Socio-Economic Aspects of Urban Development

Unit 1: Course Overview and Projects

Prof. Melanie Krause, Ph.D.

Winter Semester 26/27

Welcome to the Course

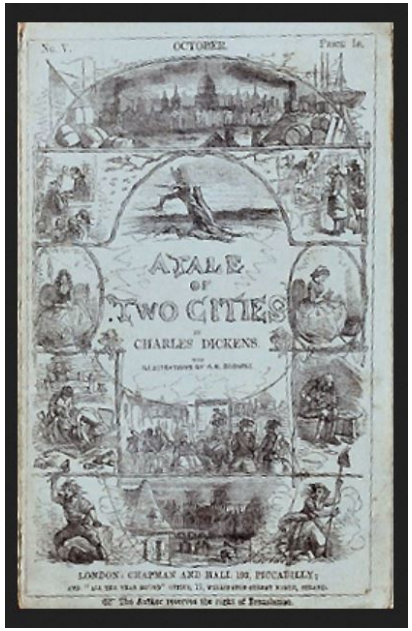





Socio-Economic Aspects of Urban Development

Socio-Economic Aspects of Urban Development

... or ***'A Tale of Two Cities'***



No, we are not talking about Charles Dickens's portrayal of London and Paris at the times of the French revolution...
Rather a ***'A Modern Tale of Two Cities'*** because you will be comparing **how two cities deal with important issues of our times**

About Me: Prof. Melanie Krause, Ph.D.



University Professor of "Sustainable Real Estate and Urban Development" at Leipzig University

About Me: Prof. Melanie Krause, Ph.D.

- Since February 2023: University Professor at Leipzig University
- September 2015 - January 2023: Junior Professor of Economics at Hamburg University
- 2014: Ph.D. in Economics at Goethe University Frankfurt
- Research Focus: Urban Economics, Regional Economics, Economic Geography
- Working with Big Data and Machine Learning Methods, also Geo-Spatial Data, such as Satellite Data of Nighttime Lights
- Contact me via Email: melanie.krause@uni-leipzig.de

What About YOU?

- Who are you?
- Undergraduate studies?
- Interests / specialization?
- Expectations of this course?

This is a Course about Cities

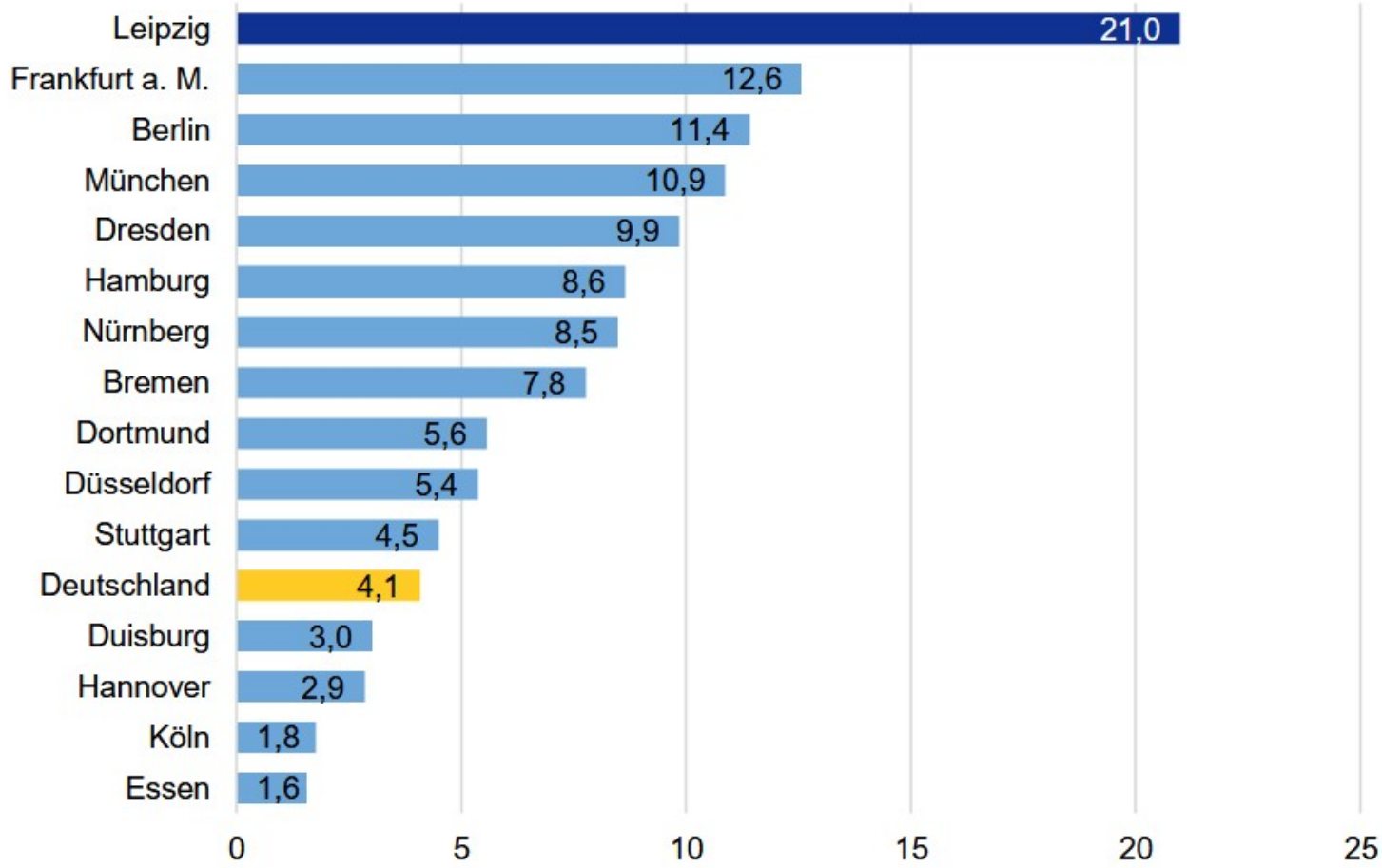
Some facts from the UN World Urbanization Prospect 2025

1. Nearly one half (45%) of the world's population are now living in cities ($\geq$ 50,000 inhabitants), 36% in towns ($\geq$ 5000 inh.), only 19% in rural areas.
2. Two-thirds of global population growth between 2025 and 2050 is projected to take place in cities.
3. One half of the projected growth in the world's urban population to 2050 will be concentrated in seven countries: India, Nigeria, Pakistan, the Democratic Republic of the Congo, Egypt, Bangladesh, and Ethiopia.
4. Today, Jakarta is considered the world's largest city (nearly 42 million), followed by Dhaka (nearly 37 million) and Tokyo (33.4 million)
5. Urbanization rates vary across continents, they are particularly high in Latin America and Asia, but are rising fastest in Africa.

But cities in Germany are also changing: What is the fastest-growing city in Germany?

City Growth in Big German Cities 2011-2024

Abb. 1: Prozentuale Veränderung der Bevölkerung zwischen 2011 und 2024 (30.06.) in Städten mit 500.000 und mehr Einwohner/-innen



Statistische Ämter des Bundes und der Länder

What are the Challenges that Cities Face?

- What are important issues about urban life from the perspective of...
  - Residents?
  - Firms?
  - City Administration?
- Let's discuss what these challenges are and to what extent they overlap. How are they intertwined?

About this Course

- We will be analyzing cities quantitatively and discuss the challenges they face, as well as how they deal with them
- Combining
  - Urban economics
  - Business studies
  - Environmental management
  - Geography
  - Social sciences
- Methods: Statistical data analysis (computing indicators and descriptive statistics, analyzing changes over time)
- Insights from recent research publications, class discussions, practical exercises

Topics We Will Cover

- City Size and City Growth
- An Urban Economic Model of Rental Prices, Apartment Size, and Population Density
- Urban Data and Empirical Methods (e.g. Geographical Information Systems)
- Building Structure and Home Ownership
- Rising Rent in Cities? Hedonic Price Models and Rent Control
- Rich and Poor in Cities - Determinants of the Spatial Distribution
- Income Inequality, Segregation and Gentrification
- Agglomerations Economics and Firm Clusters in Cities
- Structural change, City Specialization and Marketing
- Urban Infrastructure and Infrastructure Policy
- Environmental Policy in Cities and Urban Green Space
- How Climate Change affects Cities and how Cities Adapt to Climate Change

Course Organization

- We will meet for 4 hours of class every Monday:
  - Time and date:
    - ★ 1st unit: Monday, 9:15-10:45, Seminarraum 8 - I132 I1.001
    - ★ 2nd unit: Monday, 11:00-12:30, Seminarraum 8 - I132 I1.001
- Both units will be a combination of lectures, discussions and practical exercises
- The slides are available on Moodle: https://moodle2.uni-leipzig.de/course/view.php?id=61817

Textbooks

- There is no book that covers the whole content of the course.
- Various textbooks, recent research papers as well as policy reports will be referred to in the respective units, with a bibliography given at the end of each unit.
- A selection of textbooks:
  - Brueckner (2011), *Lectures on Urban Economics*, MIT Press
  - Brakman, Garretsen and van Marrewijk (2019), *An Introduction to Geographical and Urban Economics - A Spiky World*, Cambridge University Press
  - van Ham, Tammaru, Brakman, Ubarevičienė and Janssen (2021), *Urban Socio-Economic Segregation and Income Inequality - A Global Perspective*, Springer - The Urban Book Series
  - Baldwin Hess, Tammaru and van Ham (2018), *Housing Estates in Europe - Poverty, Ethnic Segregation and Policy Challenges*, Springer - The Urban Book Series

Your Projects - Overview

Your goal: Write a 15-page seminar paper and hold a 30-minute presentation on **a comparative study of two cities and the challenges they face**

- Choose a **city pairing** and your **group** (3 students per group)
- Gather **data** on the two cities and analyze it
  - First-hand data on the city and its district (e.g. from the statistical authorities or other data sources)
  - Descriptive analysis, calculation of statistical indices, changes over time, graphs, maps
- **Literature** / secondary sources: Also look at books, official reports, policy papers or research articles that have examined the city/cities
- **Comparative analysis**:
  - What are the common issues the cities face? How do they differ in their response or policy? What is unique to each city? How could they learn from each other? $\Longrightarrow$ Your own critical reflection and evaluation

Your Projects - Roadmap

- Your seminar paper and presentation should mention all of the following points in the comparative analysis of the two cities:
  - City size and city growth
  - City structure: Residential areas and their income levels, income inequality and segregation
  - Home ownership, house prices / rental prices and gentrification
  - Business structure and sectoral composition, business agglomeration
  - Infrastructure
  - Environmental issues and climate change
- These are a lot of points. But: You might want to analyze some points more briefly and others in more depth - depending on data availability and the importance of the issues in the two cities.

The Presentation and the Paper

- The presentation and the paper should have the same overall content and structure. But think about how you present your results to the audience. Note that both should be in English.
- **The Presentation (30% of your grade)**
  - 30 minutes of presentation plus 15 minutes of discussion afterwards
  - Make sure that all group members take part.
  - 1-2 slides per minute. Don't put too many details on the slides. What do you want the audience to take away?

The Presentation and the Paper

- **The Seminar Paper (70% of your grade)**
  - 15 A4 pages of main text (it's a hard limit)
  - You can put tables and figures into an appendix
  - Format settings (standard for written academic papers and reports):
    - ★ Fonts: Times New Roman or Arial, Size: 12 pt, Line spacing: 1.5 lines
- Take a look at the **'Formal Guidelines for the Seminar Paper'** sheet on Moodle. It also contains a section on the **responsible use of AI** in the seminar paper work and how to declare it in the honorary statement:
  - Browsing for data and information, help on QGIS commands, editorial improvements of the text? $\Longrightarrow$ Yes!
  - Literature search and summarizing content? $\Longrightarrow$ Yes, with caution
  - Developing ideas, analyzing and interpreting data, writing the paper $\Longrightarrow$ No!

Your Projects - The City Pairings

- **1: Frankfurt/Main - Brussels**
- **2: Hamburg - Amsterdam**
- **3: Copenhagen - Stockholm**
- **4: Helsinki - Tallinn**
- **5: Dublin - Edinburgh**
- **6: Zurich - Geneva**
- **7: Marseille - Lyon**
- **8: Madrid - Lisbon**
- **9: Rome - Athens**

Your Projects - The City Pairings

- **10: Cologne - Bonn**
- **11: Dortmund - Essen**
- **12: Hanover - Wolfsburg**
- **13: Erfurt - Jena**
- **14: Heidelberg - Mannheim**
- **15: Stuttgart - Freiburg**
- **16: Warsaw - Budapest**
- **17: Vienna - Prague**
- **18: Milan - Turin**

Your Projects - Important Dates

- **Today until 31.10.2026**:
  - Sign up for a group / city pairing via Moodle (3 students per group).
  - There are many possible cities to choose from (more city pairings than student groups).
  - But it's first come - first served!
  - You are free to change groups until 31.10.2026
- **Group presentations**
  - 11 January 2027
  - 18 January 2027
  - 25 January 2027
  - 1 February 2027
- **28.02.2027** (23:59): Deadline for submitting the 15-page **seminar paper** of each group as a PDF by email to melanie.krause@uni-leipzig.de

Bibliography of Unit 1



Brakman, S., H. Garretsen, and C. van Marrewijk (2019).

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