

MUNICIPAL HOUSING MARKET STRUCTURE AS BARRIER TO WITHIN-COUNTRY MIGRATION

A MULTILEVEL ANALYSIS FOR THE NETHERLANDS

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The problem

Contemporary applied spatial economic research

- 50–70% of all research questions in spatial economics evolve around policy **evaluation** or **explaining** impact of **isolated** variables
- Huge demand (firms & government) for research dealing with **prediction** and **assessing** total model performance
- But, more than 90% of all statistical analysis is done with basic applied econometrics using **linear** models and **fixed** effects

Prediction in gravity models

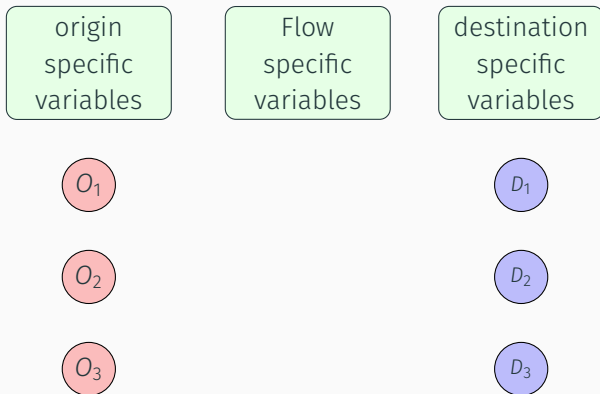


Figure 1: Variables that can affect flows F_{ij} between origins O_i and destinations D_j

Multilevel modeling

What is it?

- Used in many disciplines, except economics (two-stage fixed effects regression)
- Simultaneous modeling at various levels (e.g., cities, regions, flows, individuals)
- Many definitions:
 - mixed effects
 - varying intercepts/parameter
 - shrinkage
 - partial pooling

Data

Results

Thank you!