



The Vienna Institute
for International
Economic Studies

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Conference

Falling Behind and Catching Up Southeast Europe and East Central Europe in Comparison

Thursday 23 June 2016

Venue: *The Vienna Institute for International Economic Studies (wiiw), Rahlgasse 3, 1060 Vienna*

Motivation

Southeast Europe (SEE) holds a long record of being one of Europe's least developed regions. Sporadic growth spurts are regularly followed by strong fall-backs. Neither firms, nor banks or states were able to make broad industrialisation happen in a sustainable way. The analysis of determinants and effects of backwardness in Southeast Europe is the central topic of the recently completed wiiw GDN SEE research project, which aims to support high quality socio-economic research in the region and to connect local research teams with the international academic community, as well as the activities of the Global Development Network (GDN). Between November 2014 and April 2016, wiiw economists and research teams from the region have been analysing the reasons for the lagging behind of Southeast Europe under the broad theoretical approach that can be characterised as that of the Austrian theory of development. This approach relies on the seminal work in development economics by Alexander Gerschenkron (the role of the state, firms and banks in pulling countries out of backwardness), Paul Rosenstein-Rodan (increasing returns and large scale infrastructure investment) and Albert Hirschman (induced industrialisation and its forward and backward linkages), accounting for a region's development – or its failure. The conference will present the main conclusions from the research project by assuming a long-term perspective on the SEE regions' GDP growth path (1952-2015), industrialisation (1963-2011), the development of basic transport infrastructure (1830-2010) as well as the banking sector (1952-2014). The analysis of the SEE region will be compared to selected studies on long-term developments in East Central Europe. In particular, long run macro and meso developments will be compared to micro-histories that shed new light on the transformation of socialism to capitalism in East Central Europe as analysed in the project "Transformations from Below" conducted by the Institute for East European History at the University of Vienna.

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AGENDA

Thursday, 23 June 2016

- 09:30 – 10:00 Welcome & introduction by **Mario Holzner**, wiiw and **Philipp Ther**, University of Vienna
- 10:00 – 10:30 **Keynote speech:** The Austrian Theory of Development by **Vladimir Gligorov**, wiiw
- 10:30 – 11:45 **Panel 1: Growth spurts**
Industrialization of the Russian Empire in the Nineteenth Century: In a Quest for the Regional Convergence by **Artem Kochnev**, wiiw
Economic Growth in the Habsburg Empire 1870-1910: Convergence, Catching-up, Confusion by **Roman Stöllinger**, wiiw
Introducing Railway Time in the Balkans: Economic effects of railway construction in Southeast Europe and beyond since the early 19th century until present days by **Stefan Jestl, Eduard Alvarez, Mario Holzner and Jordi Marti-Henneberg**, wiiw
- 11:45 – 13:25 Lunch
- 13:25 – 14:40 **Panel 2: Industrialisation and Convergence**
Backwardness, Industrialisation and Economic Development - the Role of the EU by **Amat Adarov, Mario Holzner and Luka Šikić**, wiiw
The Perception of Big Economic Data from below: The case of the Gdynia shipyard since the 1970s by **Piotr Filipkowski**, Universität Wien
Break Points and Convergence Patterns in Yugoslavia and its Successor States by **Ivo Bicanic, Milan Deskar-Škrbić and Jurica Zrnc**, University of Zagreb
- 14:40 – 15:00 Coffee break
- 15:00 – 16:15 **Panel 3: Finance and Development**
The Role of Banks in Economic Development in the Former SFR Yugoslavia by **Predrag Četković**, Vienna University of Economics and Business
From Cinderella to the Tiger Economy: Slovak Economic Policy and Western Financial Institutions 1993-2006 by **Lukas Schweighofer**, Universität Wien
Banking in Central and Eastern Europe 1980-2006 – A Comprehensive Analysis of Banking Sector Transformation by **Stephan Barisitz**, OeNB
- 16:15 – 16:35 Coffee break
- 16:35 – 17:50 **Panel 4: Integration, Disintegration and Transformation**
Economic integration within COMECON and with the Western economies, 1949-1989 by **Sándor Richter**, wiiw
Economic experts and transnational knowhow transfers in the Baltic Republics (1988-91) by **Fredrik Stöcker**, Universität Wien
Integration and Disintegration of the two Yugoslavias (1918-1992) by **Vladimir Gligorov**, wiiw
- 17:50 – 18:10 Wrap-up and discussion of future cooperation prospects
- 19:30 Dinner at the Restaurant 'Fromme Helene', Josefstädter Strasse 15