

and practices had short term or medium term impact and that their sustainability was conditioned by the role of the public government at the local level.

### **Political Economy of City Regionalism: Class Interest as “General Interest” in the Adoption of City Regionalist Accumulation Strategy in Finland**

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In this study, we examine city-regionalism as a state’s selective territorial strategy through which central government seeks to strengthen the state’s position in the global economic competition. We conceptualize city-regionalism as an economic geographical imaginary which relies on a particular kind of economic reasoning as well as on the politics of depoliticisation, not least in terms of the purported national “general interest”. In this paper we seek to conduct a classical exercise in political economy by asking, in whose benefit this state’s territorial strategy is formulated. Our initial suggestion is that this policy serves the general notion of economic growth as advertised, but in a particular way which serves above all the interests of certain fractions of capital investing in Helsinki and also to two or three other more significant city-regions. Our first task is to identify these beneficiaries. Our other question is, how this policy can be introduced as general interest, and why quite many people are ready to accept this formulation, even if at the same time it is clear that it does not serve the interests of lesser city regions, let alone more peripheral rural areas.

### **Medium-sized Manufacturing Enterprises in Peripheral Economies: Insights from the Hungarian “Mittelstand”**

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In recent years, both theory and policy have expressed an interest in the regional development role of medium-sized domestic manufacturing firms. Drawing from lessons found in the “Mittelstand”, a stratum of mid-sized, often family-owned firms in German-speaking countries with a distinct development model and geographic identity, the applicability and adaptability (viability) of the concept has been scrutinised across Europe and beyond.

This contribution seeks to investigate the development role and challenges of medium-sized manufacturing firms in a peripheral, FDI-dominated economy. Hungary’s economic transformation has been underpinned by a strong reliance on foreign investment, a path resulting in a distinct variety of capitalism identified as a “dependent market economy”. The weakness of domestic entrepreneurship has received relatively little scrutiny in either theory or development practice, and even less attention has been levied on the mid-sized firms which have emerged and found success even in peripheral contexts.

Four industrial regions in Hungary were investigated: a successful gateway region strongly integrated into international production networks; a de-industrialising peripheral region whose firms nevertheless show the greatest similarity to the German Mittelstand model; a mid-sized town diversifying from previously predominant steelmaking traditions; and a re-industrialising region experiencing a boom of external investments along with a traditional, growing endogenous SME sector. Building on statistical analysis and structured interviews with entrepreneurs and local development experts, the author aims to identify how entrepreneurship develops under different

regional contexts, and how variable degrees of a peripheral status impact the strategies, innovative behaviour and development role of local entrepreneurs.

### **Nordic View on the Role of Public Actors in Smart Specialisation Process**

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Smart specialisation strategies (S3) are spreading all over Europe, as regions aim to finish their strategies and implement them into practice. This process for finding the local strengths is called entrepreneurial discovery process (EDP) (Foray 2015) and we have already seen good cases concerning the implementation of S3 (Mäenpää & Teräs, forthcoming). However, the role of public actors in the process has not been perhaps clarified enough.

From theoretical context the role of the public actors is interesting in smart specialisation setting. One of the central theories behind S3 is triple helix theory (by Etzkowitz & Leydesdorff 2000), which highlights the cooperation of different regional actors (public organisations, companies and universities) but especially advocates for universities as innovation agents, as their research links the region to global research networks and thus forms a “beacon” for knowledge transformation. In EDP this triple helix cooperation transforms into inclusive and evidence-based specialisation for the region.

However, at the same time, EDP itself promotes the role of companies for spotting the global markets. Whereas universities and companies practically need to innovate in order to exist, public actors have been previously unaffected by major innovation incentives (Lundström & Mäenpää 2017) and are not necessary accustomed to innovation activities. S3 has changed this on a European level and now public actors have to enter the spotlight. The aim is to discover (by examining Nordic cases) what this new role means for public actors and how could they utilize their new role for regional gain.

### **Simulation of Dynamics of Urban Retailers' Freight Provision through an Agent-Based Model: The Case of Turin**

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The paper provides an empirical analysis of urban freight transport in the city center of Turin through the use of Agent-based Modelling. The aim is to explore to what extent the policies fostered by Turin's municipality within the European project NOVELOG (New Cooperative Business Models and Guidance for Sustainable City Logistics) could trigger more ecological behaviors in retailers during the provision's process. The model is based on the idea that ecological behavior depends both on economic and social features, such as imitative component and service's quality perceived and individual environmental sensitivity. The agents are informed through real data provided by the City of Turin. Different kinds of scenarios are provided, in order to simulate the provision's process in current situation, without policies and in presence of alternative policies. Price-based policy simulates the effect of an hypothetical monetary incentive, while motivation policy would exploit the strong network effect in order to spread across all the agents. The results show that the policies improve the timing of the diffusion of virtuous behaviors, reducing the total production of pollutant emissions. The effects of high monetary incentives or the combination of price and motivation policy are strong.