






5 credits

30.0 h

Q2

Teacher(s)	Finance Olivier ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	The course will be built around three distinct parts, the first one focused on economic geography, the second one on urban economics and the third one on regional policies. Theoretical and empirical approaches will be continuously alternated. Specific topics, such as, for example, the spatial consequences of the European integration or NAFTA, spatial wage disparities in China, competitiveness clusters policies in Belgium and in France or EU structural funds will be treated.
Aims	<p>The aim of this course is to provide students with theoretical and empirical tools necessary to understand why the location of economic activities is uneven across space within countries. At the end of the term, the students should be able to discuss the existence, the causes and the consequences of regional inequalities.</p> <p>1 The primary goal of this course is not to focus on the technical aspects of the models or of the econometric techniques of the papers that will be presented. The students are rather expected to understand the concepts and the mechanisms behind, so as to integrate them in argumentative discussions about issues related to economic integration and local development.</p> <p>-----</p> <p><i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i></p>
Evaluation methods	A first homework will consist in a critical analysis of a recent research article and will count for 50% of the final mark. <b>This exercice will take place before the exam session, in April or May. The mark</b> will be kept for the second exam session. A written exam will count for the other half of the mark.
Teaching methods	The course is a lecture alternating presentation of theoretical mechanisms and discussion of the empirical relevance of these models.
Content	<p>Economic geography: this part focuses on the macro determinants of regional inequalities. The arbitration economies of scale / transport costs will be analyzed in detail, through the presentation of the founding models of Krugman (1991) and Krugman and Venables (1995). The empirical relevance of these models will be discussed.</p> <p>Urban economy: this part is dedicated to the micro foundations of regional inequalities. The role of clusters and external economies of scale will be analyzed to shed more light on the productivity and wage surplus observed in the densest areas.</p> <p>Regional policies: in this part, we will present the equity / efficiency dilemma facing any regional policy. We will also discuss the evaluation of specific policies such as the European Structural Funds.</p>
Bibliography	Economic geography, P.P. Combes, T. Mayer and J. Thisse, Princeton University Press.
Faculty or entity in charge	ECON

<b>Programmes containing this learning unit (UE)</b>				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] in Agricultural Bioengineering	BIRA2M	5		
Master [60] in Economics : General	ECON2M1	5		
Master [120] in Economics: General	ECON2M	5		
Master [120] in Geography : General	GEOG2M	5		
Master [120] in Geography : Climatology	CLIM2M	5		
Master [120] in Agriculture and Bio-industries	SAIV2M	5		