Expenditure and Displacement Impacts of Students' Consumption: Interregional Input-Output Analysis of a City-Region

Topic: 814A Regional IO Modelling (3)
Author: Kristinn HERMANNSSON

University students generate positive expenditure effects where they study and negative expenditure displacement effects at their place of origin. This paper specifies a model to estimate the magnitude of these impacts. Spatial expenditure/displacement profiles are constructed by combining information on students' consumption and the location of their places of origin, study and term time residence. An input-output model captures the dependence between a major student centre, the surrounding city region and the wider regional economy. The analysis reveals positive expenditure effects to the city and spill-over effects to the surrounding city region. Negative net-migration of students triggers expenditure displacement.

JEL Codes: I23, I25, R12, R15
Keywords: Input-Output, Metropolitan, Impact, Higher Education, Students, Expenditures, Displacement