

Seminar on Economic Geography
Summer semester 2016
Bachelor seminar

Lecturer

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Course Design

The seminar can be credited as “Volkswirtschaftliches Hauptseminar II B.WiWi.VWL.0045“ or „Volkswirtschaftliches Seminar B.WiWi- VWL.0046“. Students of the following degree programs can apply: VWL BA, BWL Acc BSc, BWL BSc, WiPäd BSc and WiInf BSc. The maximal number of participants is 14.

Objectives

The seminar is designed for Bachelor students and deals with topics in Regional Economics, Urban Economics and in what is called the “Economic Geography”. By attending the seminar students will receive an overview upon developments in the field. They will learn how to identify, analyze and discuss the relevant literature. Moreover, students will practise their scientific writing and oral presentation skills.

Contents

The seminar covers several topics that bear a spatial focus. The measurement of agglomeration and further methodological issues will be addressed as well as agglomeration tendencies in the European Union. Aspects of agglomeration, trade, productivity and growth will be covered. We investigate the city size distribution, explain the impact of the government, the transport infrastructure and regional policies. The course further deals with topics of current interest like spatial inequality and urban crime.

Time and Location

The seminar will be held on the 11th and 12th of July 2016. An introductory meeting will be held on the 23rd of May 2016 at 12:00. I will inform you about the room and exact date for the respective meetings in case of acceptance via email, please make sure that you check your emails accordingly.

Application and Registration in FlexNow

The application for the seminar has to be done between the 1st and 13th of May 2016. In order to apply you have to send me an email at astrid.krenz@wiwi.uni-goettingen.de mentioning the following:

1. Your name, enrollment number, field of study, semester and email-address
2. The first, second and third choice of a seminar topic

3. If you participated in a course of international economic relations or international trade and the respective grade

4. If you participated in the course “Stadt- und Regionalökonomik (Urban and Regional Economics)” and the respective grade

5. Other Bachelor seminars you took part in and the respective grade (also mention if you applied for a seminar but did not receive a spot or if you failed a seminar)

Please note that I can only consider your application if all of this information is given in your email. Applications lacking this information will not be considered!

If there are more applicants than available spots, the participants will be selected according to the study regulation of 2012/03/30, §8.

You will be informed by me per Email whether you have been successful and been chosen for a spot in the seminar until May 17th.

The last date for registration or withdrawing from the course in FlexNow will be the 27th of May 2016. A prolongation is not possible. Note that the application system for this course in FlexNow is open only between the 15th and 27th of May 2016.

Seminar thesis

The written seminar thesis has to be submitted (in electronic form, either pdf or doc, and as two printed versions) by the 8th of July 2016 at 12:00. I will give you further information on how to write a seminar paper (and also for the oral presentations) during the introductory meeting which will be held on the 23rd of May 2016. After the introductory meeting I will also arrange individual appointments with the students, where we will discuss the planned structure and focus of your written work.

Prerequisites

Although there are no prerequisites for this seminar, a good knowledge of Microeconomics I and Macroeconomics I will be helpful. Prior participation in the course “Stadt- und Regionalökonomik” is recommended. Furthermore, you will benefit from knowledge in International Economic Relations and Econometrics.

Requirements

The credits are given for the presentation and for the written paper on the same subject. In the presentation, the students demonstrate their ability to present complex theoretical models and empirical studies. In the paper, students demonstrate their ability to extract and analyze the relevant literature, to synthesize important findings from both theoretical models and empirical studies and to write a scientific paper that motivates the topic, presents and discusses the main arguments from the relevant theoretical and empirical literature in a concise and structured way, and conclude with a

critical assessment of the state of the literature. The written paper should have max. 15 pages +/- 10%. The students have to prepare for a presentation of approximately 20 minutes.

Please note that all meetings are mandatory!

Your written seminar paper will be checked for plagiarism with a special software. Please make sure that you properly control for correct citation, as a detection of plagiarism will lead to expulsion from the course.

Grading

The grade is made up by the seminar paper for 50% and by the oral presentation and seminar discussion for another 50%. Students have to pass both the written seminar paper and the presentation and seminar discussion in order to gain the credit points.

Credits

Upon successful completion of the seminar 6 credit points can be gained.

Seminar Topics

When sending your application by email, please make sure that you tell me your first, second and third choice of a seminar topic. I will allocate the topic to you as best as I can, but of course I cannot guarantee that everyone will receive his or her first choice topic. If two people are choosing the same topic, I will randomly assign the topic to either one of you. Then the second choice topics will be assigned randomly, and so on. Your assigned topic will be communicated during the introductory meeting. If some of you have a desire to change the topic, you might do so with another student in mutual agreement during that meeting.

Note that the mentioned literature in the following is just serving as a starting point for your own literature research.

1. Agglomeration and regional growth

- Martin, P.; Ottaviano, G. (2001), Growth and agglomeration, *International Economic Review*, Vol. 42, 947-968.

- Baldwin, R.; Martin, P. (2004), Agglomeration and regional growth, in Henderson and Thisse (eds), *Handbook of Regional and Urban Economics*, Vol. 4, Amsterdam, 2671-2711.

2. Agglomeration and international trade

- Ottaviano, G.; Tabuchi, T.; Thisse, J. (2002), Agglomeration and trade revisited, *International Economic Review*, Vol. 43, 409-435.

- Head, K.; Mayer, T. (2004), The empirics of agglomeration and trade, in Henderson and Thisse (eds), *Handbook of Regional and Urban Economics*, Vol. 4, Amsterdam, 2609-2669.

3. The evolution of city size distributions

- Gabaix, X.; Ioannides, Y. (2004), The evolution of city size distributions, in Henderson and Thisse (eds), *Handbook of Regional and Urban Economics*, Vol. 4, Amsterdam, 2341-2378.
- Ioannides, Y.; Overman, H. (2003), Zipf's Law for cities: an empirical examination, *Regional Science and Urban Economics*, Vol. 33, 127-137.
- Gabaix, X. (1999), Zipf's Law for cities: an explanation, *Quarterly Journal of Economics*, Vol. 114, 739-767.

4. Place-based policies

- Neumark, D.; Simpson, H. (2015), Place-based policies, *Handbook of Regional and Urban Economics*, Vol. 5, 1197-1287.
- Becker, S.; Egger, P.; von Ehrlich, M. (2010), Going NUTS: the effect of EU structural funds on regional performance, *Journal of Public Economics*, 94, 578-590.

5. Taxes in cities

- Bruelhart, M.; Bucovetsky, S.; Schmidheiny, K. (2015), Taxes in Cities, *Handbook of Regional and Urban Economics*, Vol. 5, 1123-1196.
- Bruelhart, M.; Jarnetti, M.; Schmidheiny, K. (2012), Do agglomeration economies reduce the sensitivity of firm location to tax differentials?, *The Economic Journal*, 122, 1069-1093.
- Devereux, M.; Griffith, R.; Simpson, H. (2007), Firm location decisions, regional grants and agglomeration externalities, *Journal of Public Economics*, 91, 413-435.

6. Spatial inequality

- Tan, L.; Zeng, D. (2014), Spatial inequality between developed and developing economies, *Papers in Regional Science*, Vol. 93, 229-248.
- Lall S.; Chakravorty, S. (2005), Industrial Location and Spatial Inequality: Theory and Evidence from India, *Review of Development Economics*, Vol. 9, 47-68.
- Ravi, K.; Rapoport, H. (2005), Migration Selectivity and the Evolution of Spatial Inequality, *Journal of Economic Geography*, Vol. 5, 43-58.

7. Transportation costs and economic activity

- Redding, S.; Turner, M. (2015), Transportation Costs and the Spatial Organization of Economic Activity, *Handbook of Regional and Urban Economics*, Vol. 5, 1339-1398.
- Glaeser, E. Kohlhase, J. (2004), Cities, regions, and the decline of transport costs, *Papers in Regional Science*, 83, 197-228.

- Glaeser, E.; Kahn, M.; Rappaport, J. (2008), Why do the poor live in cities? The role of public transportation, *Journal of Urban Economics*, 63, 1-24.
- Duranton, G.; Turner, M. (2012), Urban growth and transportation, *Review of Economic Studies*, 79, 1407-1440.

8. The empirics of economic geography

- Redding, S. (2010), The Empirics of New Economic Geography, *Journal of Regional Science*, Vol. 50, 297-311.
- Redding, S.; Sturm, D. (2008), The Costs of Remoteness: Evidence from German Division and Reunification, *American Economic Review*, 98, 1766-1797.
- Boschma, R.; Frenken, K. (2011), The emerging empirics of evolutionary economic geography, *Journal of Economic Geography*, 11, 295-307.

9. The methodology of measuring agglomeration

- Ellison G.; Glaeser E. (1997), Geographic concentration in US manufacturing industries: A dartboard approach, *Journal of Political Economy*, Vol. 105, 889-927.
- Duranton, G.; Overman, H. (2005), Testing for Location Using Micro-Geographic Data, *Review of Economic Studies*, Vol. 72, 1077-1106.

10. The spatial distribution of economic activities in the Central and Eastern European economies

- Cieslik, A. (2005), Regional characteristics and the location of foreign firms within Poland, *Applied Economics*, 37, 863-874.
- Pusterla, F.; Resmini, L. (2007), Where do foreign firms locate in transition countries? An Empirical investigation, *Annals of Regional Science*, 41, 835-856.
- Krenz, A.; Gehringer, A. (2015), European market integration, R&D agglomeration economies and the location choice of firms in Poland, *Eastern European Economics*, Vol. 53, 491-513.

11. Agglomeration of productivity

- Combes, P.; Gobillon, L. (2015), The Empirics of Agglomeration Economies, *Handbook of Regional and Urban Economics*, Vol. 5, 247-348.
- Ciccone, A. (2002), Agglomeration effects in Europe, *European Economic Review*, 46, 213-227.
- Ciccone, A.; Hall, R. (1996), Productivity and the Density of Economic Activity, *American Economic Review*, 86, 54-70.

12. The macroeconomics of geography and economic development

- Acemoglu, D.; Johnson, S.; Robinson, J. (2002), Reversal of Fortune : Geography and Institutions in the Making of the Modern World Income Distribution, *Quarterly Journal of Economics*, 1231-1294.

- Gallup, J.; Sachs, J.; Mellinger, A. (1998), Geography and Economic Development, NBER Working Paper 6849.

13. A review of methods in regional economics

- Mills, E.; Nijkamp, P. (1987) Advances in regional economics, in Henderson and Thisse (eds), Handbook of Regional and Urban Economics, Vol. 1, Amsterdam, 1-17.

- Rey, S. (2000), Integrated Regional Econometric + Input-Output Modelling: Issues and Opportunities, *Papers in Regional Science*, Vol. 79, 271-292.

14. Urban crime

- O'Flaherty B.; Sethi, R. (2015) Urban Crime, Handbook of Regional and Urban Economics, Vol. 5, 1519-1621.

- Glaeser, E.; Sacerdote, B. (1999), Why is there more crime in cities? *Journal of Political Economy*, 107, 225-258.

- Draca, M.; Machin, S.; Witt, R. (2011) Panic on the streets of London: police, crime, and the July 2005 terror attacks, *American Economic Review*, 101, 2157-2181.

- Verdier, T.; Zenou, Y. (2004), Racial beliefs, location, and the causes of crime, *International Economic Review*, 45, 731-760.