

The economics of spatial agglomeration

PhD in Economics and Management

University of Padua

Instructor: Prof. Giulio Cainelli

<https://sites.google.com/site/giuliocainelli>

Course Outline

1. Economics and economic geography

2. Agglomeration, specialization and variety

- 2.1. The mechanics of spatial agglomeration: (i) labor pooling; (ii) input sharing and (iii) knowledge spillovers;
- 2.2. Agglomeration and urban employment growth;
- 2.3. Agglomeration and firm's TFP;
- 2.4. The MAUP problem;
- 2.5. Distance-based measures of spatial agglomeration;

3. Related-variety and related-diversification

- 3.1. The debate on related-variety;
- 3.2. New measures of related-diversification;
- 3.3. Related diversification and regional economic growth.

4. Knowledge spillovers and the geography of innovation

5. Policy implications

- 5.1. The impact of clustering policies;

Exam

Written exam, with 2 essay questions.

Readings:

Audretsch D. and Feldman M. P. (1996), R&D Spillovers and the Geography of Innovation and Production, in: *American Economic Review*, 86, 630-640.

Cainelli G. and Leoncini R. (1999), Externalities and Long-Term Local Industrial Development, Some Empirical Evidence from Italy, in: *Revue d'Economie Industrielle*, 90, 25-39.

Cainelli G., Fracasso A. and Vittucci Marzetti G. (2015), Spatial Agglomeration and Productivity in Italy: a Panel Smooth Transition Regression Approach, *Papers in Regional Science*, 94, S39-S67.

Cainelli G. and Lupi C. (2010), Does Spatial Proximity Matter?. Micro-Evidence from Italy, in: *Internationalization, Technological Change and the Theory of the Firm* (eds. De Liso N. and Leoncini R.), Routledge Studies in Global Competition, Routledge.

Cingano F. and Schivardi F. (2004), Identifying the Sources of Local Productivity Growth, in: *Journal of the European Economic Association*, 2, 720-742.

Combes P. P. (2000), Economic Structure and Local Growth: France, 1984-1993, in: *Journal of Urban Economics*, 47, 329-355.

De Lucio J.J., Herce J.A., Gailcolea A. (2002), The Effects of Externalities on Productivity Growth in Spanish Industry, in: *Regional Science and Urban Economics*, 32, 241-258.

Duranton G. and Overman H. (2005), Testing for Localization Using Micro-Geographic Data, in: *Review of Economic Studies*, 72(4), 1077-1106.

Duranton G., Martin P., Mayer T. and Mayneris F. (2010), *The Economics of Clusters. Lessons from the French Experience*, Oxford University Press.

Frenken K., Van Ort F. G. and Verburg T. (2007), Related Variety, Unrelated Variety and Regional Economic Growth, in: *Regional Studies*, 41, 685-697.

Glaeser E. L., Kallal H. D., Scheinkman J. A. and Sheifler A. (1992), Growth in Cities, in: *Journal of Political Economy*, 100, 1126-1152.

Henderson J. V., Kunkoro A. and Turner M. (1995), Industrial Development in Cities, in: *Journal of Political Economy*, 94, 300-316.

Henderson J. V. and Thiesse J.F. (2004), *Handbook of Urban and Regional Economics*, Amsterdam, Elsevier.

Puga D. (2010), The Magnitude and Causes of Agglomeration Economies, in: *Journal of Regional Science*, 50, 203-219.