

Course title:	Urban Economics: Key Drivers of City Development
Instructor:	Prof. Dr. Volker Nitsch
Email address:	nitsch@vwl.tu-darmstadt.de
Track:	B-Track
Language of instruction:	English
Contact hours:	48 (6 per day)
ECTS credits:	6
Prerequisites:	Students should be able to speak and read English at the upper intermediate level (B2) or higher.

Course description

Why do cities exist? Why do firms cluster? Why is economic activity not equally distributed across space? This course addresses the central questions of why cities emerge, what roles cities will continue to play in the economy, and what determines the rise and fall of cities. Technically, the course provides an introduction to the field of urban economics. It focuses on stylized facts, basic microeconomic concepts, and empirical applications. Special attention is paid to social problems in cities, including housing, public transit, crime, and the role of local governments.

The course aims to make students familiar with economic tools and concepts useful for the analysis of urban issues. More generally, students learn to apply economic theory to real-world problems. A special focus will be placed on evidence and examples from Berlin. With its long and vibrant history, Berlin provides an excellent environment to study and explore various features of the economics of cities. Field trips allow participants to learn more about the past and the future of cities, their functions, their internal spatial structure, and their dynamics.

Student profile

The course is open to students from all disciplines. Elementary knowledge of economics and statistics is desirable.

Course requirements

See grading.

Required language skills

The language of instruction is English. Language proficiency on an advanced intermediate level (B2) is a prerequisite for participation. For orientation purposes, you can assess your language skills here (Common European Framework of Reference for Languages (CEFR): <https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=090000168045bb52>

Attendance

Each class consists of six teaching modules (45 minutes each). If you miss 6 modules (unexcused), your final course grade will drop by one grade. Coming more than 20 minutes late counts as one missed module (this also applies to excursion days). If you come late to class six times (up to 20 minutes) your entire course grade will also drop by one grade. If you miss 14 modules or more (unexcused), you will fail the class. Excused absences, such as those with medical documentation, do not count toward these totals.

Grading

20% Class participation

30% Mid-term exam

50% Final exam

Readings

The course materials will be provided online.

Course schedule

Date	Program*
Tuesday, July 21, 2026	Session 1: Introduction Session 2: The Emergence of Cities Session 3: Tutorial/Discussion/Review
Friday, July 24, 2026	Session 4: The Size of Cities Session 5: The Growth of Cities Session 6: Tutorial/Discussion/Review
Tuesday, July 28, 2026	Session 7: Land Rent Session 8: Land Use Session 9: Tutorial/Discussion/Review
Friday, July 31, 2026	Field Trip: Berlin Senate Department for Urban Development, Building and Housing [<i>Berliner Senatsverwaltung für Stadtentwicklung</i>]
Tuesday, August 4, 2026	Session 10: Zoning Session 11: Automobiles Session 12: Mid-Term Exam
Friday, August 7, 2026	Field Trip: Tour of the Olympic Stadium Alternative Option: Visit of Futurium
Tuesday, August 11, 2026	Session 13: Public Transit Session 14: Crime Session 15: Tutorial/Discussion/Review

Friday, August 14, 2026	Session 16: Housing Session 17: Final Exam Session 18: Review FUBiS Farewell Ceremony
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*Field trips are subject to change depending on the availability of appointments and speakers. On field trip days, class hours may be adjusted.