

Senior and junior supervisor research topic application for the IPhD Programme in Regional Development, 2023-24 year

Name/position of the senior supervisor: Prof. Dr. Zoltán Gál
Highest academic degree: PhD.

Title of the suggested research topic: Regional Analysis of financial markets from a global-local perspective

The international relevance, importance, and timeliness of the research topic:

The research area applies a regional-spatial economic approach to finance, embedded in the framework of financial globalisation. While finance is undoubtedly one of the most globalised and interconnected markets in the world, its operations and outcomes continue to show enormous geographical diversity. The aim is to present the spatial dimensions of financial markets through the main segments, institutions and operations of financial markets, and to assess the impact of the financial sector on territorial development. The research will cover the localisation strategies of financial market actors and the effects of financial digitalisation, and will present the spatial economic methods that can be used to determine the spatial distribution of financial market actors and the direction, distribution and development role of international capital flows. It assesses the role of financial institutions and other financial actors in the local and national economy. It will address the financial ecosystem of economic development programmes in developing countries (aid, micro-credit programmes) and the challenges of financial digitalisation. The FinTech ecosystem and sustainable finance (ESG, green finance and climate finance and asset classes) are key drivers of the current transformation of the financial sector. The institutionalization of this research direction is not only reflected in the journals, monographs and handbooks on the topic, but also in the Global Network of Financial Geography (FinGeo), an interdisciplinary network of professionals interested in the spatiality of finance and financial markets, established in 2015, of which I am a founding member and regional ambassador (<https://www.fingeo.net/our-mission/>)

Which UP-FBE research could the PhD candidate join?

ESG research group (PSZI)
Fintech research group (PSZI)

Possible research directions:

- the analysis of international capital flows
- the growth and spatial differentiation effects of foreign direct investment (FDI)
- the development and functions of financial centres
- the role of banks and credit institutions in local/national economic development
- the development of financial services value chains in emerging countries
- analysis of the impact of financial crises and spatial dimensions of their propagation
- Development finance: aid, development finance (micro-credit)
- the digitalisation of financial institutions and processes and changes in markets (Fintech challenges, electronic payment systems, digital central bank money).
- Sustainable finance and ESG research

The supervisor's expertise and experience in the research field

- I defended my PhD dissertation on this topic in 1998 (The role of the Hungarian banking network in urban development at the turn of the century (1910).
- Two monographs and several scientific publications have been published on the subject.
 - Z. Gál 2010. The financial crisis in the global financial markets. 780 p. (Finance and Accounting Library) (ISBN:978-963-05-8820-1).
 - Z. Gál: The Golden Age of Local Banking - The Hungarian Banking Network in the Early 20th Century. Budapest: Gondolat Kiadó, 2010. 202 p. (Doctoral Master Theses) (ISBN:978-963-693-035-6)
- Since 2018, I have been publishing on the topic of FDI (published in *Közgazdasági Szemle, Tér és Társadalom*, Manuscript under review in EGE Q1)
- Participation in the EU FP7 R&D Framework Programme 2012-2015: the RASTANEWS (Macro-Risk Assessment and Stabilization Policies with New Early Warning Signals in the Eurozone) macroeconomic and monetary policy project (consortium of 14 European universities, participating researchers).
- Between 2010 and 2012, advisor to the National Association of Cooperative Savings, Banks, expert on cooperative banking reform
- Member of the Fintech Section of the Hungarian Economic Society
- Founding member of the Global Network of Financial Geography (FinGeo, est. Oxford 2015) Regional Ambassador

The most important publications in the research field over the last five years

Published:

- Balogh, Péter; Gál, Zoltán; Hajdú, Zoltán; Rácz, Szilárd; Scott, James W. On the (geo)political salience of geographical imaginations: a central European perspective *EURASIAN GEOGRAPHY AND ECONOMICS* 63 : 6pp. 691-703. , 13 p. (2022)
- Gál Z , Lux G (2022) *FDI-based regional development in Central and Eastern Europe: A review and an agenda. Tér és Társadalom*, Volume 36, pp 68-98; <https://doi.org/10.17649/tet.36.3.3439>
- Gál, Z. and Singh, D. (2023) 'Impact of FDI on economic growth, re-industrialisation and regional disparities in emerging Europe – the case of the Hungarian regions', *Int. J. Business Excellence*, DOI: [10.1504/IJBEX.2021.10041944](https://doi.org/10.1504/IJBEX.2021.10041944)
- Gál, Zoltán; Marciniak, Robert (2021) Budapest – the development and specific features of outsourcing, offshoring, and the global business services sector In: Mamica, Łukasz (eds.) *Outsourcing in European Emerging Economies: territorial embeddedness and global business services* Abingdon-on-Thames, United Kingdom / England, New York City, United States of America : **Routledge Publishing**(2021)240 p.pp. 98-113. , 16 p.
- Gál Z. 2019: Az FDI szerepe a gazdasági növekedés és a beruházások területi differenciálódásában Magyarországon. *KÖZGAZDASÁGI SZEMLE* 66 : 6 pp. 653-686. , 34 p.
- Magdolna Sass, Zoltán Gál & Juhász B. (2018) The impact of FDI on host countries: the analysis of selected service industries in the Visegrad countries, *Post-Communist Economies*, 30:5, 652-674, DOI: [10.1080/14631377.2018.1445332](https://doi.org/10.1080/14631377.2018.1445332)
- Gál Z , Schmidt A (2017): Geoeconomics in Central and Eastern Europe: Implications of FDI In: Munoz J M (szerk.) *Advances in Geoeconomics* . 344 p. London; New York: **Routledge Europa Economic Perspectives Taylor & Francis Group**, 2017. pp. 76-93. ()
- Pósfai Zs , Gál Z , Nagy E (2017: Financialization and inequalities: The uneven development of the housing market on the eastern periphery of Europe In: Fadda S , Tridico P (szerk.) *Inequality and Uneven Development in the Post-Crisis World* . 260 p. Abingdon; Oxon: **Routledge Taylor & Francis Group**, 2017. pp. 167-190. **Routledge Advances in Heterodox Economics**

- Gál Z , Kovács S Zs (2017): The role of business and finance services in Central and Eastern Europe
In: Lux G , Horváth Gy (szerk.) *The Routledge Handbook to Regional Development in Central and Eastern Europe* . 340 p. London; New York: **Routledge**, 2017. pp. 47-65.

Manuscripts under review:

- Gál Z , Lux G (2023) *Policy alternatives to fDI-driven regional development in Central and Eastern Europe: Towards a successor model (Manuscript) Eurasian Geography and Economics (Q1)*,
- Trung Ngo Minh , Zoltán Gál and Abdallah Al-Omari (2023): Foreign Direct Investment and Provincial Competitiveness in Vietnam: A Panel analysis (Bírálat alatt: Journal of Competitiveness, Q1)
- Gál- Gyimesi (2023): The Role of Foreign Direct Investment in Regional Economic Growth: The Contradictory Case of Central & Eastern Europe (manuscript under review) Acta Copericana (Q1)
- Gál Z . (2023): The Limits to Local Embeddedness - Lending Activity of the Hungarian Cooperative Banking Sector (manuscript under review) Regional Statistics (Q2)