Cities, Inequality, and Innovation
(ECON 129)

Spring 2023

Instructor:	Fabian Eckert (fpe@ucsd.edu)
Time	TUE: 5:00pm – 7:50pm (Group 1)
	THU: 5:00pm – 7:50pm (Group 2)
Place:	YORK 4080A
Teaching Assistants:	Steven Brownstone (sbrownst@ucsd.edu)
	Harrison Mitchell (hamitchell@ucsd.edu)
Canvas:	Click Here
Prerequisites:	ECON110A (Macroeconomics A)
	ECON120A (Econometrics A)
Office Hours:	Fabian Eckert: WED 5-6pm on Zoom
	Steven Brownstone: TBD
	Harrison Mitchell: TBD

In Brief:

This undergraduate course studies the economics of the emergence and perserverance of cities and their role as places of innovation and economic inequality in the US inequality.

Course Description:

The course explores the dual role of American Cities as places of innovation and job creation but also places of great economic inequality and segregation over the last century. We start with an overview of American Cities, their growth over the last century, the demise of some, and the prospering of others. Then we focus on cities in the era of manufacturing, factory towns, the moving western frontier, and trade between cities and between cities and the agricultural hinterland. We will learn about the fundamental forces that shaped cities at the time and the impact they had on people's lives. At the end of this section, we will also look at historical data ourselves and produce maps of economic outcomes across regions in the United States. The second half the course deals with cities since 1980, the end of the manufacturing era. It will start with a lecture on trends in economic inequality in the US, and facets of it, such as intergenerational mobility, nutritional inequality, etc. Then we discuss the changing role of cities in these trends. How high house prices work to keep certain people out of cities, how the distribution of jobs in cities has changed, and what is driving these trends. In the end, we relate them back to the aggregate developments in inequality. We end by evaluating whether cities are more places of opportunity or engines of inequality and what the future of cities should and maybe going forward.

Main References:
The most important reference are the course slides uploaded for each lecture. The slides alone are enough to get full marks on this course. There are no required textbooks or other books. A lot of material in the course comes from ”Urban Economics” (9th Edition) by Arthur O'Sullivan

This is a restricted list of various interesting books that will be touched during the course. Reading them is *optional*.

1. The New Geography of Jobs by Enrico Moretti

2. Urbanism and its End by Douglas Rae

3. Triumph Of The City by Edward Glaeser

Logistics:
We meet once a week for class. Group 1 meets on Tuesday from 5-7:50PM in YORK 4080A. Group 2 meets on Thursday from 5-7:50PM in YORK 4080A. You can switch between groups but have to let me know. All lectures are recorded and accessible via Zoom and posted on Canvas.

I will hold regular office hours on Wednesday afternoon from 5pm to 6pm. For office hours, you can come to my office in ECON320, or meet me on Zoom. For fairness, if another student is waiting while we are talking, I will limit the time with each student to 10 minutes.

We have two *great* teaching assistants. Brownstone is responsible for all problem sets and refelection notes (see below). Mitchell is responsible for all exams and the mapping project. Brownstone holds office hours every week to answer questions regarding problem sets. Mitchell holds several office hours just before exams and mapping project deadlines.

Grading Policy:
There is a total of 1000 points in this course. They are distributed across different types of assignments as follows:

1. 5% or 50 points from weekly reflections (complete/incomplete), 10 reflections total

2. 10% or 100 points from problem sets (complete/incomplete), 4 problem sets total

3. 25% or 250 points for the Midterm

4. 25% or 250 points for the Mapping Project

5. 35% or 350 points for the Final

If you do not submit a problem set, a reflection, or the project you get zero points for the assignment. See further below for the protocol on missed examinations.

Exams:
There will be one in-class midterm exams (90 minutes, covering content from weeks 1 to 4), and one final exam (2 hours, covering content from Weeks 5 to 9). The exams are in a closed-book, closed-notes format. Exams will be held in class on your own personal computer through Canvas.

Problem Sets:
There are four problem sets covering the material from Weeks 1-2, Weeks 3-4, Weeks 6-8, and Weeks 8-9. Problem set due dates are listed below; they differ slighly depending on whether you are in the Tuesday or Thursday group. Problem sets appear on Canvas a week before their due date. Solutions are posted shortly after the due date. Problem sets are lightly graded as "check" (handed in and gave solutions to at least 80% of the exercises), and "zero" (did not turn anything in, or more than 20% of the questions are missing). If

you are unable to solve a problem, please describe why instead of just not answering the question. This way you will be able to secure a check on the assignment.

Your performance in this class crucially depends on your constant practice. Attending class and working on the problem sets will significantly affect your level of success in this course.

Reflection Notes:
In addition to problem sets, there will be a short graded assignment every week that is meant to promote better reflection and learning of the materials. Reflection notes appear as a quiz on canvas and should take you 5 minutes to complete, at most. Reflection notes are posted on Canvas as a Quiz when class is over and are due 24 hours later. At the beginning of each class I discuss question from the previous' weeks reflections notes.

Research on pedagogy shows that such reflection notes are highly effective at promoting learning and helps to make faculty and students accountable for what they have taught/learnt in each lecture. It is also a low-pressure form of assessment. They will be lightly graded as "check" (turned in), and "zero" (did not turn anything in). The reflections make up 5% of your final grade, but they will help both you and me in making progress in this class.

The Mapping Project:
Each student is expected to complete a mapping project. In this project the student chooses some economic variable that varies across locations in the US and is available publicly, e.g., average income by county. They then use statistical software (R, Python, Stata) to plot this variable on a map of the US. In the final class students present their project in 5 minutes, showing their map, and describing their question. In addition they write up to 400 words on a topic inspired by this map. For example, if you show average income you could write about income inequality across space and some of the reasons for income inequality across space that we have learnt about or policy attempts to alleviate it. Students have to hand in a pdf with the map and write up and their code that constructs the map. We will teach you how to use mapping software and be generally available to provide guidance on this project. A separate guide on the Mapping Project with substantially more detail will be made available on Canvas.

Course Overview + Important Dates:

Syllabus:

The course consists of 16 lectures in 3 parts. In most classes we will cover half 2 lectures.

1. Part 1: Why Do Cities Exist?

   (a) A first look at the data

   (b) Cities in the Data

   (c) Backyard Production

   (d) Trading Towns

   (e) Factory Towns

   (f) Agglomeration Economies

   (g) What determines the size of cities?

   (h) Where do cities develop?

2. Part 2: Cities and Inequality

   (a) A first look at the data

   (b) The Urban Labor Market

   (c) Inequality across Cities

   (d) Inequality within Cities and Segregation

3. Part 3: Cities and Innovation

   (a) A first look at the data

   (b) Cities and Innovation in History

    (c) Growth and Ideas

    (d) Ideas and Cities

Exam Policies:

Proctoring Protocol. Exams have to be taken in the class room on a personal computer.

Missed examinations. You must take the final exam in order to receive a grade in this course. The date is written above, please be sure to mark your calendar. If you miss the midterm exam without a university accepted excuse you will be assigned 0 point for it. Excuses for missed exams must be pre-approved by me (except when this is not possible in an emergency situation). A student who misses an exam due to physical illness will be required to provide documentation from a health care professional indicating why the student was physically unable to take the exam. All documentation must be provided to Professor Eckert within two working days of the end of the emergency.

If you miss a midterm with an accepted excuse, I will offer an oral exam via zoom instead.

Academic Integrity. Students are expected to do their own work, as outlined in the UCSD policy on Academic Integrity. All students of UC San Diego are responsible for knowing and adhering to this institution's policy regarding academic integrity. Cheating, plagiarism, fabrication, lying, bribery, threatening behavior and assistance to acts of academic dishonesty are examples of behaviors that violate this policy. Ordinarily, a student engaged in any act of academic dishonesty will receive a failing grade for the course. In addition, all incidents of academic misconduct shall be reported to the Academic Integrity Office. Depending on its findings, students who are found to be in violation of the academic integrity policy will be subject to non-academic sanctions, including but not limited to university probation, suspension, or expulsion. The Academic Integrity Office can be contacted by email at aio@ucsd.edu or by telephone at 858-822-2163. Additional information regarding the University Academic Integrity policy is available at https://academicintegrity.ucsd.edu/.

University Policies and Resources:

Conduct Code. To foster the best possible working and learning environment, UC San Diego strives to maintain a climate of fairness, cooperation, and professionalism. UC San Diego's Principles of Community illustrate the expectations of all members of our community. Consistent with such principles, the Student Conduct Code underscores the pride and the values that define UCSD's community, while providing students with a framework to guide their actions and behaviors. I recommend reviewing the Student Conduct Code to make sure you are familiar with the behavior that is expected from you in class and on campus in general.

Disability Accommodations. Campus policy regarding disabilities requires that faculty adhere to the recommendations of the Office for Students with Disabilities (OSD). Any student eligible for and needing academic adjustments or accommodations because of disability should submit to me a letter from OSD describing appropriate adjustments or accommodations and should arrange to meet with me as soon as possible so that arrangements can be made in a timely manner. University policies regarding disabilities are available at http://disabilities.ucsd.edu/students/. Appointments with OSD (phone or in-person) can be made by calling 858.534.4382 or by email at osd@ucsd.edu. More information can also be found here.

Religious Observance. Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly accommodate all students who, because of religious obligations, have conflicts with scheduled examinations, assignments or required attendance. See full details of policies on examinations here. If you have scheduling conflict covered by this policy, please let me know as soon as possible so that we can reschedule the relevant assignment/examination.

Harrassment Policy. The University Policy on Discrimination and Harassment applies to all students, staff and faculty. Any student, staff member or faculty member who believes (s)he has been the subject

of discrimination or harassment based on race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation, or political philosophy, should contact the Office for the Prevention of Harassment and Discrimination (OPHD) at (858) 534-8298, ophd@ucsd.edu, or reportbias.ucsd.edu

Data Privacy. The University adheres to the standards for student privacy rights and requirements as stipulated in the Federal Rights and Privacy Act (FERPA) of 1974, see http://ucsd.edu/catalog/front/ferpa.html.

Counseling. Managing the many challenges of being a college student can be very stressful. Always remember that talking to somebody that is professionally trained to help is just an email, or short walk, away: https://caps.ucsd.edu/.