



Syllabus

Term: 2025/26/2 **Subject name:** Regional Economics **Subject code:** B19GMC12E

Unit (Unit code) Department of Economics and Econometrics (KÖI)

Lecturer responsible for the course: Dr. SZABÓ Norbert

Requirement: Exam

Classes per week : 2/0/0

Classes per term:

Purpose of education:

The course will introduce principles of regional economics by focusing on the study of the economics of regions and local problems by understanding the effects of geographic location on the decisions of individuals and firms. The importance of location in everyday choices is easily assessed from our day-to-day lives, yet traditional microeconomic models are spaceless.

Knowledge: by the end of the module students will know:

- The theory of spatial aspects of economics regarding the relevant economic actors, functions and processes
- The main spatial factors that influence economic decision-making
- The most important regional micro- and macroeconomic models
- The most important regional economic development policies and their possible impacts

Skills: by the end of the module students will be able:

- to follow and understand economic and business processes and their spatial consequences
- to take into account the policies connected to regional economic processes and their impacts
- to use the studied models and theories to identify further economic relationships, critically evaluate policy interventions
- to describe the spatial attributes of different regional areas and draw appropriate conclusions

Contents:

1. Introduction to Regional economics. Schedule of the semester. Discussion of requirements. The main topics of the spatial economics.
2. Location choice theory. Objectives. Factors.
3. Transportation cost
4. Spatial competition. Market area. Hotelling model. Spatial price discrimination.
5. External economies, agglomeration, urbanization, why do cities exist?
6. Land use, Land market, Thunen model
7. Rural and urban land use I.
8. Midterm exam



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9. Rural and urban land use II., the monocentric city
10. Location of urban places – Theory of central places
11. Regional development (the role of demand, supply and factors) I.
12. Regional development (the role of demand, supply and factors) II.
13. Regional development policy

System of examing and valuation:

Assessment consists of two parts:

Mid-term exams during the semester (40%).

Final exam at the end of the semester (60%).

0% – 50,0% fail (1)

50,1% – 65,0% pass (2)

65,1% – 75,0% satisfactory (3)

75,1% – 85,0% good (4)

85,1% – 100,0% excellent (5)

Bibliography:

Core reading:

1. Edgar M. Hoover and Frank Giarratani (1999): An Introduction to Regional Economics. Knopf. Regional Research Institute, WVU.

Recommended readings:

1. Arthur O'Sullivan (2011): Urban Economics. Irwin/McGraw-Hill.
2. Capello, Roberta (2014): Regional Economics. Routledge.



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