

Advanced urban economics

Level : *Master Analyse et Politique Economique – 2nd year*

Cursus : *Economic Decision and Data Science*

Semester : 9

Total teaching hours : 18 hours (lessons)

Lecturer : Nelly EXBRAYAT

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Aim of the course:

This course exposes recent advances in urban economic theory and empirical methodologies aimed at understanding the spatial distribution of people and activities between *and* within cities. Topics include the implications of urban structure for productivity, land and housing markets, amenities, and congestion.

The course is organized in four main chapters. It begins by presenting a survey of the empirical literature on the costs and benefits of density by relying on a meta-analysis. The second chapter develops a unifying theoretical framework to analyze the development of a city-region through the locational decisions made by firms and households in the presence of both commuting and trade costs. The third chapter explores spatial quantitative models. The last chapter concludes by examining some socio-environmental impacts of urban development using recent empirical methods.

Outline of the course:

Introduction

Chapter 1 – The costs and benefits of density: a synthesis of the literature

Chapter 2 – Modeling city-regions

Chapter 3 – Spatial quantitative models

Chapter 4 – Insights on socio-environmental consequences of urban development

Prerequisites :

Microeconomics under perfect and imperfect competition, applied econometrics, economic geography, urban economics.

Evaluation :

Contrôle terminal

Learning objectives (skills):

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

- identify and adapt a theoretical framework to explore the determinants of the spatial distribution of people and activities at a given spatial scale and in a given historical context;
- predict the potential consequences of a public policy or an external shock on the spatial distribution of people and activities;
- design an empirical strategy to estimate the causal impact of urban policies or external shocks on social or environmental outcomes;
- implement and interpret meta-analyses.



Prerequisites

Microeconomics, urban economics, economic geography

References :

Ahlfeldt and Pietrostefani (2019). The economic effects of density: A synthesis, *Journal of Urban Economics* 111, pp- 93–107.

Abramitzky R, Boustan L and A Storeygard (2025). New Data and Insights in Regional and Urban Economics. In *Handbook of Regional and Urban Economics*, Volume 6. Editors: Dave Donaldson, Stephen J. Redding.

Exbrayat, N., and Stephane, V. (2025). Does urbanization cause crime? Evidence from rural–urban migration in South Africa. *Journal of Urban Economics*, 149, 103787

Gagné, C., & Thisse, J. F. (2021). New economic geography and the city. In *Handbook of regional science*. 1179-1221. Berlin, Heidelberg: Springer Berlin Heidelberg.

Redding S. and Rossi-Hansberg (2017). Quantitative Spatial Economics. *Annual Review of Economics*. 21-58.

Proost, S., Thisse, J. F. (2019). What can be learned from spatial economics ? *Journal of Economic Literature*, 57(3), 575-643. Pages 575-604.