Course: ECON XXXX Applied Urban Economics
Section: Section xx, CRN xxxxx
Semester: Summer 2019

INSTRUCTOR
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Office hours: immediately after class, or by appointment

GRADUATE ASSISTANT
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Email: zhangfeng@gwmail.gwu.edu
Time and Location: M/Th 3:30 - 4:30 Monroe 324
Name: Shuang Wu is the new computer TA
Email:
Time and Location: M/Th 4:30 - 6:00 location TBD

COURSE DESCRIPTION
This course will analyze the economics of cities and urban areas and consider the implications of the location of economic actors. This course will also thoroughly discuss the considerable externalities of cities, both positive and negative, as well as public policy issues to alleviate or encourage the effects of those externalities.

COURSE PREREQUISITE(S)
Intermediate-level microeconomic theory, intro-level macroeconomics, and ECON 6300 Mathematical Methods for Economics. CHECK FOR UPDATES BASED ON GWU LANGUAGE

TEXTS
Carl P. Simon and Lawrence E. Blume, Mathematics for Economists, W.W. Norton & Company (For those students in need of a mathematics refresher)
In addition, we will work from various outside readings from the academic literature. Students are expected to complete all assigned readings before each class.

**LEARNING OUTCOMES:**
As a result of completing this course, students will:
1. be familiar with the rigorous treatment of Urban Economics, as it is used in both academia as well as in public policy groups, think tanks, and government regulatory bodies
2. develop intuition for location and other strategic behavior of economic actors
3. identify externalities that arise from location choice
4. use microeconomic analysis tools to evaluate regulatory policy
5. learn how to identify a research project, conduct a literature review, and present their research to the class

**ANTICIPATED HOURS of WORK**

**REVIEW BASED ON GWU REQUIRED LANGUAGE** Over the course of the semester, students will spend approximately 2.5 hours (150 minutes) per week in class; there are 14 class meetings. Required reading for the class meetings and written response papers or projects are expected to take up, on average, 7 hours (350 minutes) per week. Thus, over the course of the semester, students will spend approximately 35 hours in instructional time and 105 hours preparing for class.

**GRADING**
- Short Research Paper 20%
- Midterm Examination 25%
- Final Examination 25%
- In-Class Quizzes 10%
- Problem Sets 10%
- Class Participation 10%

Note: In accordance with University policy, the final exam will be given during the final exam period and not the last week of the semester.

**Sketch of Topics**
Below is an outline of the topics that we will cover. Minor modifications might be possible as the course progresses. A detailed course schedule is available on blackboard, and you should expect that this will be updated along the way.

Topic 1: Cities and Models
Topic 2: Housing Theory and Policy
Topic 3: Encouraging Urban Economic Activity
Topic 4: Urban Development Strategies

**CLASS POLICIES**

**Before The First Class**
Please write a few paragraphs telling me: (1) why you are enrolled in the MA Applied Economics program, (2) what was your undergraduate major and why you chose it, (3) your
career goals, (4) what you hope to get out of this Urban Economics course, and (5) anything else you’d like to tell me about yourself. Please bring a copy to the first class.

**Research Paper Assignment**

Students will prepare one short research paper (see course schedule for due date). This paper will be modeled on academic style economic research and will be on an urban economics topic. The paper should motivate a particular economic question, describe the related literature, and motivate and undertake an empirical analysis. A critical component of the evaluation of this paper will include its feasibility. Students will present their research paper to the class on the last meeting for the term. The paper and presentation will contribute 20% of the total course grade.

**Quiz and Exam Policy**

There will be 6 short quizzes administered throughout the semester (see course schedule). Quizzes will be administered during the first twenty minutes of class time. These quizzes will relate to previously discussed course material. They are intended to provide ample opportunity to practice problem solving in preparation for the midterm and final exam.

The midterm exam will be administered in-class and will include all relevant cumulative course material. Because economics is a progressive subject, all course material builds upon previous work. For this reason the final exam will also be cumulative in nature, although questions will be more heavily focused on the second half of the course.

**Problem Sets**

Weekly problem sets will be due at the beginning of class, posted to the course website at least one week before they are due. These assignments will include both theoretical questions (to be answered with a pencil and paper) and applied questions (to be answered using Stata). The first problem set will detail the expected format for the portion of the assignments involving Stata. An answer key will be posted to the course website after the class in which the assignment was due. For this reason, late problem sets are not accepted. Problem sets will be graded on a completion basis only: 100% indicates the assignment is complete and well-done, 90% indicates that all questions were seriously attempted, 70% means that not all questions were seriously attempted. You may drop your lowest problem set score. *I encourage you to work together on problem sets, however each student must turn in their own version of the assignment in their own words.*

**Attendance**

Each class will be centered on a discussion of the week’s assigned readings and problem sets. Students are expected to complete the readings and problem sets before coming to
class and should plan to participate actively in class discussion. Participation in class discussions and problem set solutions will contribute 20% of the total course grade.

**Make Up Exam Policy**
The lowest two quiz scores will be automatically dropped in calculating your final grade. For this reason, no make-up quizzes will be offered. If you are unable to attend class on the midterm examination date, your final exam will contribute 50% to your total course grade. There will be no make-up final exam offered.

**UNIVERSITY POLICY ON RELIGIOUS HOLIDAYS**
1. Students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance;
2. Faculty should extend to these students the courtesy of absence without penalty on such occasions, including permission to make up examinations;
3. Faculty who intend to observe a religious holiday should arrange at the beginning of the semester to reschedule missed classes or to make other provisions for their course-related activities.

For details and policy, see: [https://students.gwu.edu/accommodations-religious-holidays](https://students.gwu.edu/accommodations-religious-holidays)

**ACADEMIC INTEGRITY**
I personally support the GW Code of Academic Integrity. It states: **“Academic dishonesty is defined as cheating of any kind, including misrepresenting one's own work, taking credit for the work of others without crediting them and without appropriate authorization, and the fabrication of information.”** Please note that allowing another student to copy your work is defined as cheating under the Academic Integrity code.

Common examples of academically dishonest behavior include, but are not limited to
1) Cheating
2) Fabrication
3) Plagiarism
4) Falsification and forgery of University academic documents
5) Facilitating academic dishonesty

Sanctions range from failure of the assignment, to failure of the course, to suspension or expulsion from the University. For the remainder of the code, see: [http://www.studentconduct.gwu.edu/code-academic-integrity](http://www.studentconduct.gwu.edu/code-academic-integrity)

**SUPPORT FOR STUDENTS OUTSIDE THE CLASSROOM**
**DISABILITY SUPPORT SERVICES (DSS)**
Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in Rome Hall, 801 22nd St., NW, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information, please refer to [https://disabilitysupport.gwu.edu/](https://disabilitysupport.gwu.edu/)

Students must arrange with the DSS office **well in advance** of needing the service.
UNIVERSITY COUNSELING CENTER (UCC) 202-994-5300
The University Counseling Center (UCC) offers 24/7 assistance and referral to address students' personal, social, career, and study skills problems. Services for students include:
- crisis and emergency mental health consultations
- confidential assessment, counseling services (individual and small group), and referrals
For additional information see: https://healthcenter.gwu.edu/mental-health
## (Tentative) COURSE SCHEDULE : Updated 9/15/2018

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
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| Week 1 | TBD | What is Urban Economics? | Brueckner Ch 1 Why Cities Exist  
Five Principles of Urban Economics  
Mario Polèse  
A critique of urban economics  
Michael Ball  
| Week 2 | TBD | Monocentric City Model, #1 | Brueckner Ch 2 Analyzing Urban Spatial Structure  
Gabaix, “Zipf’s Law for Cities: An Explanation”  
Greenstone, Hornbeck & Moretti. “Identifying Agglomeration Spillovers: Evidence from |
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<tr>
<th>Week 3</th>
<th>TBD</th>
<th>Monocentric City Model, #2</th>
<th>Brueckner Ch 3 Modifications of the Urban Model</th>
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<td>Roback, Jennifer. &quot;Wages, Rents, and the Quality of Life,&quot; JPE 1982</td>
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<td>“Teaching the DiPasquale-Wheaton Model”</td>
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<td>Joseph S. DeSalvo.</td>
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<td><a href="http://economics.usf.edu/PDF/TeachingtheDiPasquale-WheatonModel.pdf">http://economics.usf.edu/PDF/TeachingtheDiPasquale-WheatonModel.pdf</a></td>
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<td>Week 4</td>
<td>TBD</td>
<td>Zoning Policy</td>
<td>Brueckner 4 Urban Sprawl and Land-Use Controls</td>
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<td>Glaeser &amp; Gyourko, “The Impact of Zoning on Housing Affordability”</td>
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<td>Ihanfeldt, “The effect of land use regulation on housing and land prices”</td>
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<td>Selections from “Other people's property”, Siegan, Bernard H.</td>
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<td>Selections from “Zoning rules! the economics of land use regulation,” Fischel, William A</td>
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<td>Assignment 1 due in class</td>
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<td>Week 5</td>
<td>TBD</td>
<td>Transportation</td>
<td>Brueckner 5 Freeway Congestion</td>
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<td>Week 6</td>
<td>TBD</td>
<td>Housing Theory</td>
<td>Brueckner 6 Housing Demand and Tenure Choice</td>
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<td>TBD</td>
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<td>Glaeser &amp; Luttmer, “The Misallocation of Housing Under Rent Control”</td>
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<td>Glaeser, et al., “Why Have Housing Prices Gone Up?”</td>
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<td>Week 7</td>
<td>TBD</td>
<td>Housing Policy</td>
<td>Brueckner 7 Housing Policies</td>
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<td>HUD, QCT Map. <a href="https://www.huduser.gov/qct/qctmap.html">https://www.huduser.gov/qct/qctmap.html</a></td>
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<td>Banzhaf and Walsh, “Do People Vote With Their Feet? An Empirical Test of Tiebout’s Mechanism”</td>
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<td>BLANK ROW FOR SCHOOL HOLIDAY</td>
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<td>Week 8</td>
<td>TBD</td>
<td>Public Goods</td>
<td>Brueckner 8 Local Public Goods and Services</td>
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<td>Week 9</td>
<td>TBD</td>
<td>Pollution and Other Negative Externalities</td>
<td>Brueckner 9 Pollution</td>
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<td>“Air Pollution in Cities,” Matthew E. Kahn, in “A Companion to Urban Economics”</td>
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<td>Week 10</td>
<td>TBD</td>
<td>MIDTERM</td>
<td>Assignment 3 due in class</td>
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<td>Week 11</td>
<td>TBD</td>
<td>Crime</td>
<td>Bruckner 10 Crime</td>
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<td>Week 12</td>
<td>TBD</td>
<td>Brueckner 11 Urban Quality-of-Life Measurement</td>
<td>Assignment 4 due in class</td>
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| Week 13 | TBD | Special Topics: Great American Cities Urban Economic Development Policies | “The Real Cost of Luring Big Companies to Town”

Whatever Bartik’s latest & greatest is on Amazon by the time we get to here

New York City's Endangered Economic Miracle, Justin Fox, January 24, 2018

Aaron Rann, “The Second Rate City?”

“Chicago’s Awful Divide”

“Is Washington’s Local Economy in Trouble?”

| Week 14 | TBD | Presentations | Papers due shortly after class |