Changing Disparities of Labour Market and Income - Assessment of 25 years After the Regime Change

Mate Farkas
Central Statistical Office
matego37@gmail.com

Laszlo Czaller
HETFA Research Institute

In Hungary the basic socio-economic changes launched by the political transition of 1989 have been almost completed by the end of the 1990s, ie. the institutions of political democracy and market economy have been established and a new regional spatial structure has emerged. While the effects of these processes are widely discussed in the literature, the effects of transition on labour market and income inequalities from a spatial econometric viewpoint are omitted. In our paper we aim to analyze how stable was the spatial pattern of the labour market (unemployment) and the income with different spatial econometric methods (mobility matrices, Markov-chains, logit regression). With the newest available data we reflect some effects of the crisis and make policy suggestions.