

University of California, San Diego
Department of Economics

Econ 135/USP 102: Urban Economics

Fall 2015 (revised/corrected)

Prof. Michelle White

Email: miwhite@ucsd.edu; 534-2783. Econ 320. Office hours: Tues and Wed, 4-5p.

TA: Becky Hui, b3hui@ucsd.edu. Her office hour will be Monday, 11:30 – 12:30. Room to be announced.

Class schedule: Tues & Thurs 2 – 3:20p in Center Hall 222.

This course examines economists' models of how land use in cities is determined—whether land at particular locations is developed as employment versus housing, where different types of households locate within cities and at what density levels. We will also examine how land use in cities has changed over time and how it differs in U.S. versus European and Chinese cities. Then we will examine the effect of public policy in cities and how it affects urban land use, including zoning/planning, urban transportation, government subsidization of housing, rent control, the government role in mortgage markets, and how local government is organized.

Course website on TED: Lecture notes, study questions, practice exams, readings besides the textbook, and announcements will be posted on the course website on TED. (Note that all of the information about the course, including announcements, is posted under “Content.”) There will be some additional readings, mainly news articles relevant to the course—these will be posted on TED. There are additional study questions and problems at the end of each chapter in the textbook. Note that I will sometimes post updated versions of the lecture notes or study questions.

Textbook: The textbook for the course is *Urban Economics*, by Arthur O’Sullivan. You don’t need the latest edition of the textbook—older editions are fine. The book is also on reserve at Geisel library.

Grading and tests: The in-class midterm will be on Thursday, Oct 29, and the final exam will be on Thursday, December 10, from 3-6p. The midterm and final will each count 45%. Both the midterm and final will be closed book, with no notes, calculators, iphones, computers, teddy bears, etc., allowed. Students must take the midterm and final at these times—please make sure that you will be in town! The remaining 10% of the grade will be determined by attendance and some short quizzes on the readings. These are intended to encourage class participation and discussion.

Reviews: There will be review sessions before the midterm and final exams.

Podcasts (aural recordings): Unfortunately, our classroom is one of the only rooms at UCSD without podcast equipment. So no podcasts.

Regrades: For regrades, you must submit a written request that explains why you think your answer was graded incorrectly. Submit requests within two weeks after the exams are returned.

Announcements: Please check the Announcements section of the course website for information about office hours, assignments, any changes in the schedule for office hours, posting of additional material, etc.

Current events related to cities: Urban economic issues are often in the news. If you see news reports that are relevant to the course, please mention them to Prof. White. We will discuss them in class.

Readings and Lecture Notes

0. Review of microeconomics (this material will not be covered in class, but students will be assumed to know it!).

Appendix in O'Sullivan book.

I. Why and where do cities develop? (week 1)

Chapters 1-3 in editions 5-8.

Lectures 1 and 2

III. Urban land use, suburbanization and commuting (weeks 2-3)

Chapters 6-7 in 6-8 editions, chapters 7-9 in 5th ed.

Lectures 3-5

IV. Zoning (week 4)

Chapter 9 in 6-8th eds, ch 10 in 5th ed.

Lecture 6

V. Urban transportation (week 5-6)

Chapter 10-11 in 6-8th eds, chs 11-12 in 5th ed.

Lectures 7a and b

VI. Housing and (briefly) segregation and/or urban crime (weeks 7-8)

Chapters 8, 2-14 in 6th and 7th eds, chapters 8, 13, and 14-15 in 8th ed.

Lectures 9 and 10

VII. Local government (weeks 9-10)

Chapters 15-16 in 6th and 7th eds, chapters 16-17 in 8th ed, chs 19-20 in 5th ed.

Lecture 11