

URBAN LAND ECONOMICS AND PUBLIC POLICY

Fifth Edition

PAUL N. BALCHIN

Ph.D., B.Sc.(Econ.)

Reader in Urban Economics

University of Greenwich

GREGORY H. BULL

B.A., M.A., Doctorate Senior Lecturer in Economics University of Greenwich

JEFFREY L. KIEVE M.Phil., B.Sc.(Econ.), A.I.A.S. Property Investment Consultant



Contents

Lis	t of Figures	vii
Lis	List of Tables	
	Preface to the Fifth Edition	
Aci	knowledgements	χv
1	Introduction	1
2	Spatial Structure and Urban Growth The urban land use pattern. Theories of urban structure. Theories of urban growth. Location theory. Size, urban growth and optimality.	12
3	The Market and the Location of Urban Land Uses Urban location theory. Retail location and development. Office location and development. Industrial location. Residential location.	48
4	The Property and Investment Markets and Town Planning Property interests. The property market and price determination. Institutions and the property market. Property as an investment. Differences between property and non-property investment. Cycles: post-war property market booms and busts, 1972–93. The property market and town planning. The polemics and effects of government intervention in the property market.	90
5	Investment Appraisal and the Economics of Development The nature and types of development. Site selection. Financial calculations for private development and the price of land. Sources of finance for development. Property development and investment overseas. The development cycle. Investment appraisal. Discounting and the time value of money. Optimal development. The economics of redevelopment and rehabilitation. Historic buildings.	126
6	Welfare Economics, Land and the Environment The concept of economic welfare. Welfare, externalities and public goods. Housing, externalities and public policy. Cost-benefit analysis. The valuation of environmental resources. Pollution and public policy. Air pollution – global issues.	165

vi Contents

7	Urban Congestion Economics and the traffic congestion problem. Road use and development. Public transport.	211
8	Urban Decline and Renewal	231

The process of urban change. Counterurbanisation. The stages theory of urban growth. The changing internal structure of the city. The inner urban areas. Renewal strategies. Local authority sources of finance. Local authority current financing. The reform of local government taxation.

284

9 Housing Housing market. Owner-occupation. Private rented accommodation. Local authority housing. Housing associations. Slum clearance, rehabilitation and renewal. The supply of new houses. The housebuilding

industry in Great Britain. Conclusions.

overseas.

The Construction Industry in the United Kingdom

The nature and characteristics of the industry. The construction industry and the economy. Output, building cycles and productivity in the construction industry. The structure of the industry and its economic organisation. Materials manufacturers. Labour. Technical developments in the construction industry: system building. Construction

Index 381