

## **ABSTRACT**

The study deals with application of related variety concept and other evolutionary economic geography approaches in the economic landscape of postsocialist states of Central and Eastern Europe (CEE). The goal was to define different types of variety and explore the relationship between these varieties and economic development in CEE countries between 1993 and 2009. The analysis is based on the theoretical and analytical framework presented in studies realized in the most developed countries of Western Europe. The important finding is that this kind of research allow to conclude that different types of variety influence the economic development, but some of the results are different from those in prior studies. The porfolio effect of unrelated variety was not confirmed. However, the results show strong evidence that related variety stimulates employment growth and usually contributes to GDP growth of CEE countries. The results also indicate, that high variety of related sectors could be crucial for future development of new industries (especially in Central Europe).

**Keywords:** evolutionary economic geography, related and unrelated variety, economic development, Central and Eastern Europe