

Economic geography

Level : *Master – 1st year*

Track: All

Semester: 8

Teaching hours: 24 hours

Teaching language: English

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Course's objectives:

This course explores the mechanisms that shape the spatial distribution of economic activities between regions or cities. It introduces the core-periphery model and a simple model of urban agglomeration economies, and then connects them to empirical approaches. The course addresses questions such as: Why are economic activities unevenly distributed across space at different spatial scales? How does this spatial distribution evolve over time? What are agglomeration economies and how to measure them? How do firms and workers agglomerate?

Lesson plan:

Chapter I : Spatial inequalities: past and present

Chapter II : A brief history of spatial economic theory

Chapter III : The core-periphery model: from theory to empirics

Chapter IV : Agglomeration economies

Skills developed:

At the end of the course, you will be able to:

- identify the modelling choices relevant for analyzing the spatial distribution of economic activity at different spatial scales
- describe the main pecuniary externalities at work in the core-periphery model;
- use a gravity model to estimate market potential or supply potential variables;
- describe the different forms of agglomeration economies and propose an econometric model to measure them.

Prerequisites : Microeconomics under perfect and imperfect competition, applied econometrics, public economics

Grading system : Written exam at the end of the course

References :

Textbooks:

- Thisse, Combes, Mayer (2008). Economic geography. The integration of regions and nations. Economica.
- Fujita, Thisse (2013). Economics of agglomeration: cities, industrial location and globalization. New York, Cambridge University Press.
- Crozet et Lafourcade (2009). La nouvelle économie géographique. La Découverte, Paris



Scientific articles:

- Krugman, P. (1991). Increasing returns and economic geography. *Journal of Political Economy*, 99(3), 483-499.
- Proost, S., Thisse, J. F. (2019). What can be learned from spatial economics? *Journal of Economic Literature*, 57(3), (Pages 575-604)
- Combes, P. P., Duranton, G., Gobillon, L. (2011). The identification of agglomeration economies. *Journal of Economic Geography*, 11(2), 253-266.