Spatial Economics

Matthias Wrede

FAU

Syllabus

- Prerequisites: Microeconomics, Econometrics I
- Language: English
- Availability: annually (summer semester)
- Creditable for MSc Economics (Public Economics & Labor Economics) and MSc Sozialökonomik
- Workload 150 h (including 60 contact hours) $\equiv$ 5 ECTS
- Lecture (2 h per week) + tutorial (2 h per week)
- 60-minutes written examination (80%) + presentation (20%)
- Exam covers lecture + tutorial
- Slides, papers, exercises, data etc. on StudON (password protected)
- Lecture: Matthias Wrede (matthias.wrede@fau.de), Wednesday, 09:45-11:15; LG 5.154; starts April 15
- Exercises: Ramona Müller (ramona.v.mueller@fau.de), Wednesday, 16:45-18:15; LG 0.144/LG 0.421; starts April 22

Learning objectives and skills

- Students
  - describe and internationally compare the regional patterns of major economic activities in terms of stylized facts,
  - present, interpret, and discuss selected theories in regional and urban economics,
  - assess empirical tests of selected hypotheses derived from theories in regional and urban economics to evaluate and critically examine their informative value,
  - discuss and critically examine economic policy implications of selected theories in regional and urban economics,
  - assess, evaluate and discuss selected recent research papers.

Content

- Part I: Foundations
- Part II: Spatial equilibrium models
- Part III: Economic geography
- Part IV: Regression analysis
- Part V: Compensating differentials
- Part VI: Quantitative spatial modeling
- Part VII: Selected studies

Textbooks

- Brakman, S., Garretsen, H. & van Marrewijk, C. (2019). *An Introduction to Geographical and Urban Economics: A Spiky World*. Third Edition. Cambridge, UK: Cambridge University Press.
- Brueckner, J.K. (2011). *Lectures on Urban Economics*. Cambridge: MIT Press.
- Combes, P.-P., Mayer, T. & Thisse, J.-F. (2008). *Economic Geography*. Princeton and Oxford: Princeton University Press.
- Elhorst, J.P. (2014b). *Spatial Econometrics*. Berlin, Heidelberg: Springer-Verlag.
- Fujita, M. & Thisse, J.-F. (2002). *Economics of Agglomeration. Cities, Industrial Location, and Regional Growth*. Cambridge, UK: Cambridge University Press.

Selected surveys

- Baum-Snow, N. & Ferreira, F. (2015). Causal Inference in Urban and Regional Economics. In: Duranton, G. Henderson, J.V. & Strange, W.C. (Ed.) *Handbook of Regional & Urban Economics*. Vol. 5A. 3-68.
- Elhorst, J.P. (2014a). Spatial Panel Methods. In: Fischer, M.M. & Nijkamp P. (Ed.) *Handbook of Regional Science*. Berlin, Heidelberg: Springer-Verlag. 1637-1652
- Moretti, E. (2011). Local Labor Markets. In: D. Card & O. Ashenfelter (Ed.). *Handbook of Labor Economics*. Vol. 4b. 1237-1313.
- Neumark, D. & Simpson, H. (2015). Place-Based Policies. In: Duranton, G. Henderson, J.V. & Strange, W.C. (Ed.) *Handbook of Regional & Urban Economics*. Vol. 5B. 1198-1287.
- Redding, St.J. & Rossi-Hansberg, E. (2017). Quantitative Spatial Economics. *Annual Reviews of Economics* 9. 21-58.

Mandatory presentations

- Several empirical tasks
- Each task will be assigned to a group of three to five students on May 6th.
- Ideally, teams should be formed beforehand.
- Each groups will be given a data set and is asked to apply a certain concept (e.g., spatial regression models, different functional forms of distance variables)
- The group solves the task together and prepares a 20-minutes presentation.
- In the presentations, groups should describe and discuss tasks, methods, results, and implications.
- Presentations at July 1st / July 8th
- Participation compulsory
- More information: Ramona Müller (ramona.v.mueller@fau.de)