

# Econ 318-51: Urban and Regional Economics

## Syllabus

Fall 2021

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**Course Meets: Tuesdays & Thursdays, 10:30 pm – 11:45 pm, KH-216**

### Contact Details

Instructor: Prof. Dustin Frye

E-mail: [dufrye@vassar.edu](mailto:dufrye@vassar.edu)

Office: Blodgett Hall 240C

Zoom Office Hours: Wednesdays 12:00 – 2:00 pm; Thursdays 9:00 – 10:00 am; or by appointment.

Website: Moodle

### Course Description

Urban economics is the study of the role that economics plays on the location and concentration of economic activity. The field addresses four sets of questions, and this course is organized around these four areas.

- The first set of questions focuses on the development of urban areas.
- The second set of questions addresses patterns of development within metropolitan areas.
- The third set of questions concerns the spatial aspects of local government policy and explores the inter-relationship between city and suburban governments.
- The fourth set of questions concerns the role of public policy in the urban environment.

The economist, through training, tends to become an expert in the construction and manipulation of theory or applied econometric methods. Throughout the course we will build both aspects of our analytical toolkit to examine these questions.

### Textbook and Course Materials

**Textbook.** There is no required textbook for this course.

**Moodle.** We will be using Moodle for this course. Be sure to check Moodle for course updates, posted assignments and grades, and lecture materials. Lecture notes will generally be posted in advance of the lecture we cover them in.

### Prerequisites

**Economics Prerequisites:** Econ 201 and Econ 203 or Econ 210

Relevant math techniques and economic concepts will be briefly reviewed when necessary, but you are responsible for the math and econ requirements of this course. If you need extra help with the quantitative components of the course please visit the Quantitative Reasoning Center (QRC) for help.

## Grading

There are four components to your course grade.

1. Article Summaries (10%)
2. Assignments (20%)
3. Referee Report (20%)
4. Midterm Exams (25% Each)

### Journal Article Summaries

Part of the material covered in the course comes from recent academic papers. One of the objectives of this course is to introduce you to how economic knowledge is created and distributed (research). To encourage you to read these papers, you will write a summary for each article. These will be no longer than one page in length (12 point font, single-spaced). In the summary, you will (1) identify the author's question, (2) the setting they evaluate and data sources they use, (3) why we care about this question, and (4) the major results. You must turn in your summary at the beginning of class on the day we discuss the paper in order to receive credit. Summaries will be graded on a four-point scale, one point for successfully answering each question. The papers will be available through Moodle. These should be completed individually.

### Assignments:

I will assign four problem sets this semester. The goal of these assignments is to give you practice with the material covered in lecture and to help prepare you for the exams. Assignments will be posted on Moodle two weeks prior to the due date. The due dates for assignments are listed in the course schedule. Problem sets are due by the date and time listed on the assignments. I will not, under any circumstances, accept a late assignment. If your assignment is not submitted before the due date you will receive a zero on that assignment. I only accept hard copies of problem sets that are neatly stapled together. *Unstapled assignments will not be graded.*

As an urban economist, I believe in the importance of creating positive spillover effects through collaboration. You are encouraged to study with other students and to discuss and compare notes with each other when working on problem sets. If you do work with other students, you can submit your assignments in groups of up to three people.

Problem set due dates are: **Sept 16<sup>th</sup>**, **Oct 1<sup>st</sup>**, **Nov 18<sup>th</sup>**, and **Dec 2<sup>nd</sup>**.

### Referee Reports

You will write a referee report on unpublished papers from a set of recent working papers in the field. Each referee report should be 3-5 pages long (double-spaced), briefly summarize the work, critique the article, and provide suggestions for improvement. I will provide some guidance on writing referee reports in advance of the assignment as well as the paper to review.

Referee report due dates are: **Dec 7<sup>th</sup>**.

## **Exams**

The course features two exams. The first midterm will be in-class and is scheduled for **Oct 7<sup>th</sup>** and the second midterm is during the final exam period. Check your calendar for weddings, birthdays, or any other travel plans. If you have plans you should drop the class immediately. I will not allow you to take the exam early or late. If you miss the exam for any reason you will receive a zero.

The format of the exams will be short answer questions, graphical or mathematical problems or short essay. Any material covered in lecture and/or in the assigned readings is fair game for the exams.

## ***Tentative Schedule & Reading List***

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### **Spatial Structure of Cities (Sept 1<sup>st</sup> – Sept 21<sup>st</sup>)**

1. Simple Model of a City
2. Residential Location Choice
  - Single Consumer Type
  - Multiple Consumer Types
3. Firm Location Choice

### **Agglomeration and Urban Form (Sept 23<sup>rd</sup> – Nov 2<sup>nd</sup>)**

1. Across Regions
  - Greenstone, M., Hornbeck, R., & Moretti, E. (2010). Identifying agglomeration spillovers: Evidence from winners and losers of large plant openings. *Journal of Political Economy*, 118(3), 536-598.**
  - Kline, P., & Moretti, E. (2014). Local economic development, agglomeration economies, and the big push: 100 years of evidence from the Tennessee Valley Authority. *The Quarterly Journal of Economics*, 129(1), 275-331.**
2. Within Cities
  - Ahlfeldt, G. M., Redding, S. J., Sturm, D. M., & Wolf, N. (2015). The economics of density: Evidence from the Berlin Wall. *Econometrica*, 83(6), 2127-2189.**
3. Measurement
  - Henderson, J. V., Storeygard, A., & Weil, D. N. (2012). Measuring economic growth from outer space. *American economic review*, 102(2), 994-1028.**
4. Sprawl
  - Burchfield, M., Overman, H. G., Puga, D., & Turner, M. A. (2006). Causes of sprawl: A portrait from space. *The Quarterly Journal of Economics*, 121(2), 587-633.**

## Special Topics (Nov 4<sup>th</sup> – Dec 7<sup>th</sup>)

### 1. Worker Spillovers

**Moretti, E. (2004). Workers' education, spillovers, and productivity: evidence from plant-level production functions. American Economic Review, 94(3), 656-690.**

### 2. Transportation

**Baum-Snow, N. (2007). Did highways cause suburbanization?. The quarterly journal of economics, 122(2), 775-805.**

### 3. School Quality

**Black, S. E. (1999). Do better schools matter? Parental valuation of elementary education. The quarterly journal of economics, 114(2), 577-599.**

### 4. Taxation

**Moretti, E., & Wilson, D. J. (2017). The effect of state taxes on the geographical location of top earners: Evidence from star scientists. American Economic Review, 107(7), 1858-1903.**

### 5. Housing

**Glaeser, E. and J. Gyourko (2005) Urban Decline and Durable Housing. Journal of Political Economy, 113, 345-375**

### 6. Environmental Quality

**Greenstone, M., & Gallagher, J. (2008). Does hazardous waste matter? Evidence from the housing market and the superfund program. The Quarterly Journal of Economics, 123(3), 951-1003.**

## Final Exam (TBD)

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### *Other Stuff*

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#### **Late Work Policy**

*Assignments are due at the beginning of class, not at the end or later that day.* You are welcome to make up any assignment late but each day the assignment is late it reduces the potential score by 50%. Assignments turned in after the beginning of class are considered one day late. In order to submit an assignment, you must be present at the beginning of class and stay through the entire class.

#### **Calculators**

Neither graphing calculators nor cell phone calculators will be allowed during exams!!!

Do not ask me to use either type on an exam; I will not make an exception and the answer will be a definitive “No.” Please be sure to obtain an acceptable calculator type (any type of calculator other than a graphing calculator or cell phone calculator) to use for exams.

**Academic Dishonesty:**

Presenting the work of someone else as you own is a serious affront to the other students and to me. Anyone suspected of committing academic dishonesty will be immediately turned into the Dean of Studies.

**Religious Holidays:**

Although classes will be held on religious holidays, students may have excused absences for any conflicting religious practice. Students who will miss class in order to observe a holy day must notify the instructor in advance and arrange to make up any work missed. This general policy applies to all religious holidays observed by students and is not restricted to those observances recognized as major holidays for our community.

**Disabilities:**

Academic accommodations are available for students registered with the Office for Accessibility and Educational Opportunity (AEO). Students in need of ADA/504 accommodations should schedule an appointment with the course instructor early in the semester to discuss any accommodations for this course that have been approved by the Office for AEO.