



Exchange programme Vrije Universiteit Amsterdam

Vrije Universiteit Amsterdam - Exchange programme Vrije Universiteit Amsterdam - 2024-2025

Exchange

Vrije Universiteit Amsterdam offers many English-taught courses in a variety of subjects, ranging from arts & culture and social sciences, neurosciences and computer science, to economics and business administration.

The International Office is responsible for course approval and course registration for exchange students. For details about course registration, requirements, credits, semesters and so on, please [visit the exchange programmes webpages](#).

Regional and Urban Economics

Course Code	E_EBE2_RUE
Credits	6
Period	P2
Course Level	200
Language Of Tuition	English
Faculty	School of Business and Economics
Course Coordinator	prof. dr. H.L.F. de Groot
Examiner	prof. dr. H.L.F. de Groot
Teaching Staff	prof. dr. H.L.F. de Groot, dr. T. de Graaff
Teaching method(s)	Lecture, Study Group, Instruction course

Course Objective

The goal of Regional and Urban Economics is to enhance your understanding of how space and distance affect economic processes. We will introduce you to the main theoretical insights, but also pay ample attention to empirical techniques that are used to study the role of space and distance in economics. You also learn how to translate the theoretical and empirical insights into policy debates.

After successfully completing this course, you:

- know the main determinants of location decisions and can apply them to concrete location problems (Bridging Theory and Practice - Knowledge);
- know the reasons why cities exist (Bridging Theory and Practice - Knowledge);
- know the determinants of the spatial structure of cities and can assess the consequences of differences in spatial structures for economic outcomes (Bridging Theory and Practice - Knowledge and Application);
- know the determinants of land rents (bid rent theory) (Bridging Theory and Practice - Knowledge);
- know and can apply the empirical technique of hedonic pricing to generate valuations of, for example, air quality and amenities (Academic and Research Skills; Bridging Theory and Practice - Knowledge and Application);
- know the forces that give rise to agglomeration and clustering of economic activity in space (Bridging Theory and Practice - Knowledge);
- know the determinants of regional unemployment and migration and commuting flows (Bridging Theory and Practice - Knowledge);
- know the main determinants of regional development and growth (Bridging Theory and Practice - Knowledge);
- can reflect on the effectiveness of concrete policy measures that are aimed at fostering regional economic development in an evidence-based way (Bridging Theory and Practice - Application);
- can collect and use regional economic data to describe and analyze spatial-economic processes (Academic and Research Skills; Bridging Theory and Practice - Application).

Course Content

Space and distance are important determinants of economic processes. Many phenomena that are of interest to economists have an explicit spatial dimension that is oftentimes left implicit. It is, however, increasingly recognized that 'space matters'. Just think about cities that are increasingly seen as engines of economic growth and development as illustrated by the fascinating developments and concentrations of economic activity at the Amsterdam South axis (de Zuidas), the financial district in London, or Silicon Valley in the United States.

In this course, we emphasize the importance of space in economics. Why do firms cluster in space? What are the consequences for land and real estate markets? How are labor markets affected? What are the consequences for inequality? Why do cities exist? Why do we oftentimes observe convergence between countries but divergence within countries? What are the causes and consequences of mobility of capital, labor, goods and services? Such questions are central in the course 'Regional and Urban Economics'. The topics closely link to intensively debated issues in policy. You will learn to apply insights from this course to these debates using sound theoretical and empirical evidence.

Additional Information Teaching Methods

Lectures and tutorials.

Method of Assessment

- Assignments to practice the theoretical and empirical concepts.
- Empirical assignments.
- A presentation and short written assignment based on a scientific article.
- Written exam.

Literature

- P. McCann, Modern Urban and Regional Economics, Oxford University Press (second edition; both the first as well as the second edition can be used).
- Additional scientific articles and policy reports to be made available on Canvas.

Recommended background knowledge

Microeconomics I, Macroeconomics I and II, Quantitative Research Methods I and II.