

## Economic geography

**Degree :** *Master – 1<sup>st</sup> year*

**Semester:** 9

**Total teaching hours:** 24 hours

**Lecturer :** Nelly EXBRAYAT

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### **Aim of the course:**

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 to answer the following questions: 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?

### **Outline of the course:**

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

### **Learning objectives (skills):**

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

- identify the most relevant theoretical framework to explain the spatial distribution of economic activities at a given spatial scale;
- describe the main pecuniary externalities at work in the core-periphery model;
- rely on a gravity model to estimate market potential or supply potential variables;
- distinguish 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

**Evaluation:** 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.
- World Bank (2009). World Development Report : Reshaping economic geography. Part I : Seeing Development in 3-D (Pages 48 to 96).
- 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.