Urban economics seminar

Urban economics seminar: Session 2

Friday 20 March, 2015
10:15-12:15
Salle de conférence, CERI
Sciences Po, 56 rue Jacob, 75007 Paris

Attendance is free, open until full. Interested participants should register on this link: http://bit.ly/1zYuCRW

Chair: Emanuele Ferragina (LIEPP and OSC, Sciences Po)

Speaker:

Frédéric ROBERT-NICOUD
Geneva School of Economics and Management (GSEM) (Université de Genève)

"Trade and towns: on the uneven effects of trade liberalization"
Additional document: slides of the presentation

We explore the effects of trade liberalization on employment and wage growth of different-sized towns within a country. A multi-region model of intra-national adjustment predicts that small towns have more elastic labor-force responses to trade liberalization. We examine this predictions in fine-grained regional data for Austria. The fall of the Iron Curtain in 1990 represented a large exogenous trade shock to the Austrian economy, providing us with a quasi-experimental setting for the exploration of trade-induced spatial effects. We find improved access to foreign markets to boost both employment and nominal wages, but large towns tended to have larger wage responses and smaller employment responses than small towns. In terms of aggregate income responses, the two effects cancel out: we find no statistically significant differences in the effects of trade liberalization on the wage bills of small and large towns.

Discussant:

Joan MONRAS
LIEPP and Department of economics, Sciences Po
Click here for more information on the seminar and its program

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