

University of California, San Diego
Department of Economics

Econ 135/USP 102: Urban Economics

Spring 2015

Prof. Michelle White

Email: miwhite@ucsd.edu; 534-2783. Econ 320. Office hours Wed 3-5p

Class schedule: Tues & Thurs 3:30 - 4:50p in Solis 119.

This course examines economists' models of how land use in cities is determined—whether land at particular locations is developed as jobs versus housing, where different types of households locate within cities and at what density level. 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 government policy in cities and how it affects urban land use, including zoning/planning, urban transportation, government support and regulation of housing markets and mortgage markets, and local governments' provision of local public services.

Course website: 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.”) Some additional readings besides the textbook (mainly news articles relevant to the course) will be posted on the course website during the quarter. There are also 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. The latest edition of the textbook is available at the bookstore, but older versions of the textbook available on the web are fine. The textbook is also on reserve at Geisel library.

Grading and tests: The in-class midterm will be on Tuesday, Apr 30, and the final exam will be on Monday, June 8, 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!

Class participation: Students will be required to do some activities during the quarter, such as making a presentation on a policy issue that we discuss in class, being prepared to ask/answer questions on class at particular dates, and/or writing a short paper. Participation will count for the remaining 10% of the grade.

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

Office hours: If you are interested in talking about going to graduate school in economics or some related field, feel free to come in during my office hours.

Announcements: Please check the Announcements section of the course website for information about what material will be covered in the next class, changes in the schedule, additional material, etc.

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

Reading assignments

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? (lecture 1)

Chapters 1-3 in editions 5-8.

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

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

IV. Zoning (week 4)

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

Discussion of One Paseo development near the UCSD campus from the viewpoints of the government, the developer, nearby residents, and economic efficiency. (onepaseo.com)

V. Urban Transportation (week 5)

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

Discussion of the widening of I-5 in San Diego.

VI. Housing and Public Policy Toward Housing (weeks 6-8)

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

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.