



## **Sustainable Development in a Diverse World (SUS.DIV)**

### **STRATEGIC PAPER OF RESEARCH TASK 3.1**

#### **“Diversity and the creative capacity of cities and regions”**

## **Future Research Activities and JPA for the next 18 months**

### **Participants**

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## **Future Research Activities**

The aim of the Research Task 3.1 is to analyse whether, why, and how diversity can lead to higher innovation and, more broadly, knowledge creation.

Diversity is a multi-faceted issue and the achievement of a thorough understanding of its role and effects would require contributions from various social sciences. In this research project we will be mainly concerned with the study of diversity from the economic point of view. Specifically, we will restrict ourselves to the study of the direct economic consequences of diversity, leaving aside those by-products, often identified as indirect effects, associated with civil wars, revolution, crime etc. Moreover, we are interested in observing the dynamics of diversity within dense environment, such as cities and regions. To this purpose, we will propose an empirical analysis with a special focus on Europe.

## **Participants**

The institutions below will work together for future research activities:

Centro Luca d' Agliano, Italy (LdA)

Fondazione Eni Enrico Mattei, Italy (FEEM)

Hamburg Institute of International Economics, Germany (HWWA)

Institute of Economics at the Bulgarian Academy of Sciences, Bulgaria (IE BAS)

National and Kapodistrian University of Athens, Greece (KNUA-SARG)

Università Politecnica delle Marche, Ancona, Italy (UvivPM-DSS)

## **Objectives**

- To define and measure diversity.
- To study the impact of diversity on productivity, innovation and growth.
- To study the complementarities between migration flows and foreign direct investment
- To study the role of absorption, assimilation and integration in determining the impact of different migrant groups on receiving economies.

## **Description of work**

The work will be realized in four main steps. First, a database on European regions will be constructed. Second, the pros and cons of different measures of diversity will be discussed in terms of their ability to capture relevant features of diversity and their feasibility given the constructed database. Third, the impact of diversity on productivity, innovation and growth will be investigated across European regions through econometric estimation. Productivity effects will be disentangled from pure amenity effects. Special attention will be devoted to immigration as the main driver of regional diversity. Fourth, the econometric investigation will be supplemented by in-depth case studies of key migration events to investigate the role of assimilation and integration of newcomers. Given its persistent role among European countries in receiving relatively large and varied inflows of immigrants, the target country will be Germany. The details of the research lines are given below.

### *Research Lines:*

- Database of European regions (NUTS3)
  - Austria
  - Belgium
  - Denmark
  - France
  - Germany
  - Ireland
  - Italy
  - Netherlands
  - Portugal
  - Spain
  - Sweden
  - United Kingdom
- Measures of diversity
  - Bio-environmental indices
  - Socio-economic indices
- Econometrics of diversity
  - Productivity and wages
  - Innovation and growth
  - Migration and foreign direct investment (FDI)
- Case studies on migration and assimilation (Germany)

- Italians
- Greeks
- Turks
- Bulgarians
- Policy implications
  - European level
  - National level
  - Regional level

### *Methodology*

- Diversity measures  
Comparative analysis of the main indicators of diversity developed in natural and social sciences
- Econometric analysis  
Cross-section and panel data techniques
- Case studies  
Whenever possible, common criteria, indicators and layout

### *Levels:*

The planned researches will enable to evaluate the key impacts of diversity on productivity, innovation and growth at different levels from the regional level to global level.

- Regional level (NUTS3)
- National level (Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Netherlands, Portugal, Spain, Sweden, United Kingdom)
- European level (Europe)
- Global level (Europe and the US)

## **Deliverables**

### Econometric papers:

D.1: Research paper on diversity measures (FEEM)

D.2: Research paper on diversity and productivity across European regions (FEEM, KNUA-SARG, HWWA)

D.3: Research paper on the complementarities between migration flows and foreign direct investment (LDA, FEEM)

### Case studies:

D.4: Research paper on Italian migration (UPA)

- D.5: Research paper on Greek migration (KNUA-SARG)
- D.6: Research paper on Turkish migration (KNUA-SARG)
- D.7: Research paper on Bulgarian migration (IE BAS)
- D.7: Comparative paper on migrant assimilation in Germany (HWWA, KNUA-SARG, UPA, IE BAS)

## **Publications**

The results of the both econometric and case studies will be presented and discussed at several international conferences. They will be submitted to international journals for publication.