University, HAS CSS Institute of Sociology)
- Spatial processes in the commerce and marketing (Chair: András Kovács associate professor, Budapest Business School University of Applied Sciences)
- Creative and cultural economy (Chair: Éva Judit Gajzágó associate professor, Tomori Pál College)
- Companies and host environments – Tendencies, actors and examples of corporate embeddedness (Chair: Viktória Józsa CEO, Nord Consult Plc.)
- Borders and flows (Chair: Zoltán Hajdú scientific advisor, HAS CERS Institute for Regional Studies)
- Decisions and processes in the economic field II. (Chair: József Kárpáti head of Southern Great Plain Section of HRSA)

Further information on the annual meeting are available on the webpage of the Association:

<http://www.mrtt.hu/>.