List of Projects

Michael Landesmann

Research Centre International Economics (Forschungsschwerpunkt Internationale Wirtschaft, FIW)
Federal Ministry of Science, Research and Economy
October 2009 - May 2022

wiw is part of a consortium which is setting up a "Centre of Excellence on International Trade". It provides the appropriate infrastructure and assistance for a research community in international trade. Thus it can achieve a sustainable coordination among different research projects, research institutes and other activities in the broad field of economics of international trade (FIW German abbreviation). This project will also create a network of experts and assure the integration of international projects. The Centre of Excellence fulfils the following tasks: (1) to develop a research programme which assists external political decisions and activities concerning the European Union and other multinational organisations in a sustainable fashion, (2) to provide access to relevant databases in an easy and transparent way, and (3) to encourage and enhance the development of know-how with regard to foreign economic affairs in Austria. This Centre of Excellence will be an important source of information for the research community in Austria, the Austrian government with regard to foreign affairs as well as the social partnership. It collects and increases the knowledge of the given research institutes and provides it to the public in a user-friendly manner.
http://www.fiw.ac.at/

Migration from Africa, Middle East and EU Eastern Partnership countries towards the EU-27: Challenges and prospects ahead
Anniversary Fund of the Oesterreichische Nationalbank
January 2019 - December 2020

At present, in the EU, populist movements have gained momentum. The traditional immigration countries such as the UK and the USA have become more restrictive towards immigration. Political changes in Germany and more recently in Italy are also moving in this direction. Meanwhile outmigration from Africa, Middle East is ongoing and the EU is very likely to continue attracting more migrants from these regions. At the same time EU Eastern Partnership countries, especially Ukrainians are more and more choosing to migrate to the EU, especially to the Visegrad countries. While the EU approach towards immigration from Africa and ME seem to be less favourable, a different attitude - especially among the Visegrad countries - transpires for immigrants from EAP and Russia. Therefore it is essential to analyse, first, potential migration from these regions - expected migration trends – and, second, the role of EU migration polices in shaping future migration patterns from these regions.

MOEL-8: Wie gehen Politik, Wirtschaft und Gesellschaft mit Arbeitskräfteknappheit um?
Austrian Chamber of Labour
January 2020 - September 2020


**Labour markets: demography, migration and skills** *(wiwi Team Leader)*  
*European Commission, DG Economic and Financial Affairs*  
*March 2019 - November 2019*  

This study reviewed labour market developments pre- and post-EU Enlargement in the CESEE countries. The paper analysed some current developments, their impact on labour market developments (such as on wages and wage structures) pre- and post-EU membership and develop scenarios into the future. The implications for macroeconomic developments and catching-up/convergence processes were drawn out.  

This paper was commissioned by the European Commission, DG ECFIN, in the course of a conference and a volume commemorating the 15 years of the 2004 enlargement of the EU.

**Integration of recent refugees and third country nationals into the Austrian labour market** *(wiwi Team Leader)*  
*Anniversary Fund of the Oesterreichische Nationalbank*  
*October 2016 - June 2019*  

The aim of this project was to investigate the opportunities and challenges of integrating refugees and migrants in the Austrian labour market. A particular focus of the analysis was to follow the dynamics of labour market integration, building on a variety of longitudinal databases, including our own survey (FIMAS) covering recent refugees/asylum seekers as well as register-based labour market career data from Statistics Austria. The aim was to follow the experiences of different groups of refugees and migrants coming from different countries of origin with their specific personal characteristics, social contexts and participations in various policy programmes. Analytically, labour market integration was analysed along a number of different dimensions of integration (such as social network formation, cultural integration, integration into the health and other aspects of the welfare system, training and educational integration, etc) to check how these interact to facilitate or hinder labour market integration. An important part of the project addressed the vulnerability of refugees to mental health problems and identified the effect of stressors and resilience factors on their mental health situation. Various state-of-the-art statistical methods were applied to analyse the heterogeneity of experiences, effectiveness of policy programmes and interaction between different dimensions of integration.

**Demographic and economic development in Central and East European countries (CEECs)**  
*City of Vienna*  
*December 2017 - December 2018*  

The influx from Central and East European countries (CEECs) played an important role in the population development of Austria and Vienna between 2000 and 2016. This has also led to a significant change in the employment structure in Vienna, which has partly resulted in the displacement of both domestic and other foreign workers. In this context the study assesses the current and future migration potential to Austria and Vienna from the Central and Eastern European countries and the two Western Balkan countries Bosnia and Herzegovina and Serbia. Economic development in the CEECs has been very positive for some years now and forecasts also point to steady economic growth with significantly higher growth rates than the EU average. In line with this, the labour market situation in these countries generally improved. This and the general demographic developments in the region lead to a general slowdown in mobility flows from CEECs. Nonetheless, demographic developments in the
region and the Western Balkans remain worrying as population is shrinking and the working-age population even more so. Demographic long-term scenarios even suggest that the population in the region will continue to shrink sharply in the coming decades. Summarising, these developments point towards a flattening of trends, if not a weakening of existing mobility flows to Austria and Vienna in the medium term. Finally, there are no indications that the patterns of mobility flows to Austrian regions (i.e. with respect to individual provinces) will shift significantly.

**Studies in the Areas of European Competitiveness**
*European Commission, DG Growth*  
*August 2014 - July 2018*

The purpose of this framework contract is to provide the European Commission, DG Enterprise and Industry, with background studies concerning the competitiveness of European industries. These background studies are mainly used for the preparation of the Commission’s European Competitiveness Report which is published annually in order to provide analytical input to the policy debate on issues related to competitiveness and to underpin proposals and recommendations regarding the Europe 2020 strategy and future enterprise policy.

**Migration and Globalisation - Impacts and Interaction** *(wiiw Team Leader)*  
*Anniversary Fund of the Oesterreichische Nationalbank*  
*March 2016 - March 2018*

This project contributes to the current debate on the effects of immigration by considering how migration impacts upon and interacts with other forces of globalisation. The project will largely focus on the EU-27 countries, examining the impact of intra-EU and extra-EU migration flows on trade, FDI and off-shoring. The project will focus on four major issues, namely: (i) the impact of immigration on (North-South) FDI flows; (ii) the relationship between migration and services trade flows; (iii) the interactions between migration, trade and FDI flows; (iv) migration and offshoring and their impact upon labour markets and inequality in EU economies.

**Tradability of Output and the Current Account in Europe**  
*Anniversary Fund of the Oesterreichische Nationalbank*  
*July 2015 - December 2016*

One aspect in the debate about current account imbalances in Europe is the consequence of ‘de-industrialisation’ observable in several European countries. This project highlights the role of tradability of output as a key determinant of the current account balance. The relationship between a country’s specialisation in the production of tradables will be investigated empirically for 46 European countries over the period 1995-2014. To this end a tradability index is developed which can be understood as a country’s expected degree of openness given its economic structure. The tradability hypothesis to be tested in this project suggests that countries specialising in the production of relatively more tradable output have a tendency to run current account surpluses. It is shown that this relationship is also predicted by intertemporal models of the current account. The tradability hypothesis is tested using both panel regressions and cross-country regression techniques.

**Innovation in the CESEE region: from pre-crisis credit boom to the effects of the financial crisis**  
*Anniversary Fund of the Oesterreichische Nationalbank*  
*July 2014 - December 2015*

In Europe’s Emerging Market Economies a change in the underlying growth and catching-up model of the last decades is becoming apparent. The proposed study was one of very few studies on developing and emerging economies in Central, East and Southeast Europe (CESEE) focusing on innovation activity in this region. It analysed drivers and effects of innovative activities at the firm level for a comprehensive set of countries in the CESEE region. The study looks at three phases of economic and financial development, namely ‘financial normalcy’ (2000-04), the emergence of the credit and housing ‘bubble’ (2004-08) and the ‘crisis’ (from 2008 onwards) and at two innovation strategies (make and buy) and analyses the role of (i) credit constraints as an impediment to innovation activities and success, of (ii) foreign-controlled enterprises and their potentially superior innovation and firm performance and of (iii) the strategic choice of R&D cooperation partners for innovation success.

**How to Stabilize the Economy of Ukraine and Put it on a Sustainable Growth Trajectory**  
*United Europe e.V.*  
*December 2014 - June 2015*

On behalf of United Europe and Bertelsmann Stiftung, wiiw explored the possible ways how to stabilise the
Ukrainian economy and analysed the economic effects of the Russia-Ukraine conflict. To that end, wiw analysed the macroeconomic developments, foreign trade and FDI relations, as well as industrial and regional patterns. The study was presented jointly with the clients, representatives of the EU Commission (Commissioner J. Hahn) and of the Ukrainian parliament in the framework of a Policy Dialogue in Brussels. A similar presentation in Kyiv also generated considerable attention among international as well as Ukrainian media and policy-makers. The study was furthermore supported by the Austrian Central Bank (OeNB), Bertelsmann Stiftung, DER-think tank, ING Bank NV, Porsche Holding Gesellschaft m.b.H and Raiffeisen Bank International AG.

Recent patterns of labour mobility in the European Union
Anniversary Fund of the Oesterreichische Nationalbank
July 2013 - March 2015

In the EU the level of labour mobility is comparably low, but rising due to intensified labour market flexibility and increasing migration flows. The project analysed changing patterns of labour mobility in a detailed manner in the countries, regions and economic sectors of the EU by applying a descriptive and an econometric approach. A specific focus was put on whether international migrants respond more flexibly to labour market demands. Moreover, the effects of external shocks during the financial and economic crisis on the scale and structure of labour mobility was analysed. The project drew on two micro-datasets: the EU labour force survey for performing a worker flow analysis and the MICRO-DYN database, which provides data based on EU-wide firm-level data to perform a job flow analysis. In the econometric approach we applied regional, country, sectoral and workers characteristics to detect the reasons for differences in the European wide map of labour mobility.

Competitiveness of the European Economy (wiw Team Leader)
European Investment Bank (EIB)
June 2014 - February 2015

The objective of this study was to provide a snapshot of current competitiveness of the EU and its member economies, as well as the evolution of their competitiveness over time. Competitiveness comparisons with the US, Japan, China and other emerging market economies are of interest. To the extent possible, services as well as manufacturing were discussed. The empirical relationship between international trade, competitiveness and productivity was described. If suitable and useful, EU economies with similar traits were grouped or clustered, thereby facilitating the discussion.

Increasing competitiveness in the Western Balkans region - opportunities and limits
German Federal Ministry of Finance
July 2013 - January 2015

This study was written in German, original title: 'Steigerung der Wettbewerbsfähigkeit in der Westbalkanregion - Möglichkeiten und Grenzen'. The European Union as well as international and bilateral players increasingly consider higher competitiveness as a key factor for economic development in the Western Balkans region that is to be more and more autonomous and resilient in the long term. Against this background, the project aims to identify the potential for (further) structural reforms and their implementation and efficient realisation, as well as the potential for growth and strategies to exploit it. The project is carried out in cooperation with the Halle Institute for Economic Research.

International conference 'The 2004 EU Enlargement – Ten Years After: Achievements and Next Steps'
Austrian Ministry of Finance
June 2014 - June 2014

The conference celebrated the 10th anniversary of the accession of ten Central, Eastern and Southeastern European countries to the European Union. It reflected on achievements and lessons learned and discussed possible future political and economic developments in Europe.

Temporary migration, integration and the role of policies (TEMPO) (wiw Team Leader)
New Opportunities for Research Funding Agency Cooperation in Europe (NORFACE)
November 2009 - November 2013

The main goal of TEMPO is to extend the frontier of knowledge on temporary and return migration along several directions. First of all, using an array of existing and new datasets, it looks at the causes and consequences of temporary migration, considering both the perspective of the source and the destination country. Second, it studies
the patterns of integration of economic and non-economic migrants, and how they relate to the time dimension of the migration decision. Particular attention is paid to the role played by the diffusion of information within immigrant networks. Finally, the project looks at the process through which policies towards temporary and return migration are formed, and analyses their welfare effects both on the destination and the source countries. wiwi is one of 12 partners on the TEMPO research project, which is funded under the Norface Migration Research Programme.

http://www.norface.org/migration6.html

Harvard Conference "Europe in a post-crisis world" (wiwi Team Leader)
Schumpeter Gesellschaft
October 2013 - November 2013
The Vienna Institute for International Economic Studies (wiwi) was co-organiser of the conference “Europe in a post-crisis world” which has taken place at the Minda de Gunzburg Center for European Studies of Harvard University. The conference consisted of four sessions: 1) Political ramifications of the EU crisis; 2) Longer-term consequences of the crisis for the EU; 3) Consequences for Europe’s periphery and the European neighbourhood; 4) Europe’s position in the global economy - longer-term scenarios. Conference speakers included prominent economists and political scientists from Europe and the US (amongst others Larry Summers, Barry Eichengreen, Jeffrey Frankel, Andre Sapir, Loukas Tsoukalas, Peter Hall, Bart van Ark, Romano Prodi). The program has been put together by Prof. Jeffrey Frieden (Harvard) and Prof. Michael Landesmann (wiwi). The conference was funded by the Schumpeter Society and was organized in cooperation with the Minda de Gunzburg Center for European Studies of Harvard University and the Program on Transatlantic Relations at the Weatherhead Center for International Affairs of Harvard University.

Study on structural change (Competitiveness Report 2013)
European Commission, DG Enterprise and Industry
November 2012 - June 2013
This study serves as a background report for the yearly Competitiveness Report of the EC. It illustrates and analyses the broad trends in the relative weight of quite highly aggregated sectors within market activities. It provides an overview as well as an explanation of the broad patterns and trends of structural change for the EU-27 member states. Based on empirical evidence, economic consequences of the observed patterns of structural change will be examined with special attention to the implications of emerging middle-income growth traps. The results will include policy conclusions and provide evidence on the stylised facts of structural change in Europe, the importance of structural change for aggregate growth and the relevance of basic economic mechanisms at work. Furthermore, it will highlight the importance of manufacturing relative to other sectors, which is not sufficiently captured merely by the percentage of the workforce it uses. wiwi is partner in a consortium lead by The Nordic Institute for Studies in Innovation, Research and Education (NIFU).

A manufacturing imperative in the EU - Europe's position in global manufacturing and the role of industrial policy (Competitiveness Report 2013)
European Commission, DG Enterprise and Industry
November 2012 - June 2013
This study served as a background report for the annual European Competitiveness Report of the European Commission (DG ENTR). The objective was (i) to detect the structural changes that have occurred in the European economy in order to identify the major challenges that lie ahead European manufacturing and (ii) to analyse and evaluate past and current approaches to industrial policies (and instruments) at the European and the EU Member State level. Based on the structural challenges for the EU economy and experiences with industrial policies the study formulated suggestions for potential elements of a renewed European industrial policy. The policy conclusions took into account the interaction of industrial policy with related policies such as competition rules, innovation policies and trade policies. The study contains both qualitative and quantitative analyses, including cluster analysis and various econometric techniques and made use of numerous data sources such as the World Input-Output Database (WIOD), OECD ANBERD, Eurostat, European Commission State Aid Scoreboard database and the Community Innovation Survey (CIS).

Crisis effects: growth prospect, social impact and policy responses in SEE and CIS
Oesterreichische Nationalbank/Austrian Ministry of Finance
July 2011 - June 2013
The main objective of the project is to establish economic research capacities throughout Southeast Europe (SEE) and the Commonwealth of Independent States (CIS), to promote knowledge transfer into the regions, to facilitate networking between researchers and to assist in securing knowledge transfer from researchers to policy makers. Activities to achieve this include research calls, mentoring, workshops, conferences and policy dialogues. The project is structured into bi-annual research cycles focusing on a specific research theme of particular importance. During this phase, research aims at analysing whether the international crisis shock introduces structural breaks in the distribution of income and other welfare dimensions, conditional on the change in the potential speed of growth, the quality of development, and the induced or adopted policy changes in SEE and CIS. The project is part of the Global Development Network (GDN), a multilateral organisation founded by the World Bank in which wiiw acts as a hub for SEE.

**Migration patterns of Serbian immigrants in Austria: causes and consequences** *(wiiw Team Leader)*  
*Anniversary Fund of the Oesterreichische Nationalbank*  
*January 2011 - April 2013*  

The main objective of this project is to investigate empirical evidence of migration behaviour of migrants from former Yugoslavia, especially from Serbia, after the introduction of the new visa regime starting with 2010. The focus is on the analysis of the phenomenon of temporary migration and its impact on integration and the building of human capital on the labour market.

**The world and Europe in 2030 (AUGUR)** *(wiiw Team Leader)*  
*European Commission, 7th Framework Programme*  
*October 2009 - January 2013*  

The challenge of this project was to capture, within a set of scenarios, the characteristics and implications of a variety of patterns that may occur in 2030 in all domains, be it political, economic, social, environmental or technological in Europe and in the world. The project attempted to take stock of medium to long-term trends identified in demography, environmental changes as well as to feature some of the effects of likely changes in technology and behaviours, but it also took into account important institutional transformations. wiiw was one of seven project partners and acted as the leader of a work-package on the effects if innovation and technology diffusion on growth. wiiw contributed to the elaboration of policy scenarios for EU policy makers, designed to deal with the different economic trajectories. In particular, wiiw contributed papers on foreign direct investment, intellectual property rights, trade specialisation, trade in services and macroeconomic issues.  
[http://www.augurproject.eu](http://www.augurproject.eu)

**Sustainable industrial development: structural change and employment generation (UNIDO Industrial Development Report 2013)** *(wiiw Team Leader)*  
*UNIDO*  
*November 2012 - December 2012*  

The study served as a background report for UNIDO’s Industrial Development Report 2013. The aim was to analyse the relation between sustainable industrialisation and creating new employment. The study focused particularly on the role of the industrial sector for the development of employment.

**Study on macroeconomic developments and policies in Europe since 2008: new divides in Europe** *(wiiw Team Leader)*  
*International Labour Organisation*  
*June 2012 - September 2012*  

The performance across regions in the EU and Europe in general has differed and will differ significantly. They will all, however, be constrained by the common EU economic policy framework which is emerging as a response to the crisis. The study is a critical assessment of the macroeconomic situation and trends. It analyses reasons for diverse economic trends within the region, reviews economic policies adopted in response to the crisis, and gives policy recommendations for macroeconomic policy promoting sustainable economic development and job creation in the region.

**Globalization, Investment, and Services Trade - GIST**  
*European Commission, 7th Framework Programme*  
*September 2008 - August 2012*
This research network was focused on international trade and foreign direct investment (FDI) in the service sectors and aimed at integrating researchers within the network with the policy community (World Bank, WTO, Government ministries). The focus of research in the network was: (i) Theory of cross-border trade and FDI, (ii) Trade, regulatory interaction, and the political economy of integration, and (iii) Empirics of trade and FDI interactions. The project was undertaken under the premise that services were of great interest and importance to both policy-makers and businesses in Europe, and were a major factor in maintaining European growth and competitiveness over the coming decades. The network was coordinated by Joseph F. Francois (University of Linz, Austria and wiwi).

http://gist.cepr.org/

**Bulgaria: fiscal space, competitiveness and incomes policy** *(wiwi Team Leader)*

*International Labour Organisation*

*September 2011 - January 2012*

Wiwi produced a study for the International Labour Organisation (ILO) concerning macroeconomic and structural policies for Bulgaria. The paper focused on the economic growth model pursued in Bulgaria over the last decade and in particular changes that are required to this model given the expected external and internal environment and shortcomings with past policies. The paper includes a comparative analysis with other Central and East European countries where appropriate.

**The Competitiveness of firms, regions and industry in the knowledge-based economy: What room for job-rich growth in Europe?** *(MICRO-DYN) (wiwi Team Leader)*

*European Commission, 6th Framework Programme*

*October 2006 - January 2011*

MICRO-DYN dealt with growth, employment and competitiveness in the knowledge-based European economy through a micro-founded firm-based approach. The nature of the analysis was ‘bottom-up’ i.e. moving from the micro-entities of economic actions and strategies at the enterprise level to sectoral, regional, national and European levels. The rationale for such an approach was that understanding the microeconomic foundations of innovation, competitiveness and growth at the firm level, as well as the firms interactions with the labour market, is key to understanding the nature of these phenomena at a more aggregated (regional, sectoral or macro) level and of the resulting aggregate economic performance. The analysis used as far as possible comprehensive data-sets across all European regions and industries. Wiwi co-ordinated a consortium of 17 research institutions.


**Inequality and fiscal policy in transition countries**

*Oesterreichische Nationalbank/Austrian Ministry of Finance*

*January 2009 - December 2010*

The main objective of the project is to establish economic research capacities throughout Southeast Europe (SEE) and the Commonwealth of Independent States (CIS), to promote knowledge transfer into the regions, to facilitate networking between researchers and to assist in securing knowledge transfer from researchers to policy makers. Activities to achieve this include research calls, mentoring, workshops, conferences and policy dialogues. The project is structured into bi-annual research cycles focusing on a specific research theme of particular importance. During this phase, research dealt with inequality and fiscal policy in transition countries of Southeast Europe (SEE) and the Commonwealth of Independent States (CIS). Research aimed to analyse issues of income and other distributions (e.g., wealth, wage, skills, opportunities) in transition countries with special interest in the role of market liberalisation and fiscal redistribution. The project is part of the Global Development Network (GDN), a multilateral organisation founded by the World Bank in which Wiwi acts as a hub for SEE.

**Central-Eastern Europe and the economic crisis. Policy lessons learnt** *(wiwi Team Leader)*

*Austrian Ministry of Finance*

*July 2009 - March 2010*

The objective of the project was to write a policy paper on "Central-Eastern Europe and the Economic Crisis. Policy Lessons Learnt" and present the paper in a workshop with European and local policy makers. The paper was jointly written by experts from Breugel and Wiwi as well as experts from the region.

**Ex-post evaluation of cohesion policy programmes 2000-2006; Work Package 1: Coordination, analysis and synthesis**
This Work Package aims to assess the macroeconomic background for cohesion policy in the period 2000-2006 and the quality of strategies, to assemble other information facilitating the implementation of later work packages and synthesise the results of all 11 other work packages. In addition, the project consortium will support the Commission in certain management tasks of the overall evaluation.