

Minutes of the COMPPRESS Workshop

Ljubljana, 4-5 June 2004

Program of the workshop

Friday 4 June

- 12:30 – 13:00 Arrival at the venue
(Institute for Economic Research (IER), Kardeljeva ploščad 17, same building as the Faculty of Economics, but different entry)
- 13:00 – 14:00 Lunch at the Faculty of Economics
- 14:15 – 15:15 Holger Görg and Alexander Hijzen (WP2): "Multinationals and productivity spillovers"
- 15:30 – 16:30 Istvan Janos Toth (WP2): "Technological spillovers in Hungarian manufacturing. Evidence from a firm level survey."
- 16:45 – 17:45 László Halpern and Balázs Muraközy (WP2): "Does Distance Matter in Spillover?"

Saturday 5 June

- 9:00 – 10:00 Rumen Dobrinsky, Nikolay Markov and Nasko Dochev (WP1): "Price markups and returns to scale in Bulgarian manufacturing"
- 10:00 – 11:00 Joze P. Damijan, Crt Kostevc and Jozef Konings (WP1/WP2): "Impact of Trade Liberalization on Firm Price-Cost Margin and Productivity Improvements: Firm Level Evidence from Slovenia"
- 11:15 – 12:15 Gábor Kőrösi (WP3): "Competitive pressure on the transitional labour market: Hungarian evidence"
- 14:00 – 17:00 Plans, Cooperation, Dissemination by workpackages

Workpackage 1

Deliverables planned for 2004:

10. Papers on competition in imperfect markets and on the institutional framework of competition policy (initially scheduled for April 2004)

16. Papers on enterprise adjustment in imperfect markets (scheduled for October 2004)

In view of the delay already incurred in the implementation of the workprogram, both deliverables will now be targeted for completion for the annual reporting on the project: October 2004. There was a short discussion related to the expected content of these papers and the necessary work for their completion.

Deliverable 10 will be mostly based on the research on markup pricing carried out by IEHAS and CESR. In the remaining time the two institutes will work in close contact and communication, with the aim of applying the same methodology on data for BG and HU, in order to produce comparable results for the two countries, and, accordingly – a comparative paper. The coordinator will also contact RCEM to find out if comparable results could be produced on Romanian data. One open issue is the aspect related to the institutional framework of competition policy. Initially it had been envisaged that a methodological paper on the motivation and behaviour of institutional agents would have already been produced by

this time. The Project coordinator and the coordinator of WP1 will now discuss how to proceed with the finalization of Deliverable 10 given the delay in producing such a paper.

Regarding Deliverable 16, it was proposed that the research on this topic be based on the methodological framework of production functions and/or frontiers. Such an approach will allow to achieve comparability and, to some extent, integration of research and results with the research envisaged within WP2. The coordinator of WP1 will prepare and circulate to the participating project members (in late June - early July) detailed proposals and guidelines regarding the finalization of the work related to Deliverable 16.

Deliverables planned for early 2005:

19. Papers on the behaviour of institutional agents in response to competitive pressure and on firm-level responses to institutional intervention (scheduled for March 2004). Work on this topic should get started later in the year so that we could report some results at the workshop in Brussels in March 2005. The coordinator of WP1 will prepare and circulate to the participating project members proposals and guidelines regarding the work related to this Deliverable. Later in the year (subject to his own time constraints), Donato de Rosa may also contribute to the discussion on how to incorporate the institutional aspect in firm-level empirical research.

Workpackage 2

Holger Görg reported that work on WP2 was going according to plan. The next deliverable to be produced is 11 "Completion of dataset". While, given the regulations of use of micro level datasets in the project, the assembly of one common dataset is not feasible, it was agreed that UNOTT will compile a description of all data sets available based on the questionnaire that was sent out by UNOTT. László Halpern agreed to liase with RCEM to urge them to complete the questionnaire. (NOTE: While RCEM is not formally part of WP2 it is judged to be worthwhile to include them for the econometric analysis of spillovers.)

UNOTT will then liase with partners with a view to preparing deliverable 21 "Completion of econometric analysis". UNOTT will provide partners with a proposal for econometric specifications to be estimated by all partners on their respective data sets. UNOTT will invite feedback before agreeing on a final specification.

László Halpern pointed out that it may be interesting to think of an econometric approach to analyse the detailed survey data collected by István J. Tóth for Hungary. Görg and Tóth will liase on this issue.

Workpackage 3

The first draft of Deliverable 12 was presented at the workshop with the application to the Hungarian case. Partners RCEM and CESR will have to follow and complete the methods in order to provide the necessary inputs for Deliverable 17. (It is hoped that the last minute cancellation of the Romanian partner will not have any negative impact.)

July 6, 2004

L Halpern