

## **ERSA 2020 - Abstract Book**

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The abstracts are listed in alphabetical order of authors' names (submitters). Presenters are in bold and underlined.

## Exploring New Workplaces in Milan and Oslo: Typologies, Location Factors and Policy Tools

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> PS42-New working spaces, digital transformations and peripheral areas, August 27, 2020, 11:00 AM - 12:30 PM

Over the last decade, we are witnessing a worldwide spread of coworking practices and the emergence of alternative workplaces, such as coworking spaces (CS). In the literature, CS are regarded as "serendipity accelerators" designed to host creative people, and entrepreneurs who endeavour to break isolation and to find a convivial environment favouring the development of collaborative communities, which may lead to an increase in informal exchange, collaboration and interaction with others, knowledge transfer, and business opportunities. Mainly located in large urban areas where there is a concentration of skilled labour force, knowledge and innovation – and the so-called 'creative class' – CS may encourage individual/team creativity and innovation by providing business infrastructures as well as the opportunity for collaboration and social interaction. Within this context, this contribution - which is part of the ongoing COSTAction project: (CA18214, 'The geography of new working spaces and impact on the periphery' (2019-2023) – seeks a twofold aim: (i) to provide an overview of the rather young and fast-growing literature on this topic, with a focus on CS typologies and location factors (ii) to present and discuss some outcomes of an empirical study conducted on the two cities of Milan and Oslo by an interdisciplinary team of scholars (in urban and regional economics, urban and regional planning and geoscience) from Politecnico di Milano and -Norwegian University of Life Sciences. The two cases are compared regarding their typologies (public vs private, startup vs real estate business model, etc.), and also their location patters (central vs peripheral areas). Although this phenomenon is proliferating in these cities, it has not yet been acknowledged by policymakers and city planners, and the findings of this study may however provide some inputs for future visions and policy frameworks of such new workplace.

#### Female Urban Wage Premium in Brazil

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> PS41- Regional and Urban Labour Markets and Entrepreneurship August 27, 2020, 11:00 AM - 12:30 PM

The urban wage premium (UWP), is given by the positive wage differential in dense areas when compared to less dense regions and remains even after controlling the characteristics of individuals, occupations, and firms. Few studies identify the UWP between genders or, more specifically, that analyze the female UWP. Most studies focus on men, as they have a more stable behavior in the labor market. However, it is precise because there are different behaviors between genders that the inclusion of women becomes relevant. Such differences begin with the decision to participate in the labor market, which is influenced by factors related to family structure and responsibilities and takes into account a coordination process, affecting men and women differently. Unlike analyzing the gender wage gap, the UWP investigation seeks to understand (i) whether the agglomeration economies in dense areas benefit men and women differently, and (ii) whether the allocation or composition of the labor market generates different magnitude for the UWP between genders. With this context, this paper aims to evaluate the urban wage premium for women in Brazil from 2012 to 2019Q3 using the Continuous National Household Sample Survey (PNAD-C). These data allow the sample selection correction and allow the analysis of various characteristics of individuals, occupations, firms, and household positions, with national coverage and representativeness. As a result, initially, we show that different characteristics influence the participation of men and women in the labor market. Then, regardless of the method, female UWP is higher than men. Women show an 11.4% UWP, while male UWP is 49% lower, reaching 5.78%. Using the propensity score matching method, we confirm the highest female UWP (+4.83pp). Quantile regressions reveal different magnitude for the UWP throughout the wage distribution and different trajectories between men and women. In general, we show that the Brazilian UWP may be underestimated when considering only the group of men, given the higher female UWP. Still, one can overestimate the UWP when not considering the wage distribution (as we show with quantile regressions). These results are relevant to the UWP explanation in Brazil, by including women and highlighting the differences between genders with different method.

#### Internal Migration in the Urban Space: Emerging Dynamic Periurban Areas in Greece

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> PS46- Demographic Change, Population, Migration and Mobility Behaviour August 27, 2020, 2:00 PM - 3:30 PM

The expansion of urban space both on a conceptual and spatial level takes place in Greece over the last decades. The modern suburban areas embrace new urban values, respond to issues of nature, locality and quality of life and coexist with the timelessness of agricultural activity. Consequently, movements towards the periurban area conceal a form of upward social mobility.

The main purpose of this research is to identify the zones of the periurban areas in Greece, giving prominence to the internal migration of the resident population within the urban space, and specifically to flows between urban and periurban areas. The analysis concerns the 2001-2011 period since the official data on migration movements are provided by the population censuses (the next census will take place in 2021). The spatial reference level is the 1034 former Kapodistrian municipalities on the basis of which the urban and periurban areas have been delimited. Comparatively to the current administrative division

(Kallikrati reform through which the number of municipalities has been reduced to 325), the former Kapodistrian municipalities allow to more precisely identify the internal migration (flows) between the urban and periurban areas.

Multivariate analysis techniques were applied in order to create a typology of the urban and the periurban space, taking into account the structure of urban complexes, the main geographical characteristics of the periurban municipalities as well as the first-degree proximity and their distance to the main urban center of the prefecture. The flows matrix was then created to measure the flows between the Greek urban and periurban areas and finally evaluate at a local level, the internal migration balance in order to detect the most attractive areas and determine the main factors of this attractiveness.

## The UN 2020 - 2030 Agenda requires integrated ecological planning of territories and cities to achieve sustainable development.

## Dr. Stefano Aragona<sup>1</sup>

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PS19- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030 Agenda August 26, 2020, 11:00 AM - 12:30 PM

The paper aims to highlight the cultural and operational change, through theoretical reflections, experiences and good practices, which is necessary to pursue the philosophy of sustainable development of UN 2020 - 2030 Agenda, participating in the construction of "cultured technology" of which Del Nord speaks since 1991.

The intention is to involve the different skills, as the UN Charter of 2015 requires, dealing with both the ancient and the modern. So trying to build synergies, from the Greek word συνεργός, to try to reconstruct and move into a holistic perspective of transformations. The keys words of the are: water and green, energy, security, mobility, Community. Each will be declined in an interdisciplinary way with the territory and the city that, in fact, are experimental laboratories: the local conditions from being constraints must become suggestions for action both for the transformation of the existing and in the construction of places, as Settis has remembered in 2014 in his Lectio Magistralis The ethics of the architect and the restoration of the landscape for the conferral of the honorary degree in Architecture.

All this considering first of all the emergency and opportunities related to the theme of water, greenery, and climatological changes. They require profound changes both in planning and building settlements and, very important for the country of "100 Bell Towers" i.e Italy, in the transformation of the ancient landscape.

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UN The Sustainable Development Agenda. 17 Goals to Transform Our World

## A dynamic health policy microsimulation model for England

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PS38- Policies and Services for Healthy Ageing and Well-being in Later Life August 27, 2020, 11:00 AM - 12:30 PM

Around the world, virtually all developed and developing nations are experiencing population ageing. The United Nations predicts that, between 2015 and 2030, the number of people aged 60 years or over will grow by 56 percent, from 901 million to 1.4 billion. By 2050, the global population of older people (defined as those aged 60 years and older) is projected to reach nearly 2.1 billion. The effects of population ageing will be broad and significant, putting increasing pressure on healthcare systems and governments around the world. It is very important therefore that policy makers plan effectively for this future, and enact policy to help populations age more healthily. Tools to provide evidence for and assist in making these decisions are therefore crucial. This paper outlines the development of a tool which allows us to assess the impact of policy decisions on future health in England.

The model is being developed in collaboration with a team at the Leonard D. Schaeffer Centre for Health Policy & Economics at the University of Southern California (USC). For over a decade, this team has been developing a dynamic demographic microsimulation model to investigate health policy for the elderly US population (aged 50+), known as the Future Elderly Model (FEM). We have adapted this model to use the English Longitudinal Study of Ageing (ELSA) as host data, in place of the US Health and Retirement Study (HRS). Our model uses ELSA to generate a baseline population and calculate transition probabilities over time, for the purpose of projecting the individual health trajectories of respondents into the future. These health trajectories include information on non-communicable diseases, functional limitations, mortality, and health-impacted economic outcomes.

As an example of the potential of this tool, we investigate the impact of specific behaviours related to health, with a particular focus on smoking. We assess the benefits of some hypothetical policy interventions, looking in particular at the wider impact on the prevalence of related diseases, as well as changes in life expectancy and disability-free life years.

## Community cinemas in Italy. Guidelines to revitalise a widespread network of cultural centres in fragile territories

**Dr. Riccardo Maria Balzarotti**<sup>1</sup>, Prof. Luca Maria Francesco Fabris<sup>1</sup> <sup>1</sup>Politecnico Di Milano, Milano, Italy

## PS35- Cultural Heritage and Regional Development August 26, 2020, 5:30 PM - 7:00 PM

The essay starts from the results of a research accomplished as a \*\*\* at the \*\*\* of the \*\*\*, regarding the chances of revitalization of the Community Cinemas owned by Italian Catholic Church through the implementation of new technologies and the reshuffle of the internal space and functions. This valuable network consists in almost 800 projection rooms, mainly located in fragile territories (rural or suburban areas, periphery of the big metropolitan areas). These cultural and gathering centers suffered in the past the appearance of big players in the metropolitan areas, the huge multiplex. They lost, together with the main function of projection room, also the role of community space used for a various typology of cultural, social and educational activities. They were, in fact, the prototype of a diffuse multipurpose cultural space. Today, considering the social and infrastructural transformation of cities due to the advancing crisis of the big suburban space for retail and entertainment, overwhelmed by the digital alternatives, a new typology of

smarter space for the collective fruitions is possible. Multipurpose, widespread, smaller, closer to the people and their social needs.

A new typology of user's need is growing, giving relevance back to these small and diffused cultural epicenters, showing also the possibility of an impact of these community cores on a larger scale, since they are part of a well-organized network.

In this context, the Community Cinemas have the perfect concept, but they need a radical change in their physical manifestation. Four case studies has been developed with a specific focus on the use of new digital technology and new architectural devices to improve the space flexibility, in order to serve a multitude of possible local cultural initiatives.

The idea of having a capillary diffusion of social and cultural space, revitalizing the Community Cinemas network has three main strengths: the spaces are already there, they are already part of the community and they already have the vocation to host local cultural manifestations.

In the end, even if the Catholic Church owns them, they are not exclusively related to religious matters, often involving local schools, local administration and different local institutions in the planning and execution of their cultural activities.

## De-globalization and innovation

#### Prof. Raphael Bar-El<sup>1</sup>

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PS32- Macroregional, Transregional, Regional and Urban Policy and Governance August 26, 2020, 5:30 PM - 7:00 PM

In the last years, we identify a strong tendency of increasing open innovation (OI) strategies, expressed by increasing openness to linkages at both the local and the international level. The recent signs of de-globalization may impose significant constraints on such trends.

Our hypothesis is that de-globalization has a potential negative impact on the advance of innovation, and that it may intensify innovation gaps between rich and poor regions. We use a cross-country analysis, based on data for 137 countries from the Global Innovation Index (GII), in order to estimate the influence of a few variables that indicate international linkages on some indicators of innovation.

Based on a simple analytical model, we make a distinction between the creation of knowledge as measured by patents application and the creation of innovation outputs, as measured by production of innovative products, by increased productivity, by the commercialization of knowledge (IP receipts). Various models of regression analysis show that some of the practical expressions of de-globalization such as the diminution of imports or exports of high-tech products or of information and communications technologies (ICTs) may lead to a decreasing innovation activity, both in terms of knowledge creation and in terms of practical economic impacts.

A comparison of relative coefficients indicates higher impacts for poorer regions. The dependence of lowincome countries on foreign resources, and their reliance on technology imports and adoption lead to a potentially higher negative impact of a de-globalization process.

**Two Shades of Urban Shrinkage: Innovation and Economic Structure in Cities with a Declining Population** Prof. Dr. Alina Schoenberg<sup>1</sup>, <u>Prof. Dr. Florian Bartholomae<sup>2</sup></u> <sup>1</sup>FH - Krems, Krems An Der Donau, AUSTRIA, <sup>2</sup>Munich Business School, München, Germany

PS08- Adaptive and Resilient Cities and Regions August 25, 2020, 2:00 PM - 3:30 PM

More than 55 percent of the world population and 74 percent of the European population is living in urban areas (UN 2018). The ongoing trend towards worldwide urbanization has led to prosperity in many regions. According to the European Commission (2016), urban areas across Europe account for 85 percent of the European GDP. Cities are drivers for economic growth and innovation that control knowledge, capital, and communication on a global level (Sassen 2001; Gereffi 2005). However, socioeconomic (employment, technological progress, poverty, social exclusion), demographic (population loss, aging) and physical (infrastructure, housing) factors as well as their interaction are determining the profile of European cities, allowing to describe urban differences in development as a 'spatial manifestation of globalization' (Martinez-Fernandez et al. 2012). In addition, the different historical and political background has led to different challenges that European cities face and to different (institutional, financial, economic, social) resources available to appropriately enhance urban growth and resilience. More than 55 percent of the world population and 74 percent of the European population is living in urban areas (UN 2018). The ongoing trend towards worldwide urbanization has led to prosperity in many regions. According to the European Commission (2016), urban areas across Europe account for 85 percent of the European GDP. Cities are drivers for economic growth and innovation that control knowledge, capital, and communication on a global level (Sassen 2001; Gereffi 2005). However, socioeconomic (employment, technological progress, poverty, social exclusion), demographic (population loss, aging) and physical (infrastructure, housing) factors as well as their interaction are determining the profile of European cities, allowing to describe urban differences in development as a 'spatial manifestation of globalization' (Martinez-Fernandez et al. 2012). In addition, the different historical and political background has led to different challenges that European cities face and to different (institutional, financial, economic, social) resources available to appropriately enhance urban growth and resilience.

## Public-Private Partnerships and urban policy: evidence from the Veneto Region (Italy)

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<sup>1</sup>IUAV di Venezia, Venice, Italy

PS27- Regional and Urban Policy and Governance August 26, 2020, 2:00 PM - 3:30 PM

In recent years, Public-Private Partnerships (PPPs) have been increasingly adopted by cities to provide public services and deliver public works and urban/territorial transformations. Despite the global diffusion of these tools, it is widely recognized – both in the scientific literature and in the public debates – that, as governance arrangements and funding schemes, PPPs are also affected by a number of controversial issues such as the optimal allocation of financial risks between public and private sectors, as well as the actual return on investment.

The lack of appropriate legal-technical competences for the formulation, within local authorities, of the public calls for tenders and the management of the entire project-cycle, as well as the standardized procedures (which are often indifferent to the physical and financial dimension of the interventions), have also led to the failure of some initiatives, frequently highlighting cases of irregular or not awarded tenders. In addition, the continuous changes of market conditions have reduced the attractiveness of PPPs, as some initiatives have been not adequately designed to adapt to a changing socio-economic scenario. This contribution proposes a reflection on the state-of-the-art of the PPPs in the Veneto Region (Italy) through quantitative and qualitative methods. It presents and discusses the preliminary findings of a research project jointly conducted by the IUAV University of Venice and CRESME, the Italian centre for economic and social researches on the market of the building industry.

The quantitative analysis is based on a statistical and GIS elaboration of the official dataset provided by CRESME, which contains the PPPs' public calls for tenders launched in the Veneto Region between 2009 and 2019. The research seeks, on the one hand, to understand the main socio-economic characteristics of the Municipalities that have adopted these tools; on the other, by considering only the awarded and the still ongoing calls for physical interventions, to explore the actual impact generated by the interventions both spatially and socio-economically.

The qualitative analysis, conducted with reference to a number of selected case-studies, is intended to gain knowledge on the main critical points and barriers faced by cities in designing and implementing urban policies through PPPs.

#### The Kuznets curve for motorcycles in Brazil

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> PS18-Transport and Accessibility August 25, 2020, 5:00 PM - 6:30 PM

According to the World Business Council for Sustainable Development (2004), motoring analyzes around the world usually focus on the automobile. However, studies that address the two-wheel motorized vehicles should also be produced, especially in developing countries where its growth have presented a significant evolution. In Brazil, the portrait of mobility has been undergoing major changes in recent decades, mainly reflecting the intense and accelerated process of urbanization and disorderly growth of cities, as well as the increasingly intense use of individual motorized transport by the population.

In this context, this article evaluates the evolution of motorcycle adoption in Brazil. More specifically, we aim to empirically understand the relationship between the number of two-wheeled vehicles and the country's level of development. The work uses data for 5565 Brazilian municipalities from 2010 to 2016 and implements a fixed-effects panel model.

The results indicate an inverse relationship between income and number of motorcycles, corroborating the hypothesis of a Kuznets curve for motorcycles and income level in Brazil. That is, the adoption rate of the vehicle on two wheels increases after a certain minimum level of income, evolves, and then reduces when the population reaches higher levels of income. In addition to the validation of the increase in the number of motorcycles observed in the country in recent years, we also find evidence that the increase in the number of motorcycles in municipalities may be related to the drop in formal employment, and big municipalities have the lowest per capita motorcycle ratio.

Evidence also shows the continuous increase in motorcycles ownership in Brazil. Having in mind the low level of income of the Brazilian population in general, it is expected that the country will remain below the Kuznets curve turning point for a long period, experiencing the evolution of the motorcycle fleet. In this context, public policies aimed at promoting income and reducing Brazilian regional economic inequalities are recommended.

#### The effectiveness of training programmes for the unemployed

<u>Ms Martina Bazzoli</u><sup>1</sup>, Ms Silvia De Poli<sup>4</sup>, Prof Enrico Rettore<sup>3,1</sup>, Prof Antonio Schizzerotto<sup>2,1</sup> <sup>1</sup>*FBK-IRVAPP, Trento, Italy,* <sup>2</sup>*University of Trento, Trento, Italy,* <sup>3</sup>*University of Padova, Padova, Italy,* <sup>4</sup>*jrc-Seville, Seville, Spain*  In recent years, there has been a growing demand for interventions in support of employment – such as, for example, training courses targeted on the unemployed. However, given the economic crisis and the deterioration of public expenditure, it is imperative for the public authorities to focus on the most effective support measures to ensure tangible benefits and the efficient use of taxpayer's money.

This paper complements the empirical literature on the impact evaluation of training courses (Kluve 2010; Card et al. 2015). We focus on long vocational training courses for unemployed people implemented in the province of Trento in 2013 and 2014.

Before 2013, applicants who fulfilled some prerequisite were selected to the training programme according to order of registration, until the maximum number of places available was reached (i.e. first come, first served). Starting from 2013, in Trentino, the rules for the selection to training programmes have changed. Applicants, who fulfill the requirements, have to participate to an entry test and only those obtaining a score higher than a threshold are selected into the programme. The new selection rules would allow us to evaluate the effects of the courses, comparing participants and not participants near the cut-off point needed for the admission to the course, using the Regression Discontinuity Design.

Indeed, to try to extend the external validity of our study, we estimate the correlation between the score and the probability of being employed after the training course and we find that the two variables are not correlated. As demonstrated by Angrist and Rokkanen (2016), if there is no correlation between the score, which determined the admission to the programme, and the probability of being employed after x months from the beginning of the course it is possible to expand the analysis to the whole sample of treated and controls.

Our analyses relied on data from two administrative archives and from a survey conducted on people enrolled in the entry test for admission to the training programmes.

We find a positive impact on the probability of being employed one year after the programme, but this effect disappears after 18 months. Therefore, there is an effect only in the short period.

## Spatial Dynamic of Creative Industries in Slovakia: Trajectories, Policies and Regional Development

Dr. Lukas Danko<sup>1</sup>, **Dr. Pavel Bednar<sup>1</sup>** 

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PS49 - Cultural, Creative Industries and Regional Development (2) August 27, 2020, 2:00 PM - 3:30 PM

The concept of clusters and cluster organisations has been relevant, mainly due to initiatives to foster regional development and enhance competitiveness in the EU. Public policies for cluster development are implemented to support innovation activities with cross-sector collaboration. Those have ability to generate spill over effects in regional innovation systems. Therefore, national and regional policies are gradually inclined towards incorporating the cultural and creative industries (CCI) in regional development strategies. Simultaneously, the CCI contribute to the objectives of the EU regional policy in terms of increasing the share of small and medium-sized enterprises to achieve sustainable economic growth. Consequently, there is a call for identification and assessment of creative clusters development stages over time along with particular public policies to support smart growth. Hence, the paper addresses a research gap regarding the development of the creative clusters over time and space in relation to the responses of particular cultural and innovation policies in Central and Eastern European countries. Specifically, the CCI development has been affected by previous conditions of the centrally planned economies and subsequent transition to the market economies. Within this context, the aim is twofold. First, to identify and explain the interaction between the space-time development trajectories of the CCI; second, to increase awareness of the CCI in

cultural and innovation policies in Slovakia as an example of the post-socialist country. Thus, the paper employs exploratory spatial data analysis techniques in order to address time-space development trajectory of the CCI in Slovakia from 1993 to 2016, concerning cultural and innovation policies and their implementation over time. The quantitative analysis identifies spatial patterns of fundamental clusters that are associated with the neoclassical and quantitative concepts of the regional development theories. Furthermore, the spatial distribution of economic activities with respect to the path development concept in terms of related variety is identified – resulting in resilience along with public policies supporting the creative economy. In addition, empirical findings provide an insight into the transition from the low-road to high-road development following cultural and innovation based policies in Slovakia. Hence, the development of the CCI in the country reflects the governance and its aim towards smart specialisation in order to enhance local competitiveness through creative and innovative. In spite of the fact that the findings describe the specific condition in Slovakia, there are certain policy implications for the other Visegrad Group countries, namely Czechia, Poland, and Hungary.

## The agglomeration of cultural and creative industries: are coworking spaces co-locating?

<u>Prof. Ilaria Mariotti<sup>1</sup></u>, <u>Dr. Pavel Bednar<sup>2</sup></u>, Dr. Lukas Danko<sup>2</sup>, Dr. Federica Maria Rossi<sup>1</sup>, Doctoral student Irene Manzini-Ceinar<sup>3</sup>

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PS42-New working spaces, digital transformations and peripheral areas August 27, 2020, 11:00 AM - 12:30 PM

Currently, cultural and creative industries (hereinafter, CCI) are considered as driver for socioeconomic growth, with an employment of 7.7 million people and revenues roughly 540 billion EUR (EY, 2015). The notion of CCI was firstly developed by the Department of Culture, Media and Sport (1998) as a novelty concept based on individual creativity, skills and talent. Furthermore, the concept is considered a driver for job creation, mainly due to the exploitation of intellectual capital (Florida, 2014). Development of digital media raised awareness of the CCI as they are being linked with wider processes and sectors outside creative. Therefore, they occur in traditional sectors with the use of the ICT. Support for CCI is a part of the Europe 2020 strategy and other policies that are focused on small and medium enterprises. Besides, these industries extended their role in national economies within the rise of digital age. Indeed, most workers in new working spaces like coworking spaces (hereinafter, CS) belong to the CCI. A recent study on CS in Italy has underlined that about 75% of the coworkers (those working in a CS) are specialised in the creative sectors. Similarly, Impact Hub Global reports stress the predominance of the CCI. Within this context, the present paper aims to explore whether CS in three global cities – London, Milan, and Prague prefer to colocate in CCI agglomerations and whether similarities and differences arise. Data come from the national statistical offices and concern the NACEs belonging to CCIs. They are collected at micro-level as address to be treated as point data. Data about the CS in the three cities have been developed by the authors within the CA18214 project "The Geography of New Working Spaces and the Impact on the Periphery". Exploratory spatial data analysis applying colocation techniques are developed to investigate the phenomenon. When analysing location patterns of CCI, although the results highlight the predominant role of urban cores of the three cities, also indicate important specificities in terms of core-periphery distribution of CCI. The paper is structured into six main sections. The Introduction is followed by a literature review on the definition and location patterns of CCI and CS. Data and methodology are presented in section three. The subsequent section is dedicated to descriptive statistics, geo-referenced mapping and colocation analysis between CCI and CS using both global and local version of the colocation quotient. Conclusions and further research questions follow.

## The future of shrinking cities in the EU: pathways 1991-2050

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PS07- Regional Development (Young Scientists Session 2) August 25, 2020, 2:00 PM - 3:30 PM

see extended abstract

Shrinking cities have been a growing topic of investigation for researchers and practitioners in the US, EU and beyond in the past two decades. The concept of shrinking city has been defined from different perspectives, and research agendas have been framed in order to deepen the knowledge around a broadening circumstance (Hollander et al., 2009).

Despite the growing attention which has expanded the volume of research and its results, urban shrinkage has been having a hard time in climbing the priority list of policy makers at supra-local level (Bernt et al., 2014). Shrinkage events typically involve much more than just the demographic trend of population loss; causes and effects are intertwined around social, economic and environmental factors amongst others. Despite its efforts, it seems that European policy making has not yet answered the growing challenges of local population decline with a strategic focus and structured approach.

The paper supports with quantitative evidence the concern for shrinkage and describes its patterns and incidence across EU countries from 1991 to present. Moreover, an original method has allowed to estimate prospective pathways of currently shrinking cities and unveils blind areas of future shrinkage, thereby covering a 1991-2050 time horizon.

The European Union is concerned and, in consideration of its means and resources, it has the opportunity to be the leading actor in steering shrinkage processes towards new equilibria; place-sensitive approaches are a key ingredient and these need a growing body of information and methods to fuel successful response strategies.

## Challenges of a community's path from grey to green

<u>Ms. Fabiola Fratini<sup>1</sup></u>, Ms. Michela Lisi<sup>1</sup>, <u>Ms. Ambra Bernabò Silorata<sup>1</sup></u> <sup>1</sup>Sapienza Università Di Roma, Roma, Italy

PS25- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030

Agenda

August 26, 2020, 2:00 PM - 3:30 PM

[Please, see "extended abstract" - this is the short one]

"San Lorenzo Urban Lab" (DICEA – Sapienza University) experiments a local regeneration process aimed to enhancing the quality of life while addressing climate change and social challenges through Natural Based Solutions (NBS) within a Green Infrastructure Network (GIN). This experimentation arises from an international, multidisciplinary research, involving Université Sorbonne, local associations and stakeholders. NBS can deliver sustainable, flexible (in timing and function), low cost alternatives to standard city-making tools. This research aims at co-creating the city starting from its hollows texture where tiny, temporary, fast, low cost and easy to achieve actions drive the local regeneration. Moving "small steps" provides a gradual evolution of the process by implementing and testing NBS to produce real changes within a short horizon. Introducing NBS as a tool for driving changes, here and now, enlightens potentialities of green solutions to deliver ecosystem services and therefore contribute to enhance climate change adaptation, social cohesion, wellbeing and health. Transitional solutions allow to experiment with the local community which approaches and uses fit the best to reactivate the specific area before a definitive and effective project is achieved. Such actions such actions, can be a successful approach to get the community and the administration to begin to commit. A vademecum of principles for a sustainable regeneration is drawn up on punctual (oasis), nature-boosting (green) and interconnected (network) small actions listed as a series of solutions which are specific and targetable. Oasis are experimental, open, evolving and shared regenerations taking places through a "bio-social-urban-acupuncture". Network is a chance to promote new green functions in reclaimed micro-spaces where activities will encourage new green and social practices. Public and private spaces once not accessible can be vibrantly brought back to beneficiate the community through collective use and maintenance. Such quality and diverse urban space gets people out on the streets to friendly colonise a new greened fabric, sustaining a civic and responsible action to keep care each one of the other and of the shared places.

The "San Lorenzo Urban Lab" experience explores how a local community can be driven into an innovative co-designed process, how to diffuse a sustainable urban approach to regeneration, how NBS can be a tool to facilitate the process and the community involvement.

## Better or worse job accessibility in Medellín-Colombia? Understanding changes in Spatial mismatch at the intra-urban level.

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> PS18-Transport and Accessibility August 25, 2020, 5:00 PM - 6:30 PM

Spatial disconnections from jobs may lead to negative outcomes on labor market, this relationship is referred as Spatial Mismatch. In Medellín, the public transport and infrastructure policies have been very relevant during the last few years. Therefore, it is interesting and policy-relevant to analyze how spatial disconnection from jobs has evolved in Medellín, and its effects on the city's labor market.

Travel times have been increasing since 2005. In 2012, an average trip in Medellín used to take 33 minutes. In 2017 that time increased to 36 minutes despite of improvements in infrastructure. The data for this paper is taken from the "Destination-origin survey (EOD for its acronym in Spanish) for the years 2012 and 2017. This survey provides information about travel times and trips in Medellín and data from SIT areas (Integrated transport system areas).

Distance itself is not a proper measure to be related with the Spatial Mismatch because there are many features that can't be captured by distance. Someone could be very far from a job, but transport accessibility could be excellent or that person could like that job and therefore ignore other opportunities close by. However, there might not be jobs around, and distance does not capture that. This is why it is important to have a measure that uses travel times, transport accessibility and an opportunity costs measure for jobs in surrounding areas.

This paper aims to study Spatial Mismatch and its evolution in Medellin using a measure that weights the number of jobs in each zone and the travel times between different zones by three different ways of transportation: walking, public and private transport. Also providing an important tool to propose policies that may mitigate Spatial Mismatch in Medellín.

Based on similar approaches and the information we have from the EOD, it is reasonable to think that there is certainty of the existence of increasing Spatial Mismatch for the city related with the increasing reported

travel times. So, this paper hopes to give a general picture of the problem and to show how the transport policies might have not been good enough to deal with this important matter.

## How Harmful can Chinese Exports be to Brazilian Exports to MERCOSUR?: A Similarity and Quality Analysis Revisited

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> PS16-Regional Competitiveness, Innovation and Productivity August 25, 2020, 5:00 PM - 6:30 PM

We investigate the competitiveness of Brazilian and Chinese exports to MERCOSUR from 2008 to 2017. Following conventional methods, we compute an Export Similarity Index (ESI) for Brazilian and Chinese exports to MERCOSUR. This index is disaggregated according to product similarities. Results show that the similarity between Brazilian and Chinese product exports has increased over time. However, the ESI disaggregation reveals that the similarities largely occur with vertically differentiated goods, where the quality of the goods exported by Brazil are considered superior to those exported by China. Thus, competition between Brazil and China in the MERCOSUR has declined over time since the two countries export to different market segment.

Limits to the competitive insertion of Colombian cocoa farmers in the global value chain. The case of Tolima.

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> PS16-Regional Competitiveness, Innovation and Productivity August 25, 2020, 5:00 PM - 6:30 PM

The purpose of this research is to identify the main obstacles and opportunities for the consolidation of a value chain cocoa Tolima profitable and sustainable, while intends to design policy recommendations to consolidate the social inclusion and the competitive insertion of small cocoa producers in the global value chain.

The study intents to fulfill a theoretical and empirical gap in studies that support the analysis of the cocoa value chain with a global value chain approach for the department of Tolima and, in particular, for the main municipalities producers of the department. Hence, it seeks to determine the existing links between the small local producers and the international markets - current form of insertion. Second, to identify the conditions and entry barriers present in the global value chain for the access of products from the cocoa chain to international markets. Third, to identify current and potential international markets for products from the Tolima cocoa chain. Finally, to recommend policy interventions identifying where (links and activities), how and by whom should be done to improve the way of inserting small local producers into the global value chain.

The study reviews experiences in other realities and is supported on the framework of the global value chain which allows to compare theories with empirical elements presented in the local. It is part of a macro project of the research group Value chains and Regional competitiveness. At present the study is being carried out, thus results are preliminary and do not cover the full extent of its objectives.

The research is exploratory and uses a mix of qualitative and quantitative techniques to its development, through exercises with schemes such as focus groups and the continuous work with the productive and commercial collective of the cocoa value chain, productive associations, government institutions, production units and other commercial units in 8 municipalities.

The cocoa farmers of the department of Tolima consider agricultural producers have low quality of life and in this sense face critical issues to access international markets such low levels of education, lack of financial resources and technological cooperation schemes, poor social and physical infrastructure. Finally, it is important to point out that the actual degree of social inclusion of small cocoa producers can be boosted by the support of cooperation schemes at the level of value chain at the regional, national and international levels.

## Assessment the Factors and Determinants of Life Expectancy at Birth in Rural Russia

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> PS46- Demographic Change, Population, Migration and Mobility Behaviour August 27, 2020, 2:00 PM - 3:30 PM

The main aim of this study is to explore the determinant factors of life expectancy at birth of the rural population in Russia and identify the gender differences. The database was created for 78 regions of Russia on the basis of statistical indicators presented of the Federal State Statistics Service (Rosstat). We carry out a cross section regression analysis of the factors affecting the life expectancy at birth of the rural population. The results of our analysis show that the high rate of unemployment is a statistically significant factor negatively affecting the life expectancy of the rural population. We find a negative correlation between the share of the population with incomes below the subsistence minimum and the life expectancy. The results show that a high level of vocational education is a statistically significant factor positively affecting the life expectancy at birth of the rural population. The quality of housing is also an important factor of female life expectancy. Among the factors positively affecting the male life expectancy is the availability of timely and affordable medical care. Beside the environment, changes in the life expectancy are caused by personal and behavioral factors. Our study made it possible to identify statistically significant economic, social, demographic, ecological and behavioral factors that affect the life expectancy of the rural population in Russia. The results support our hypothesis. Selected statistically significant factors explain between 77.1 percent and 82.5 percent of differences in life expectancy at birth of rural population in Russia. The present study uses an innovative approach to identify factors responsible for male and female life expectancy at birth. All factors of life expectancy disaggregated on (1) environment, (2) personal and (3) behavioral factors. Our findings have significant policy implications for the rural development in Russia and can be applicable to other countries.

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## Automation perspective on the employment of regions in Morocco and the EU27 by 2030

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The disruptive effect of automation affects both the economic structure of countries and their labor markets. We have highlighted the impact of automation on the labor market on the national and territorial level of Morocco and the 27 countries of the European Union (EU27) (12 Moroccan regions and 81 territories of the Nomenclature of territorial units for statistics (NUTS 1) from the EU27), drawing on the work of Frey and Osborne (2013).

The geographic choice of this study is dictated by the increasingly important link between the productive ecosystems and, consequently, the employment basins of Morocco and those of the EU27 taking into account the fragmentation of the chains of value of industrial production and services between the two shores of the Mediterranean.

We found that, in addition to Morocco (63%), fifteen countries have a prevalence of automation higher than the EU average of 27 (47%). The lowest rate is that of Luxembourg (38%) whose tertiary sector occupies 77% of total employment in the Duchy against only 46% for Romania which has the highest prevalence of automation (58%). The automation rate is spread from the center of Europe to the east and slightly to the south, roughly following the historical trend of the enlargement of the European Union.

This spread of the automation rate is noticeable at the subnational level (example of the Comunidad de Madrid (44%) and the Île de France (42%)) relative to the peripheral regions of the countries (Respectively the Sur region (49%) and Bourgogne - Franche-Comté (47%)).

All EU27 regions have a lower prevalence of automation than the Moroccan regions except the Romanian regions of Macroregiunea patru (60%) and Macroregiunea doi (63%) which have a higher prevalence respectively than Guelmim- Oued Noun (58%), Rabat-Salé-Kénitra (59%), Oriental (59%) and Casablanca-Settat (60%).

The automation rate also differs according to the differentiated specializations of the regions with a variability which decreases from countries with the highest national rate to those with the lowest rates. Thus, the automation rate in Morocco varies from 52% (Laâyoune-Sakia El Hamra) to 69% (Drâa-Tafilalet) against a national average of 63%, or 17 points difference when this difference is only 1.7 points between Oost-Nederland (41.7%) and West-Nederland (40%) against an average of 41% in the Netherlands.

## Does lockdown work? A spatial analysis of the spread and concentration of Covid-19 in Italy

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> PS30- Covid 19: its spatial and regional impact August 26, 2020, 2:00 PM - 3:30 PM

The spread of Covid-19 is a worldwide concern, including and especially in the most developed countries where the rapid spread of the virus has taken governments by surprise. Adopting a spatial approach to the issue allows us, we identify the spatial factors that help to explain why some areas are hit harder than others, based on the Italian example (with the Lombardy region as the epicentre in Europe). Our analysis combines an autoregressive spatial model and a bivariate spatial autocorrelation from a pool of data collected from the Italian provinces. We propose a real-time analysis of the spread and concentration of the virus, as well as the related proximity effects. Our paper suggests that the most globally connected areas are also the worst hit areas. Our findings also indicate that the implementation of a lockdown at the beginning of March was a crucial and effective approach to slowing the spread of the virus further.

## Forecasting health effects potentially associated with the relocation of a major air pollution source

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PS28- Global Warming, Health and Environmental Issues August 26, 2020, 2:00 PM - 3:30 PM

Epidemiological studies often focus on risk assessments associated with exposures to specific air pollutants or proximity to different air pollution sources. Although this information is essential for devising informed health policies, it is not always helpful when it comes to the estimation of potential health effects associated with the introduction or relocation of local health hazards. In this paper, we suggest a novel approach to forecasting the morbidity-reduction impact of hypothetical removal of a major air pollution source from a densely populated urban area. The proposed approach is implemented in three stages. First, we identify and measure the strength of association of individual environmental factors with local morbidity patterns. Next, we use the estimated models to simulate the impact of removal of the pollution source under analysis and its replacement by green areas. Using this assessment, we then estimate potential changes in the local morbidity rates by mutually comparing the observed risk surface of disease with the risk surface simulated by modelling. To validate the proposed approach empirically, we use childhood asthma morbidity data available for a major metropolitan area in Israel, which hosts a large petrochemical complex. According to our estimates, relocation of the petrochemical complex in question is expected to result in about 70% drop in the childhood asthma morbidity rate area-wide. To the best of our knowledge, the present study is the first that suggests an operational approach to incorporating epidemiological assessments as an input for urban development plans related to local sources of air pollution.

## Firm performance and economic complexity: evidence from Italian Cultural and Creative Industries

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> PS49 - Cultural, Creative Industries and Regional Development (2) August 27, 2020, 2:00 PM - 3:30 PM

This paper aims to understand how Creative and Cultural Industries (CCIs) firms exhibit performance differentials considering not only firm-level variables, but also economic complexity and regional characteristics. Previous literature highlights the role of CCIs to foster economic and regional development, but just very few studies analyse the direct impact on firm performance. Based on Italian firm level data for the period 2008-2016, we select those firms belonging to the CCI sectors, following the definition of the Guide to Eurostat culture statistics (2018). Firm performance is proxied by the growth rate of the operating margin, while economic complexity is built on employment data of the CCI sectors at NUTS 3 level, following the Hidalgo and Hausman index (2009). Moreover, we control for a set of firm and regional characteristics. To test the relation between firm performance and regional complexity, we use multilevel techniques, in addition with random effect models. Results demonstrate that economic complexity positively affect our dependent variable. Thus, the more a region is complex and diversified, the more firm will experience higher growth rates.

## Broadband and Rural Economic Development. An Evaluation of the French Very High-Speed Broadband Plan

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> PS44- Cities, Regions and Digital Transformations August 27, 2020, 2:00 PM - 3:30 PM

As broadband access is widely assumed to foster economic development, a number of large-scale broadband deployment programs have been initiated in many countries (e.g., the "National Broadband Plan" in Ireland, "The French Very High-Speed Broadband Plan" in France, "Connecting Canadians" in Canada). One objective is to foster economic development in less densely populated areas, which are often ignored by private telecommunication operators. Although massive investments are being made by public authorities, the genuine broadband effects remain uncertain however.

On the one hand, the emergence of the internet has led to considerable hopes for rural areas, with the idea that it will compensate for their geographical remoteness. On the other hand, however, broadband economic effects in rural areas are largely uncertain for a number of reasons, including average low rates of broadband adoption, high costs of broadband access, and an unfavorable local economic context.

We investigate whether the expansion of broadband fosters economic development in rural areas. To do that, we evaluate whether the French Very High-Speed Broadband Plan significantly affects municipal-level economic outcomes (firm location; employment level and structure). We also investigate whether broadband impacts vary across industries and rural areas, and whether ultra-fast broadband (optical fiber) generates additional benefits compared to first-generation technologies.

The study is carried out on the 31 285 French rural municipalities, from 2010 to 2017. Different sources of data are used, including detailed information on broadband coverage at the municipal level (share of buildings with internet access, by technologies and speed).

To identify the causal impact of broadband on rural economic development, we use spatial differences-indifferences with pre-matching. The methodology allows controlling for two potential sources of bias: selection effects and spatial interactions.

According to the first statistical analyses, broadband effects are not significant when considering all rural areas and all economic sectors. On the other hand, positive broadband effects are found for specific economic sectors and rural areas. In addition, ultra-fast broadband generates higher effects compared to first-generation technologies.

## Approach to Analyse Mediating Effects on the Speed of Convergence Based on Conditional Beta-Convergence Model with a Higher-Order Multiplicative Terms

#### Dr. Mindaugas Butkus<sup>1</sup>

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PS24- Convergence outcomes of Cohesion Policy: Evidence from the Past and Future Perspectives August 26, 2020, 11:00 AM - 12:30 PM Previous studies that apply the conditional beta-convergence model to examine outcomes of the Cohesion Policy augment the specification with Cohesion payments or eligibility status as a growth factor. Some specifications interact Cohesion Policy variable with factors that are considered as mediating growth outcomes of the Cohesion Policy. Research that interacts Cohesion Policy with the initial level of development (Rodriguez-Pose and Novak, 2013; Pellegrini et al., 2013; Pinho et al., 2015) uses this multiplicative term to examine how the level of development mediates the effect that Cohesion Policy has on growth. Surprisingly no research interprets this multiplicative term in a way to examine how Cohesion Policy mediates the relationship between the initial level of development and growth, i.e. regional convergence. Furthermore, no research interacts Cohesion Policy, the initial level of development and institutional quality to examine mediating effects of the Cohesion Policy, institutional quality and their interaction on convergence. Moreover, research that uses model specifications with interaction between interval/ratio variables term rarely (except for Pinho, 2015 and Rodriguez-Pose and Garcilazo, 2015) recognizes that estimated marginal effect (slope coefficient), as well as its significance, is conditional, i.e. depends on the value of the mediating factor and there could be a range of values for the mediating factor over which the estimated marginal effect of Cohesion Policy is positive and the range over which this effect is negative. The same considering the significance of the estimated marginal effect of the Cohesion Policy. This presentation aims to contribute to the existing literature on the Cohesion Policy outcomes by extending conditional beta-convergence model with a 3-way multiplicative term to examine mediating effects of Cohesion Policy, institutional quality and their interaction on regional convergence. See further an extended abstract

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## The territorial dimension and the needs of the citizens as the drivers of a New European Industrial Strategy

## Prof. Riccardo Cappellin<sup>1</sup>

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PS26- A New European Industrial Strategy oriented to the citizens and the territory August 26, 2020, 2:00 PM - 3:30 PM

Industrial policy models have seen a continuous evolution over the last 60 years, as the result of the evolution of technologies, of the patterns of consumer demand and of the changes in production specialization. In the future, the supply/productions and the demand/needs will increasingly interact according to a "circular model". A New European Industrial Strategy should promote a greater growth of all regions and of modern high quality productions and it should also aim to a better environmental quality and a better quality life of the citizens in the territory and especially in the urban areas. That also represents a driver for the creation of new productions and occupations and promote a diversification towards modern industrial activities. A New European Industrial Strategy should promote the companies to adopt a broader sense of purpose against short-termism, considering both social and environmental outcomes and not only

the financial outcomes and profits. Therefore, companies should be committed to take concrete actions, which meet the needs of all stakeholders: customers, employees, suppliers, local communities, not just the shareholders. A new "European Industrial Strategy" should promote a large program of private and public investment at the European scale aiming to increase the European internal demand by approximately 500 billion euro every year equal to the actual surplus of the external current balance. In particular, the operational planning of the interventions of the "New European Industrial Strategy" must take into account three dimensions, which are strictly interdependent: the territorial or local dimension, the technological / sectoral dimension and the financial and by type of company dimension. Thus, a European industrial strategy that promotes economic growth and a better quality of life in the different areas of the European Union certainly represents a "European added value" with respect to the limits of the current European and national economic, monetary and fiscal policies.

## Global warming and urban structure: New evidence on climate change and the spatial distribution of population and economic activity

**Dr. David Castells-Quintana**<sup>1</sup>, Dr. Tom McDErmott<sup>2</sup>, Dr. Melanie Krause<sup>3</sup> <sup>1</sup>Universidad Autónoma de Barcelona , Spain, <sup>2</sup>National University of Ireland Galway, , Ireland, <sup>3</sup>Hamburg University, , Germany

> PS33- Methods in Regional Science or Urban Analysis August 26, 2020, 5:30 PM - 7:00 PM

We study the relationship between changes in weather patterns and the spatial distribution of population and economic activity within countries. Our unique global dataset combines census data, satellite data on built-up areas, and light intensity at night with climatic data for the period 1950-2015. We find that deteriorating climatic conditions are associated with more urbanisation. This happens across the whole urban structure, with urbanisation increasing in both smaller and larger cities. But we also find that weather variation can alter the national urban structure, including the pattern of urban concentration, as well as the size, density and spatial structure of large cities.

## A contribution for planning towards fire resilience

**Prof. Alessandra Casu<sup>1</sup>**, Marco Careddu<sup>1</sup>, Marco Loi<sup>1</sup> <sup>1</sup>University Of Sassari, Alghero, Italy

PS19- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030

Agenda August 26, 2020, 11:00 AM - 12:30 PM

The study addresses a hypothesis of a Plan for Regional Sustainable Development in two Sardinia's regions, one inner and one coastal, mainly based on fire prevention.

Common aspects of all fires are certainly the abandonment of the land and the lack of properly managed agro-pastoral practices. These provide not only food, but also agri-ecosystem services. Their abandonement favor the formation of highly flammable plant material, which is accompanied by an increase in High Temperature Day (HTD) and a decrease in annual averages of rain due to the Climate Change, leading to an increase of the probability of triggering fires and an increase in areas that can be traced.

The proposed study provides a burn probabilities model in current conditions at a 50-meter-pixel scale through wind studies and the Fuel Model used in other studies by experts.

The proposal presents a set of practices based on historical and potential land uses (Forest, livestock, agriculture, peri-urban and urban areas), seen both in the key to preventing fires and improving the socioeconomic conditions of the territory, towards a better achievement of SDG 1, 2, 3, 8, 11, 12, 13, 15, and 17.

#### Catching-up and regional disparities: a resource-based approach

Prof. Roberta Capello, <u>Ms Silvia Cerisola</u><sup>1</sup> <sup>1</sup>Politecnico Di Milano, Milan, Italy

> PS37- Regional disparities and cohesion in the EU August 27, 2020, 11:00 AM - 12:30 PM

### See extended abstract Role of Regional Science and Peace Science in Covid-19 Research

Dr. Manas Chatterji

PS30- Covid 19: its spatial and regional impacts August 26, 2020, 2:00 PM - 3:30 PM

The objectives of this presentation are to discuss the impact of thenew phenomenon of Covid-19 on the economic, social, political, and environmental structures of an increasingly globalized society, and the necessity of developing a new paradigm in Disaster Management with Regional Science and Peace Science at its core

## Factors and their Interactions Affecting Heterogeneity of Public Debt: Growth Relationship

**Prof. Diana Cibulskiene**<sup>1</sup>, Assoc. Prof. Dr. Mindaugas Butkus<sup>2</sup>, Assoc. Prof. Dr. Lina Garsviene<sup>2</sup>, Assoc. Prof. Dr. Janina Seputiene<sup>2</sup>

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PS24- Convergence outcomes of Cohesion Policy: Evidence from the Past and Future Perspectives August 26, 2020, 11:00 AM - 12:30 PM

The recent economic crisis has led to an unprecedented increase in public debt, though recovery has remained sluggish, raising serious concerns about the public debt impact on economic growth. A growing body of research supports the idea of non-linear debt-growth relationship and estimates the threshold level above which debt has a negative effect on output. The impact of debt on growth depends on the range of factors, therefore recent research has focused on identifying the mechanism of how and under which conditions public debt levels can affect economic growth. However, there is a lack of such studies, as only a few factors and mainly institutional quality are examined as shaping the impact of debt on growth. There are diverse channels through which public debt can potentially have an impact on economic growth. There has been extensive debate in the literature on the question of how government debt affects the size of the fiscal multiplier. There is a lack of discussion on how fiscal multiplier can shape the impact of public debt on economic growth. This research contributes to the scarce literature on the heterogeneous debt-growth relationship and rises the assumption that the factors determining the size of expenditure multiplier are also shaping the impact of the public debt on growth. Since the size of the fiscal multiplier is unknown at a certain point in time and its measurement is tricky it does not provide any practical insights for fiscal policy. First, this study aims to provide a theoretical background on the mechanism of how fiscal multiplier influences the public debt – growth relationship. The second aim is to provide insights on which statistical

indicators may signal a low fiscal multiplier, and what values of these indicators may raise the risk of the economic growth-inhibiting effect of public debt.

The empirical examination is based on cluster and comparative analysis of panel data aiming to find periods and groups of countries that are similar in terms of statistical indicators that may signal about the size of the fiscal multiplier. Comparison of the period- and group-specific growth rates allowed to shed some light on the channels and conditions that affect heterogeneity of debt-growth relationship.

Results are in line with those which confirm debt threshold dependence on institutional quality. It is concluded that high levels of public debt not necessarily trigger growth if conditions related to high level of the fiscal multiplier are met.

#### How do smart solutions respond to city resilience challenges? An integrated approach

#### Prof. Daniela-Luminita Constantin<sup>1</sup>, Dr. Cristina Serbanica<sup>2</sup>

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PS22- Regional and Urban Development, August 26, 2020, 11:00 AM - 12:30 PM

According to the 2030 Agenda for Sustainable Development, making cities and human settlements "inclusive, safe, resilient and sustainable" (UN, 2015, p.26) represents one of the major goals, pointing out the close relationship between resilience and sustainability, which work together for the well-being of a system. City/urban resilience contributes to this paradigm "the capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience" (100 Resilient Cities, 2019, p.1). It is already considered an increasingly relevant topic for international development and urban studies, becoming a "framework for thinking" and a background for planning, development and management of "any plausible shock or stress" (UN Habitat, 2017, p.6). The resilient city concept is relating to other concepts like 'sustainable city', 'smart city', 'eco city', 'liveable city', etc. and systematic explorations of these connections and their significance for urban development policy and practice are still required. This paper aims to examine the smart city resilient city nexus, seeking answers to the following questions: How do 'resilient cities' relate to 'smart cities'? How can 'smart solution' address 'resilience challenges'? What are the synergies and trade-offs between smart and resilient cities? Based on a starting point that acknowledges the diversity of urban resilience challenges, the role played by the contextual factors and the emphasis on innovation and smart solutions when it comes to solutions to resilience challenges, the paper proposes a three-step research methodology, using the database of the 100 Resilient Cities (100RC), as follows: first, the most frequent resilience challenges are identified and a taxonomy is created by means of hierarchical cluster analysis; second, the smart solutions proposed within the framework of the "Urban Resilience Strategies" for 74 cities participating in the 100RC are pointed out using the content analysis with 'smart' and 'digital' as search queries; third, the 'smart solutions' are connected to 'resilience challenges'. The results have made it feasible to integrate the city resilience framework with the smart city framework, highlighting the synergies between the two concepts. At the same time, the trade-offs are discussed, emphasizing additional resilience challenges that can be brought in by smart cities and the fact that smart technologies can improve outcomes before, during, and after shocks and stressors occur but "smart cities solutions are not a panacea for all urban sustainability and resilience issues" (Hurley, 2019).

Analysis of social deprivation and health conditions of the elderly people in Italy: evidence from SHARE

**Dr. Silvia Coretti**<sup>1</sup>, Dr. Martina Celidoni<sup>1</sup>, Dr. Chiara Dal Bianco<sup>1</sup>, Prof. Vincenzo Rebba<sup>1</sup>, Prof. Lorenzo Rocco<sup>1</sup>

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PS38- Policies and Services for Healthy Ageing and Well-being in Later Life August 27, 2020, 11:00 AM - 12:30 PM

Introduction and aim. This piece of research is part of the HAPPY (Health Accessibility transport Public Policies for elderIY) project concerned with understanding which suitable public transport policies could contribute to increase positive social connections and health conditions of the ageing population by considering different Italian contexts, such as densely populated (urban) and more remote (inner) areas. At this stage, we focus on the potential health needs of the elderly over 65s, across the national territory and within Veneto and Lombardia, that are the regions of interest for the core part of the HAPPY project. Methods. We analyze selected items of the Survey of Health, Ageing and Retirement in Europe (SHARE) to study the social deprivation index in Italian geographical areas and its correlation with several measures of health. Moreover, we analyze several items of the Survey of Italian Households conducted by the Italian National Institute of Statistics in 2017, to describe the general health status and access to health care services by individuals aged 65 and over in Lombardia and Veneto regions.

Results. The social deprivation index is higher in southern and central regions. For Veneto and Lombardia, it is lower than the national average. Health deterioration and social deprivation are strongly positively correlated, with individuals in poor health showing higher levels of social deprivation on average. The average social deprivation for individuals having no limitations is lower compared to individuals having at least one limitation in the Activities of Daily Living (ADL) or the Instrumental Activities of Daily Living (IADL). Finally, the average social deprivation index tends to be higher for individuals at risk of developing sarcopenia.

In Lombardia, 45% of individuals between 65 and 74 years of age reports good or excellent health. The share drops to 32% in the older population group (over 75). The most common chronic conditions are arterial hypertension, osteoarthritis, high blood pressure and myocardial infarction. In Veneto, more than 40% of individuals aged 65-74 reports good or very good health. This percentage drops to 32% in the older age cohort. The most common chronic conditions are arterial hypertension and osteoarthritis. In both regions, patients most often access the NHS (National Health Service) services for blood sampling and diagnostic services.

Conclusions. These results provide us with useful information in order to ascertain the health care and mobility needs of the elderly and will inform the next stages of the HAPPY research project.

## **Cultural and Creative Industries in peripheral areas**

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> PS49 - Cultural, Creative Industries and Regional Development (2) August 27, 2020, 2:00 PM - 3:30 PM

Creative and cultural industries (CCIs) has been more and more defined as a driving factor of economic growth and local development. The paradigm of creative city become a mantra for several policymakers within a spread regeneration process fuelled by the so called post-industrial transition. Since the majority of the debate has been focused on urban systems, minor attention has been paid to small and non metropolitan centres. In that light, the Italian CCIs system provides an interesting case study to analyse, through employment and firm data, the evolving structure of the cultural and creative economy and highlight diverging spatial and organizational patterns of CCIs production systems in peripheral areas. We follow the Guide to Eurostat culture statistics, and its NANCE Rev. 2 code criteria, to aggregated at the municipal level cultural and creative activities within the Italian economy in the four broad groups of

cultural activities: Core creative arts and cultural heritage, Cultural industries, Creative industries and Related industries. We have analysed the geographical patterns of localization of the CCIs using both: cluster analysis to group Italian CCIs according to their specialization levels, and spatial autocorrelation to detect possible spatial dependence among different sectors. Furthermore, the period of analysis corresponds to a panel data that goes from 2003 to 2017, covering the pre and post-period of economic crisis. The main novelty of the research remains in the use of a finer spatial unit, so far unexplored, over a long period of consecutive time, thus enriching the literature with a more accurate understanding of the geographical and organizational patterns of the cultural and creative economy.

## Skill Relatedness in Cities and Firms. Disentangling the effects of skill-related labor flows and agglomeration economies

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> PS13-Networks, Development, and Disparities in Regions August 25, 2020, 5:00 PM - 6:30 PM

Does an embedding in a skilled region, city or sector indeed lead to competitive performance advantages, in what time frame do advantages occur (immediately or on the long run), and which types of firms, cities, regions and sectors select themselves into this firm-context agglomeration process? To what extent are the effects of agglomeration economies and regional endowments maintained when also controlling for the structure of actual labor flows, including work experience acquired in a more productive company and in a technologically related industry?

Present research aims to disentangle the effects of regional endowments and agglomeration economies from the firm-level effects of new hires with an experience of a more efficient production and experience in a technologically related industry. These effects will be analyzed together in a multilevel framework. We expect that the cross-level effects between firm size and agglomeration economies found in Van Oort et al. (2012) may significantly be lowered due to the inclusion of more firm-level variables, especially the characteristics of actual labor inflows. We cannot exclude however, that some of the newly included firm-level variables might show cross-level effects with urbanization and localization economies, and that other regional characteristics might also interact with labor flows in facilitating productivity spillovers between firms.

## Economic structure, human capital or the quality of institutions: what is behind regional development? <u>Prof. Eleonora Cutrini<sup>1</sup></u>

<sup>1</sup>Unimc / Università Degli Studi Di Macerata, Macerata, Italy

PS43- Regional disparities and cohesion in the EU August 27, 2020, 2:00 PM - 3:30 PM

The European Union (EU) is committed to pursue a socially and territorially balanced economic development. Nevertheless, after the overall convergence that characterized the period before the global financial crisis, polarization within the EU have started to increase in recent years. In this context, the characteristics ensuring regional resilience were investigated (Martin, 2012; Martin et al., 2016) and the emphasis was put on idiosyncratic vulnerability in the absence of a common automatic fiscal stabilization mechanism (Fingleton et al., 2015) as well as on heterogeneous structural changes (O'Leary and Webber, 2015). In a recent work on club convergence we provide evidence that European regions are scattered in

five separate groups and that the divergence among clusters is explained well by their diverging structural change paths. Particularly, specialization in high-productivity service activities and a solid manufacturing base both enhance growth in predominantly urban regions and in the EU manufacturing core. Conversely, services that use low skills intensively are less relevant for regional development or even deteriorate growth prospects (Cutrini, 2019).

Although economic structure is important, it is deemed to be just a part of the explanation. Not surprisingly there is a rapidly growing literature on the role of institutional quality to explain regional resilience to shocks. One reason behind this trend is the availability of data.

In the context of this debate and sharing the view that good institutions make a difference for regional development (See, among others, Rodríguez-Pose, 2013; Ezcurra and Rios, 2019), the present analysis aims to investigate the role of the "quality of government" – that is "how the public sector operates in a territory", together with other fundamental drivers such as economic structure and human capital. Our preliminary results confirm previous works that established the positive role of institutions for regional growth and resilience (Farole et al., 2011; Rodriguez-Pose 2013; Rodríguez-Pose and Garcilazo, 2015, Ezcurra and Rios, 2019; Rios and Gianmoena, 2019 among others). We also provide robustness checks considering different groups of countries and categories of regions (urban/rural), we do not find significant differences but the quality of government appears as slightly more important for lagging-behind regions. If further confirmed, this evidence could have obvious policy implications for a more efficient management of structural funds.

## Assessing and Improving Older People's Food Accessibility: The Case of the Food-NET Project in the Metropolitan City of Milan

**<u>Dr. Luca Daconto<sup>1</sup></u>**, Matteo Colleoni, Simone Caiello, Sara Zizzari <sup>1</sup>Università di Milano Bicocca - Dipartimento di Sociologia e Ricerca Sociale, Milano, Italy

> PS38- Policies and Services for Healthy Ageing and Well-being in Later Life August 27, 2020, 11:00 AM - 12:30 PM

The paper presents the main results of "Food Social Sensor Network - Food NET", a R&I project supported by the Lombardy Region (POR FESR 2014-2020) that aims to build a platform to provide guidelines and technologies to improve food access and to create functional food for over 65 years old citizens living in the Metropolitan City of Milan.

Access to healthy food, defined as the ability of people to consistently acquire, both physically and economically, sufficient amounts of healthful food, significantly affects older people's wellbeing and quality of life (Zajczyk, 2018). In recent years, there has been an increasing awareness of the key role played by urban environment in influencing the level and quality of food access (Moragues-Faus & Morgan, 2015) and older people's quality of life (WHO, 2007).

In this framework, Food-NET evaluated the conditions of older people's food access in the Metropolitan City of Milan from different perspectives (e.g. spatial, socio-economical, medical-nutritional). The aim has been to identify the factors on which to intervene to ensure food accessibility and healthy aging through flexible and socially acceptable interventions. In this sense, the outcomes of the project will also be made available to policy makers, stakeholders and over 65 years old citizens through the development of an ICT platform and a Mobile App.

## Macro-regional strategies (MRSs) to enhance cross-border, interregional and transnational cooperation: Eusalp's experience on dual education

Dr. Sandra D'agostino<sup>1</sup>, Dr. Silvia Vaccaro<sup>1</sup> <sup>1</sup>Inapp, Roma, Italy Among the objectives pursued by the Alpine macro-regional strategy (EUSALP), which involves 48 Regions from seven European countries, there is the promotion of a sustainable growth and innovation. As a common and characterizing sector of all Alpine area's VET systems, the dual education can be effective for enhancing the quality of training and promoting an inclusive labor market.

The mega-trends of innovation affecting the most advanced economies - globalization, technological progress, digitization, demographic evolution - pose similar challenges to the dual systems of the EUSALP Regions, despite the different architectures of VET. To win these challenges, adequate policies are needed, addressing different users (businesses, young people, families), focusing on the quality of the training and close links with businesses and the education system.

Resuming the results of a recent action-research project conducted in the framework of EUSALP, we analyze the impacts of these mega-trends on the dual systems of the Alpine space's countries, looking at the policies adopted and results achieved. At the end of the mentioned project, ten recommendations were agreed in the Joint Declaration signed in November 2018, intended as work paths all Alpine countries refer to, in order to strengthen their dual systems in coping with the mega-trends and move toward a common Education area.

Building up on this experience, we reflect on the effectiveness of MRSs as tools for an enhanced transregional cooperation in the field of dual education, exploring its limits as well. Among others, two elements appear more relevant: identifying feasible objectives in a subsidiarity perspective for such a tool of cooperation and considering the impact on "external" regions, to limit any fragmentation of the political action and to avoid increasing imbalances.

Then, with the help of experts from Eusalp regions interviewed with a semi-structured questionnaire and focusing on the topics at the center of the European debate on the future of VET - governance, attractiveness, permeability, quality of training, technological innovation, transnational mobility -, we identify areas and actions where an effective cooperation among the Alpine regions can be more effectively pursued in the framework of a MRS, in order to emphasize territorial experiences and specificities within a broader view to cohesion and sustainability.

## Is German re-unification real? Evidence from FDI location choices

## Dr. Anna D'ambrosio<sup>1</sup>

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PS04- Foreign Direct Investments, trade and local development August 25, 2020, 11:00 AM - 12:30 PM

Thirty years after German re-unification, can Germany be regarded to be a single economy? During the years of the global financial downturn, Germany has been the main driver of the recovery of the European Union. Its attractiveness for Foreign Direct Investments (FDI) has been growing steadily over the last three decades. Nonetheless, the increasing importance of FDI inflows over the last three decades may be viewed to be a largely West-German phenomenon.

In previous studies, the location choice of FDI was shown to be substantially heterogeneous between Western and Eastern Germany, with Eastern Germany attracting substantially less investments even controlling for a wide set of observable location factors. The presence of a significant, and negative, ``East" effect suggests that re-unification was lagging even about 20 years after re-unification to an extent that was not explained by observable location factors.

We construct a unique dataset linking data about greenfield FDI from fDi Markets (from the Financial Times Intelligence unit) to data about several possible location factors in German NUTS2 regions collected from

the regional database of the German Statistical Office and of the statistical offices of the German federal states.

We implement two types conditional logit and set nested logit models, where the nests are represented by West and East Germany. A simple measure of the persistence of an ``East effect" is offered by an ``East" dummy in a standard conditional logit model of location choice, and by the ``inclusive parameter" in a simple nested model constructed to recognize a possible hierarchy in the location choice faced by foreign investors: first they choose whether to locate in Eastern or Western Germany; second, where to locate within each nest. We study how the ``East" dummy and the inclusive parameter change over a 15-year window from 2003 to 2017.

Preliminary results indicate that, while the main determinants have the expected signs and remain considerably stable over time, the East-Germany coefficient displays a substantial change in the post-2010 sub-period. Until 2010, the coefficient of ``East" remains negative and significant, confirming that NUTS2 regions in Eastern Germany were considered as a less attractive location for FDI. From 2011 on, instead, the coefficient of East is no longer significantly negative and becomes positive but insignificant. This finding may be viewed as an indication that, from 2011 on, investors no longer regard NUTS2 regions in Eastern Germany to represent substantially heterogeneous destinations for their investments.

# Imagination and Collaboration: Using the Arts to Create Rural Cultural Capital and Address Community Challenges, Impacting Regional and National Policies.

#### Mr John Davis<sup>1</sup>

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PS35- Cultural Heritage and Regional Development August 26, 2020, 5:30 PM - 7:00 PM

This paper addresses policies for smart growth, illustrating how rural communities can overcome geographical and economic challenges through innovative placemaking initiatives that leverage the arts, collaborative relationships, and creativity. Both research and practice demonstrate that innovation in small communities—particularly through consultation and collaboration—not only benefits a local area but regional, state and national policy as well.

The principles of creative placemaking used in this paper are widely embraced by rural researchers and practitioners. <sup>1</sup> Two rural case studies illustrate the impact of cooperative, collaborative placemaking strategies on regional and national policy. Both stress the importance of using "cultural capital," the "stock of practices that reflect values and identities rooted in place, class, and/or ethnicity. Investments in cultural capital create or sustain the values, traditions, beliefs and/or languages that become the currency to leverage other types of capital."<sup>2</sup>

The first case comes from New York Mills, Minnesota, cited as a national model for rural arts and economic development work. <sup>3</sup> The second case, encompassing cultural tourism, focuses on Lanesboro, Minnesota. <sup>4</sup> Both towns undertook ambitious arts-based projects for economic development, gaining the support of the local citizenry. Capitalizing on the cultural wealth of their communities, both towns engaged local, regional and national interests to accomplish their goals and progressed from local innovation to national influence in creative placemaking policies and practices.

<sup>1</sup> James Lewicki is a national expert in place-based and project-based learning as well as the development of interdisciplinary, multi-age learning communities. He is the author of Cooperative Ecology and Place: Development of a Pedagogy of Place Curriculum (1998).

<sup>2</sup>"Rural Arts and Culture," in Rural Cultural Wealth Lab, www.rupri.org/wp-content/uploads/RUPRI-NEA-Lab-Coceptual-Design=September-22-2017-pdf, 3. Retrieved 1/10/20.

<sup>3</sup> Researchers in the National Endowment for the Arts used New York Mills to help create the Our Town Program, a creative placemaking grants program. "Successful Our Town projects ultimately lay the groundwork for systemic changes that sustain the integration of arts, culture, and design into local strategies for strengthening communities. These projects require a partnership between a local government entity and nonprofit organizations . . . and should engage in partnership with other sectors (such as agriculture and food, economic development, education and youth, environment and energy, health, housing, public safety, transportation, and workforce development." https://www.arts.gov/grantsorgniaztions/our-town/grant-program-description. Retrieved 1/11/20.

<sup>4</sup>Regional grant support included the McKnight, Bush, Jerome Foundations and the Minnesota Historical Society in addition to national grants from the National Endowment for the Arts and ArtPlace America.

## Regional Imaginaries and the 'Europe of the Regions' Project

#### Prof. Simin Davoudi<sup>1</sup>

<sup>1</sup> Newcastle University, UK

PL1- Opening Session August 25, 2020, 9:15 AM - 10:45 AM

Ever since the birds-eye view of Chicago adorned the cover of Burnham's 1909 Plan for the city, regional space has been subject to multiple and competing imaginaries, each jostling for the position of dominance in politics of scalar fixing. I argue that despite this diversity, the economic imaginary of the region has prevailed in both the EU and nation states, albeit with two distinct rationalities: the cohesion-oriented welfare state rationality, and the competitiveness-oriented neoliberal rationality. I further argue that imagining regions as neoliberal economic spaces has been a key factor in the widening of spatial inequalities within and between European countries, and in the limited success of the 'Europe of the regions' project.

## Housing market and migration revisited: a Bayesian multilevel gravity model for Dutch municipalities

#### Dr. Thomas De Graaff<sup>1</sup>

<sup>1</sup>Vrije Universiteit Amsterdam, Amsterdam, Netherlands

PS12- Drivers and impacts of interregional migration (2) August 25, 2020, 2:00 PM - 3:30 PM

By applying a Bayesian multilevel gravity model, this paper revisits the impact of home-ownership and social renting rates on intercity migration in the Netherlands. Where most of the extant (economic) literatures focuses on using fixed effects for cities of origin and destination, I adopt a Bayesian multilevel approach to model the cities' varying effects. For this application, this approach has two main advantages. It (i) allows for simultaneous estimation of city specific varying effects and the effects of city specific home-ownership and social renting rates on migration flows. Moreover, it allows (ii) for prediction of migration flows between cities both in- and out-of-sample. The results show that home-ownership rates decrease migration flows significantly with an elasticity close to -1. Municipal social renting rates have negative impacts as well, but their elasticities are close to zero however. The latter results are robust to the year of observations, alternative specifications (including household characteristics), and the use of interaction effects. I conclude this paper by predicting changes in all in- and out-going migration flows in Amsterdam driven by an changes in the housing market structure.

Heterogeneous creativity in Cultural and Creative Industries: a differentiated pattern of localization?

### Roberto Dellisanti<sup>1</sup>, Prof.Dr. Frank van Oort<sup>2</sup>

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PS49 - Cultural, Creative Industries and Regional Development (2) August 27, 2020, 2:00 PM - 3:30 PM

see extended abstract

#### Bio Economic Model to Assess the Impact of Covid-19. An application to the Azores Islands

#### Tomaz Dentinho<sup>1</sup>

<sup>1</sup>Univ. dos Açores, Portugal

PS30- Covid 19: its spatial and region impacts August 26, 2020, 2:00 PM – 3:30 PM

The Coronavirus (COVID-19), is spreading around the world. From a medical perspective, critical questions arise regarding containment measures, methods of diagnosis and treatment of patients and development of vaccines. From an economic policy point of view, the issue is the optimal calibration of containment measures combining saving lives with saving jobs. There are epidemic tools (Ferguson et. al., 2020) that explain infection and regional economic models (Bonet al. 2020) that look into the impact of containment policies. There are also theoretical models that allow the optimization of policies for one place (Eichenbaum et al. 2020). The aim of this paper is to formulate and estimate a model of regional economic soft epidemics applied on Covid-19 for the 28 NUTS III regions of Portugal that include the health and economic spatialized impacts of infection and containment measures. The model based on an extension of the Gordon- Schaefer formula to include spatial interaction, presents interesting results for regionalized policies to address Covid-19. The paper concludes that the optimal policy should vary in space and in time. Key words: Regional Economics of Epidemics, Covid-19, Portugal

## Spatial Diffusion of Local Economic Shocks in Social Networks: Evidence from the US Fracking Boom

#### Mr Andreas Diemer<sup>1</sup>

<sup>1</sup>London School of Economics and Political Science, London, United Kingdom

PS07- Regional Development (Young Scientists Session 2) August 25, 2020, 2:00 PM - 3:30 PM

Please see full (draft) paper Designing Smart Specialisation Strategies with Sub-Saharan Africa

#### Dr. Mafini Dosso<sup>1</sup>

<sup>1</sup>European Commission, Joint Research Centre (JRC), Dir. Growth & Innovation, Unit B3. Territorial Development , Seville, Spain

PL3\_Keynote Presentation 3&4 August 26, 2020, 9:15 AM - 10:45 AM

Increasing spatial disparities and inequalities of opportunities constitute key challenges in the development paths of Sub-Saharan African economies. The Smart Specialisation international cooperation provides a platform for sharing knowledge and practices on science, technology and innovation (STI) roadmaps for sustainable development. The presentation builds upon the ongoing JRC's exploratory scientific activities and cooperation with African institutions and organisations. With a chronological perspective, it sheds light on the joint science and policy efforts to encourage the development of place-based STI strategies, consistently with the African continental and national plans for industrial and territorial development. A few research avenues are suggested in line with the conceptual and methodological requirements for "Designing Smart Specialisation Strategies with sub-Saharan Africa".

## Analysis of location and agglomeration of manufacturing activity in Greece: an application of point pattern analysis

<u>Dr. Leonidas Doukissas</u><sup>1</sup>, <u>Dr. Yannis Psycharis</u><sup>1</sup>, Dr. Anastasios Karaganis<sup>1</sup> <sup>1</sup>Panteion University of Social and Political Sciences, Athens, Greece

> PS36- The geographical dimension of income inequality August 26, 2020, 5:30 PM - 7:00 PM

This paper utilizes a novel dataset with exact coordinates of statistical data on Greek manufacturing plants and applies a point pattern analysis in order to estimate the agglomeration of manufacturing enterprises in Greece. More precisely, the dataset includes the exact location of 1.945 observations of enterprises. These enterprises are divided into twelve two-digit NACE 2 sub-industries of manufacturing activity across Greek regions for the year 2018. Manufacturing constitutes 31% of Greek GDP (55 bil. €) while 31.3% of employment in Greece. The point pattern analysis allows the estimation of agglomeration and coagglomeration trends in manufacturing activity across space. Results indicate that the level of agglomeration differs significantly among different sectors highlighting the specialization and dispersion of economic activity in the country. Furthermore, co-agglomeration, sectors with complementary activities tend to co-agglomerate in space. These results are relevant to the economic geography and the assessment and implementation of regional policy.

## Synergies between EU funding : What is their impact on EU regions in the context of smart specialisation strategies?

<u>Mr Mathieu Doussineau<sup>1</sup></u>, dr Julia Bachtrogler<sup>2</sup>, dr Arnault Morisson<sup>3</sup> <sup>1</sup>European Commission-Joint Research Center, Seville, Spain, <sup>2</sup>Austrian Institute of Economic Research, Vienna, Austria, <sup>3</sup>University of Utrecht, Utrecht, The Netherlands

> PS03- Innovation and Regional Development August 25, 2020, 11:00 AM - 12:30 PM

Between 2014 and 2020, the European Union has dedicated over €120bn to support research and innovation through its two main components: The Horizon 2020 programme, excellence based and space blind and the Structural and Investment Funds (ESIF) innovation oriented and place based. Through the design of smart specialisation strategies, EU regions were encouraged to develop synergies between these two main sources of funding in order to strengthen the impact on their respective economies. The objective of this paper is to assess the existence of an impact of the implementation of those synergies on regional innovation ecosystems. We define as synergy between funding the alignment of the distribution of H2020 and ERDF among a set of technological and policy areas. In order to set a common and generic analytical framework, we consider as specialisation areas the Horizon 2020 key enabling technologies (technological areas) and the societal grand challenges (policy areas), together representing approximately 60% of the overall horizon 2020 budget. The information comes from two distinct datasets related to the allocation of EU funding. On one side, the Cordis database gathering the projects funded by horizon 2020 and a dataset gathering the R&I related operations funded by ERDF on the other. Text analysis methods applied on ERDF operations' titles and descriptions allow us to assign each operations a technological and a policy area to design a common analytical framework. To assess the implementation of synergies we measure the

concentration of funding within areas in each of the two funding sources using the location quotient (LQ) method. The location quotient (LQ) is a way of quantifying how concentrated a particular area is in a region (at nuts level 2) as compared to a larger geographical area. It reveals a specialisation profile in comparison to the European average. There is a synergy between funding when the indicator show a concentration of funding for both sources of funding within a same area. The analysis of the correlation between synergy patterns and regional innovation performances (using the information coming from the EU regional innovation scoreboard) shows whether a positive impact on performance is observed and in which type of regional ecosystem. The paper concludes with a discussion on both advantages and drawbacks of the alignment of EU policies in the context of the new generation of smart specialisation strategies.

## A Solution for Absent Spatial Data: the Common Correlated Effects Estimator

**Prof. Daniel Felsenstein<sup>1</sup>**, Prof Michael Beenstock<sup>1</sup> <sup>1</sup>Hebrew University of Jerusalem, Jerusalem, Israel

> PS14- Spatial Econometrics August 25, 2020, 5:00 PM - 6:30 PM

Informed regional policy needs good regional data. As regional data series for key economic variables are generally absent whereas national-level time series data for the same variables are ubiquitous, we suggest an approach that leverages this advantage. We hypothesize the existence of a pervasive 'common factor' represented by the national time series that affects regions differentially. We provided an empirical illustration in which national FDI is used in place of panel data for FDI, which are absent. The proposed methodology is tested empirically with respect to the determinants of regional demand for housing. We use a quasi-experimental approach to compare the results of a 'common correlated effects' (CCE) estimator with a benchmark case when absent regional data is omitted. Using three common factors relating to national population, income and housing stock, we find mixed support for the common correlated effects hypothesis. We conclude by discussing how our experimental design may serve as a methodological prototype for further tests of CCE as a solution to the absent spatial data problem.

## An Interregional-Intersector Agent-Based Model with Schumpeterian Growth and Keynesian Cycles

<u>Mr Tommaso Ferraresi<sup>1</sup></u>, Lilit Popoyan, Andrea Roventini, Leonardo Ghezzi <sup>1</sup>*Irpet, Firenze, Italy* 

> PS33- Methods in Regional Science or Urban Analysis August 26, 2020, 5:30 PM - 7:00 PM

In this work we present an agent-based model of growth and business cycles with interregional and intersector features aiming at tackling the above mentioned developments and provide the regional policy makers with a toolkit to perform consistent scenario analyses and ex ante policy evaluations. Our model augments an ABM with schumpeterian growth and keynesian cycles with an intersector structure in the consumption good sector and allows for interregional and international trade. The current version of the model, still focused upon a standalone economy, is able to replicate many stylized facts characterizing regional macroeconomic dynamics, from sustained growth paths, to business cycles and periods of persistent economic stagnation. Moreover, several experiments are implemented so as to evaluate how

finance, technological regimes, and different structures of the economy might give rise to diverse development trajectories.

## An Analysis of the Effect of Board Gender Diversity on the Environmental Behavior of Brazilian Firms

**Ms Eduarda Figueiredo<sup>1</sup>**, Dr. Daniel Uhr<sup>2</sup>, Dr. André Chagas<sup>3</sup>, Dra. Júlia Uhr<sup>4</sup> <sup>1</sup>Universidade Federal de Pelotas, Pelotas, Brazil, <sup>2</sup>Universidade Federal de Pelotas, Pelotas, Brazil, <sup>3</sup>Universidade de São Paulo, São Paulo, Brazil, <sup>4</sup>Universidade Federal de Pelotas, Pelotas, Brazil

> PS09- Institutions, Political and Decisional Processes August 25, 2020, 2:00 PM - 3:30 PM

In recent years, the presence of a distinction in environmental behavior between genders has been documented, in which women exhibit a "friendlier" behavior towards the environment in relation to the opposite sex (Hunter et al., 2004 and Agarwal, 2009). Even the ONU itself at the United Nations Conference on Environment and Development in 1992 documents the importance of women for sustainable development. It is also observed that women inside the meeting room increase the number of solutions to environmental problems (Glass et al., 2016) in which, when directors, request specialized advice (Liu, 2018) and are more likely to invest sustainably (Joecks et al., 2013).

The purpose of this study is to test the hypothesis that the presence of the female gender in the composition of the board of directors of companies affects the environmental behavior of Brazilian firms. To carry out the research, data identified from the Annual List of Social Information (RAIS) are used, which are cross-checked with data from environmental infraction notices of the Brazilian Institute of the Environment and Natural Resources (IBAMA) for the period 2011 to 2015.

This allows the creation of two dependent variables, one of which is the variable for counting the number of environmental infraction and the other is a binary variable that identifies whether the company has already obtained an environmental infraction. To calculate a possible effect, the Poisson and Probit models will be used. In addition to the main analysis of the relationship between female management and environmental infractions, secondary analyzes will be carried out through subsamples, thus providing a greater understanding of this association between gender, firm and environment.

Thus, intending to fill a gap in the discussion on environmental behavior in Brazil, a country that is home to a greater biodiversity on the planet.

## Clusters of specialized activities and peri-urban spaces. A survey on the Bologna Metropolitan City between continuity and urban planning innovation

<u>Prof. Giulia Fini<sup>1</sup></u> <sup>1</sup>Politecnico Di Milano, Milano, Italy

> PS22- Regional and Urban Development August 26, 2020, 11:00 AM - 12:30 PM

The contribution lies in the intertwining of two areas of study of the territory and urban planning: on the one hand the research on "peri-urban spaces", on the other the reflections on "specialized peripheral settlements" of activities, often indicated in literature in various ways such as functional poles, specialized clusters, citadels. It is possible to observe how peri-urban areas have often been investigated focusing on the open space, and permanence of natural and rural elements, tackling instead in a less systematic way the presence of important specialized activities (with an economic role and catalyst for intangible flows, goods, people): logistics and infrastructural spaces, entertainment and large commercial activities, up to campuses and tertiary services.

The contribution aims to focus on specialized peri-urban areas and "functional poles" (as these are specifically named in this specific context), observing how they were conceived by the planning tools of the Bologna Province and Metropolitan City.

In the first part (I), the aim is to highlight the principles of cluster's planning and design within wider strategies, but also to reflect on the results of planning tools and their current conditions. In the second part (II), the contribution enters into the details of some specific agreements ("Accordi di Programma"), recently redefined by the Bologna Metropolitan City, as the result of consultations between local authorities, public entities and private operators. The territory under investigation is the northern part of the metropolitan area of Bologna: an urban-rural area that opens up to the agricultural areas of the Padana Valley but that is also characterized by the presence of important specialized settlements.

The contribution is inspired by a collaboration developed with the Metropolitan City of Bologna for the definition of new guidelines for the agreements of the metropolitan functional poles. In that experience, they tried to introduce new themes for their definition. In addition to more traditional elements (public accessibility, charges and endowments), there were new challenges related to habitability, regeneration and spatial and functional articulation, through actions such as encouraging forms of sustainable mobility, journeys and connections with the territory, qualification of open spaces, environmental comfort etc. Downstream of the definition of the new agreements, the paper wants to observe if it was possible for the Administration to introduce these new themes and in what form they are present, both at a strategic and planning level and as elements of consultation with private subjects.

## Channels of interregional risk sharing in Italy

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> PS32- Macroregional, Transregional, Regional and Urban Policy and Governance August 26, 2020, 5:30 PM - 7:00 PM

In macroeconomics, the international (or intra-national) risk-sharing framework assumes that country(region)-specific shocks cannot be avoided, but their effects can be distributed over other countries (regions) to reduce their impact on domestic consumption.

The literature focusing on the performance of federations in terms of absorbing capacity of asymmetric shocks considering mechanisms for intertemporal risk-sharing (consumption-smoothing). The seminal papers of Asbrubali et al. (1996) and Sørensen & Yosha (1998) started a long series of studies on the risk sharing channels across US states and EA countries. Among others, Afonso & Furceri (2008) and Furceri & Zdzienicka (2015) measure the risk sharing taking place across euro area countries after the '80s, finding that more than 60% of the shocks were not smoothed in the EA. There are a few contributions that analyse the risk-sharing in Italy (Decressin, 2002; Gandullia & Leporatti, 2019) and the most of them focus mainly on the role of transfers between central and local government, overlooking the functioning of others risk-sharing channels.

From this perspective, this paper aims to determine the level of risk sharing among Italian regions, studying the smoothing capacity of consumption through the different channels before and after the financial downturns. For this scope, we develop a typical empirical framework of risk sharing to investigate the behaviour of the channels through which the idiosyncratic shock absorption occurs. Particularly, we determine the level of total risk sharing among regions reached by the risk-sharing channels, namely factor income (compensation and rents), capital depreciation, fiscal transfers, and credit market. As suggested by the literature, we follow the approach proposed by Asdrubali et al. (1996). This consists of applying a variance decomposition of shocks to GDP in order to quantify the share of smoothing achieved via the

various channels. It is based on national accounting and the starting point is the disaggregation of regional GDP into gross regional income (GNI), net regional income (NI), net regional disposable income (DIS) and private and public consumption. The data are available from Regional Economic Accounts provided by ISTAT and Regional Public Account System.

Our findings suggest that there are a high level of risk sharing among Italian regions. About the 75 percent of region-specific shocks are smoothed by risk-sharing channels. The labour mobility and interregional earnings fows represents the main mechanism for absorbing the shocks. In crisis periods, the smoothing increases until to reach the level between the 80 and 85 percent.

## Could « third places » provide answers to fragile territories' challenges ? Insights from some French experiences in rural areas.

#### Dr. Aurore Flipo<sup>1</sup>

<sup>1</sup>Entpe, Vaulx-en-velin, France

PS39- The role of fragile territories: descriptions, strategies and best practices in Italy and Europe August 27, 2020, 11:00 AM - 12:30 PM

See extended abstract

## Urban-Rural typology for Labour Market Areas: definition and analysis of Covid19 deaths in Italy

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> PS05- Mountain, Rural and Marginal Issues August 25, 2020, 11:00 AM - 12:30 PM

see extended abstract

## Entrepreneurial Trajectories and Regional Growth after Socialism—The Case of East Germany

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PS17- Historical Roots of Regional Performance August 25, 2020, 5:00 PM - 6:30 PM

East German regions show considerable differences in their ability to cope with the challenges of the transition from a socialist regime to a western type market economy. While some regions particularly in the South and those adjacent to Berlin perform relatively well many other places fall behind. Analyzing these differences of regional performance we follow the idea that current regional development is strongly influenced by their economic history so that they follow specific growth trajectories (Fritsch and Wyrwich 2019). Using a rich variety of data for different time periods we identify a particularly significant role of entrepreneurship in terms of current and historical levels of self-employment. We find that those regions with a relatively high share of remaining self-employment at the end of the socialist period showed high levels of new business formation and growth. Accounting for the economic history of the regions shows strong effects of the levels of self-employment in pre-socialist times more than a century ago. Many

regions that had high levels of remaining self-employment at the end of the socialist period and performed relatively well in the post-socialist era have a long-lasting tradition of entrepreneurship that has considerable effect on current their development.

This effect of current and historical self-employment is very robust and appears to be much stronger than the influence of other factors that are commonly associated with regional growth, such as location, population density, industry structure, and knowledge. While we find some positive effect for the qualification of the regional workforce at the end of the socialist period, such an effect is comparatively weak or insignificant for historical levels of knowledge and innovation. The results indicate that entrepreneurship is a key factor behind regional growth trajectories. In particular high levels of self employment make regions more resilient to disruptive changes of their economic framework conditions.

## Reference:

Fritsch, M. and M. Wyrwich (2019). Regional Trajectories of Entrepreneurship, Knowledge, and Growth—The Role of History and Culture. Cham: Springer. https://doi.org/10.1007/978-3-319-97782-9

## The happiness-consumption relationships in the different urbanized areas of Italy

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> PS34- Subjective well-being, spatial inequalities and urbanization August 26, 2020, 5:30 PM - 7:00 PM

This study aims at investigating the role that individual happiness has on consumption behaviour and whether this relationship is affected by the urbanization settings where citizens live. With respect to previous literature on this issue, our study presents some novelties. First, we focus on the differences in the individual expenditures-happiness nexus with respect to different urbanization levels in order to detect possible disparities. Second, we investigate the role of happiness over the entire expenditure distribution by means of a quantile modelling approach. Third, the expenditure -happiness nexus is analysed with respect to different domain satisfactions, allowing to better investigate the multidimensionality of the happiness concept. To analyse the urbanization disparities in the consumption and happiness relationship, individual data are required. The not availability of joint information on consumption and happiness at the unit level, as in Italy, may be overcoming by using a statistical matching method. In particular, the matching of the Household Budget Survey (HBS) with the Aspects of Daily Life survey (ADL) provides information at the individual level, useful to investigate how expenditure is affected the happiness of Italian citizens. We model expenditure on happiness by using a quantile regression to depict different intensities of the impact of individual satisfaction levels on expenditure at the different urbanization levels. Preliminary findings highlight a different role of happiness both across the entire expenditure distribution and the urbanization settings.

## Entrepreneurship in clusters: A literature review using bibliometric methods

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> PS47- Regional and Urban Labour Markets and Entrepreneurship August 27, 2020, 2:00 PM - 3:30 PM

In recent years, author and document citation and co-citation analyses have often been applied to map the intellectual structure or knowledge base of different scientific fields, including the literature on clusters, industrial districts, local systems, and territorial innovation models (TIMs) and the field of entrepreneurship.

However, the technique of bibliographic coupling between scientific documents (Kessler, 1963), which seeks to identify active research fronts in a scientific field or discipline –and, particularly suitable for detecting current trends and future research priorities– has been less commonly used. This study utilized this last technique to identify and visualize active research fronts in the context of peer-reviewed journal articles dealing with the phenomenon of cluster entrepreneurship published in a wide variety of journals from 2005 to 2020\* (database consultation data: January 26, 2020), seeking to shed light on the current state-of-the art on this topic –high quality, thematic review papers, bibliographic, and meta-analyses can provide this state-of-the-art understanding to scholars and thus play an important role in a discipline's progress–. The aim is not only to complement and expand the results obtained in prior studies that have used other types of systematization, such as qualitative content analysis methodology, but also to propose new avenues for future research.

## How volunteering leads to the successful region development of cultural sites in Greece.

## Mr Efthymios Spyridon Georgiou<sup>1</sup>, Mr Konstantinos Boumpourekas<sup>2</sup>

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> PS07- Regional Development (Young Scientists Session 2) August 25, 2020, 2:00 PM - 3:30 PM

This project refers to the development of a traditional settlement area in Siatista, Greece. The subject of scientific work has a dual purpose, which is thoroughly analyzed in the main body with clarity. Firstly, the main aim is to promote and preserve the cultural heritage.

The Siatista area has an appropriate historical and mountainous background, which must be designed with the general and specific objectives for tourism development, agriculture and environmental awareness. On the other hand, the project analyzes the key role of voluntary thinking in the development of the area. In order to overcome the effects of the economic crisis of the past decade not only in Siatista, but also in many parts of Greece.

Moreover, in modern society, young people are adopting a more urbanized way of life so they are leaving small villages, choosing to go to the big cities or abroad in order to chase better opportunities on employment and education.

However, the analysis of the project is an optimistic example of the return of a couple who was actively involved in Siatista and volunteering, promoting and protecting Siatista's cultural heritage. This is their example followed by other Siatista residents.

As a result, a folklore museum was created which is the center of the cultural events of the traditional settlement. The couple's willingness and involvement of residents in the group increases tourism and collaboration with schools and other organizations. Today, many children are actively involved in museum activities and know the role and responsibility of preserving traditional architecture, historical past and important rural areas. Not only this is an alternative way of preserving the past, but is also the happiness and inspiration to be part of the mosaic of history, present and future in the place where they come from.

## Ageing in the labour market: a SpVar Approach

**Prof Massimo Giannini**<sup>1</sup>, Dr. Cristiana Fiorelli<sup>1</sup>, Prof- Barbara Martini<sup>1</sup> <sup>1</sup>University Of Rome Tor Vergata, Roma, Italy

> PS14- Spatial Econometrics August 25, 2020, 5:00 PM - 6:30 PM

Ageing is getting an important feature of European Countries and particularly for Italy. It opens to several questions related to pensions reforms, skills obsolescence, Neet and wage gap. Starting from a microfounded OLG models, we derive the optimal dynamic relationships for consumption and wealth in an economy populated by two living generations, workers and retired. These equations depend on worker age and this allows us to investigate on the effect of ageing on the dynamical paths. Log-linearization of the equations brings to a VAR model that can be estimated. Microdata come from the Bank of Italy Household Survey and aggregated by Italian regions (NUTS2). In order to take account for regional spillover, we augment the VAR with a neighborhood matrix, leading to a SpVar. Once estimated the SpVar, we invesigate the effect of ageing on the impulse response functions. **Interregional** 

## Input-Output Linkages and Relatedness as Drivers of Regional Diversification: Evidence from United States Counties

#### Ms Simone Maria Grabner<sup>1</sup>

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PS01- Regional Development (Young Scientists Session 1) August 25, 2020, 11:00 AM - 12:30 PM

This paper examines the role of interregional input-output linkages and relatedness on industrial diversification of U.S. counties. The hypothesis is that flows of intermediate goods and services among regions are a vehicle for the diffusion of external capabilities, upon which regional economies can thrive and diversify. Interregional linkages may also relax the role of relatedness, as external knowledge is likely to be unfamiliar, which provides opportunities for new and unrelated recombinations. To proxy interregional input-output linkages of counties we use a county centrality measure derived from the national input-output network. We find a positive relationship between county centrality and industrial diversification, where the latter is measured by the entry of new industry specializations. The results also show, that the impact of relatedness is weakened, if local industries are strategically interconnected within the whole input-output network. Interregional linkages via local industries that are prominently positioned within the national production system appear to stimulate regional diversification in general and unrelated diversification in particular.

## A transdisciplinary approach to support cities to adapt to urban flooding – development, implementation and results

**<u>Dr. Markus Groth</u><sup>1</sup>**, Prof. Dr. Steffen Bender<sup>1</sup>, Thea Wuebbelmann<sup>1</sup> <sup>1</sup>*Climate Service Center Germany (GERICS), Helmholtz-Zentrum Geesthacht, Hamburg, Germany* 

> PS08- Adaptive and Resilient Cities and Regions August 25, 2020, 2:00 PM - 3:30 PM

Climate change and urbanization are closely interconnected. Thereby decision makers in cities are both key actors to meet the goal of curbing global warming to 1.5°C compared to pre-industrial levels and to adapt to climate change impacts. Heavy precipitation as well as related river and urban floods have already affected cities and municipalities all over the world, leading to a high pressure on local administrations to react. Additionally, recent studies show that, with increasing global mean temperature, also the number and intensity of extreme events such as heavy rain is expected to rise regionally. To reduce vulnerability and to protect property one of the most important aspects for city administrations (and its inhabitants) is the knowledge of the system weaknesses and its most vulnerable parts to adapt to the consequences. In order to address the corresponding practical needs for local information, the specific run-off behavior of heavy precipitation was investigated together with the city of Bleckede – located in the Elbe Valley

Floodplain ("Elbtalaue") – which belongs to the Hamburg Metropolitan Area in Northern Germany. Within the case-study, the GIS tool WOLK – developed and applied by the Tauw Group – was used to simulate and visualize the consequences of a heavy rain event. In addition, a written survey of 600 households was conducted.

In particular, it is shown that the simulation results presented in maps are an important tool to identify areas potentially affected or endangered by heavy rain events and to trace flow paths in the urban area. In addition, the model results highlight precisely relevant hot spots, which are in line with the results of the survey and previous experiences during past heavy rain events.

Another important aspect shown by the simulation is the significant relevance of a proper maintenance of central urban drainage elements in order to avoid unexpected water accumulations. The results can further be used in planning processes for a climate-resilient urban drainage concept or for the development of new residential areas.

Furthermore, aiming to sensitize citizens, especially house owners, an information flyer has been developed to answer the most important questions related to urban flooding and related individual protection measures.

Within the presentation, the methodological approach as well as the main results and lessons learned from this user-orientated and transdisciplinary project will be presented and discussed.

## The contextual effects on firms' productivity in Ecuador

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PS01- Regional Development (Young Scientists Session 1) August 25, 2020, 11:00 AM - 12:30 PM

see extended abstract

## A Masterplan for Urban Resurgence - The Case of Mönchengladbach and MG 3.0

## Rüdiger Hamm<sup>1</sup>, Anna Herzog<sup>1</sup>

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PS17- Historical Roots of Regional Performance August 25, 2020, 5:00 PM - 6:30 PM

The paper investigates how an urban masterplan can be used to catalyse civic and entrepreneurial engagement to trigger a broad resurgence process within a medium-sized city. Therefore, it dwells on the masterplan project MG 3.0 in Mönchengladbach, which is often described as the initial impulse of a dynamic resurgence process – a confident statement the authors want to question. The exploratory case study highlights the significance of place-based leadership in developing an overarching vision of the urban future. It also emphasises the leading role of entrepreneurial engagement in terms of Corporate Urban Responsibility in driving the resurgence process.

See full (draft) paper

The role of shared workspaces as an anchor of community resilience for low-income urban populatuions

Ms Dalit Harel<sup>1</sup>, Professor Sigal Kaplan<sup>1</sup>

PS02- Social innovation and participation of population August 25, 2020, 11:00 AM - 12:30 PM

This study investigates the role of shared workspaces as an anchor of community resilience for low-income urban populations. To date, studies explored the role of shared workspaces from the employee and regional innovation perspective, while the effect on the community empowerment remains unraveled. This study focuses on a new municipality owned multi-functional shared workspace serving the variety of uses and is geared towards empowering the residents and promoting low-income young adults. Besides providing a workspace, the following activities are initiated by the management staff (all residents) in order to answer community needs: ii) lectures and community events, iii) university exam preparation courses, women empowerment, entrepreneurship events and networking opportunities; iv) a hub for learning support.

Interviews were conducted with the management staff (ten employees) and with a sample of thirty 18-21 years-old attending the workspace. We identified processes leading to behavioral change among the young adults attending the workspace. We looked at the change processes via the lens of the Trans-Theoretical model positing five stages of behavioral change: observation, preparation, change action, maintenance and assimilation, including successes and backsliding. Additionally, via the existence-relatedness-growth model we identified the layers of human need that this venue meets.

The changes undergone by attendees who spend time and engage in activities at the facility foster personal and community resilience in Jaffa. According to the management staff, 60% of the young adults assisted by the facility enroll to universities, compared to 20% enrollment rate in the surrounding neighborhood. The venue creates anchors for young people and is a major springboard in areas of crucial importance: education and employment. The facility activities are aimed at all the five stages of behavioral change. The workspace contributes to the young adults in three main areas. Firstly, the facility alleviates functional barriers by providing university preparation courses, language and academic writing courses, and information about university, enrollment, scholarships, student aid programs. Obstacles are addressed by the helpful, attentive, and closely-involved staff, who create a sense of personal connection. Secondly, the facility promotes social inclusion by providing a meeting-place and giving its users a homelike, familial atmosphere and sense of belonging. Thirdly, the facility plays a substantial role in strengthening the confidence and self-image of young Jaffa residents by offering them an experience of success helping them leave their comfort zone. All of these things help the venue's young clients achieve success in self-management.

## Local and regional dimensions of the labour market exposition to 4.0 technological transformation in the case of Austria

#### DI Kinga Hat<sup>1</sup>, Univ.Prof. Dr. Gernot Stoeglehner<sup>1</sup>

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PS11- The territorial dimension of the 4.0 technological transformation August 25, 2020, 2:00 PM - 3:30 PM

Digitalisation describes the process of integrating digital technologies into business as well as everyday life. The technological disruption referred to as Industry 4.0 inspires new business models, restructures production processes and provides new revenue and value-producing opportunities. The revolution concerns also the labour market and can be at the same time beneficial and disadvantageous for the employment. Therefore, this study aims at providing a knowledge base to integrate digitalisation in sustainable regional planning by estimating the exposition of labour markets to digitalisation on a municipal scale in order to show which dynamics and transformation needs for society might arise and to indicate which spatial frameworks should be applied in order to enable this transformation to be sustainable. The assessment of the spatial dimension of the exposition of the labour market to 4.0 technology in Austria was done by projection of the occupation-based assessment of digitalisation probability on the industry standard classification and joint to the statistical employee data at the municipal level. The outcomes reveal to what extent the economic sections and divisions are exposed to digitalisation. Results representing spatial distribution reveal that digitalisation risks cannot be explicitly assigned to certain spatial structures or federal states. Still, it can be stated that urban areas and small towns are relatively less exposed to human work replaceability. Municipalities with the highest vulnerability against disappearing of existing jobs are located mainly in rural areas. The discussion focuses on regional resilience, social vulnerability and possible development paths for different frameworks and spatial context of consequences. The outcomes emphasize the significance of digitalisation processes for regional development and presents an approach of identifying their territorial dimensions.

## The Territorial Component of Israel's Multi-level Governance Reform

#### Dr. Tali Noy Hindi<sup>1</sup>

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PS27- Regional and Urban Policy and Governance August 26, 2020, 2:00 PM - 3:30 PM

Globalization and technological changes positively affect the Israeli economy growth. However, it deeper the spatial inequality between the center and the Israeli periphery and even create a 'dual-economy' phenomena.

Furthermore, the institutional structure of the Israeli governance system is characterized by administrative dysfunction of government ministries and local authorities in solving complex problems and providing quality services to the residents in the periphery. These mega-trends lead to deprivation feelings and disaffection among residents and communities in Israel.

Since 2008, the Ministry of Interior has been promoting a new strategy known as the 'New Regionalism for Israel' aimed at encouraging regional development and promoting voluntary collaborations (inspired by the French Communauté de Communes model) between local authorities. This initiative has expanded to government piloting and resulting in legal recognition.

Against this backdrop, Advisory Team of experts and researchers was formed in order to design a vision, policy alternatives and operational goals for a broad decentralization reform, which calls for a redistribution of authority, responsibility, and resources between the central government and subnational hierarchies. One of the key tasks of the advisory team was to outline the geographical distribution of the new regional stratum. This work of territorial decentralization was done by a five-step methodology: (a) Choosing variables for GIS Data-layers (b) Analyzing & creating alternatives (c) Selection of criteria& Criteria Weight debate (d) scoring process (e) Debate & Decision.

Then another discussion was held, at the center of which was whether the chosen alternative would create an optimal balance between economies of scale and community needs, accessibility and cohesion.

## A Study of Regional-Level Location Factors of Car Manufacturing Companies in the EU

<u>Dr. Réka Horváth<sup>1</sup></u>, professor Levente Szász<sup>1</sup>, MSC student Ottó Csíki<sup>1</sup> <sup>1</sup>Babes-Bolyai University, Faculty of Economics and Business Administration, Cluj-Napoca, Romania The paper aims to explore how factors of regional competitiveness are associated with the location of car manufacturing companies in the EU. Although the European automotive market can be characterized by an intense dynamics in terms of location choices, literature offers little empirical guidance on how regional factors influence the location of car manufacturers in the EU. This paper aims to fill this gap by combining regional competitiveness data on 276 EU regions with the actual location of all 269 production units of car manufacturing companies currently present in the EU. Logistic regression is used to discover significant relationships, while the comparative analysis of clusters of regions is meant to offer a more detailed understanding of the role of different location factors. Results of the analysis show that the most influential location factor is related to infrastructural development, but other competitiveness factors, such as regional innovation capabilities or labour market efficiency, might also play an important role.

### **Migration aspirations and intentions**

<u>Matthias Huber<sup>1</sup></u>, Till Nikolka<sup>2</sup>, Panu Poutvaara<sup>3,4,5,6</sup>, Ann-Marie Sommerfeld<sup>7</sup>, Silke Übelmesser<sup>1,4</sup> <sup>1</sup>University of Jena, Jena, Germany, <sup>2</sup>German Youth Institute, , Germany, <sup>3</sup>University of Munich, , , <sup>4</sup>CESifo, , , <sup>5</sup>CReAM, , , <sup>6</sup>IZA, , , <sup>7</sup>Goettingen University, ,

> PS06- Drivers and impacts of interregional migration August 25, 2020, 11:00 AM - 12:30 PM

This study contributes to the understanding of how migration decisions are made, with a focus on the underlying factors that drive migration intention before actual migration takes place. We also analyze what distinguishes migration aspirations from migration intentions. We base our analysis on two novel datasets. First, we conducted a survey among university students in different countries to analyze migration intentions and aspirations more generally among university students. Second, we conducted a survey among language course participants at 14 Goethe Institutes (GI) worldwide. Language course participants are a self-selected subset of the population, which is likely further in the process of considering migration than the overall population. We categorize individual migration intentions into migration considerations and migration preparations. This allows to identify different degrees of intention which are closer to migration behavior. Using binary logit regressions, we identify determinants of migration intentions on the individual and the country level. Our results show that the influence of individual and household characteristics differs over the different degrees of migration intentions. Additionally, we have a more detailed look at the interaction of migration aspiration with intentions. While migration intentions refer to the actual situation of the individuals, aspirations are desires in case of an 'ideal situation'. We focus on those individuals whose migration aspirations and their migration intention do not point in the same direction – thus identifying migration barriers and drivers.

#### Cross-border commuting and its effects on native workers: evidence from Germany

#### Ms Hannah Illing<sup>1</sup>

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PS46- Demographic Change, Population, Migration and Mobility Behaviour August 27, 2020, 2:00 PM - 3:30 PM

This paper investigates cross-border commuting in the context of European integration. The opening of the German labor market in 2011 for workers from Central and Eastern Europe resulted in a significant increase of Czech cross-border commuters. Using German social-security data for 2007-2017, I estimate the effect of

this worker inflow on native employment and wages. Combining a 2-step matching procedure with an event study analysis, I find negative effects on native wages and native full-time employment. Losses are particularly high for low-skilled and younger workers. In contrast, high-skilled workers gain from the labor supply shock.

#### Labour shares and industry concentration: a regional analysis of Great Britain

### Ms Carolin Ioramashvili<sup>1</sup>

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PS07- Regional Development (Young Scientists Session 2) August 25, 2020, 2:00 PM - 3:30 PM

Falling labour shares are a concern for economists in many developed and emerging economies around the world. This trend has been linked to growing industry concentration, as growing market power allows firms to charge mark-ups over marginal cost. I show that both of these trends also characterise the economy in Great Britain over the last two decades. Moreover, businesses that are dominant in their industry are predominantly located in London and the South East, as well as other urban areas. I estimate that the labour share would be around 1 percentage point higher in 2014, had industry concentration not increased since 2002 The difference is larger in urban than in predominantly rural areas.

### Local development policies: Evolution and challenges in Spain

Prof. Juan Carlos Rodríguez-cohard<sup>1</sup>, <u>Professor Juan José Juste Carrión<sup>2</sup></u>, Professor Antonio Vázquez-Barquero<sup>3</sup> <sup>1</sup>University Of Jaén, Jaén, Spain, <sup>2</sup>University of Valladolid, Valladolid, Spain, <sup>3</sup>Universidad Autónoma de Madrid, Madrid, Spain

> PS37- Regional disparities and cohesion in the EU August 27, 2020, 11:00 AM - 12:30 PM

Territorial development policies facilitate productive diversification and job creation in rural and urban regions, where local actors manage and market local products. Thus, the connection of localities through urban and entrepreneurial networks eases the firms' interaction and the development of agrarian, industrial and service products for selling in national and international markets. The creation of polycentric territories through new communication systems facilitate the towns and regions accessibility. Therefore, bottom-up policies and cooperation in times of globalization reduce poverty and help fight against inequality permitting territorial and social development in the future.

## London Calling? Labour mobility and regional earnings in Great Britain

## Ms Carolin Ioramashvili<sup>1</sup>

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PS36- The geographical dimension of income inequality August 26, 2020, 5:30 PM - 7:00 PM

This paper studies labour mobility in Great Britain in the context of large regional earnings differences, particularly between North and South, and core and periphery regions. Internal migration might balance labour supply and demand, resulting in a reduction of disparities, or increase the concentration of human capital in prospering areas, resulting in widening inequalities. Using a panel of employee records, I estimate the impact of local internal in- and out-migration on the earnings of employees who do not move. The

immediate effect of a labour supply shock due to internal migration is negative on the earnings of those working in the area before, consistent with a classical labour supply and demand framework. However, over the course of three years, the effect on earnings growth is positive. The effects are larger in urban areas. There are no significant effects due to a reduction in labour supply due to internal out-migration.

#### Smart cities and bold sustainability goals: towards a generic vision zero methodology

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PS23- Intelligence Shaping the Future of Cities and Regions in Europe August 26, 2020, 11:00 AM - 12:30 PM

Over the last 15 years an important and ambitious philosophy/trend has emerged in the field of strategic planning and urban management, namely 'vision zero'. Vision zero (or zero vision) refers to urban strategies setting impressive targets of zero negative impacts, transforming cities into fully viable places for their residents, offering them high quality of living (Komninos, 2016; Zaman and Lehmann, 2013). Such strategies can be implemented in various city domains setting the goal to eliminate the respective urban threat (e.g. deaths from traffic accidents, CO2 emissions, waste, criminality, etc.). Despite the growing literature of the vision zero paradigm in different fields, these domain-specific strategies seem to develop in parallel, with no discernible effort for conceptual or practical integration.

Their ambitious but also multi-dimensional character, as strategies aiming to tackle complex urban problems and alter the behavior of both policy makers and users, has found common ground and was unavoidably linked with the use of smart city technologies and infrastructure but also with the scope of the smart/intelligent cities concept as an umbrella term. Much like the vision zero philosophy, smart city design approaches can be identified either in formal strategies or emerging 'bottom-up' initiatives and can be applied to different scales and city domains (Komninos et al., 2014). It is an achievement that requires a strategic approach of coordination and integration of processes and forces with the aim to develop collective and spatial intelligence in order to address composite challenges within a particularly complex urban environment.

We believe that vision zero strategies for different urban domains share the same general principles and present many similarities (Kakderi, 2019). The identification of common ground among such strategies can facilitate cross-sectoral policy transfer and more importantly become the backbone of a holistic vision zero strategy for urban places. Furthermore, the investigation the use of relevant smart city technologies, infrastructures, as well as services and applications for the purposes of urban zero vision strategies can also contribute to this purpose. In this direction, the paper aims a) to adopt a broad perspective of the vision zero strategy contributing to the generic definition of the vision zero concept and b) investigate its position in the smart cities paradigm and identify smart city enabled technologies and practices that could empower design and implementation of such extremely ambitious strategies.

#### Contemporary commons and territorial development: issues and perspectives

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PS02- Social innovation and participation of population August 25, 2020, 11:00 AM - 12:30 PM The concept of commons appears to be « re »emerging today in the context of territorial development. Focused on artefacts and more urban kind of resources, it seems to allow taking into account contemporary issues related to sustainability, resource management at urban scale in particular. It also seems to foster new hybrid forms of resources management. Situated somewhere between public and or private management, commons appear to be more collective and community based. Drawing on the analysis of French and European territorial common-based initiatives, this paper discusses the link between these contemporary forms of commons and territorial development. It starts by proposing to clarify what is meant today by commons. It then discusses how commons question territorial development models. It ends by questioning how contemporary commons can participate today to territorial development dynamics.

#### Territorial Capital and Innovative Milieux as Startup Attractiveness in Big Cities in Visegrad Countries

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PS15- Spatial regrouping of small firms August 25, 2020, 5:00 PM - 6:30 PM

'see extended abstract'

#### The determinants of economic cohesion in the EU

#### Dr. Jan Kluge<sup>1</sup>

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PS24- Convergence outcomes of Cohesion Policy: Evidence from the Past and Future Perspectives August 26, 2020, 11:00 AM - 12:30 PM

The economic catching-up process of poorer regions and the establishment of more even living conditions across Europe are among the main targets of EU policy making. Hundreds of billions of Euros have been spent by the European structural and investment funds during the programme period 2014-2020. Even though there is obvious evidence that poorer regions grow faster than richer ones, it is neither clear whether this is indeed due to the EU's efforts, nor do we know much about the channels through which poorer regions can speed up GDP growth, let alone the spatial patterns involved. After all, higher growth rates in the new member states could be a mere neoclassical convergence phenomenon rather than a success story of EU regional policy.

In this paper, we aim at identifying the determinants of regional cohesion using state-of-the-art machine learning techniques. First, we estimate the extent to which NUTS 2 regions have truly outperformed their growth expectations using shift-share analysis. Second, we want to attribute this outperformance to the various indicators from the European regional competitiveness index. Due to the "open-endedness" of economic growth models, we can not lean on (or even test) any theoretical underpinning but simply let the data speak in order to find the variables that are best suited to predict regional GDP growth. The method of choice will be Bayesian Additive Regression Trees (BART; see Chipman et al. (2010)) which is a non-parametric approach designed, i. a., for model selection purposes with ex ante unknown regression functions.

Even though this exercise can not make the attempt to assess the causal impact of European regional policy, it can provide insights into the variables (i. e. infrastructure, education, innovation etc.) that are important for economic cohesion. It can therefore give hints about where EU money should go during the programme periods yet to come in order to effectively accelerate convergence.

#### The new logic of environmental sustainability under the smart everything paradigm

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PS23- Intelligence Shaping the Future of Cities and Regions in Europe August 26, 2020, 11:00 AM - 12:30 PM

The environmental sustainability challenge is not new. Concerns about the impact of human activity on the environment have been growing constantly since the mid-20th century. The projected global population growth, intense urbanisation, the adoption of energy and materials-intensive industrial processes in all countries are drivers towards ecological imbalance. Therefore, most solutions for sustainable growth focus on the way we build cities, manage industries and expand transportation infrastructure. The paper starts from discussing the big sustainability challenges of fossil fuels, greenhouse emissions and climate change, pollution of natural ecosystems, waste and water management in cities. Then, we examine two cases: (a) the current sustainability practices or how solutions are organised by smart growth city planning, New Urbanism, and Leadership for Energy and Environmental Design (LEED-ND) principles, and (b) the logic of sustainability that goes together with smart cities, sensors and the Internet of Things, and the new science of environmental applications. We show that the smart everything-smart city paradigm is changing the normative aspects of environmental sustainability. It is opening up new routes to sustainable futures and new ways in which environmental sustainability can be achieved. Instead of planning focused on land uses, compact cities, buildings, and green infrastructures, this paradigm proposes solutions that motivate citizens' behaviour towards dematerialisation, renewable energy, limiting pollution. Awareness, behaviour change and optimisation are leading the sustainable use of resources.

## One Transition Story does not fit them all: The tale of long-term trajectories in two distinct East German transition regions

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> PS17- Historical Roots of Regional Performance August 25, 2020, 5:00 PM - 6:30 PM

see extended abstract

#### Spatial structure dynamics of start-up localization

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PS21- Location of Economic Activity August 26, 2020, 11:00 AM - 12:30 PM

Location decision plays an important role in firm's future perspectives, growth and survival. Starting from classical and behavioural theories, through NEG to evolutionary and co-evolutionary approaches the individual decision about where to locate business was modelled. Whereas older theories focused more on optimisation and cost minimisation process, considering complete or bounded rationality, the modern approaches stress the importance of economy of density and externalities, but also interactions with and within the neighbourhood.

Individual choices aggregate in non-trivial spatial organisation patterns of business. Their structure can differ significantly for different industry branches. In the highly innovative fields however the role of spatial organisation is even more crucial and can highly influence the outcomes. Innovation process, highly spatial sensitive and distance decaying, happens most dynamically in the dense business clusters. While different theoretical approaches can be used for modelling the individual location decision, in the innovative field we expect that externalities and interactions will play a crucial role. In overall structure, we may expect visible clusters (possibly in a form of Central Business District), with mostly stable structure. Possible gradient from the unimodal structure could occur. To verify those theoretical predictions the empirical data about technological start-ups from Warsaw was analysed. The spatial structure of business localisation was investigated, using spatial machine learning methods, detecting clusters and their spread. Also, the dynamics of localisation choices in years 2010-2018 were considered. The spatiotemporal analysis of the phenomenon was conducted to investigate changes and (in)consistencies over time and space. Obtained results suggest non-stable spatial pattern in localising new start-ups in Warsaw.

## Systemic risks in world food market under future climate change: measure by CGE model associated with crop model

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PS28- Global Warming, Health and Environmental Issues August 26, 2020, 2:00 PM - 3:30 PM

Extreme fluctuations of food prices in the global market, caused by the global synchronized production shocks due to climate change, may decrease the stability of food supply source portfolio through agricultural trade, like systemic risks in financial markets. This study aims to quantify the degree of systemic risk in the agricultural markets under future climate change and evaluate the effects of trade liberalization when systemic risk exists. Simulation analysis, using computable general equilibrium (CGE) model based on harvest predictions from crop model and global climate model (GCM), suggests the following. (1) In rice, which has the largest synergistic effect of output fluctuation, the output synergy was significant in combinations of trading countries with more than 40%. (2) This synchronicity of yields increases fluctuations in agricultural production and agricultural price by 22% and 84%, respectively. (3) Although trade liberalization can alleviate the vulnerability of agricultural production under climate change, in countries with large imports of agricultural products, such mitigation effect on price fluctuation by trade liberalization declines due to systemic risk. For example, in Japan, fluctuations in agricultural prices increase by about 7% due to worldwide synchronicity of yield changes as compared to the trade liberalization case with no systemic risk. Therefore, by taking into accounts the systemic risk under future climate change, it is necessary to examine the true effects of agricultural trade policies and prepare countermeasures in advance.

#### Place-based industrial policy for less developed regions: smart specialisation and smart complementarity

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> PS20- A New European Industrial Strategy oriented to the citizens and the territory August 26, 2020, 11:00 AM - 12:30 PM

The importance of place-based policies has been widely stressed in recent years. The smart specialisation strategy in particular bases regional development policies on a dialogue with regional stakeholders, favouring the entrepreneurial discovery process, whereby potential development opportunities emerge bottom-up.

However, this process should not be realised taking the region in isolation. Recent research has outlined the importance, particularly for less developed regions, to create and extend extra-regional links in order to improve their innovation and upgrade their industries or develop new ones.

This paper argues that developing extra-regional links allows to create smart complementarity between activities in different regions. In the current context no region can upgrade its industries and develop new ones in isolation, without interactions with outside regions, in the same country and abroad. The paper reviews the theoretical and empirical evidence on this aspect, which implies that extra-regional links are an important element of any regional industrial policy.

From the point of view of policy-making, the paper discusses the difficulties and lack of existing framework and recommendations which policy-makers could use to implement this aspect of regional industrial policy. Concrete experiences show the role of policy entrepreneurs, who are able to convince regional stakeholders of its importance and take action to search for and start links. In some cases, the presence of dynamic large firms or clusters already networked outside the region has played a role in inducing policy to maintain or extend extra-regional links, either geographically or institutionally (for instance, involving universities and research centres besides businesses), or also cognitively (e.g., inducing more systematic and ambitious research collaboration).

Regions may not be able to create and develop extra-regional links, for a variety of reasons: institutional failures may create obstacles; lack of capacity too, especially in a complex world where challenges are numerous, from environmental sustainability to reducing poverty, and transformations implied by the fourth industrial revolution. In this context, governments at all levels should develop steering strategies, define a vision about the future, and look outside in order to identify potential synergies between their regional activities and extra-regional ones.

The arguments of the paper are illustrated using different regional cases in Italy and in Europe, of both developed and less developed regions. The paper concludes on the role that the supranational level (European in this case) could play in such a case, especially in terms of building smart complementarity in the EU.

## The role of the local knowledge base in the development of 4.0 technologies. Evidence from the European regions

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PS11- The territorial dimension of the 4.0 technological transformation August 25, 2020, 2:00 PM - 3:30 PM

## See extended abstract

#### Abstract

The Fourth Industrial Revolution is expected to have huge impacts in the near future on different aspects of our economies and societies (Schwab 2016). Like in the case of past industrial revolutions, the unfolding of the 4.0 technological paradigm (Dosi 1982; Dosi and Nelson 2013) is going to bring with itself new challenges and opportunities for differentiated territorial contexts. For this reason, it is likely that also the geography of innovation will change, with potentially significant consequences on future regional development. Although the literature on the geography of 4.0 innovation is growing, there is still little evidence on the local technological determinants of the creation of 4.0 technologies. The aim of the present paper, thus, is to shed some light on the role played by the local knowledge base in fostering regional 4.0

innovation, with a particular focus on the relationship between the local development of ICTs and the emerging of the new 4.0 technological paradigm. By exploiting the framework of regional technological diversification and the concept of relatedness (Boschma 2017; Hidalgo et al. 2018), the paper proposes an analysis based on patents data (Maraut et al. 2008) covering the European NUTS3 regions over the period 1991-2015. Some relevant results emerge: on the one hand, the probability of developing 4.0 technologies is higher in regions specialised either in technologies related to 4.0 technologies or in ICTs, with some heterogeneity across different kind of 4.0 technologies. In fact, being specialised in ICTs seems to be particularly determinant for the development of that kind of 4.0 technologies that are closer to the ICTs technological paradigm. On the other hand, performing 4.0 innovation appears to be easier in urbanized regions, probably thanks to the connectivity and the technological diversification typical of those territories.

#### Changes in the electricity sector: Testing different scenarios using supply and use tables for Spain

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> PS29- Human - Environmental Interactions August 26, 2020, 2:00 PM - 3:30 PM

In this paper we propose to analyze the different results obtained in the symmetric table when applying a shock in supply and use tables (SUTs) depending on the chosen model. To this end, we particularize the analysis to the case study of the Spanish input-output framework, using the supply and use tables published by the National Statistics Institute (NSI) of Spain.

We study, as a first simulation, an increase in the implementation of electricity self-production, which can be understood as the new electricity generated by the initially non-energy industries, which supposes an important change in the production technology and which is a measure in line of the decarbonization process of the economies. To this end, we plan different assumptions and simulations, such as the case in which the new electricity is being generated with the technology of the electricity industry or with the technology of the initially non-electricity sector.

There are also alternative simulations discussed, such as changing the way of production of other products than electricity, or the case of changing the product mix of other industries.

We proceed as follows. We construct the symmetric input-output table using models A, B, C, and D from Eurostat. Then, we apply our simulations modifying the structure of the supply and use tables to include our technological changes. Then, we construct the symmetric input-output tables from each of the options. With this, we analyze the impacts of those changes using different options of combining the SUTs, which implies different changes in the economic structure. To analyze the different impacts obtained in the symmetric table we use several input-output indicators. We try to see which of the models muffles the changes more with these different simulations, with the objective of highlighting the importance of using one model or other one if we do not want to lose technological change along the time when constructing the symmetric input-output table. Results differ when applying models A, B, C, and D, having different implications for the accurate representation of the reality of the sectors, the technological change, and the policies applied to them.

#### Tax competition with intermunicipal cooperation

PS14- Spatial Econometrics August 25, 2020, 5:00 PM - 6:30 PM

We study local tax competition when municipalities can voluntarily cooperate with neighboring jurisdictions. In France, cooperation occurs by forming an "establishment for inter-municipal cooperation" (EIMC). Joining an EIMC amounts to agreeing to finance joint projects, while still allowing the municipality to maintain taxing power. We study how tax competition and interjurisdictional policy interdependence differ between competing municipalities within the same EIMC and competing municipalities outside of the cooperative unit. We apply the estimation strategy of Kelejian and Piras (2014) to resolve the endogeneity of the decision to cooperate with other municipalities. To do this, we instrument for current day cooperation with the historical participation decisions in unrelated cooperative agreements forty years earlier. When studying the effect of cooperation on taxes, we find that tax competition among peer members of the same EIMC is less intense than tax competition with municipalities outside of the cooperative unit. The results are consistent with inter-municipal cooperative units reducing parasitic tax competition with respect to municipal tax rates.

## Regional patterns of 4.0 technological transformations: conceptual reflections and empirical evidence from European regions

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PS11- The territorial dimension of the 4.0 technological transformation August 25, 2020, 2:00 PM - 3:30 PM

The creation and adoption of the new 4.0 technologies such as artificial intelligence, intelligent robotics, analytics, just to name a few, are expected to drive pervasive transformations and, potentially, radical socioeconomic changes, especially in those sectors and markets that adopt (and under certain conditions coinvent) such technologies.

In particular, three main completely different structural transformations are at place: 1) the automation of industrial production processes (commonly known as Industry 4.0); 2) the creation of new digital services (commonly known as servitisation); 3) new service delivery and new traditional industry activities (digitalisation of traditional activities).

The territorial dimension of these phenomena has been so far neglected in the literature. This paper aims at filling this gap from both a conceptual and an empirical perspective. On conceptual grounds, the paper elaborates on the territorial dimension and impact of the three different 4.0 technological transformations. On empirical grounds, the paper documents these transformations in European NUTS-2 regions and assesses their impact on regional growth over the period 2008-2016.

Results suggest that technological transformations generate positive effects for regional economies, but are also heterogeneous in space and depend on the interplay between the adopted technology and the type of technological transformation prevailing in each region.

#### ICT and Regional Economic Growth: Evidence from China

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PS44- Cities, Regions and Digital Transformations August 27, 2020, 2:00 PM - 3:30 PM This paper aims to analyzes the impact of information and communication technologies (ICT) on regional economic growth in China during the period 1995-2017 from provincial-level perspectives. We estimate the ICT capital stocks of 30 provinces in China (not include Tibet because of the restriction of data acquisition) using perpetual inventory method firstly; then we analyze the relationships between ICT capital per capita and GDP per capita for all provinces; finally, we divided the economic growth of 30 provinces into different sources, the growths of inputs include labor, ICT capital and non-ICT capital and growth in total factor productivity, according to the framework of growth accounting formed by Jorgensen & Griliches (1967) and Schreyer (2001).

The primary data sources for the analysis are China Statistical Yearbooks, China Electronics Industry Yearbooks, China Electronic Information Industry Statistical Yearbooks, Statistics of China's electronic information industry from 1949 to 2009, as well as China's Regional Input-Output Tables of 1997, 2002, 2007, 2012. In the estimation of the ICT capital stocks, the ICT investments of the interval years between the two years the input-output tables set up are calculated by the method proposed by Akihiko(1996, 1998, 2003). The growths of total factor productivity are calculated according to the framework formed by Jorgensen & Griliches (1967).

It is found that during the period from 1995-2017, the ICT investment increased rapidly in all provinces, there are positive relationships between ICT capital per capita and GDP per capita for all provinces, the contribution of ICT capital to regional economic growth rose as the ICT investment increased, the contributions of ICT capital to regional economic growth are different among the provinces, which resulted in the obvious regional disparities. Therefore, increasing ICT investment in underdeveloped provinces will be helpful for narrow the regional disparities.

# Fab Labs or Industry 4.0 ? The role of public policies in the productive transition at different scales in France

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PS11- The territorial dimension of the 4.0 technological transformation August 25, 2020, 2:00 PM - 3:30 PM

The digital transformation of companies has become a strategic political issue for States to maintain their position in the global economy. But this digital transition mainly affects the service functions of companies. In the field of manufacturing, Industry 4.0 is a political incentive to modernize the industrial tools, not only by multiplying the robots on the production chains but also by testing other digital technologies, such as Big Data, augmented reality, the Internet of Things, artificial intelligence or additive manufacturing. Industrialized and emerging countries have taken initiatives to deploy Industry 4.0 and the European Union has made it a political priority. These policies are part of the vision of a globalized world where each country builds its comparative advantage. In this paper, we will examine the case of additive manufacturing, through the topics of Industrie 4.0 and Fab Labs, in the framework of the political imperative of sustainable development. Considering the scales of the policies (national, regional, local), we will show that discourses and practices of the policy makers as well as other stakeholders differ considering the strategies and values : either innovation and growth or circular and collaborative economy in the framework of climate change and digital transition. As Germany is a model to follow for France, we will examine french policies that tend to build a comparative advantage at a national scale and how regions implement these policies, in particular in the Hauts-de-France where the metal industry could be disrupted by the 3D manufacturing. Then we will show how metropoles experiment alternative models, such as the Fab City model, to invent new digital and sustainable productive systems to manufacture at a local scale what the inhabitants really need. While the

policies about Industrie 4.0 insist on the positive impacts of technological changes in a global value chain, the international diffusion of local Fab Labs and Fab Cities promotes the UNO objectives for a sustainable development where proximity is enhenced for local manufacturing while digital informations circulate at a global scale. The methodology of this research is based on two types of informations: 1) qualitative interviews in Fablabs and with policy makers in the North of France or in Paris, in the framework of a regional project called Fabliving; 2) the analysis of documents about public policies in the framework of an Interreg V-France-Wallonie-Vlaanderen project called FabricAr3v (3D printing).

## Third places, collaborative networks and resilience of peripheral areas. A french case analysis in Médoc (Nouvelle Aquitaine Region)

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PS42-New working spaces, digital transformations and peripheral areas August 27, 2020, 11:00 AM - 12:30 PM

Rural and peripheral areas have experienced different economic change since 1960s, so knowledge and creative economy is the more recent challenge to deal with. Collaborative practices are not new but coworking is a new way of collaboration in shared workplaces. The question is to know if these new way of collaborative practices and if these workspaces are able to initiate a territorial economic resilience. In the framework of different regional or national projects in France, our research meets the question of third places (coworking, Fablab or cultural activities) and their role in the resilience of peripheral areas. In this paper, we propose to analyse the case of the Médoc area, located between the Atlantic Ocean, the Landes forest and the Gironde estuary. Historically, the Médoc was a rich area but nowadays, this is a deprived area with a lot of unemployment, poverty and deprived little cities. The metropolitan area of Bordeaux is in extension but the Médoc region area does not benefit from this demographic growth. Very recently, coworking spaces appeared in some little cities of the Médoc. So, this deprived area is an interesting case study to analyze the emergence of new working spaces in a rural periphery of a regional metropole. From social entrepreneurship to regional or national policies, what is the origin of these third places ? What is the role of digital technologies in the choice of some knowledge workers that leave Bordeaux in a return migration or as new inhabitants attracted by a better life in a rural area and not far from the sea ? Is there any impact on the urban regeneration of the little cities and their economic development? Our analytical approach focuses on building entrepreneurship ecosystem as a multiplier effect generating new knowledge communities. The creation and networking of coworking spaces is one part of third places dynamics and their role in the resilience of the Médoc area.

Methods and Data: Apart from an inventory of the academic literature, the methodology of this research is based on two types of informations: 1) qualitative interviews in coworking spaces and with policy makers in the Médoc area and in Bordeaux, in the Peri#work project (ANR); 2) the analysis of documents about public policies in favor of third places or rural areas in France. We also exploit the results of previous research programmes we conducted in other regions in France about third places.

#### Social Milieu Protection - Blessing or Curse? Expectations for Social Conservation Areas

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PS27- Regional and Urban Policy and Governance August 26, 2020, 2:00 PM - 3:30 PM

Social conservation areas according to §172 para. 1 no. 2 of the German BauGB are being applied more and more in tense housing markets such as Berlin, Hamburg or Munich. This urban development instrument is closely linked to the introduction of a prohibition law ('Umwandlungsverordnung') in order to prevent the converting of rented apartments into condominiums in these areas. Also, the use of a pre-emptive right ('Vorkaufsrecht') to purchase a property at market value by the state or municipality, if a transaction occurs. Our project addresses central questions of this policy for Berlin: How have purchase prices for real estate and condominiums in Berlin's social conservation areas developed in comparison to the city as a whole? What differences can be identified between the areas? What effects occur in urban districts nearby without conservation status? In addition to purchase prices, we also investigate the amount of condominiums in and around social conservation areas. We are also able to analyse how often a plot of land or a condominium has been part of a transaction.

Our longitudinal study for the years 1991 to 2019 is made possible by data from the Expert Committee for Property Values in Berlin. With the help of geographical information systems and open source data of the state of Berlin, we are able to isolate and spatially represent different interactions using statistical methods such as a difference-in-differences analysis.

Our project would like to contribute to the discourse on social conservation areas, which are regarded as the ultima ratio against improvement and displacement in federal states and municipalities. However, studies on real estate markets from other countries give cause for concern that a contrary effect is being achieved. In fact, measures that basically aim to preserve an urban district seem to lead to rising local prices in the end.

#### Skills Regional Eco-systems Governance - Experiences from Nordic Regions

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> PS32- Macroregional, Transregional, Regional and Urban Policy and Governance August 26, 2020, 5:30 PM - 7:00 PM

The importance of human capital and skills for economic growth and development is illustrated by the way it is highlighted in international strategies, such as the EU 2020 Agenda and in national and regional strategies aiming at regional growth and development. It is also widely recognized in economic research (e.g. Romer 1989). Despite the fact that the Nordic countries in an international perspective are performing well on indicators relating to economic growth and development and that the unemployment rate is towards the lower end (Grunfelder, Rispling and Norlén, 2018), there are important differences among the Nordic regions, and skills and jobs are high on the political agenda also in the Nordic countries. Global trends such as ageing population, urbanisation and immigration influence and have important implications for economic growth and development.

However, the notion of skills is complex. The definition of skills depends both on which theoretical perspective is taken (Bryson, 2017) and on the context (Toner, 2011), and here we use the European Commission's understanding of skills as a pathway to employability and prosperity (European Commission, 2016).

In this empirical we delve into five case study regions to study how regions work with skills, one case study in each of the Nordic countries; Värmland (Sweden), North Karelia (Finland), Hedmark og Oppland/ Innlandet (Norway), Norðausturland (Iceland) and Region Hovedstaden (Denmark). Who are the main actors working with skills? How do actors in the regions work with skills assessment in order to provide adequate skills to the needs of the labour market? How do they work with skills mismatch? And how is skills governance organised?

Skills polices are cross-sectoral, i.e. they cut across educational policy, labour market policy, and regional economic growth and development policy. They also materialize in a multi-level context of institutions, policies and actors at the national, regional and local levels. This complex landscape suggests significant governance challenges in the regions as regards coordination, possible conflict of goals, efficiency, legitimacy and accountability. The aim of this paper is to bring to light enabling and hampering factors for skills development and skills governance, and to discuss how a regional ecosystem for skills governance can be developed.

#### **Convergence Outcomes of the Regional Financial Support and Cohesion Policy Implications**

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PS24- Convergence outcomes of Cohesion Policy: Evidence from the Past and Future Perspectives August 26, 2020, 11:00 AM - 12:30 PM

Large disparities still exist between regions of the European Union, despite the fact that huge Cohesion investments are directed to address this issue. In order to adjust the Cohesion Policy (CP), researchers assess the returns of the CP, but almost all studies are carried out at NUTS1 and NUTS2 or at a country level, despite the fact that major disparities occur at NUTS3 level. Moreover, just a few studies examine the nonlinear effects of the CP and none of them cover NUTS3 disaggregation level. To fill the gap of previous contributions, we aim to examine convergence outcomes of the CP at NUTS2 and NUTS3 level and provide main guidelines for adjustment of the EU's CP. This paper also examines whether EU structural funds support impact heterogeneity depend on institutional quality (IQ) and effects of SF support intensity. Our estimation strategy is based on the modified specification of the difference-in-differences estimator that has an advantage while examining policy effects, using non-experimental data. Empirical applications are based on data over 2000-2006 and 2007-2017 programming period. We found that marginal effect of the CP is diminishing and convergence outcomes depend on institutional quality. The positive returns from SF are higher in regions where IQ is higher. On the basis of research findings, the essential guidelines for the improvement of the CP can be drawn up: i) the distribution policy of Cohesion investments should focus on smaller territorial units in order to reduce disparities at NUTS3 level; ii) the intensity of the CP's transfers has to be optimized because excessive intensity does not provide positive return.

## The relationship between the Italian Language, Regional Cultures and the Economic Performance of Made in Italy

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> PS10- Culture, Creative Industries and Regional Development August 25, 2020, 2:00 PM - 3:30 PM

Traditionally, Made in Italy refers to groups of products belonging to food, fashion, furniture, and automation industries. They are distinctively export-oriented and they contribute to make positive the national balance of trade over the last ten years.

Particularly, from the supply side, Made in Italy products are mainly produced in highly specialized local productive systems, such as SMEs industrial districts, characterized by strong local communities combining

cultural and productive heritage and natural environments. From the demand side, such products are increasingly exported all over the world, in countries where new middle classes, wealthy people, and cultured elites are more and more attracted by high-quality and well-designed products, as well as, products that communicate high social status and conspicuous consumption.

In this picture, even though the Italian language and heterogenous regional cultures are critical drivers of such a productive system, we know little about the relation between the latter and the economic performance of Made in Italy driven regions. In this respect, an under-developed stream of the literature suggests that specific languages and cultural assets affect the understandability of a (product-related) content for external agents. Particularly, they can influence the comprehension of symbols as well as related cultural heritage from business agents of different regions.

This work aims at offering an investigation on the complex relationship between locations where the Italian language circulate and regional cultural centres are present in foreign countries and the economic performance of Made in Italy products on a regional basis.

From the methodological point of view, we build an original dataset representing the scope of Made in Italy differentiating for Italian regions of export. After controlling for traditional variables affecting international trade, this work implements Social Network Analysis (SNA) tools to check whether and to what extent the diffusion of Italian language and culture is correlated to different levels of economic performance of Made in Italy products in different Made in Italy-driven regions.

#### **Overtourism – the economic perspective**

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PS45- Overtourism and Its Effects on Regions August 27, 2020, 2:00 PM - 3:30 PM

Overtourism has become a hot topic in regional and local policy recently. Many attractive locations like Venice, Dubrovnik, Barcelona, and others struggle with large numbers of tourists that seem to crowd out the local population. In reaction to the resulting political pressure, many city and region governments propose and try out quite drastic measures to cope with these problems.

In following the academic as well as the political discussion of overtourism, we find that this discussion lacks a conceptual basis in economic theory. With this paper, we want to take a step toward filling this gap. We will try to identify the main components of an economic theory of overtourism, analyze these elements, and try to combine them into an economic "model" of overtourism. From our current point of view, concepts like "tragedy of the commons", "competition in the real estate market", and "issues of distribution of costs and benefits among stakeholder groups" seem to be strong candidates. This "model" should be able to provide some guidance for how to tackle the problem of overtourism and should provide hints about which policy measures may be able to solve the problem and which may not.

#### Spatial Disparities in SMEs Labour Productivity in England

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> PS15- Spatial regrouping of small firms August 25, 2020, 5:00 PM - 6:30 PM

A thin upper tail of high-productivity firms, a fat lower tail of low-productivity firms and significant spatial variations in productivity characterise the UK economy. This paper presents an analysis of the determinants

of Small and Medium Sized Enterprise (SME) labour productivity, with a particular focus on how place and productivity interact. The analysis draws on data from the UK Government's Longitudinal Small Business Survey (LSBS) for the years 2015 to 2017. It employs a multilevel regression analysis to understand determinants in enterprise labour productivity in different localities and regions and effectively account for the contextual environment. We applied multilevel analysis to capture the nested structure of our data, modelling a fixed-effects part (at firm level or level one) and a random-effects part at Local Enterprise Partnership (LEP) level (or level two). This allows for the separation of the role of firms' determinants from LEP (sub-regional) effects.

Regarding firm-level factors, the results show that microbusinesses and sole traders tend to have lower productivity. In contrast, business capabilities to develop and implement business plans, and obtain external finance, as well as receiving external advice in the previous year, positively contribute to productivity. The sector in which a business operates also matters with health and social work generally associated with lower productivity. Digital capabilities, internal to the SME, as well as some types of network membership contribute to higher productivity. Regarding ownership, after controlling for other factors, the results reveal that family businesses are not more or less productive than non-family ones, but, women-led businesses record significantly lower productivity. At the LEP level, the findings reveal that firms located in LEPs with a more skilled and educated population tend to have higher labour productivity. Improved broadband speeds, in some models, are also associated with higher productivity. Taken together the results give credence, in terms of explaining variations in SME productivity, to industrial organisation theory, the Resource-Based View relating to business capabilities and institutional and network effects.

Not surprisingly, our analysis confirms previous findings from the ONS about the regional disparities in the UK, as we find that firms located in London and the South East demonstrate higher labour productivity. However, we find a lack of supporting evidence for agglomeration theories which stress the benefits of urban areas per se in stimulating higher SME productivity, since our analysis shows that firms located in rural areas perform as well as urban firms.

#### Minimum wage and local employment: A spatial panel approach for Poland

#### Dr. Aleksandra Majchrowska<sup>1</sup>, Prof. Paweł Strawiński<sup>2</sup>

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PS41- Regional and Urban Labour Markets and Entrepreneurship August 27, 2020, 11:00 AM - 12:30 PM

The number of research on the impact of minimum wage on employment is enormous. Majority of the results points to small and negative impact especially for low-skilled and low-experienced workers. Due to uneven distribution of these workers across regions, the impact of minimum wage policy can be regionally diversified. It may arise especially in countries with minimum wage policy established at the national level and significant differences among regions. An example of such a country is Poland.

Analysing the issue of minimum wage in Poland is interesting for several reasons. Firstly, due to long history and simplicity of minimum wage policy. Secondly, Poland is the country with one of the highest shares of minimum wage workers among all EU countries. Thirdly, significant increases in the minimum wage have been observed. Fourthly, Poland is country with large regional differences: in 2018 the minimum to average wage ratio on local labour markets (at the NUTS4 level) varied from 26% to 66%. Fifthly, regional differences are very persistent.

Several papers analysed the relation between minimum wage and employment across regional labour markets in Poland but none of them took into account spatial dependencies. This paper aims to fill this gap. The authors employ spatial econometrics techniques to analyse the impact of minimum wage changes across 379 local labour markets (so called poviats) in Poland in 2008-2018. The dependent variable is the employment to population ratio. The key independent variable is the minimum to average wage ratio on

the local labour market. Variables controlling for the demand side and regional business cycle measures were added.

The results confirm that controlling for spatial dependence in minimum wage studies matters. Statistically significant spatial interactions for the employment variable, minimum to average ratio, and local unemployment rate were found. The total effect of minimum wage variable was found to be insignificant, however the direct effect on local employment is negative and significant (-0.07), and the indirect effect is positive and significant (0.08). The results show that ignoring spatial dependencies underestimates the effect of minimum wages on employment which is an important finding for the policy makers. The need for such research is indicated also by the OECD, which since 2010 in its Economic Surveys stresses that in the case of Poland, one of the solutions to improve the situation on regional labour markets is the adjustment of minimum wage to local conditions.

## Elderly mobility and LPT inadequacy: comparing Milan and Genoa

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> PS40- Policies and Services for Healthy Ageing and Well-being in Later Life August 27, 2020, 11:00 AM - 12:30 PM

Developing environments responsive to the aspirations and needs of older people has become a major concern for social and public policy. According to the activity theory, psychological well-being in old age is based upon the level of activity and social contacts which are maintained (Havighurst, 1968). Recent research (Moorer andSuurmeijer, 2001) shows that participation in activities is related to larger social networks and fewer feelings of loneliness. It also confirms that the possibility of outdoor mobility contributes to elderly people's life satisfaction (Mollenkopf et al., 1997).

As the activity space of elderly persons shrinks with growing age, the conditions within the immediate residential environment increase in importance (Golant, 1984; Horgaset al., 1998; Schwanen et al., 2001). Therefore, it is important, though nevertheless difficult, to formulate guidelines for an age-appropriate residential environment.

Within this context, the paper aims to explore the determinants of the elderly renounce to their "mobility/activity" because of perceived inadequacy of LPT service. The focus is on the cities of Milan and Genoa in the north of Italy, where 3 peripheral neighborhoods in Milan and 4 in Genoa are analyzed, respectively.

## The Geography of Coworking Spaces and the Effects on the Urban Context: are pole areas gaining?

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PS42-New working spaces, digital transformations and peripheral areas August 27, 2020, 11:00 AM - 12:30 PM

This paper aims to explore the 'indirect' effects of new emerging workplaces, specifically coworking spaces (CS), on the urban context, disentangling between pole and non-pole municipalities in Italy, as defined by the National Strategy for the Inner Areas. This focus will allow to understand whether and how CS, which is mainly an urban phenomenon, might be beneficial also to non-pole areas by promoting: entrepreneurial milieu, knowledge creation by retaining knowledge workers and the creative class, social inclusion and spatial regeneration.

Although the phenomenon of CS is becoming attractive to scholars, the 'indirect' effects of the diffusion of CS in contemporary cities is a rather neglected issue in the literature. Such effects are concerned about the ability that these workplaces may or may not have to positively affect the urban context in which they are

located; in terms of community building (not just within the workspaces), improvement of surrounding public spaces, urban regeneration, but also alternative energy use patterns both at home and associated with travel/transportation, as well as future urban design and planning approaches. The empirical analysis is based on an online survey addressed to coworkers (CW) of the 549 CS located in Italy (as of January 2018). Three quarters of the 326 respondents have declared a positive impact of their workplace/CS on the local urban context, and the propensity score matching technique (counterfactual) underlined that differences arise according to the CS location (poles vs. non-pole areas). Through conducting descriptive statistics and propensity score matching technique (counterfactual), it results that according to the CW's perception, CS located in non-pole areas exhibit a higher impact on the urban environment than those located in a "pole" municipality.

#### Subsidies to the European Union agricultural sector: A regional analysis

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> PS05- Mountain, Rural and Marginal Issues August 25, 2020, 11:00 AM - 12:30 PM

The subsidies for the agricultural sector around the world play a special role, considering the specificities of farming activities and the need of having available for the society, namely, food goods. In fact, the justification for the agricultural subsidies is, often, the need to pay to the farmers for their social and environmental roles. The European Union context is not different from this general framework and the Common Agricultural Policy (CAP) is the most famous strategy since the beginning. However, this is not a unanimous policy and the controversial about their instruments is permanent, including outside Europe. In this context, the researches about these fields are always relevant contributions for the associated dynamics understanding. Following this description, the main objective of this research is to explore the data available in the European Union databases for the several subsidies paid to the European farmers. These data were explored considering descriptive analysis and statistical approaches (with Stata software), namely matrices of correlation between the subsidies variables and indicators related with the farms structures. The results presents that, for example, Slovakia, Czech Republic and the neighbours regions from Germany have higher area and receive, also, greater amount of subsidies (as expected considering the CAP instruments since 1992). However, when it is analysed the amount of subsidies by hectare, the greater values appear, for example, in countries as Slovenia and Luxembourg. On the other hand, there are not, for example, any correlation between the crop area productivity and a several number of farm indicators (related with the output, input, investment, taxes, subsidies and assets, for instance). There is not, too, any relationship among the farms competitiveness and the subsidies on investment. In general, the competitiveness is positively (with statistical significance) correlated with the several farm indicators, but with coefficients around or lower 0.5. Because the environmental concerns, maybe could be relevant to make more interrelated the level of subsidies with the levels of competitiveness, not forgetting, of course, specific contexts that need more adjusted approaches.

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#### Mediating effects of cohesion policy and institutional quality on convergence among EU regions

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PS24- Convergence outcomes of Cohesion Policy: Evidence from the Past and Future Perspectives August 26, 2020, 11:00 AM - 12:30 PM

The paper contributes to the existing literature on the Cohesion Policy outcomes by extending conditional beta-convergence model with a 3-way multiplicative term to examine mediating effects of Cohesion Policy, institutional quality and their interaction on regional convergence. The empirical analysis based on conditional slope coefficients and conditional standard errors provides evidence that both mediating factors under consideration contribute positively to boosting regional convergence in the EU at NUTS 2&3 disaggregation level but with much bigger success over 2007-2013 programming period compared to the previous one. Moreover, Cohesion Policy and institutional quality act as substituting rather than complementary mediating factor.

#### Sectoral and geographical diffusion patterns of technology for a low-carbon world economy: an inputoutput approach

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> PS29- Human - Environmental Interactions August 26, 2020, 2:00 PM - 3:30 PM

Diffusion of innovation and technology is a key element in the economic growth of countries. Innovative behaviour of each country determines its stage in each adopter category and is essential in the development process, specially, in the reduction of the gap between developed and developing economies. Both innovation and its own diffusion depend on intersectoral relations of the economy. Different diffusion models have been developed to describe the innovation patterns between different adopter categories in the literature.

Technology innovation also plays a crucial role to achieve the climate goals agreed in different international commitments such as United Nations Framework Convention on Climate Change (UNFCC), and the Agenda 2030 of the United Nations. Innovation and environmental improvements have shown to be complementary, and international diffusion of technology performs an important role in the reduction of emissions worldwide. In this way, a faster diffusion of green technology is claimed in order to achieve environmental politic goals, and, in this way, address climate change.

Using series of input-output tables from 1970 to 2015, we explore diffusion patterns of innovation, technology and carbon intensity in key sectors for a group of advanced and developing countries (China, Germany, Spain, United States and United Kingdom). This paper makes use of a set of value chain indicators, such as the average propagation length, and upstream and downstream measures to analyse changes in their evolution and position throughout the period. The main aim is to model diffusion trajectories of innovation and technology and to study the dynamic gap to achieve low carbon sustainable pathways. The paper obtains policy insights that allow countries reduce its emissions. The role of trade is also discussed in this context to reach emissions reductions established by international agreements.

## Creative class and regional growth revisited: On transmission channels, sectoral heterogeneity and causality

<u>**Dr. Timo Mitze<sup>1</sup>**</u>, Prof. Torben Dall Schmidt<sup>1</sup> <sup>1</sup>University of Southern Denmark, Sønderborg, Denmark PS10- Culture, Creative Industries and Regional Development August 25, 2020, 2:00 PM - 3:30 PM

In this paper, we provide novel insights into the role of the creative class for regional growth and development. While the creative class concept has recently received considerable attention in academia and among policy makers, some unresolved issues remain. These issues include proper tests for causal effects together with insights on transmission channels and sectoral heterogeneity. We take up these issues here by investigating the contribution of the creative class and its sub-aggregates to regional economic growth in Dutch COROP regions over the period 1996 to 2012. We complement the bulk of previous contributions in the following ways: Firstly, we offer a new perspective on the issue of causality by means of instrumental variable (IV) estimation, which builds on the spatio-temporal variation of Michelin star restaurants as an instrument for the regional share of the creative class in total regional employment. We argue that the location of Michelin star restaurants may possibly be interpreted as a measure of local consumption amenities catering for specific preferences of the creative class. Secondly, we decompose the overall effect of the creative class into its three sub-aggregates (creative core, creative professionals and bohemians) to identify if there are marked differences in their contribution to the dynamics of regional income growth and labor productivity. Thirdly, we also look at sector-specific effects, which potentially relates to what has been conceptualized as creative industries. Our empirical results support prior evidence on the positive link between a region's share of the creative class in total employment and its economic growth path. These effects particularly hold for the creative core and creative professionals and remain intact for both OLS and IV estimation. In the latter specification, the spatio-temporal variation of Michelin star restaurants turns out to be a relevant predictor of the location of the creative class across Dutch COROP regions. From a sectoral perspective, significantly positive productivity effects are mainly observed for i) financial and business services together with ii) wholesale, retail services, information and communication. In comparison, a negative link between the creative class and regional productivity growth in non-market services is found. These results point to the fact that the creative class mainly contributes to sectoral productivity growth in service industries which transform information, knowledge and competences into creative outcomes. Policy implications resulting from our estimation approach will be discussed.

#### Convergence of EU regions redux - Recent trends in regional disparities

#### Mr Philippe Monfort<sup>1</sup>

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PS43- Regional disparities and cohesion in the EU August 27, 2020, 2:00 PM - 3:30 PM

Before the economic crisis which started in 2008, the EU was nicknamed "convergence machine" as disparities among EU regions were significantly decreasing. The crisis had a deep impact of economic and social cohesion in the EU and the surge in disparities is now frequently cited as a main cause for the current lack of popular support to the project of constructing the European Union.

The issue of regional disparities is therefore as relevant as ever and this paper intends to provide an update analysis of their recent trends. It relies on a battery of instruments and methods to take the pulse of the convergence process among EU regions, both at EU and Member Sates level, taking a long term perspective when possible and comparing the EU with other places in the world.

The paper comes to three key conclusions. First, the crisis stopped convergence within the EU-28 where the level of disparities is more or less stable since 2008. Second, disparities are increasing within many Member States. Third, the impact of the crisis has been long-lasting as convergence has not restarted despite a sustained economic recovery. This is worrying as the EU as whole has recovered from the crisis, but the convergence process has not.

#### Gender division of household labor: How does culture operate?

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> PS10- Culture, Creative Industries and Regional Development August 25, 2020, 2:00 PM - 3:30 PM

In this paper, we examine whether culture plays a role in the gender division of household labor. To explore this issue, we use data on early-arrival first and second generation immigrants living in the United States. Since all these individuals have grown up under the same laws, institutions, and economic conditions, then the differences between them in the gender division of housework may be due to cultural differences. We find that the higher the culture of gender equality in the country of ancestry, the greater the equality in the division of housework. This is maintained when we consider both housework and childcare as household labor. Our work is extended by examining how culture operates and is transmitted. We study whether culture may influence by and with whom housework activities are performed and the timing of the day when this happens, which can help us to understand how culture operates in the family life of couples. Results indicate that the more culture of gender equality is associated with greater probability that individuals report performing housework a non-individual task. The cultural impact is also observed in the case of working days, but it is not so clear during public holidays, which can be explained by the fact that those individuals originating from less egalitarian countries work longer work hours than those from egalitarian countries. See full (draft) paper.

## Towards a twin-city in Southern Italy: an application of the Policy Delphi to the integration of Reggio Calabria and Messina

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PS19- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030 Agenda

August 26, 2020, 11:00 AM - 12:30 PM

This paper focuses on the integration of the urban areas of Reggio Calabria and Messina, located in Southern Italy, on the two sides of the Strait of Messina. It focuses in particular on the identification of the scenarios and the policy strategies useful for achieving this objective. The work applies the Policy Delphi technique.

The urban areas of Reggio Calabria and Messina are a case attributable, albeit embryonic, to that of twin cities, cases of pairs of geographically close and integrated cities, functionally and / or institutionally, which have been analysed by extensive literature. The two Southern urban areas have been known for decades for a national debate focused on the construction of the bridge (Ponte di Messina) which would unite Calabria and Sicily. Instead, the issue of their possible integration, independent from the construction of the bridge, is less known, although it could clearly benefit local populations with less expensive investments. Therefore, the paper tries to answer the following questions: Can the integration between the two urban areas of Reggio Calabria and Messina lead to the birth of a twin-city? Is this a possible scenario? What strategies, what policy actions can bring to an effective integration? What benefits would there be for the two urban areas?

After analysing the socio-economic and institutional situation of the two urban areas, the work presents the methodology of the Policy Delphi, and the application to the case of Reggio and Messina. The Delphi policy has provided for the re-iterated consultation, over two rounds, of a panel of experts and privileged observers, useful to highlight the evaluation of each of the participants regarding current situation, and the possible future changes that the case study area may face; thus, the dominant position (s) regarding analyses, scenarios and strategies to be followed has emerged.

From the analyses carried out on the responses to the Delphi, we could then observe that experts largely consider the transport integration as a the "easiest" strategic option to be followed, in particular as concerns maritime connections and the coordinated management of the whole urban transportation system. This is also the most likely scenario. Furthermore, they consider the institutional unification, or rather the coordination of local and regional governments, as a decisive strategic step as well, although more difficult to achieve in the short and long term.

# Knowledge sharing in industrial districts: past, present, future. The case of Sibiu $\underline{\rm Ms\ Nikoletta\ Nagy^1}$

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PS15- Spatial regrouping of small firms August 25, 2020, 5:00 PM - 6:30 PM

The appreciation of the role of tacit knowledge in business organizations has led to a repositioning and reassessment of the potential of local, geographically concentrated networks of companies. Knowledge creation, the flow of knowledge and the ability to share knowledge are essential elements of a region's potential for development and innovation alternatives. Geographical proximity has a positive impact on the quality and scale of cooperation within the region, and promotes innovation and the dissemination of knowledge. However, the type and extent of influence and its outcome can only be mapped by examining relational proximity.

In Capello and Faggian's (2005) model, cognitive proximity, organizational proximity, social proximity, and institutional proximity form dynamically interacting relationships that build a relational space separate from physical space, which has a positive effect on the strengthening of relationship capital, formal and informal relationships, cooperation and the spread of knowledge (Vas 2009). The combination of geographical and relational proximity can help companies create competitive advantages such as reduced uncertainty (e.g. collection, selection and sharing of information), reduced coordination costs (e.g. transaction or control costs), and the continued maintenance of collective learning (e.g. through the possibility of sharing hidden knowledge).

We examine the sources of competitiveness and development of economic networks created by leather industry companies in the Sibiu agglomeration of Romania, in the light of geographical and relational proximity, relational capital, and finally, as an essential element of regional development, the sharing of local tacit knowledge.

Keywords: tacit knowledge, knowledge sharing, regional industrial district

See extended abstract.

#### Title: Impact of Large-scale projects on Residential Mobility pattern (Case Study: Gokturk)

#### Ms Somaiyeh Nasrollahzadeh<sup>1</sup>, Doctor Turgay Kerem Koramaz<sup>2</sup>

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> PS22- Regional and Urban Development August 26, 2020, 11:00 AM - 12:30 PM

Urban areas are undoubtedly influenced by the development of their neighboring areas, which always depends on the socio-economic context of the neighborhoods, the scale and type of projects being developed. Apart from the positive changes that such developments can have on the range, there are also negative effects that vary depending on the host environment. One of the negative results is eviction of vulnerable households that are socially and economically weaker than other households and their maintenance is not economically and socially justified. Such a kind of mobility is defined as forced mobility which force a group of households to leave neighborhood. Holding the globalized city brand, Istanbul endeavors to develop service sector in marketing, banking and finance, engineering etc. Nevertheless, economic motions flowing towards Istanbul are welcomed always. Istanbul has been the focus of large-scale projects in recent years like the new airport, the third Bosporus Bridge, new connection roads, the canal Istanbul and Marmaray motorway, which has been discussed in terms of their effects on the development processes of neighboring areas. Aim of this paper is to analyze socio-economic characteristics of households in order to explore the segregation status of residential areas from one side, and land value fluctuations throughout the case study from another side, to distinguish critical areas where residents are likely to be expelled referring to the Three large-scale projects. Having placed close to large-scale projects from one side and holding enclosed low-income residences of informal settlements (Gece Kondu), and prosperous parts of society (gated communities) from another side make Göktürk neighborhood a suitable case to examine the large projects' impacts on its development pattern. The present discussion seeks to identify residential areas of Göktürk neighborhood where are at risk of expelling and evacuating households based on vulnerability factors.

'see extended abstract'

## Monitoring studies and socio-economic analysis for the sustainable development of mountain areas: the case study of the Dolomites UNESCO WHS

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> PS05- Mountain, Rural and Marginal Issues August 25, 2020, 11:00 AM - 12:30 PM

Mountains playing a key role in the provision of nature's contributions to people worldwide supporting societies' quality of life. In fact, they're living and working places, providers of essential ecosystem services for millions of lowland people, loved places for their beauty and revered for the great physical challenge they present to those attempting to scale them but also fragile ecosystem experiencing different problems and pressures.

Some mountain areas are today - or may be in the future - more and more well-known and accessible, thanks to specific recognitions - such as the UNESCO ones -, new touristic trends, new infrastructures and technological innovations. Meanwhile, the more visible and accessible they are, the more exposed they are to crowds, pollution, traffic, noise and conflicts between new different activities and local communities. Dolomites UNESCO World Heritage Sited in the Italian Alps represent interesting case study of mountain areas dealing with the complex management of different interests and the balance between the opportunity and the quality of the visit and the integrity of the mountain heritage. The UNESCO recognition has contributed to transform some places into popular icons increasing their attractiveness but also leading to o potential situations of overtourism.

Authors intend to present the results of recent monitoring studies and socio-economic analysis carried out to actively contribute to the overall management strategy implementation, to tackle or prevent the potential phenomenon of 'over-tourism' and mitigate negative repercussion of impact events and megatrends on local communities in these mountain fragile Sites. The results and the lessons learned from these studies allow researchers to advance some reflections attempting to support the sustainable development of other mountain areas with similar limit-situations.

#### On today's regional development challenges: growth, inclusion and sustainability

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PL5- Keynote Presentations 5&6 August 27, 2020, 9:15 AM - 10:45 AM

Recent studies have shown that regional inequality is not necessarily associated with higher economic growth. On the other hand, there are arguments which would suggest that more equal economies display higher levels of resilience to shocks and greater inclusivity and sustainability. In this talk, and with the notion of the penalty of bottlenecks, I argue that it is possible to develop a more systemic understanding of regional development which better takes account of the relationships between inequality, resilience and growth.

## The Cushioning Effect of Immigrant Mobility: Evidence from the Great Recession in Spain

Dr. Cem Ozguzel<sup>1</sup>

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This paper provides the first direct evidence on how labor mobility of immigrants cushions natives during a labor demand shock. Spain was one of the hardest hit economies during the Great Recession. Faced with a drop in the local labor demand, immigrant workers moved to other locations in Spain or left the country. Focusing on this episode, using microdata from municipal registers and longitudinal Spanish administrative data, I study the effects of out-migration of the immigrant population on the wages and employment of the remaining natives. I build a shift-share instrument based on the past settlements of the immigrant population across Spain to instrument outflows and argue for a causal relationship. I find that out-migration of immigrants accelerated employment and wage growth of the natives, especially for those with higher substitutability with the leaving population. Moreover, I find that employment effects are driven by the entry to the employment of individuals who were unemployed or inactive, while wage effects were limited to those who were already employed. In sum, through their mobility, immigrants diffused the incidence of local shocks and cushioned the fall of the natives.

## The creation of city smartness: architectures of intelligence in smart cities and smart ecosystems <u>Dr Anastasia Panori<sup>1</sup></u>

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PS23- Intelligence Shaping the Future of Cities and Regions in Europe August 26, 2020, 11:00 AM - 12:30 PM

Cities have been experiencing significant transformations during the last decades, by introducing novel approaches to problem-solving and governance paradigms. The adoption of smart systems and technologies in cities was made through an interdisciplinary process that connects theories, methodologies, and practices from diverse research fields, like informatics and data science, urban planning and development, engineering, economics, knowledge and innovation management. In this context, the 'smart city' or 'intelligent city' paradigm has been widely used to describe an enhanced model of urban development, where traditional and disruptive elements coexist and interact. Having this in mind, the aim of this chapter is to identify and discuss different layers of intelligence in smart cities. It is based on extensive literature review. We try revealing how different layers of intelligence are activated by awareness, collaboration, and positive externalities and the connections between them. Identifying architectures of intelligence is an essential step towards making the most of smart cities. Also, it is important to investigate whether is feasible to define an overall architecture of intelligence in cities and smart ecosystems, encompassing aspects of human, artificial, and collective and collaborative capabilities.

#### Public transport use and health status of older people in Italy: which relationship?

Prof. Elena Maggi<sup>1</sup>, <u>Ms Evangelia Pantelaki<sup>1</sup></u>, Dr. Daniele Crotti<sup>1</sup>, Dr. Federica Rossi<sup>2</sup> <sup>1</sup>Università degli Studi dell'Insubria, Varese, Italy, <sup>2</sup>Politecnico di Milano, Milan, Italy

> PS40- Policies and Services for Healthy Ageing and Well-being in Later Life August 27, 2020, 11:00 AM - 12:30 PM

According to United Nations (2015), Italy is destined to be the second country (after Japan) with the oldest population in the world. Thus, researchers demonstrate a growing interest to study the potential of the

public transport policies (e.g., concessionary fares, dedicated services, etc.) to increase the accessibility of the elderly to public transit, and therefore favor their ability to reach desired places improving in the same time their life satisfaction and health. However, to the best of our knowledge, any study on this issue has not been conducted yet in the Italian context. In this paper, in the framework of the Project HAPPY (Health, Accessibility, Public transport Policies for elderly), financed by "Fondazione Cariplo", using data retrieved from the Italian Institute of Statistics (ISTAT) 'Aspects of daily life' survey, we investigate the relationship between the health status of individuals over 60 years old and their transport behavior, in terms of transport modal choice, public transport (bus, tram and trolley) versus car. Controlling for various sociodemographic characteristics (e.g., gender, education, income, living arrangements) and for other daily-life conditions, such as social inclusion or participation to associations, political parties, voluntary organizations, etc., an econometric model will estimate the causality between transport-related mobility and health status. Moreover, the findings will be compared with those coming from other European and non-European surveys, such as the UK survey "English Longitudinal Study of Ageing (ELSA)", that collects data from people aged over 50 to understand all aspects of ageing in England. The preliminary results of the econometric analysis confirm that self-perceived health is higher for the elderly who consider among their transport options the public transport. Even though the relationship is not very strong, although it is present, we cannot conclude on the direction of the causal relationships due to the cross-sectional nature of the dataset. Our research findings complement the scientific evidence and have the potential to orientate policy-makers' decisions on integrating mobility policies within a multidisciplinary framework, considering also the public transport systems when assessing healthcare issues in ageing societies and, thus, guaranteeing also more sustainable transport solutions.

#### European cultural heritage as a source of territorial identity: which economic implications

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PS35- Cultural Heritage and Regional Development August 26, 2020, 5:30 PM - 7:00 PM

European cultural heritage is nowadays considered as an essential and valuable resource for the territories in which it is located. Several positive spillovers are associated with the local presence of different forms and expressions of cultural heritage. One of the strongest and most recurring associations is the one between cultural heritage and identity. Being cultural heritage at once inherited from the past and a legacy for future generations, it is considered as a source of sense of belonging to a place and territorial identity. The association between cultural heritage and identity is commonly presented as socio-cultural in nature expressing its implications on - and being influenced by - society or culture in its broader sense. However, economic implications might result as well from this nexus. In fact, territorial identity and territorial identification give rise to varied feelings such as trust or togetherness but also disaffection or resentment. These elements, in turn, influence the way in which economic dynamics work leading to consequences on local economic growth. The main idea behind the present work is that the powerful interrelation between cultural heritage and identity does have an influence on local economic growth. In other words, cultural heritage plays an active role in the economic sphere through an indirect socio-cultural channel namely identity formation or identity reinforcement. After the proposal of an original taxonomy of different ways of expressions of territorial identity, an empirical analysis will be performed on European regions to quantitatively test the existence of a link between the presence of tangible forms of cultural heritage and economic growth through the identity channel. Different functioning of this mechanism according to different ways of expressions of territorial identity will be investigated.

#### Digital Innovation Hubs and Innovative Ecosystem: a Case Study approach

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> PS03- Innovation and Regional Development August 25, 2020, 11:00 AM - 12:30 PM

This paper offers an illustrative example of how the Digital Innovation Hub Belluno Dolomiti (DIH-BD) is a pivotal element in the innovative ecosystem of Belluno, a county in the region of Veneto.

The term 'ecosystem' in relation to business and strategic management discipline was proposed by Moore (1996) as 'An economic community supported by a foundation of interacting organizations and individuals' (p.26). The 'economic community' creates customer value through core nodes (e.g., lead businesses, suppliers, customers, and competitors) and peripheral nodes (e.g., community, local government, educational institutions). Drawing on Moore's definition of business ecosystem, Adner (2006) presented the concept of 'innovation ecosystem' defined as 'the collaborative arrangements through which firms combine their individual offerings into a coherent, customer-facing solution' (p.2). In this definition, the role of collaboration is stronger than competition, as actors can now contribute to co-create the innovation. As new technological solutions have permitted to reduce the coordination costs, the exchange of information within the ecosystem has become easier allowing a flourishing environment where start-ups can thrive in the premise of knowledge hubs.

In line with the 'innovative ecosystem' proposed by Adner (2006), this paper will shows how the central nodes of a network (e.g. firms and entrepreneurs) have to collaborate with the peripheral nodes of the same network to co-create innovative solutions, and to increase the value of the territory, hence of the region.

The main objective of this paper is to provide best-practice useful for other regions in developing an innovative ecosystem. To reach this goal, we in-depth interviewed CEOs, Policy Makers, Head Teachers and Industrial Stakeholders. They gave us insightful information on the role of the DIH-BD in fostering innovative capabilities inside the firms and private organizations, driving place-based industrial policies, influencing updated curricula in high-school and universities for the new working force, and designing better services to the associate members of the industrial organization. Preliminary results show the central role of knowledge and learning in fostering a regional innovative ecosystems and the importance of the individual as champion of this evolution.

Adner, R., 2006. Match your innovation strategy to your innovation ecosystem. Harvard business review, 84(4), p.98.

Moore, J. (1996). The Death of Competition: Leadership and Strategy in the Age of Business Ecosystems. New York: Harper Business School.

#### Subjective well-being, inequalities and the geography of discontent in European regions

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> PS34- Subjective well-being, spatial inequalities and urbanization August 26, 2020, 5:30 PM - 7:00 PM

A recent but already rich stream of the literature in regional studies focused on what was labelled as "geography of discontent". This expression refers to the unhappiness experienced by people living in lagging-behind areas, characterized by poor opportunities and economic growth (Dikstra et al., 2019). Discontent has been typically measured by the electoral preferences for Eurosceptic and populist parties, mirroring the anti-system sentiments of those left behind by the pervasive processes of modern postindustrial economic transformation. Broad empirical evidence showed that anti-EU voting is strongly and significantly influenced by the economic change occurred in European regions. The surprising result, however, is that once having controlled for recent regional economic trend, areas with higher per capita GDP are more likely than the others to vote for Eurosceptic parties. The scope of this paper is to delve into this issue, by introducing two important. First, individual discontent is measured in terms of subjective wellbeing. Compared with the use of electoral data, survey data on perceived life satisfaction has the great advantage of taking into account also individual determinants of discontent. Second, the role of the lack of socio-economic opportunities, traditionally measured as growth disparities across regions, is here assessed also in terms of within-area economic inequality. Well-off regions are in fact those characterized by the highest levels of income and wealth polarization, and considering this phenomenon could help explaining the geography of discontent.

Dijkstra, L., Poelman, H., & Rodríguez-Pose, A. (2019). The geography of EU discontent. Regional Studies, 1-17.

## Determinants of return migration - Evidence from event history analyses with a special focus on rural areas in Germany

Mr. Moritz Meister<sup>2</sup>, <u>Dr. Jan Cornelius Peters<sup>1</sup></u>, Dr. Anja Rossen<sup>2</sup> <sup>1</sup>Thünen Institute of Rural Studies, Braunschweig, Germany, <sup>2</sup>Institute for Employment Research (IAB), Germany

> PS06- Drivers and impacts of interregional migration August 25, 2020, 11:00 AM - 12:30 PM

Employing event history analyses, this paper investigates the spatial mobility of young workers after the completion of vocational training in Germany. In particular, we are interested in the factors determining return migration, i.e. the decision to move back to a local labor market, which has been left before. Besides individual characteristics such as the success at the destination of initial migration, we consider properties of the regional environment in order to provide new evidence for the significance of regional characteristics for different types of migration, i.e. initial and return migration, and heterogeneous effects across workers at different stages of individual working lives. Our results may help to understand which factors contribute to the heterogeneity of the migration balances of rural and urban areas across age groups. Our analysis is based on extensive secondary data, the Integrated Employment Biographies (IEB) of the

Institute for Employment Research (IAB). They provide us with very detailed information about individual labor market biographies and places of residence in the period 1999-2017 as well as local labor market conditions. Furthermore, we are able to merge various indicators for the regional endowment with amenities.

First results show that within the first 17 years after vocational training about 18 percent of all workers leave the local labor market at least temporarily, i.e., they move to a municipality which is more than 50 km apart from the municipality of residence during vocational training. However, about 40 percent of these mobile workers return in subsequent years, in most cases very close to the location of residence during vocational training. Rural areas experience on average the largest (net) outflow of former apprentices, but also a net-gain from return migration.

### Cultural and Creative Industries as a Key to Interpret Social Transformations

Ms Valeria Pica<sup>1</sup>,

<sup>1</sup>GSSI, Italy

PS10- Culture, Creative Industries and Regional Development August 25, 2020, 2:00 PM - 3:30 PM

Who are the actors in the cultural and creative field today? Who is involved in the development of communities living in inner areas? These two questions can provide an interesting overview of modalities adopted as resilient ways to face the process of depopulation and loss of attractiveness that peripheral and rural areas have been suffering in the aftermath of the crisis started in 2008. Today, one can observe a countertrend where artists and cultural workers do move towards peripheral areas -leaving metropolis and big art areas - in order to find new consciousness raisers to their creative experience.

This paper aims to investigate the differences between mainstream and underground CCIs as a dual model juxtaposing cities and peripheral areas. Starting from the qualitative data the DISCE (Developing Inclusive and Sustainable Creative Economies) project gathered with interviews to key informants in L'Aquila and its surroundings, the authors will combine them with the assumptions of the German biologist Andreas Weber about the world of feeling meant as an ecosystem made of meanings and expressions lying in the relationship between man and his territory. According to Weber, the interior of living beings automatically and continuously expresses itself outwardly. It is by this understanding that he brings feeling into the centre of scientific investigation, and not only this, but also in terms of how we should conceive our world in general, including our understanding of economics. A truly successful economic model is one in which people should feel more enlivened through the exchanges in which they participate.

The paper will provide a new framework to examine the role of the CCIs to favour inclusive and sustainable growth and economic-socio-cultural (SEC) development emphasising their role in fostering local development in small-medium towns and peripheral areas.

## Firm and Local Determinants of Inward FDI. The case of Italy

#### <u>Ms Chiara Piccardo<sup>1</sup></u>, Mr Angelo Zago<sup>2</sup>

<sup>1</sup>University Of Verona, Verona, Italy, <sup>2</sup>University of Verona, Verona, Italy

PS04- Foreign Direct Investments, trade and local development August 25, 2020, 11:00 AM - 12:30 PM

This study examines factors that might affect inward FDI (Foreign Direct Investments). More in detail, we study how and to what extent firm-level and local characteristics impact on the inward FDI in Italy, over the period 2006-2014.

Using alterative definitions of foreign firms, we qualify firms receiving FDI in each year, as those firms that become foreign in year t (and was national in year t-1). We compare firms receiving FDI with national firms in each relevant year (2006-2014) in terms of their performance, using univariate kernel density estimations, and we estimate the probability that a firm receives FDI with a more standard parametric setting by applying Probit models. Looking at the firms' characteristics that affect inward FDI, our evidences seem to suggest that foreign investors in Italy mainly pursue "lemon-picking" strategies by investing in more productive, even if less profitable, firms. The evidences on the role of the local factors seem to suggest that the aim of the foreign investors is to penetrate the Italian local market mostly through market-seeking FDI, rather than export-oriented FDI. Moreover, distinguish between firms receiving "financial" and "non-

financial" FDI, according to the type of their global ultimate owners, we show how factors that affect inward FDI vary according to the type of investment.

See extended abstract

**Cities in a Post-Corona World Prof. Pierre-alexandre Balland<sup>1</sup>** <sup>1</sup> Utrecht University, Netherlands

> PL3\_Keynote Presentation 3&4 August 26, 2020, 9:15 AM - 10:45 AM

Cities are a global magnet to talent, capital, and knowledge. The success of cities has been so spectacular that it has propelled a worrying spatial divide within almost every country. Cities are also the most resilient social systems that humans have ever created. They have dwarfed the longevity of countries and corporations, and have bounced back from pandemics, to natural disasters, to economic crises. Is this time different? Will the coronavirus crisis put a halt to the home-run of cities? Or will the societal transitions – in particular in the digital sector - triggered by this crisis will just be another leg to the success of cities in the 21st century? In this talk, Pierre-Alexandre Balland will build on research on complex systems and economic geography to offer an outlook for cities in a post-corona world.

## SME in Europe towards local industrial policy able to sustain innovation ecosystems and territories reinforcing prosperity

Prof. Luciano pilotti<sup>1</sup>

<sup>1</sup>University Of Milan, Milano, Italy

## PS20- A New European Industrial Strategy oriented to the citizens and the territory August 26, 2020, 11:00 AM - 12:30 PM

At the moment we are witnessing the obvious symptoms of a long-term stagnation for which finding "exogenous" solutions is becoming extremely complicated, from economics to politics and science to the very estate of democracy and where rivers of money (from ECB, EIB, World Bank, IMF or FR Usa) at almost zero cost, are not sufficient - even if necessary condition - to grow in a continuous and sustainable way until we can raise the trust of consumers and investors. Indeed, democracy is dramatically put to the test in Europe as in the USA or South East Asia in an increasingly interdependent world whose fates are irretrievably intertwined and from which we must start again operating on factors of endogenous growth and for which any form of closure - as in the debate on immigration or on inter-Atlantic trade agreements is likely to be fatal. An endogenous growth - certainly complementary and coupled with appropriate macroeconomic interventions starting from the structural factors that slow down the growth of Italian productivity, summarize as follows:

(A) - supporting businesses - often too small - to grow in the network to make the most of learning and specialization economies and dynamic management of human resources and knowledge, also as a spur to internationalization processes over export led model;

(B) - favoring companies in "overcoming" excessive concentration on the perimeter of family resources (financial and human) by acquiring superior managerial-professional skills and resorting to financial instruments appropriate for growth, possibly separating family destinies and company destinies relying on the skills and professional markets;

(C) - feeding the exchange between productive and non-productive, efficient and inefficient companies, both to promote a renewal of skills and abilities;

(D) - stimulating the technological growth of companies, protected for decades by a chain of "competitive devaluations" crossing multiple district supply chains, growth in metropolitan areas and emerging platforms;

(E) - providing incentives for the average level of education to improve the quality of both technical and professional human capital ;

(F) - freeing from bureaucratic constraints the access to new enterprises both with reference to the regulation of the local administrations also supporting start-ups and networks.

(G) - developing corporate awareness in the values of social responsibility towards all stakeholders and an ethics in the behaviors adopted towards the environment

(H) - developing "holocratic-participatory" organizational models that overcome the traditional hierarchical models (slow, heavy and expensive).

## European regions at different speeds: which statistical indicators mark the difference?

#### Dr. Edoardo Pizzoli<sup>1</sup>

<sup>1</sup>Statec, Luxembourg, Luxembourg

PS16-Regional Competitiveness, Innovation and Productivity August 25, 2020, 5:00 PM - 6:30 PM

Regional statistics by Eurostat highlight clear differences of economic behaviour and performances in different areas. Local structural characteristics but also long run policies may explain the diverging speed of growth. Some regions have important financial centre, some other large industrial areas, still other are mainly rural areas. Technology is playing a crucial role in any region with respect to local and global markets. Which factors are more statistical significant and help explaining the differentiated reactions of European regions to the current global crisis? An investigation at NUTS 2 level following the indications of recent economic theories will try to mark the differences.

## Alpine Industrial Landscape Transformation: Through the Past, Towards the Future.

**Dr. Veronica Polin<sup>1</sup>**, Prof. Lorenzo Migliorati<sup>1</sup>, Dr Liria Veronesi<sup>1</sup>, Dr. Vincenzo Prete<sup>1</sup> <sup>1</sup>University Of Verona, Verona, Italy

> PS05- Mountain, Rural and Marginal Issues August 25, 2020, 11:00 AM - 12:30 PM

The decline of traditional heavy and manufacturing industry is a widespread phenomenon leaving behind impressive former productive landscapes of relevant size and complexity along the Alpine regions. This raises a new social and economic challenge for policy makers and local community: to identify the proper development model regenerating and promoting, in a sustainable way, the local wellbeing and cultural heritage. Our paper, as a part of the trAILs project - an Interreg Alpine Space Programme, addresses this issue from an interdisciplinary perspective based on the analysis of social and economic identity of 3 pilot sites (Borgo San Dalmazzo - Italy, Eisenerz - Austria, L'Argentière-la-Bessée - France) in the Alpine regions. Using a mixed-method design, we collected qualitative (interviews and participatory research) and quantitative data (survey questionnaire and visual choice experiment): i) to explore attitudes and perceptions of people living in 3 pilot sites about the past role of the brownfield, ii) to analyze their preferences and expectations towards future possible reconversion scenarios.

Overall results suggest that people seem to be optimistic about the future of these industrial sites. At the same time, the preferred transformation model is influenced by economic aspects, related to the creation of new job opportunities (particularly for local young people) and by the social and historical values of the brownfield, which is considered as a relevant part of the local identity.

Which policy mix to choose to support smart specialization? An application of a system dynamics model in a lagging region

Ms Krisztina Polónyi-Andor<sup>1</sup>, Prof. Ugo Fratesi<sup>2</sup>, Prof. Attila Varga<sup>1</sup>

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PS03- Innovation and Regional Development August 25, 2020, 11:00 AM - 12:30 PM

The smart specialization strategy (S3) concept became a key element of the cohesion policy, and as such, it has become rapidly widespread among EU Member States. Nevertheless, the implementation of the strategy has raised several questions and caused difficulties in practice mainly in the lagging regions. The aim of the strategy is to enhance regional development due to innovation-based economic transformation. S3 should be based on detailed analysis of the regional environment and needs to be developed by participatory methods and an entrepreneurial discovery process. S3 focuses the available resources on selected priority areas. However, in the phase when priority areas are already chosen it is not evident which policy measurements (e.g., human capital development, entrepreneurial support, R&D or investment subsidies) need to be utilized in order to achieve the knowledge-based transformation of the area and, in particular, how the different measures and interventions work as a system.

Our research aims to support the implementation of smart specialization strategy by developing a system dynamics model to help compare the effects of different policy mixes and to estimate the expected paths of innovation-based economic transformation. Therefore the policy simulations aim to uncover the different development paths of the selected area due to various policy mixes. The model can be supportive during the monitoring phase too, as it gives the opportunity to compare the realized transformation to the expected changes.

The methodology used in the paper is system dynamics modelling, which is able to capture the dynamics of the development and transformation of a system modelling its feed-backs and loops. The model is built according to the literature of industrial dynamics, innovation systems and smart specialization. Empirically, the model of the research is calibrated on the case of a traditional manufacturing sector, namely the machinery industry in a catching-up Hungarian region, South-Transdanubia. The model is adapted to fit actual data which are collected by a survey among firms of the machinery sector and interviews with the main actors of the regional innovation system.

# The cultural heritage between enhancement, sustainability and mass tourism. Reflections on the Italian case

## Prof. Stefania Portoghesi Tuzi<sup>1</sup>

<sup>1</sup>Sapienza Università Di Roma, Roma, Italy

PS25- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030 Agenda August 26, 2020, 2:00 PM - 3:30 PM

Italy is a particularly rich and complex country and boasts one of the most important artistic and cultural heritages in the world, made up of large cities with grandiose monuments and at the same time small, apparently minor towns, which preserve exceptional works of art. The countless riches it contains have made it one of the main tourism destinations. There are many factors that have made our country one of the preferred travel destinations, among these the Cinema that has made a large number of people known and attracted to our artistic and architectural as well as cultural heritage. Thanks also to the influence of cinema, a new phenomenon has emerged in recent decades: the journey properly so-called - intended as a

way to get to know and establish deep contacts with territories and people met in respect of places - has replaced tourism and, in in particular, mass tourism, where the search for fun and entertainment is central in terms of leisure-time consumerism. However, another form of tourism that can be defined as responsible and sustainable has developed alongside it, which starts from three components: environmental, socio-economic, cultural. Over the years, the debate on this issue has grown; for this reason, the theme of the relationship between cultural heritage and sustainable development is at the center of the United Nations agenda for post-2015.

Starting from the reflection on the negative impacts of mass tourism, alternative models have also been developed and tested in Italy that enhance the potential of responsible tourism, which does not compromise the environmental, cultural and social heritage of the territory, involving institutions, economic operators and tourists together and local communities.

The goal is to minimize negative impacts and maximize positive ones for the environment and local communities, making the latter protagonists of their development.

During the course of the work, the current situation will be analyzed through a reflection on mass tourism in large cities of art and on responsible and sustainable tourism, showing the economic consequences in some examples of "good practices".

#### Small Business Performance, Gender and Context: Women-Owned Enterprises as Employment Generators <u>Ms Victoria Price<sup>1</sup></u>, Dr Darja Reuschke<sup>1</sup>

<sup>1</sup>University Of Southampton, Southampton, United Kingdom

PS31- Innovation and Entrepreneurship August 26, 2020, 5:30 PM - 7:00 PM

Within the small business and entrepreneurship literature, empirical evidence has been presented both for and against what has been coined 'the female under-performance hypothesis'. Several studies have demonstrated that the performance gap between men and women-owned businesses is mediated when using multivariate quantitative analysis that controls for firm characteristics. However, little attention has been paid to the spatial context of gender and small business, in particular, whether the business is run from the residential home of the owner or in an external premise. Significant proportions of the smallest enterprises in the UK are run from home and it has been found that female business owners may be more likely to start a business at home, but that this comes at the expense of the financial success of their enterprise. It remains unclear whether or how locating a business in the home creates disadvantage for female business owners and whether this contributes to the overall under-performance of women-owned small businesses across different indicators. The objective of this study therefore, is to investigate whether women-owned small businesses under-perform those owned by men on a number of performance measures (turnover, innovation, and employment) and how this is influenced by the location in the home and within the wider region. Further, in measuring employment creation, we also include subcontractors who do not traditionally appear in measures of business size, to test whether home-based businesses may subcontract out work rather than take on employees within the spatially restricted home environment, and whether women are more likely to pursue this performance pathway than men are. The empirical, quantitative analysis utilises a representative sample of 8,725 small businesses from the 2015 UK Longitudinal Small Business Survey (UKLSBS). Multiple regression models are estimated, including controls for key firm demographics and interaction terms between gender, the home and urban-rural location. The main findings from this study reveal gender disparities that differ from previous research: women-owned small businesses are employment generators. They do appear to have lower turnover than men-owned small businesses but women-owned enterprises, particularly those in the home, have significantly more employees. There are no significant gender differences in terms of innovation. These findings call for more context-aware research from gender and business studies. Women emerge from this study as job creators,

which is of direct importance for economic development and policy that seeks to foster small business and entrepreneurship in order to create local employment opportunities.

#### Cohesion policy and income inequality: empirical evidence from Greece

**Prof. Ioannis Psycharis<sup>1</sup>**, Assoc. Prof. Vassilis Tselios<sup>1</sup>, Mr. Panayotis Pantazis<sup>1</sup> <sup>1</sup>Panteion University of Social and Political Sciences, Athens, Greece

> PS43- Regional disparities and cohesion in the EU August 27, 2020, 2:00 PM - 3:30 PM

The aim of this paper is to examine the impact of cohesion funds and national public investment in ameliorating income inequalities among income groups in Greece. Given that inclusive growth has become one of the main policy priorities of the EU, this paper examines empirically the contribution of cohesion funds and nationally funded public investment to income disparities in Greece. The analysis is based on a novel database that contains statistical data on cohesion funds and pubic investment on the one hand and declared income by households in Greece over the period 2000-2015. Analysis has been conducted at NUTS III geographical level. The paper employs descriptive and thematic cartography analysis along with panel data econometric analysis techniques. Results indicate that cohesion funds show a statistically significant impact on reducing income inequalities. However, this impact is sensitive to the type of cohesion funds giving prominent role to the spending on human capital and research.

## The geography of income inequality: empirical evidence from Greece

**Prof. Ioannis (Yannis) Psycharis<sup>1</sup>**, Assoc. Prof. Vassilis Tselios<sup>1</sup>, Mr. Panayotis Pantazis<sup>2</sup> <sup>1</sup>Panteion University of Social and Political Sciences, Athens, Greece, <sup>2</sup>University of Thessaly, Volos, Greece

> PS36- The geographical dimension of income inequality August 26, 2020, 5:30 PM - 7:00 PM

This paper is employing descriptive statistical analysis, multivariate Analysis (eg., clustering, and classification), thematic cartography and econometric methods to analyse the dynamics of income and income inequality at Municipal level in Greece. The analysis is anticipated to fulfil a multiplicity of objectives. First, it will complement existing knowledge about interregional and intra-regional (i.e. interpersonal) inequality and welfare by exploring the evolution, the patterns, the clusters and the determinants of income inequality. In addition, it is anticipated to unveil trends in polarization and social segregation in metropolitan areas, large cities, and rural areas. Furthermore, the time length of the analysis will make it possible to study the evolution of interregional and intra-regional income inequality for a long time-period, allowing comparisons before and during the economic crisis. This analysis will identify peripheral regions/areas in terms of their geographic and welfare characteristics and whether this identification has changed due to the economic crisis. Finally, the findings of this paper will be relevant to public and social policy.

Impact of the innovation ecosystem on cities and regions in context of higher educational and industrial cooperation

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> PS31- Innovation and Entrepreneurship August 26, 2020, 5:30 PM - 7:00 PM

Smart Specialization Strategy conceived within the Cohesion policy of the European Commission place Universities in an increasingly significant role in regional economy development. Their innovation ecosystem can enhance connections and communication between HEIs, research institutions, innovative industry, government and the society resulting in a wider stakeholder involvement in knowledge economy development. There have been various European and national initiatives to support R&D, innovation as well as creative industry developments for both industrial actors and local organizations to strengthen high added value activities. Through the development of higher educational innovation ecosystem, cities will be also developed as well as their whole region, because they have a close relation to each other and can't be interpreted in themselves. The above mentioned direction generate new challenges for universities, local government, companies, and other institutions cooperate with each other.

We look at best practices of national, regional and local government – industry – university cooperation in Central and Eastern Europe to find out how policies and funding programmes helped the establishment of quadruple helix partnerships. A common regional development instrument in our examples are Science and Technology Parks as providers of an environment that enhances entrepreneurial mindset, innovation-culture and creativity. We try to understand structures in government initiatives and development strategies that cultivate innovation.

## Trust in public administrations and regional resilience <u>Dr. Bianca Radu<sup>1</sup></u>

<sup>1</sup>Babes Bolyai University, Cluj-Napoca, Romania

PS09- Institutions, Political and Decisional Processes August 25, 2020, 2:00 PM - 3:30 PM

Communities all over the world have to respond to unexpected events, such as environmental emergencies (flooding, fire, hurricane), major accidents (accidents involving large number of victims) or terrorist attacks. Even though there is a high probability for some events to occur, some communities are still unprepared or have an unorganized and delayed response. The traditional models of public administration do not match the rapid and unexpected changes that happen at the community level, neither the diversity of needs and demands of the citizens. The paper aims to investigate how citizens' trust in public institutions influence regional resilience of EU member states to shocks. In particular we will analyze how citizens' general trust in public institutions, and in particular trust in political parties and Parliament affects regional resilience at the level of EU member states. The previous studies have shown that higher levels of trust in public institutions would increase the probability of citizens to comply with regulations, therefore would make them more responsive to mandatory behavior in case of emergency situations, which would contribute toward an increased regional resilience. We will test this hypothesis using quantitative data collected by EUROSTAT and Quality of Government EU Regional Data.

### The food industry as the leader employer of Greek manufacturing sector

#### PhD Student Konstantina Ragazou<sup>1</sup>

<sup>1</sup>University Of Thessaly, Volos, Greece

PS47- Regional and Urban Labour Markets and Entrepreneurship August 27, 2020, 2:00 PM - 3:30 PM

Food industry is a dominant sector of the Greekeconomy, as it concerns 25% of the firms of the manufacturing industry. Also, it ranks first among the manufacturing sectors followed by metal products (14%) and clothing (7%). Food industry is obviously of fundamental importance in purely economic terms, with both production value and gross value-added reaching almost 24%, while occupying the first position in financial turnover too(25%). At the same time, food industry employs almost one-third of the manufacturing industry's employees, making it one of the largest employers in Greek labor market. In the context of the economic crisis that erupted in the early 2010s, it appeared that the Food industry's firms have designed and developed strategies with major objective, the preservation of their human resources. Consequently, the aim of the present paper is firstly, to highlight the strategies that were developed by the food industryduring the crisis, especially as regards the preservation of human resource from possible discharges. The second objective of this paper is to examine to which extent the strategies for human resource contribute to the resilience of the food sector in the context of crisis. The study is focused on the food sector of the Central Greece Region, in which was conducted field research in eleven firms of different size and sub-sector of food industry. The field research was conducted through questionnaires and interviews with different staff members of these firms. Two questionnaires have been fulfilled: the first one using closed-ended questions with Likert format , allows to assess the strategies developed by the firms during the crisis while the second one, using open-ended questions, gave the opportunity to the staff members to implement the "The Goals Grid", a tool which contributes to better defining and prioritizing their goals as regards human resource. The data processing was carried out using the NVivo12 Plus, a software that enables in-depth content analysis (qualitative approach) as well as efficient visualization of the proper conclusions.

### FDI spillovers and channels of transmission in the EU: The role of regional financial markets

Ms Marialena Petrakou, <u>Mr Randolph Bruno<sup>2</sup></u>, Mr Nicholas Phelps<sup>3</sup> <sup>1</sup>European Investment BankLuxembourg, <sup>2</sup>University College London, London, UK, <sup>3</sup>University of Melbourne, Melbourne, Australia

> PS04- Foreign Direct Investments, trade and local development August 25, 2020, 11:00 AM - 12:30 PM

This paper contributes to our knowledge and our theoretical understanding of the impact of FDI at the regional level within the European Union. It posits that the notion of absorptive capacity at the regional level could emphasize the role of local factors moderating the impact of FDI on regional growth. By using firm level data aggregated to the regional level and employing a newly constructed dataset, the paper shows that FDI can be considered an important ingredient to boost regional growth. Using both panel fixed effects and Generalized Methods of Moments (GMM), the paper supports the hypothesis that FDI spillovers materialize when the region has well-developed financial markets system to absorb FDI externalities.

First-class and second-class city dwellers? Disparity of urban governance in the context of expropriations in Conakry

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> PS27- Regional and Urban Policy and Governance August 26, 2020, 2:00 PM - 3:30 PM

In the framework of Conakry's infrastructural development, many development projects in the city induce involuntary displacements of city dwellers. The treatment of these people affected by urban projects varies widely depending on the source of the project funding.

Indeed, the moves generated by projects funded by the assistance of international institutions involve the respect of the Equator Principles, which ensure a continuous consideration of any person claiming a legitimacy of occupation of the land. At the opposite, urban development without any intervention of loans or support from international financial institutions leaves room to the strict application of the National Law and can lead to forced expropriations, whatever the status of the occupants.

The differences between situations of the displaced people after their move raise many questions about their treatment, which presents important paradoxes. On the one hand, people without the ability to prove their own, in the meaning of the National Land Code (absence of title) can benefit from a full coverage of their displacement. On the other hand, despite the existence of a land title, some are forcibly expropriated because their title is rendered obsolete by the fact that they occupy public land, often sold by the administration in the past, for the personal interests of the administrator.

These phenomena raise the question of the harmonisation of norms in the framework of displacement related to projects of national interest but more generally, ways of governance in the urban development and fears of States to see the application of the Equator Principles as a risk of increasing costs of any infrastructural project.

On the basis of concrete examples of infrastructural projects in Conakry, we will try to question the legitimacy of the concerns of these States to see in the application of international standards the risk of creating jurisprudence detrimental to urban development.

### The Location of Coworking Spaces in Urban vs. Peripheral Areas

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### PS42-New working spaces, digital transformations and peripheral areas August 27, 2020, 11:00 AM - 12:30 PM

With a rising globalization of the economy and society, the ICT revolution, the current economic downturn, the new industrial revolution and the makers' movement, working is becoming less dependent on distance, location and time. These are some of the reasons that have fostered the development and diffusion of new working spaces like coworking spaces (CS). Although this is a new phenomenon, scholars from varied disciplines – geography, sociology, urban planning, business, management, etc.- are showing interest in studying different aspects related to their spatial characteristics, socio-economics patterns, and effects on the urban context. Contributing to the existing literature, this paper aims at exploring the location determinants of coworking spaces, an issue that has been neglected by the literature. By focusing on the 549 CS located in Italy at the year 2018, the paper aims to investigate the location factors pulling the coworking and the attractiveness of large cities as well as of peripheral and inner areas. The results of the descriptive statistics and the econometric analysis (a Zero-Inflated Negative Binomial model is estimated) confirm that this is mainly an urban phenomenon, since CS are knowledge intensive places for creative

people. Specifically, the municipalities showing higher innovation and entrepreneurial vivacity, as for example capital cities of metropolitan areas, are privileged locations. Besides, it is discussed whether coworking spaces may contribute in fostering the development of peripheral and Inner Areas in Italy.

# Sustainability as a (territorial) governance issue. The case of the peri-urban green infrastructure "Corona Verde" (Turin, Italy)

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PS25- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030 Agenda August 26, 2020, 2:00 PM - 3:30 PM

With the UN 2030 Agenda and the Paris Agreement the global governance for sustainable ddevelopment turned from a hierarchically ordered system of regulatory mechanisms, to a system based on goals and results. The old rule-based mechanisms are complemented and replaced by open negotiation processes and new deliberative arenas in which a crucial role is played by coherence of action (Kanie et al., 2019), joint responsibility between the public and the private sectors (Abbott, 2012), and institutional learning (Steele, 2011). Critical with the simplifying of sustainability to a single non-hierarchical list of objectives, in the paper we argue that it couldn't exist just one discourse on sustainability (Krueger & Agyeman, 2005; MacGillivray & Franklin, 2015). Although a general framework of action is necessary, at the basis of our study there is the belief that each territory should formulate its own specific model of sustainable development, via mechanisms of open territorial governance. Strategies, plans and programs do come later. In fact, it is in the concreteness of territories that the abstract (sometimes naïve) goal of sustainability acquires concreteness in its turn, and functionality. Also, it is in the territories that the problem of the harmonization of goals requiring regulatory mechanisms (e.g. the UN sustainable development goals on

energy, water, the protection of the oceans and the climate) and goals necessitating 'softer' regimes (Haughton & Allmendinger, 2008) can be solved. Moving from these assumptions, the paper questions about the most appropriate territorial "scale" or

"container" to organise the deliberative arenas of the goal-based governance for sustainability. Taking the case of the governance of green infrastructures, the paper compares the case of the Corona Verde in Italy (Turin, Piedmont), the project for the management and development of the peri-urban green areas surrounding the City of Turin, with other analogous experiences in Europe. The results of this comparison are then put in relation with the outcomes of the SWOT analysis of the governance system of the project Corona Verde and the study of the concurrent modification of the economic and institutional framework, in search for some general considerations on the usefulness of green infrastructures as governance labs of sustainability.

### Evaluating Planning Framework for Sustaining Places: A Network Approach

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> PS33- Methods in Regional Science or Urban Analysis August 26, 2020, 5:30 PM - 7:00 PM

Promoting planning for sustainable development has long been an important goal for many communities. There are several frameworks that develop a set of goals and principles for planning sustaining places, usually related to the united nations' New Urban Agenda. However, few programs develop evaluation framework for these set of goals and principles. Cities are complex networks while the set of goals and principles of urban plans are simple "tree like" structures. Every practice in a city planning framework has a different influence on achieving the framework's goals, based on its centrality in the network. In this paper we developed a method for evaluating the sustainable plan structure itself taking as our case study the "Comprehensive Plan Standards for Sustaining Places" of the American Planning Association from 2015. We focus on the role of sustainable practices from a network point of view. The aim of the paper is to identify and analyze the interconnections among planning practices for sustaining places, their network characteristics, the urban systems involved and their role in sustainable practices. We used a qualitative approach to analyze the plan text resulting in a quantitative network measures to understand how sustainability principles and practices are constructed within the plan's guidelines. Four types of network analysis measures were calculated: Degree centrality (counts the number of connections each plan's element has), Closeness centrality (measures the distance of an element from all other elements, indicating the ease of information spread in the network), Betweenness centrality (high betweenness centrality elements act as key bridges within the network. They can also be potential single points of failure) and Eigenvector centrality (measures how well connected an element is to other well -connected elements. High Eigenvector centrality element is a leader of the network even if it does not have the strongest local influences).

### Environmental risk and household consumption in developing countries.

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PS29- Human - Environmental Interactions August 26, 2020, 2:00 PM - 3:30 PM

With the Rio+20 conference, held in 2012, at a global level, sustainability and balance interests were drawn up in the relationship between economic growth and environmental development, validating the efforts obtained in the fulfillment of the "Millennium Development Goals" and creating spaces for discussion of a green economic policy. In this sense, a dynamic vision for "The future we want" was set in motion.

This global discussion took shape with the "2030 agenda for sustainable development" of September 2015, in which 17 general objectives and 169 specific objectives were adopted that aim for the stability and equilibrium of the planet. Since their adoption, several governments and international agencies have worked to improve the social, environmental, economic and political conditions of each point of the planet. However, the process of the "Sustainable Development Goals" must understand and involve the nucleus of society: the home, and thus observe whether it really is an active actor in the face of the changes achieved/expected.

Households have natural differences according to their environment, capacities and deprivations, so it could be valid to suppose that households in developing countries respond to interests different from those of developed economies; for example: migratory dynamics, economic activities, uses of environmental resources, consumption and income, among others.

On this basis, this paper is interested in observing: a. exploring the definition of an indicator that measures sensitivity to household environmental quality and b. observing whether in developing countries this sensitivity to environmental quality may have effects on household consumption. If households have any type of impact due to the effect of environmental variables, you will want to indicate that public policies should focus on them as the primary object of attention and not as passive actors in a global political discussion.

### Regional costs of business relocation in Spain: analysis of company demographics and turnover

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> PS21- Location of Economic Activity August 26, 2020, 11:00 AM - 12:30 PM

Business relocation decisions have been approached from different perspectives within regional science. Specifically, this paper helps to elucidate the costs of the Spanish regions, both in terms of business demographics and turnover, as a result of the relocation decisions of Spanish companies for a 7 years period (2013-2019). To do this, we use a sample of 33,511 companies located in Spain which have moved their headquarters in the period analysed. To address this issue, this paper presents a comparative study between regions, in which it is possible to notice which have been the winner and loser regions, in terms of the analysed variables (business demographics and turnover).

The results obtained from the study allow us to establish several conclusions regarding the effect of business relocation on the different Spanish regions. First, we have studied the relevance of company movements between regions compared to total movements (intra-regional and inter-regional) in a specific geographical context (Spain). Second, we have determined which regions have been net recipients of companies versus those that have experienced a net loss in their business demographics. Finally, we have quantified the net profit/loss of turnover by region that derives from the relocation of companies from one region to another.

### On space research and regional development

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> PS26- A New European Industrial Strategy oriented to the citizens and the territory August 26, 2020, 2:00 PM - 3:30 PM

This paper briefly summarizes, within the general framework of the knowledge economy, the historical evolution of the space economy and, within it, of space-borne Earth Observations (EO). Lying on these premises, the research briefly defines and illustrates the composition of the space economy within a general economic framework involving, knowledge, innovation, markets and development. Finally, the research proposes a geographic reflection on how the rapid development of the space economy initiated during the second half of the XXth century fostered a process of dematerialization and digitalization of the most advanced regional economic relations, fostering patterns of innovation based on increasing proximity (not necessarily geographical, more often relational) among the actors involved. Not all regions are able to follow spatial innovation patterns, and therefore some kind of between regional inequality is increasing. Futhermore, at local level, inner areas might suffer of scarce accessibility to regional networks and, due to increasing distance costs

alimented by a process of peripheralization, territorial marginalization might follow an increasing (rather than decreasing) trend. On the other hand, the augmented availability of low-cost resources in marginal areas might foster a process of decentralization of productive activities toward regional peripheries, rather than toward other regions, due to a mix of social proximity and reduced distance costs. Therefore, urban areas might lose their primate over rural suburbs and natural areas, and the new regional core might lose its concentration, becoming widely dispersed across the territory.

Lying on the results of the analysis it seems that, in the current space-time compression, social conflicts might evolve into social cooperation, as all individuals and institutions are called to play a role in the activation of processes of resilient transformation toward sustainable development. Within this general framework, social and territorial inequalities caused by (social and territorial) distance costs should be targeted in order to eradicate persistent forms of marginalization, poverty and exclusion, that, notwithstanding their local relevance, might have negative impacts on the economic system as a whole. Within these processes, EO can play a key role in collecting (not only) environmental information at the global scale, providing a crucial contribution in achieving most of the Sustainable Development Goals, as widely documented by the Group on Earth Observations.

### Structural Change and Megatrends: How can European funds support regions in the transition?

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> PS08- Adaptive and Resilient Cities and Regions August 25, 2020, 2:00 PM - 3:30 PM

The European Green Deal is one of the six priorities of EU for 2019-2024. It was developed with the aim to achieve a climate neutral Europe, with no net emissions of greenhouse gases, in 2050. It includes several measures for a green and inclusive transition, with special attention on regions, industries and workers faced with the greatest challenges. Mobilising industry in turn of a green and circular economy is vital to achieving the climate-neutral target. Priority must be given to more efficient use of the resource. The 'doing more with less' principle should be apply to achieve growth through higher value-added on industries. A more smart and rationale use of natural resources is one the key element of new European growth strategy for the next programming period.

With the present study, we purpose to develop a econometric model to assess the effect of the European Structural and Investment Fund (ESIF) on regional structural change, measured by the ratio between employment in the sectors with the highest value-added and those with the lowest. Taking advantage of a unique database, covering the period 2014-2018, with the amount of ESIF allocated to EU regions to each investment priorities (e.g. innovation, ICT, climate, and training) and combined with EUROSTAT data, we expect also to assess complementarities between different funding objectives. This kind of analysis could be particularly useful for policy-makers in order to understand under which circumstances public funds can better support the transitions in more lagging regions.

### How does the Real Estate Transfer Tax Affect Mobility Decisions and Tenure Choice?

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PS12- Drivers and impacts of interregional migration (2) August 25, 2020, 2:00 PM - 3:30 PM

This paper studies the effects of multiple increases of the German Real Estate Transfer Tax (RETT) on spatial mobility decisions of individuals. We look at RETT hikes introduced by a federal reform in 2006 and exploit the staggered introduction of these hikes and the different levels of the tax across the 16 federal states of Germany.

We use longitudinal individual-level data from the German Socio Economic Panel (SOEP) to evaluate the impact on moving probabilities and tenure choice of homeowners and renters. Preliminary results of our competing risks hazard model show that a higher tax rate lowers the probability of moving into ownership,

both for previous owners and renters. We nd no statistical significant effects on moves from own to rent or rent to rent.

Our analysis using survey data will be extended by the evaluation of administrative regional data from the Federal Statistical Office. We will observe aggregate relocations on the district level along with regional controls like unemployment rates, GDP on the county level and land tax levels. We will investigate the effect of the RETT on in- and outmoves

in a Diff-in-Diff setting where we will compare border-districts in high-tax states to those in low-tax states.

### Are functional regions more homogeneous than administrative regions?

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> PS47- Regional and Urban Labour Markets and Entrepreneurship August 27, 2020, 2:00 PM - 3:30 PM

This study tries to evaluate whether functional regions (i.e. regions with strong commuting and economic activity within and few connections to outside regions) are more homogeneous than administrative regions and, therefore, better able to capture spatial clustering of economic characteristics at the level of municipalities resulting from spatial interrelations. This would be a point in favour of functional regions because it could enable political actors to apply a rather simple set of policies within functional regions. In order to test this assumption, we draw on core economic and labour market indicators (unemployment, employment and income per capita) from the year 2014 at the level of 4,453 basic-units and compare two-level hierarchical linear models with different regionalizations at a higher level of aggregation and three-level hierarchical linear models that additionally take into account spatial clustering at a lower aggregation level. We calculate the intraclass correlation coefficient (ICC) which measures the degree of resemblance between basic units belonging to the same areal unit at a higher aggregation level. Comparing the models based on ICCs determines the importance of spillover effects at a lower aggregation level and the importance of administrative or functional regions at a higher aggregation level.

We find that functional regions do not always reveal intraregional homogeneity better than administrative regions. This holds especially for functional regions that capture mobility patterns very well. They exhibit lower ICCs than administrative regions. In general, our analyses reveal a complex relationship between (functional) delineations and the aim to delineate homogeneous regions. For Germany, the spatial distribution of employment and income is not necessarily shaped by commuting patterns. In some cases, strong commuting flows connect very heterogeneous regions, which include cities and their commuter belts. Therefore, methods that capture commuting patterns well are not suitable for delineating homogeneous regions, at least for Germany. This is an argument in favour of not relying solely on measures related to self-containment. Homogeneity-related measures, or measures of interaction density may be appropriate indices for delineating well differentiated functional areas, which are especially capable of capturing spatial clustering at a lower aggregation level.

# Production structure and trade: an input-output evaluation of pollution exchanges within the European Union

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> PS28- Global Warming, Health and Environmental Issues August 26, 2020, 2:00 PM - 3:30 PM

The enlargement of the EU towards Central and Eastern Europe, started in 2004, represented a significant challenge for European political and economic agendas. Sixteen years later, Central and Eastern European countries have experienced a significant economic growth, mostly based upon industrial development and trade expansion, displaying a strong integration in European global value chains. During this period, the new member states have also been notable recipients of foreign investment, even in a context of the global economic crisis.

In this paper, we aim to analyse if this process of economic and commercial integration has also triggered the externalisation of environmental pressures towards Central and Eastern Europe. Thus, our main objective is to evaluate the existence of a pollution haven within Europe by evaluating the specialization of Central and Eastern European economies in "dirty" industries because of trade. To that aim, we will use multi-regional input-output (MRIO) tables from 1995 to 2011 that will allow us to quantify the environmental pressures embodied in intra-European trade, distinguishing between intermediate and final products. This approach is optimal to assess the existence of pollution havens, given the global fragmentation of supply chains and the importance of intermediate flows that embody large environmental pressures. As a second step, we will use Structural Decomposition Analysis (SDA) aiming to identify and quantify some of the factors responsible for the changes in the pollution embodied in trade.

The results of this study can offer a comprehensive vision on the environmental consequences of the integration of Central and Eastern countries in the EU. This is particularly relevant for the development of strategies and regulations that foster co-operation towards sustainable and green economic systems within the European Union.

# Active citizens, participation and new cooperative instruments for the management of common goods and local development in Italy

### Dr. Jacopo Sforzi<sup>1</sup>, Dr. Cristina Burini<sup>2</sup>

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PS02- Social innovation and participation of population August 25, 2020, 11:00 AM - 12:30 PM

See extended abstract

### Do Cohesion Funds foster regional trade integration? A structural gravity analysis for the EU regions

Doctor Yevgeniya Shevtsova<sup>1,2</sup>, Doctor Jorge Diaz-Lanchas<sup>1</sup>, Doctor Giovanni Mandras<sup>1</sup>, Doctor Damiaan Persyn<sup>1</sup>

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PS37- Regional disparities and cohesion in the EU August 27, 2020, 11:00 AM - 12:30 PM

See the extended abstract

## Economic Impacts of Flood Damages in Toyogawa and Yahagigawa Basin in Aichi Prefecture: Using a Dynamic IRIO Mode

<u>Prof. Hiroyuki Shibusawa<sup>1</sup></u>, Miss Yui Yonemitsu <sup>1</sup>Toyohashi Univ. Of Technology, Toyohashi, Japan In this paper, we explore how municipalities' production activities in river basins recover after such activities and logistics functions have stop and how the municipality economies restore after heavy rains and floods brought on by typhoons. For the Toyogawa and Yahagigawa basins in Aichi Prefecture, we estimate an interregional input–output table. Furthermore, we develope a sequential dynamic model with two types of bottleneck structures: a production technology and traffic disruptions. Given the flood damage scenario, applying the hypothetical extraction method, the direct and indirect damages, and the recovery process in municipalities of Aichi prefecture are shown by numerical simulation.

### The drivers of intra- and inter-regional labour mobility over the industry life-cycle

**Dr. Jaakko Simonen**<sup>1</sup>, Professor Rauli Svento<sup>1</sup>, Researcher Santtu Karhinen<sup>2</sup>, Professor Philip McCann<sup>3</sup> <sup>1</sup>Oulu Business School, University of Oulu, Finland, <sup>2</sup>Finnish Environment Institute and Department of Economics, Oulu Business School, University of Oulu, Oulu, Finland, <sup>3</sup>Sheffield University Management School, The University of Sheffield, Sheffield, United Kingdom

> PS06- Drivers and impacts of interregional migration August 25, 2020, 11:00 AM - 12:30 PM

One of the most important reasons for the emergence of industrial agglomeration are the benefits which local (skilled) labour pool provides for firms. The geographical proximity of many firms generally assumed to facilitate job-matching and employment switching. Labour mobility between firms is argued to be an important means of transferring knowledge and fostering innovation too. However, current literature provides very few empirical studies where labour mobility has been clearly linked to the spatial distribution of activities together with the individual factors, especially over the industry life cycle. In this paper we analyse how regional features, e. g. regional amenities, industrial structures as well as individual characteristics of employees e.g. age, family status, previous movement affect regional labour mobility along the industry life-cycles of high technology sector. In order to do this, we employ panel data on the regional and industrial labour mobility of the Finnish high technology firms and regional economies. Our findings show that structure of the high technology sector as well as regional economic and amenity variables and individual characteristics of employees have an influence on the migration decisions of the high technology workers, although their roles vary in within-region and across-region mobility as well as at the different stages of the industry life-cycles. Moreover, the role of regional economic factors are analysed from the point of view of the origin and receiving region, as well as rising and declining industries.

### Accessibility of Public Train Services for People with Reduced Mobility: A Geospatially Integrated Indoor-Outdoor Model

MSc Elodie Brinck<sup>1</sup>, MSc Christoph Geibinger<sup>1</sup>, <u>Dr. Petra Staufer-Steinnocher<sup>1</sup></u> <sup>1</sup>WU Vienna University of Economics and Business, Vienna, Austria

> PS18-Transport and Accessibilit August 25, 2020, 5:00 PM - 6:30 PM

Accessibility of public transport and infrastructure for persons with reduced mobility (PRMs) is an important topic addressed by the European Union in its Technical Specifications for Interoperability in railway traffic to make traveling barrier-free and accessible. Thus, in public transport PRMs need appropriate attention and an alignment of public transportation services with their particular needs in order to make the service available to all passengers. In this research, experiences with public train services utilization, obstacles for

and requirements of selected PRMs are collected in "go-along" interviews together with findings from the literature are integrated to develop a geospatial network analytic model of the indoor- and outdoor spaces of Austrian federal railway stations. The model and its derivatives are exposing the differences in accessibility and additional costs of spatial movement, especially in urban and rural stations. The data integration and conception of a routable network dataset is the elementary step to perform the analysis at hand. The attributes are selected based on the expert interviews and own assessments in the sample train stations. Based on the network dataset, three sample models are set up to compare accessibility differences depending on the degree of physical mobility, which are non-restricted, partly- and completely immobile. The model and data source limitations are discussed in detail and actions for improvements are derived to further develop the model and, in the future, to extend it to other train stations. With certain improvements, PRMs have more information available to plan their journey more accurately.

### Graduate migration and the (un-)attractiveness of rural areas in Germany

### Dr. Johannes Stiller<sup>1</sup>, Dr. Jan Cornelius Peters<sup>1</sup>

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PS39- The role of fragile territories: descriptions, strategies and best practices in Italy and Europe August 27, 2020, 11:00 AM - 12:30 PM

This paper aims at identifying regional characteristics, which make rural regions in Germany attractive for different types of graduates. It addresses that one crucial determinant of the future economic prospects of a region is the availability of human capital. However, the supply of skilled labour varies significantly across German regions. The ability to prevent graduates from emigration and to attract young workers plays a key role for the prospects of rural regions in particular.

We analyse young workers' location decisions after graduation. This group is important since young workers' mobility accounts for a high fraction of interregional migration in Germany. The analyses are based on information provided by the German National Educational Panel Study (NEPS), a representative survey providing individual information on, inter alia, locations of school, vocational training, university and employment as well as field of studies, educational performance, and income. Furthermore, it allows us to distinguish between different types of migration, e.g. return migration, and graduates in order to analyse heterogeneous effects. Inter alia, we differentiate between those graduates who completed vocational training and those who studied at a university (of applied sciences). The individual data is merged with information on regional labour market conditions and amenitites. Employing multinomial regressions, our preliminary results indicate that young people from rural areas exhibit higher mobility than their counterparts from urban areas. Migration decisions at labour market entry are heterogeneous across types of graduates and the type of their home region.

## Social Innovation and Attitudes towards Collective Responsibility and Action among Rural Residents: A Case study from Mühlviertel, Austria

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PS02- Social innovation and participation of population August 25, 2020, 11:00 AM - 12:30 PM

The proposed presentation aims to present an empirical case study of the change and negotiation of attitudes regarding rural development among local residents in an Austrian community of villages. Starting around the mid-nineties, and instigated partly by the new opportunities presented by Austria joining the EU

(e.g. the LEADER programme), and partly by experiencing a downwards development spiral, the community experienced a development of a "self-help ethos" along with a focus on building up alliances and collaborative actions across village borders alongside the promotion of civil society engagement.

Here, there can be observed a process where the responsibility for the well-being of the local community was re-allocated from government and public bodies to local residents - also by the residents themselves. Furthermore, while local communities took on themselves the mantle of "rural developers", this "new rural development discourse" has become embedded and institutionalised in the regional development framework, e.g. as public organisations that supports and promotes this way of development.

The presented research project analyses the 'discursive construction', or the 'framing' of development trajectories of the area and community, and to understand these as a context for and in relation to changes in perception, agenda-setting and troubleshooting: i.e how challenges (or opportunities) are identified and framed, and thereby influencing specific ways of taking action, i.e. 'problem solving'. Inspired by the model of social innovation from Neumeier (2012, Sociologia ruralis, 52(1), 48-69), the process of problematisation and negotiations of perceived challenges and ideas about appropriate actions are reconstructed from: a) interviews with local and regional actors and stakeholders, b) publications from the community and regional development institutions c) newspaper coverage of the region.

# The "urban gardens": strategic element for a sustainable, resilient and inclusive social city model according to the UN 2020-30 Agenda

### Prof. Luisa Sturiale<sup>1</sup>, Dr Alessandro Scuderi<sup>1</sup>, Dr Giuseppe Stella<sup>1</sup>

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PS19- Integrated ecological planning of territories and cities to achieve the objectives of the UN 2020 - 2030 Agenda August 26, 2020, 11:00 AM - 12:30 PM

Numerous researches in recent years are recognizing the natural environment of cities, often called "urban green spaces", as an important element of urban planning more attentive to environmental and social sustainability objectives. In fact, several studies have recognized the "urban green spaces" as important ecosystem services, capable of directly and indirectly ensuring human health and the well-being of citizens. Urban green spaces" are a complex heritage of the city, which requires careful evaluation in terms of sustainability, taking into account not only the economic variable, but also the social, environmental and institutional one.

Agenda 2030 for Sustainable Development is a program of action for people, the planet and prosperity signed in September 2015 by the governments of the 193 UN member states. It incorporates 17 Sustainable Development Goals (SDGs) into a major action program for a total of 169 'targets'. The SDGs follow up the achievements of the Millennium Development Goals (MDGs) that preceded them, and represent common goals on a set of important development issues: the fight against poverty, the eradication of hunger and the fight against climate change, to name but a few.

Among the objectives of the 2030 Agenda for Sustainable Development, the Goal 11, Sustainable Cities and Communities, is specifically dedicated to urban systems and its ambitious goal is "Make cities and human settlements inclusive, safe, resilient and sustainable". The "urban green spaces" destined to agricultural activities, defined "urban gardens", are able to offer answers to renewed food, environmental and socio-cultural needs. They can therefore be an important instrument for the integration between building renovation and natural and agricultural environments and could contribute to reducing the vulnerability of the urban system.

Despite growing attention to "urban gardens" in the scientific literature, their inclusion in urban planning is not yet seen as a strategic element for a sustainable, resilient and inclusive social city model. The study aims to determine the value, especially social and inclusive, of urban agriculture developed through "urban gardens" in degraded or abandoned areas, in a district of the city of Catania, called Librino, which can be considered an important pilot experience for the city. The aim of the study is to evaluate the existing relationships among the beneficiaries of the "urban gardens" and the social and inclusive function of the urban agricultural core of the municipal initiative, applying the Social Network Analysis (SNA) methodology.

### The Making of the Modern Metropolis: Evidence from London

<u>Dr. Daniel Sturm<sup>1</sup></u> <sup>1</sup>London School of Economics, United Kingdom

> PL2- Keynote Presentation 2 August 25, 2020, 3:45 PM - 4:45 PM

Using newly-constructed spatially-disaggregated data for London from 1801-1921, we show that the invention of the steam railway led to the first large-scale separation of workplace and residence. We show that a class of quantitative urban models is remarkably successful in explaining this reorganization of economic activity. We structurally estimate one of the models within this class and find substantial agglomeration forces in both production and residence. In counterfactuals, we find that removing the entire railway network reduces the population and the value of land and buildings in London by up to 51.5 and 53.3 percent respectively, and decreases net commuting into the historical center of London by more than 300,000 workers.

-Joint work with Stephan Heblich and Steve Redding-

### Regional convergence clubs in the Visegrad countries: economic restructuring of NUTS3 regions

### Dr. Izabella Szakálné Kanó<sup>1</sup>, Professor Imre Lengyel<sup>1</sup>

<sup>1</sup>University of Szeged, Szeged, Hungary

PS22- Regional and Urban Development August 26, 2020, 11:00 AM - 12:30 PM

In our study, we analyse the economic growth of NUTS3 regions of the four Visegrád countries that joined the European Union in 2004, the Czech Republic, Poland, Hungary and Slovakia, between 2000 and 2016. Based on chain linked GDP per capita data on NUTS3 level regions, we aim to investigate the convergence paths of these regions and the influencing factors of these.

In more detail, our examination is as follows: First, we apply log t test proposed by Phillips and Sul (2007) on data between 2000 and 2016 in order to gain convergence clubs of NUTS3 regions of Visegrad countries. Afterwards, we analyse the role of economic structure (based on GVA data) in an ordered logit panel model, to answer the following questions:

1. What characteristics can describe the different convergence clubs identified by the log t test procedure?

2. What kind of convergence paths do the different clubs follow?

3. Which of the groups of economic activity sections tend to boost performance of NUTS3 regions? According to our preliminary results, there are five convergence clubs that can be described as follows: Club 1: Metropolitan regions with service sectors; Club 2: Industrialized regions with second-tier service cities; Club 3: Industrialized regions with smaller cities; Club 4: Peripheral industrialized regions; Club 5: rural counties. The regions with higher weight in Financial and insurance activities; real estate activities (K, L) and Construction (F), had better performance, while higher weights in basic service activities, like sections M-U and in Agriculture hindered economic growth.

#### Reference:

Peter C.B. Phillips & Donggyu Sul, 2007. "Transition Modeling and Econometric Convergence Tests," Cowles Foundation Discussion Papers 1595, Cowles Foundation for Research in Economics, Yale University.

### in Transportation Network and its Effect on the Hinterland's Economy

### Mr Yusuke Teraji<sup>1</sup>

<sup>1</sup>Tezukayama University/ Associate Professor, , Japan

PS13-Networks, Development, and Disparities in Regions August 25, 2020, 5:00 PM - 6:30 PM

Through the investment in railroads, cities in Hokkaido, the northern island of Japan, have experienced the significant decrease in the access time to Sapporo, the capital of Hokkaido. Although the most of cities have experienced the reduction in the access time, the growth in the population is observed in some cities while the other face the significant decline. This indicates that the benefit of the investment in the transportation network shared unequally among the cities. Furthermore, through the observation of data in 50 years, the increase in the access time to Sapporo is observed after the decline in the population.

Based on the data observation, we construct a three-city model. In the model, firms and the provider of the transportation service exist. Firms choose their locations of office: namely, a single office at one of the two cities, two offices at two of the three, or offices at each city. Firms' choice depends on the access cost between the two cities, and the access cost is determined according to the investment by the transportation service provider. Based on this model, we address the following questions: i) whether the benefits of the investment in the transportation is unequally shared among cities; and ii) whether the investment in the transportation generates the population growth.

Our model has shown that, as in the observation in Hokkaido, the benefits of the investment is unequally shared. Furthermore, whether the population of the city grows depends on the access condition to the other cities as well as the center. At a city, the population grows once the access condition to the center is improved while the condition to the rest remains. In contrast, if the access condition in the entire network is improved, cities other than the center will decline.

# Territorial governance and actors' coordination in the local process of methanation. A social network analysis

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PS29- Human - Environmental Interactions August 26, 2020, 2:00 PM - 3:30 PM

Methanisation is a process for producing renewable energy, which has recently gained interest as a contribution to a territorial strategy for the deployment of the circular economy. The projects, which are collective in nature, bring together multiple actors or local stakeholders from a wide variety of backgrounds. The article proposes to analyse the territorial governance of this type of project by studying the relations of synergy and cooperation between stakeholders in the case study of the Syndicat Mixte du Point Fort (SMPF)

of Cavigny (France). The results of the analysis of interaction and coordination networks show that local stakeholders develop dense relational networks that vary throughout the project. This high density is indicative of the importance of group cohesion in interactions, which is necessary to create a framework of trust and consultation that favours the success of territorial renewable energy projects. The measure of centrality of the interacting actors shows that the project leader (SMPF) plays the role of assembler and facilitator of the interaction networks, and thus facilitates the sharing of flows, knowledge and collective learning.

### Material and immaterial regional interdependencies: using the web to predict regional trade flows

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> PS13-Networks, Development, and Disparities in Regions August 25, 2020, 5:00 PM - 6:30 PM

This paper brings new data and methods in order to expose the structure and the evolution of regional interdependencies. Although our focus is on the UK regions, the proposed research framework lends itself to applications to other European countries. Inter-regional trade relationships have traditionally been very difficult to capture, as national statistics do not monitor intra-country trade links at the firm level. Recently, the EUREGIO project (Thissen et al., 2018) has published spatially disaggregated Input-Output (I-O) information for 37 NUTS2 UK regions at a 14 industries level, which includes imports and exports by region of origin and destination. This database was developed using the interregional trade data from the PBL Netherlands Environmental Assessment Agency, freight transport data from Eurostat (for goods), and business flight ticket information (for services). Nevertheless, building such a regional I-O dataset has been a costly and non-trivial process. In this paper, we are proposing a research framework to predict such flows by utilising freely available web data. Specifically, we are employing the JISC UK Web Domain Dataset in order to extract hyperlinks between geolocated commercial websites in the UK. This dataset is a subset of the Internet Archive - the most complete archive of online web content, which includes all the archived webpages under the .uk country code Top Level Domain (ccTLD). We are able to geolocate these webpages by searching the archived web text for the inclusion of a UK postcode. In addition, this dataset also contains the hyperlinks included in the archived webpages. So, we are able to aggregate these data and create an inter-regional network based on the hyperlinks between geolocated commercial webpages. Formally, we approach the prediction of the I/O flows as a link prediction problem. Hence, we employ some wellestablished machine learning models, such as Random Forests, to predict the I-O flows using, among other features, the network of digital interdependencies between the UK regions.

### Yardstick Competition and Spatial Interdependence of Cost Efficiency in Local Governments: Development of an Interpretable Spatial Inefficiency Stochastic Frontier Model

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PS14- Spatial Econometrics August 25, 2020, 5:00 PM - 6:30 PM

A wide variety of spatial stochastic frontier models, which merge stochastic frontier models and spatial econometric models, have been proposed. However, these models have not been clarified in a systematic way. Thus, we introduce (non-spatial) stochastic frontier models and basic models of spatial econometrics, systematically categorize the spatial stochastic frontier models, and then clarify the characteristics and problems of each.

Then, we develop a new spatial inefficiency stochastic frontier model. Our spatial inefficiency stochastic frontier model meets the following conditions: (a) It can detect not only positive, but also negative spatial autocorrelation of inefficiency; (b)The inefficiency follows a truncated normal distribution; and (c) It can distinguish whether the detected spatial autocorrelation is caused by an influence from one's own inefficiency on the surrounding inefficiency (true spatial spillovers) or by a lack of spatially dependent determinants of inefficiency (apparent spatial spillovers).

Furthermore, we theoretically show that yardstick competition between local governments leads to the spatial interdependence of inefficiency. And then, we use our proposed model to verify whether there is a spatial interdependence of cost inefficiency in Japanese local governments. Our results support that yardstick competition between Japanese local governments is present. It implies that the disclosure of information on local government activities will lead to better efficiency.

### Cultural Devaluation of Human Life by Economic Class and Region

### Dr. Annie Tubadji<sup>1</sup>

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PS30- Covid 19: its spatial and regional impacts August 26, 2020, 2:00 PM - 3:30 PM

The human right to life is an absolute right for every human being. However, the pandemic COVID-19 witnesses the urging of non-essential UK workers, such as construction and manufacturing workers, to restart work, because this is essential for the economy. The more affluent professions can still work from home. In its essence, this is an act of cultural devaluation of the life of the lower economic class of workers on the labour market, where the economic value of their lives is only considered, and their cultural right to life (which should be at place on an absolutely egalitarian principle with all other labourers) is denied to them. Given that the economic structure distributes occupations and economic class unevenly across space, reopening the economy by sectors will culturally devaluate the life in some regions more than others. Using Census 2011 and latest ONS data releases on COVID exposure by occupation, and a detailed data decomposition analysis, I show that this absolute discrimination in the human rights application to certain economic class is associated with exposure to higher risk of contagion for a category of people whose demographic characteristics identify them as the most likely victims of the uncurable disease, namely the male, above middle age people with worse health, who are also more often likely to be non-white or foreign by birth. Moreover, this lack of altruism towards a certain economic class of workers is bound to very soon acerbate the left behind feelings in the country as COVID-19 exposure will increase in regions where lower economic class of workers is concentrated. As they are also objectively more vulnerable to the disease, this will clearly increase significantly the risk and the actual numbers of COVID-19 deaths among the most leftbehind areas by culturally devaluating the lives of the poorer workers. A new pocket of creating inequality by design is thus revealed.

### Impact of geographical distance on acquiring know-how through scientific collaboration

### Prof. Frank van der Wouden<sup>1</sup>, Prof. Hyejin Youn<sup>2</sup>

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> PS44- Cities, Regions and Digital Transformations August 27, 2020, 2:00 PM - 3:30 PM

Individuals who collaborate locally are more likely to learn from one another than those collaborating nonlocally. We examine the publication records and knowledge portfolios of almost 1.7 million scholars who published a co-authored paper and subsequently published a single-authored paper. We investigate to what extent the geographical distance between the collaborators impacts the probability of them learning through collaboration. We find evidence that local collaboration is associated with a learning premium of between 40% and 85%. Surprisingly, this learning premium increased over time, despite advances in communication and transportation technologies that supposedly abolish the friction of geographical distance. In addition, we find that the learning premium from local collaboration is greater in individuals in their early career stage than in mid or late career stages. Furthermore, individuals from lower ranked institutions are most likely to learn from collaborations. Our findings also indicate that increasing geographical distance between collaborators hits the collaborative learning of those in STEM-type fields the hardest. We observe highly significant positive effects from local collaboration on learning even after controlling for confounding factors and using matched data in the statistical models. These results suggest that geography plays a key role in mitigating the impact of learning through collaboration. This has important implications on innovation policy, the structure of effective research teams, and the broader processes of knowledge production and diffusion.

### The spatial gradient of well-being. A global assessment

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> PS34- Subjective well-being, spatial inequalities and urbanization August 26, 2020, 5:30 PM - 7:00 PM

This paper assesses the differences in quality of life across different types of settlements at the global level. Besides the global scope of the analysis, the novelty of the paper is that of combining the micro-data from a global survey to a consistent definition of cities, towns & semi-dense areas and rural areas across the whole world. Such definition - henceforth the Degree of Urbanisation - makes it possible to classify, at a spatial detail of 1-square kilometre, the entire global inhabited surface into three categories, based on population size and density and using population gridded data. By using the information on the location of survey respondents, we combine the individual microdata from Gallup World Poll with the Degree of Urbanisation. This approach makes it possible to avoid the bias emerging from country-based or subjective definitions used in previous studies addressing the same research question (Berry & Okulicz-Kozaryn, 2011), (Knight & Gunatilaka, 2010), (Valente & Berry, 2016). The analysis includes more than 160,000 individuals residing in cities, towns & semi-dense areas or rural areas in more than 110 different countries around the world. Overall, we find that people living in cities have consistently higher levels of life satisfaction, although they are less satisfied with the material living standards that they can access. Differences in life satisfaction hold after controlling for individual characteristics, although they become low in magnitude. Those differences are particularly high in less developed countries and life satisfaction is sensitive to city size. People living in a functional urban area have higher life satisfaction, on average, with large metropolitan areas between one and five million people showing the highest levels of life satisfaction.

## Quantifying the economic effects of High-Speed Rail: some evidence for Spain and implications for appraisal

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> PS18-Transport and Accessibility August 25, 2020, 5:00 PM - 6:30 PM

Enormous amounts of investment have been made in high-speed rail in Europe over the past four decades. Much of the impetus for this has been the expectation that such investments will have positive impacts on economic growth and also promote regional convergence. The evidence, however, has shown varying possible impacts and this remains an area of contention.

This paper makes a contribution to this debate based on data from Spain, which has very rapidly become the largest high-speed rail network in Europe. We use data in the form of a panel for Spanish provinces over the years 1995-2013. They allow us to examine the impacts of HSR on: economic output (measured by Gross Value Added); employment; labour productivity; and number of companies.

We use two causal inference approaches: panel difference-in-differences (DiD) estimation with fixed effects, and synthetic control methods. The results show strong evidence of statistically significant positive effects from HSR investment on economic performance with the exception of that on employment. Taken together, these results indicate that HSR investment has led to an expansion of economic output, higher productivity, and a growth in the number of firms active in the economy.

Given this positive evidence of the impact of high-speed rail investment in Spain we consider the implications for appraisal methods that can be applied in other contexts. There has been little progress towards a consensus on how to include such impacts in the appraisal process for new lines so investment decisions rely more on political will than sound analysis. The emphasis here is on understanding the context of the investment, recognising that lines that link between major cities may have different impacts from those that link a first-order city with smaller cities or those between well-developed regions with good local and regional rail networks will differ from those that link a well-developed region to a less developed one.

### Allocative labor market flexibility in Brazilian municipalities

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PS41- Regional and Urban Labour Markets and Entrepreneurship August 27, 2020, 11:00 AM - 12:30 PM

Mobile factors of production (labor and financial capital) are attracted by the centripetal productive forces where economies are expanding, contributing to accelerate their development. Labor can exhibit allocative behavior relating economic activities and space, especially in times of economic instability, such as the crisis that occurred in Brazil in 2014, which was idiosyncratic and generated a large wave of unemployment across Brazil. This study analyzes the allocative flexibility in the labor market of Brazilian municipalities from 2012 to 2017. The mobility of workers in labor market was estimated based on the turbulence index, separated into four sectors (industry; commerce and services; agriculture and livestock; and public administration). The labor market turbulence index was analyzed by estimating the spatial panel data. The best fit model was Durbin's spatial model with fixed effects and bias correction, according to the Akaike criterion. This model suggests that local and global overflows effects of spatial dependence are important in the allocative dynamics of the Brazilian workers in this period of domestic crisis (2012 to 2017). The spatial lag of the dependent variable ( $\rho$  = turbulence index) showed a positive and highly significant coefficient, indicating that high levels of labor mobility in the neighboring municipalities of a spatial location "i" have positive influence on the mobility of the labor market in this municipality. The highest levels of adjustments occurred in more concentrated activities, most of them located in the Northeast of Brazil, with increased employment in agriculture and livestock and public administration. Generally, these were the same activities which presented the highest numbers of hiring in Brazil in the peak of the crisis, while sectors of industry and commerce and services had the largest reductions of jobs. Some of the main factors that influenced labor market adjustments were the coefficient of attractiveness of industry and public administration (inverse relationship); increasing male participation, therefore women were more affected by the layoffs, as well as unskilled labor and low salary ranges. This study pointed out that Brazilian labor

market is going through a process of deglomeration of the largest poles towards the secondary regional poles in the hierarchy of the development. Brazilian economic growth and the adjustments of the labor market are slowly recovering from the impacts caused by this shock. This indicates a low dynamism of the economic activities concomitantly with a set of policies that are not contributing to the consistent recovery of the Brazilian economy.

### Identification of health system clusters and impact analysis of the different productive structures

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> PS40- Policies and Services for Healthy Ageing and Well-being in Later Life August 27, 2020, 11:00 AM - 12:30 PM

Health care expenditure in the OECD countries has grown quickly in the last decades and taking into account the current demographic trend regarding aging, we can anticipate that this expenditure will continue growing. Therefore, being able to satisfy efficiently the increasing demand for health services becomes a priority in policy and economic agendas nowadays. Although there is a wide literature on specific and individual health conditions, we are not aware of any study trying to evaluate the macroeconomic impact of health care systems (HCS) in general, comparing them internationally. This paper uses information from the 2015 OECD Input-Output tables (IO) for showing how differences in HCS (mainly public vs mainly private, hospital vs clinics, etc.) result in differences in economic outcomes too (in terms of production or employment).

Firstly, we will try to identify homogeneous groups of countries by the productive structure of the sector and its outcomes using a Cluster Analysis.

Secondly, we present the notion of the "hypothetical introduction method", a technique that helps us to evaluate the macroeconomic effects of changing the existing technology of health care production in a country for a different HCS. Results on the new total demand for health services that can be satisfied with a different HCS are obtained using this method.

# The Italian National Strategy for Inner Areas: opportunities and challenges for a place-based regional development

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> PS39- The role of fragile territories: descriptions, strategies and best practices in Italy and Europe August 27, 2020, 11:00 AM - 12:30 PM

Regional development challenges in Italy have traditionally been framed in terms of north-south divide, a path-dependent consequence of the differential levels of development that characterise the country's territory since its unification. Until the 1990s regional policy had mostly involved the rather simplistic delivery of financial resources to southern territories, to develop industry and infrastructure. This situation started to change as a consequence of the reform of the EU structural funds, with the European Commission introducing more sophisticated criteria for and mechanisms of resources distribution, among which the multiannual programming period, the eligibility objectives, the co-financing of interventions and the continuous audit on expenditures. However, the main rationale behind regional development remained anchored to the traditional north-south paradigm. Only at the beginning of the 2010s, also as a

consequence of the progressive attempt to reform the EU cohesion policy in a more place-based direction, the Italian government opted for a new approach, introducing the National Strategy for Inner Areas (SNAI). This strategy represents an innovative attempt to funnel and further territorialize the implementation of EU cohesion policy, in a way that allows for a thorough consideration of the development challenges and potentials of each region, as well as for the further involvement of the local actors in territorial development. More in particular, it for the first time focuses on the marginal areas of all Italian regions, electing them as potential settings for alternative development strategies. As we are approaching the end of the 2014-2020 programming period, the proposed contribution builds on the authors' five-year research experience on the implementation of the SNAI to critically reflect on it. First, it conceptually introduces the mentioned paradigm shift. Then, it presents a quali-quantitative overview of the Strategy and of the 44 areas that reached the implementation phase (in terms of priorities, actors involved, funding). Finally, the SNAI governance is further reflected upon, drawing on the results of a number of in depth case studies. This multilayer analysis allows to reflect on how the SNAI is approaching territorial vulnerabilities and how its ambitious aims in terms of addressing shrinking, welfare and accessibility are being put into practice. The elements of success brought about by the Strategy as well as its challenges and pitfalls and its actual potentials for developing virtuous multilevel, cross-sectorial governance relations are discussed, at the same time raising a warning on the risks implicit in its high subsidiarity.

### The Size Distribution of Cities with Distance-Bound Households

### Dr. Axel Watanabe<sup>1</sup>

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PS46- Demographic Change, Population, Migration and Mobility Behaviour August 27, 2020, 2:00 PM - 3:30 PM

There has been a long tradition of presumed perfect mobility in urban economic theories. Workers switch their locations in direct response to differences in local economic performance. Recent empirical observations prove otherwise. The number of movers declines with distance while there is a positive correlation between the moving distance and skill level. We build a general equilibrium model of a system of cities to explain the city-size distribution as a result of reduced mobility. Workers with a heterogeneous skill level have a corresponding distance-tolerance level and self-sort into select cities. The resulting size distribution reflects the trade-off between the moving distance and earning opportunities enhanced by agglomeration. Our predicted distribution closely traces the empirical distribution.

### Why does GVA vary territorially?

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> PS48- Regional evaluation August 27, 2020, 2:00 PM - 3:30 PM

The movement in discourse from regional development to territorial development is a critical shift in thinking that puts local production at the forefront of analysis. It enables and facilitates a seismic shift in thinking from mainstream macroeconomic-type economic growth models that assume away power and institutional forces to a contextually-focussed analysis that cannot escape the interrelationships between local firms, local consumers, local advisers, local policy makers, local trends and fashions, and local development. This article focusses on the role that firm-level Gross Value Added figures, and their territorial aggregate, can play in shaping local development policy, but in order to contend with policy in this area we

need to be more explicit about what firm-level GVA figures actually show and what local forces determine them.

The article presents a new 'territorial productivity model' that is grounded on firm-level observations, local accounting data, shaped by institutional arrangements, moulded by implicit contracts between firms and their consumers, sculptured by managerial objectives that include demand management, and facilitated by the relative success of marketing campaigns. It takes explicit account of local arrangements and forms of cooperation between local actors including those in conflict and cooperation and supposedly innocent bystanders.

The article contends that inter-territorial productivity levels can be regarded as an indication of the relative success of local producers in creating goods that are in relatively high demand. This is in stark contrast to some understandings of GVA figures that imply greater allocative and productive efficiency or more efficient resource use. Nevertheless, local authorities and territorial policy makers continue to be charged with enhancing GVA productivity figures due to the connotations it has with employment and wealth. The article highlights that the use of firm-level and territorially-aggregated GVA data to guide territorial economic policy will be biased and should be treated with care. It underscores that territorial productivity levels reflect demand aspects of an ostensibly supply-side measure and that there is impurity in the wage-led growth concepts.

### Benchmarking tourism destinations along their impact – effect dimensions

Dr. Sabine Sedlacek<sup>1</sup>, <u>Dr. Christian Weismayer</u>, <u>Dr. Daniel Dan</u> <sup>1</sup>Modul University Vienna, Vienna, Austria

> PS45- Overtourism and Its Effects on Regions August 27, 2020, 2:00 PM - 3:30 PM

Nowadays, more and more people can afford to travel. But if more people are travelling for leisure as well as business purposes, this also places a continuously increasing burden on the most often chosen destinations in terms of social, environmental, and economic indicators, the three pillars of sustainability. In order to prevent such destinations from the ongoing emigration of the native population due to the loss of their residential quality-of-life (QOL), increasing life maintenance costs, increasing property prices in the center of such destinations, the destruction of the natural environment or historical monuments and other sights, the relocation of the local economy that is not strongly connected enough with touristic services or products to survive on the private market and profit from incoming tourists, and so forth, this problem has to be tackled. One possible solution is to constantly monitor cause-effect relationships. This allows a destination to identify unwanted situations or tendencies from a long-time perspective, and to set regulating mechanisms in time that help to reduce and regulate the influx of tourists onto an acceptable level. But exactly this threshold, called carrying capacity, that sets the limit for a destination's enironment to sustain in an infinite long time period, is the challenging task to be solved here. For this reason a platform was developed that allows destinations 1) to estimate and observe their tourist flows, 2) to predict tourist flows to have a look into the future to be able to react in time, 3) to reveal crucial relationships between tourist flows and regional impacts, 4) to track crucial relationships over time, and 5) to compare them with other destinations. The destinations benefit from such a benchmarking solution as they can compare themselves with their competitors along the three pillars of sustainability, social, environmental, and economic, have a look at the same over time, and get a holistic picture of the actual situation of their destination.

### Post-urban regions after the pandemic: cyclical vs. irreversible forces in spatial development

#### Prof. Hans Westlund<sup>1</sup>

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PL5- Keynote Presentations 5&6 August 27, 2020, 9:15 AM - 10:45 AM

While openness vs. closure can be considered a long term cyclical phenomenon, another spatial feature seems to be a more permanent trend: the growth of multi-nuclei city-regions, which embrace large areas of countryside – and as they neither are solely urban nor solely rural regions they can be labelled "post-urban regions". Across the world, these regions have become hubs between the world market and national markets. If the global forces are restricted, what will this mean for the grand city-regions that we usually think are the future of the world?

### Big Data, Artificial Intelligence, and the sustainable development of cities

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> PS20- A New European Industrial Strategy oriented to the citizens and the territory August 26, 2020, 11:00 AM - 12:30 PM

Today, more people live in urban than in rural areas. Hence, the main challenges of our time relate to cities and their sustainable development. Due to the collection of Big Data, the development of Artificial Intelligence algorithms, 5G broadband data transmission technology, the Internet of Things, and mutual communication between machines, cities are becoming more and more intelligent. The vision of a future in which millions of devices, cameras, and sensors constantly monitor, analyze, and regulate city life is by no means a distant prospect. Indeed, it is already tangible. The use of technology allows for the improved connectivity of rapidly increasing urban populations, promotes the creation of smarter and safer modes of transportation, and promises better traffic, congestion, energy and water management. Technology alone is not enough to make a city better – its use must meet the real needs of urban residents. Nor should technology be exclusive, for not everyone has access to the internet or can use it. Ensuring greater social integration and inclusion, i.e., involving all citizens in the benefits of modern technologies, is a big challenge. It is also important to define an ethical framework for devising solutions that use Big Data and Artificial Intelligence to reduce the risk of unauthorized use. In the context of the rapid ageing of the EU population, increased access and affordability of services aimed at seniors is of great importance. An important barrier to the development of this type of technology is that of the still high costs and lack of regulation. Low deployment costs (also in the environmental-impact sense) are a key factor for the sustainability of smart city solutions. Such solutions also need to be safe, reliable, scalable, inclusive, and transparent to citizens. The smart city may therefore offer a number of benefits in the management and optimization of traditional public services.

### Voting on urban land development

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PS09- Institutions, Political and Decisional Processes August 25, 2020, 2:00 PM - 3:30 PM In this paper, we analyze several local referendums on land development and land-use regulation in the City of Erlangen (Germany) in the period between 2011 and 2018. To identify the positive influence of the travel distance on approval for the development of land, we employ a two-way fixed-effects model and use spatial instruments. Also, we analyze the heterogeneity of city dwellers' preferences for the development of residential and commercial areas. In particular, we examine the homeownership and expenditure-crowding-out hypotheses.

### Is cooperation behavior imprinted in new ventures? Evidence from a natural experiment

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> PS31- Innovation and Entrepreneurship August 26, 2020, 5:30 PM - 7:00 PM

Our study contributes to the literature on organizational imprinting and on determinants of firm cooperation by understanding how socioeconomic context of the entrepreneur is imprinted on the strategic choice sets of the created venture namely R&D cooperation strategies. We hypothesize that ventures created by individuals socialized in trust-reducing institutional environments are less likely to engage in inter-organizational R&D cooperation. Furthermore, we argue that the negative effect of founders being socialized in trust-reducing institutional environments on the likelihood of ventures to engage in inter-organizational R&D cooperation is lower when these founders were exposed to influences of trust-promoting institutional environments. We can partly confirm our hypotheses by analyzing a representative survey of German start-ups where founders were socialized in different institutional regimes before German re-unification in 1990.

### Historical institutional differences and entrepreneurship: the case of socialist legacy in Vietnam

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> PS17- Historical Roots of Regional Performance August 25, 2020, 5:00 PM - 6:30 PM

We study the case of Vietnam to assess the long-lasting role of institutional and historical legacy on entrepreneurial outcomes. In particular, we investigate the detrimental effect of socialist institutions on entrepreneurship. Vietnam offers a unique quasi-experimental set-ting because the country was divided into the socialist North and the nonsocialist South for a relatively short period of two decades. After re-unification the South adopted the institution-al framework conditions of the North. To assess the relationship between socialist history and entrepreneurship in this unique setting, we survey more than 3,000 North and South Vi-etnamese individuals more than four decades after the re-unification of the country. We find that North Vietnamese respondents have lower entrepreneurship intention, are less likely to select into entrepreneurship education programs, and are less willing to engage in business takeover. These patterns indicate the persistence of a long-lasting influence of historical differences in institutional framework conditions on entrepreneurship. The long-run effect of socialism on entrepreneurship is apparently deeper than previously discovered in the promi-nent case of Germany, where differences in institutional treatment lasted for much longer and ended more recently.

### Counter-sanctions and agricultural dynamics in Russian regions: has acceleration occurred?

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> PS48- Regional evaluation August 27, 2020, 2:00 PM - 3:30 PM

Using difference-in-difference approach we assess the impact of Russian counter-sanctions - Russian 2014's agri-food embargo and government development programs - on agricultural dynamics in Russian regions for 2014-2017 period.

Favorable conditions for the growth of Russian agriculture and food industry have been developing since 2014. In addition to 2014's agri-food embargo and a double ruble devaluation, which strengthened the position of Russian agricultural producers, government expanded agricultural subsidizing by 18% during 2013-2017. At the same time, new constraints for agricultural development have appeared. The first is contracted consumer demand and the general stagnation of the Russian economy due to the double drop in oil prices and EU/US financial sanctions. The second is an increase of production costs due to the strong dependence of Russian agriculture and the food industry on imported machinery, equipment and some intermediate consumption products, reaching up to 80-90%. As a result, Russian agro producers faced multidirectional incentives.

The empirical strategy of our research is based on the difference-in-difference approach (DD) developed by Card (1990) and the use of the generalized synthetic control group (GSCM) developed by Xu (2017) and extending the synthetic control group (Abadie and Gardeazabal 2003; Abadie, Diamond, and Haimmueller 2010).

We consider agriculture as a treatment group. Electric power industry, construction and hotel services, as well as the transport industry are included into the control group. The countersanction («treatment») period includes 2014-2017 years. "Pretreatment" period is 2005-2013. The parallel trend assumption is tested.

The FE-model without weights shows an acceleration of agricultural regional dynamics in the countersanction 2014-2017 period by 4.9 percentage points in comparison with the control group dynamics. Positive dynamics in the counter-sanction period is manifested in agriculture precisely against the background of a general slowdown in economic development.

But when weighing on the regional structure of industries (by so taking into account the different regional scales), changes in agricultural growth rates during the counter-sanctions period become insignificant, as well as dynamics in the selected industries in total. This means that, the regions - large producers of agricultural products, experienced no, or much smaller effect from counter-sanctions and devaluation.

Key words: agri-food embargo, agriculture, US/EU-sanctions, Russia, difference-in-difference, synthetic control group

### A new methodology for assessing the carrying capacity of tourist destinations of European regions

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> PS45- Overtourism and Its Effects on Regions August 27, 2020, 2:00 PM - 3:30 PM

Discussion on the growth limits and carrying capacity of tourism destinations is not new. Already for decades, carrying capacity has been at the core of sustainable tourism and aims at offering 'time/space-specific answers' at individual localities of the various European regions. There are many definitions of this

concept and the calculation of one 'magic number' to assess carrying capacity is not feasible for reasons such as differences in threshold established by tourists and residents, ecological limits, multitude of resources, etc.

The discussion about carrying capacity in the context of regional sustainability is linked to human activities impacting a region. This impact has to be within the region's ecological limits and in parallel within the region's social and economic limits in order to provide adequate supporting functions for the population living in the region. Related to tourism, this means that regions should learn as much as possible about the impact of tourism on their destinations in order to be able to develop solid and adequate policies for tourism development.

The proposed paper therefore introduces a new methodology for assessing carrying capacity, which (a) is specific enough to cater to destination-specific needs as verified by pilot-testing the new methodology on various representative case studies and (b) is general enough to be applicable to any tourist destinations throughout European regions. First, the various definitions of carrying capacity are presented and discussed. Second, existing methodologies of measuring carrying capacity are introduced and assessed. Third, the critical review of the extant literature on the topic and a stakeholder-involving approach lead to the development of the aforementioned methodology, whose single steps are described in detail.

# A new strategy for assessing the circular economy: The Double Accounting Hypothesis (DAH) for waste and recycling

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> PS26- A New European Industrial Strategy oriented to the citizens and the territory August 26, 2020, 2:00 PM - 3:30 PM

In 2015, the EU-Commission launched an EU action plan for the Circular Economy with the aim of giving a new boost to investment, growth, jobs and competitiveness while turning the economy into a carbon neutral and a resource-efficient system. The EU Member States are called to introduce concrete policy measures to improve the degree of circularity of their economies. By fostering recycling, remanufacturing, reuse and all those circularity strategies, which eventually contribute to waste minimisation, these measures are expected to bring benefits both for the citizens and for the territory. When assessing the economic effects of circularity, it is important to keep track of its implications on the different production activities and on the different Institutional Sectors. Indeed, a more circular economy means that industrial production shifts towards resource use minimization, materials' reuse, design for disassembly, for remanufacturing and recyclability. At the same time, the transition towards a more circular economy cannot neglect the Institutional sectors, in consideration of their crucial role in shaping new and more responsible consumption patterns.

In view of the twofold aim of circularity polices, which contemporaneously involve an economic and a material-related angle, any analysis of their effects should ideally rely on a double accounting system, in which the standard flows due to the circular flow of income are complemented by the monetary flows related to energy and materials. Indeed, only in this framework, it is possible to account for the flows, which production activities and Institutional Sectors re-convey into the economy through circularity. In this vein, this paper provides a multi-sectoral analysis of the emissions and waste flows for the Italian economy in 2014. The first advancement of the paper is a novel accounting framework, in which waste generation and air pollution are related to the Social Accounting Matrix. The second is a dynamic computable general equilibrium model, in which economic actors' optimizing behaviour affects the environment through waste and emission flows. The third is in terms of simulations results, and it comes from the quantitative assessment of a set of policies aiming at stimulating Italy's transition towards a more circular economy.

Coherently with the framework adopted, simulation results entail a quantification of the effects on the economic and the environmental variables. In this perspective, these results are relevant for policymaking, as they provide useful insights regarding strengths and weaknesses of diverse policy measures, all aiming at implementing the composite objective of circularity.

### Circular Economy and Sustainability: A conceptually ambiguous relationship

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According to Millar et al. (2019), there is no general evidence that the effects of the circular economy (CE) on sustainability are positive. This paper provides an explanation for this lack of evidence by showing that the relationship between CE and sustainability is conceptually ambiguous. This result directly follows from the own essence of the CE, and it is not due to the lack of a clear definition of CE or to the ambiguity of the concept of sustainability. Differently from previous contributions, which mostly rely on literature reviews, this paper formulates a theoretical reasoning, which is rooted in the notion of CE suggested by Zotti and Bigano (2019). A crucial strength of this notion is that it allows highlighting the theoretical ambiguity of its effects on the environment (Zotti and Bigano, 2019). Hence, since environmental sustainability is a necessary element for sustainability, this ambiguity inevitably impairs the whole relationship between CE and sustainability. In policy perspective, this result suggests that implementing the CE does not necessarily yield improvements in terms of sustainability. In the case of environmental sustainability, for example, we provide a series of considerations, which highlight the difficulties of using the CE to achieve environmental goals