



**A Top Place
to Study Economics**

Technical University of Ostrava
Faculty of Economics
Sokolská třída 33, 701 21 Ostrava
Czech Republic
<http://en.ekf.vsb.cz/>



Some notes on (post)industrial cities in Central Europe

Jan Sucháček

The development prospects of industrial cities in Central Europe

Győr 5/2014

Department of
Regional and
Environmental
Economics



1. Introduction



Neglected regional dimension of transformation in Central East Europe

Unprecedented process

History matters

One size does not fit all

Table 1: Typology of Central East European regions under transformation.

| | | Post-socialist transformation | |
|--|----------------------|---|--|
| | | <i>Positive</i> | <i>Negative</i> |
| Position of the region in the former socialist economy | <i>Good position</i> | Positive continuity <i>(e.g. large urban agglomerations)</i> | Negative discontinuity <i>(e.g. old industrial regions)</i> |
| | <i>Poor position</i> | Positive discontinuity <i>(e.g. western regions)</i> | Negative continuity <i>(e.g. eastern regions)</i> |

Source: Gorzelak (1998)

2. What Cities?



Industrial monoculture

Dominance of large enterprises

Polluted environment

Specific informal institutions

3. What Indicators?



We measure primarily effects but not the causes of individual processes (GDP per capita, unemployment rate, demographic characteristics etc.).

To what degree are used data reliable and comparable.

Statistics!

4. Limitations

Peculiar global-local amalgam.

Mostly private sector, omission of public sector.

Neo-endogenous stream but manoeuvring space of local/regional actors very often an insufficient one (territorial administration).

*Political – Economic
Mainstream (political plurality,
market economy)*

*Marxist-Socialist Stream
(political totality, central
planning)*

Neoclassical/liberal
paradigm
(endogenous
development, non-
interventionism)

Keynesian paradigm
(exogenous
development,
interventionism)

Modern paradigm
(neo-endogenous
development,
formation of frame
conditions)

Marxist/socialist
paradigm (central
planning, extreme
interventionism)

Inherited distorted
system
macrostructures in
transitional
economies

*Discordance
between
paradigm and
structures*



5. Recommendations



Role of territorial administration should be augmented (concerns mainly the relations between state governments and self-governments).

Public sector (beware of passive behaviour)!

Combination of endogenous and exogenous approaches to territorial development.

6. Recommendations



Support of institutional thickness.

Win-win situations, appropriate best practices.

Soft measures of territorial development should accompany traditional ones (territorial marketing, identity etc.)

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Thank you for your attention!

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