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Topics in Urban Economics

Master's Seminar 2021/22, Course Number 22-30.103

Description

Cities are now home to more than half of the world's population and they keep on growing, with some megacities predicted to reach 10m, 20m or even 30m inhabitants. While cities have long been focal points of social and economic activity, we will discuss current key topics in urban economic research. In the first five units, we will lay the groundwork by learning about classical urban economic models, useful data sources and spatial econometric methods. Afterwards, students choose among current topics in urban economics, ranging from the role of primary cities over infrastructure to amenities. In groups of two students, they analyze a recent top publication on their topic, replicate and extend it, conducting their own research to contribute some results.

Goals of the course

Students will be able to conduct their own research in urban economics. They learn about both the theory and the empirical methods in order to gain the necessary skills. At the end of the course, student groups of two will write their seminar paper and hold a presentation about the topic they investigated empirically.

Course Format: ONLINE COURSE

Due to the uncertainty surrounding the corona pandemic, the course will be take place online. All participants registered for the course on Stine will receive an email just before the semester start, containing the link to the OpenOLAT website and a password. Please contact melanie.krause@uni-hamburg.de if you have any questions.

Course material on OpenOLAT: During the first lecture weeks, the course material will be made available on OpenOLAT: Lecture slides of the theoretical and methodological units (including audio commentary), bibliography of the papers etc. Course participants are working their way through the material at their own pace, using the forum for discussions as well as the weekly interactions.

Weekly interaction via Zoom: Mondays, 11:00-12:00 (11.10., 18.10., 25.10., 01.11., 08.11., 15.11., 22.11., 06.12., 14.12., 03.01.) students will be able to discuss the course material and their progress on the seminar paper via Zoom. Invitations to the Zoom sessions will be sent by email. In addition, course participants can also use the Forum on OpenOLAT as well as email to ask questions.

Deciding on a topic: Students choose among a list of publications in urban economics for a paper to focus on. By 31 October, students are required to write down a one-page proposal of how they plan to replicate and extend the results (e.g. different data, additional variable). Students should work together in groups of two to tackle a topic in more depth.

Paper presentations: Following the course schedule, students will hold a 20-minute presentation of their topic in the last three semester weeks - either via Zoom or face-to-face on campus:

Monday, 10 January (presentations during 09:00-12:00)

Monday, 17 January (presentations during 09:00-12:00)

Monday, 24 January (presentations during 09:00-12:00)

Seminar paper hand-in: Students are required to hand in their 12-page seminar paper by 15 February. Papers should be sent by email to melanie.krause@uni-hamburg.de

Course prerequisites

Students are required to have a good knowledge in

- Econometrics (in particular inference in cross-section and panel data models)
- Microeconomics (in particular households' utility maximization)
- Macroeconomics

No previous knowledge on urban economics is required.

Course grade

The course grade is based on students' 20-minute presentation (30%) and the 12-page seminar paper (70%).

Background literature

In addition to the recent journal publications (see bibliography), there are some recommendable books to read up on the background literature on urban economics and spatial economics:

- O'Sullivan, Arthur (2011), "Urban Economics", 8th edition, McGraw-Hill Education
- Brueckner, Jan (2011), "Lectures on Urban Economics", MIT Press
- Anselin, Luc (1988), "Spatial Econometrics: Methods and Models", Kluwer Academic Publishers
- LeSage, James (2009), "Introduction to Spatial Econometrics", Chapman

List of Topics for the Seminar Papers

See Bibliography and Lecture Slides for Details

1. The emergence of cities: Which geographical and institutional factors contributed to city locations?
2. Agglomeration effects: Density vs. economies of scale: How are cities benefiting from size?
3. Human capital, productivity and city development: How do cities attract the high-skilled and how do the high-skilled shape city life?
4. Poor and rich neighborhoods: Do the poor live in the city center and the rich in the suburbs - or the other way round - and why?
5. Infrastructure: How does infrastructure shape the positive and negative aspect of city life?
6. Pollution: Why is pollution higher in some cities - and in some parts of the cities - than in others?
7. Amenities: Which role do nice things play in modern urban development?
8. The size distribution of cities: How many small and big cities should a country have?
9. Primary cities: Why are many resources concentrated in the largest city of a country and what are the consequences?
10. Cities in developing countries: How does the growth of cities in developing countries change people's living conditions?

Preliminary and subject to change. This version: 20 July 2021