

## **DESCRIPTION FOR THE GENERAL PUBLIC**

The main goal of the project is an assessment of the impact of big infrastructure projects on regional development. We also want to verify whether the amount of financial means devoted to the big projects is adequate as compared to the real costs associated to their completion. The results of the project will allow to expand the knowledge concerning the relationship between public investment and productivity. Aschauer, who pioneered the research in this field in the late 1980s, shows strong and positive relationship between public infrastructure investment and economic growth in the US. Other authors shed certain doubts on his results (e.g. Munnell or Holtz-Eakin). In Europe, the positive correlation between public investment and economic development has been found by Alvarez Pinilla et al. or de la Fuente. They argue though that that the infrastructure is more productive in regions with higher level of economic development. Similar results have been reported by Cieślak and Rokicki for Poland.

It should be noted that none of the existing studies verify the possible differences between big and small infrastructure projects. However, in Poland only between 2004 and 2015 over 130 projects worth more than euro 100 million each were implemented. It seems important though to verify whether they really improve regional economic development and if their budgets are adequate to their costs. The latter is particularly important taking into account the criticism by Flyvbjerg.

Proposed project deals also with the methodological shortcomings of existing studies – most of them rely on the estimation of neoclassical production function. This approach has however, many theoretical and econometric limitations. Hence, we will apply different methodological approaches such as CGE modelling, spatial econometrics or actuarial methods.

The main reason behind the choice of the research topic is the lack of the studies that would focus on the specific features of big infrastructure projects. As a result there exists a gap in the literature that can be, for the first time, at least partially filled due to the completion of proposed project.