Econ 207 (Urban Economics)  
Syllabus  
Spring 2015

Course Meets: Tuesdays and Thursdays, 11 am – 12.15 pm, King 101.

Contact Details
Instructor: Prof. Ron Cheung  
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Office Hours: Tuesdays, 1.15 – 2.30 pm; Wednesdays, 2 - 3 pm; Thursdays, 1.15 – 2.30 pm; other times by appointment.

Course Description and Objectives
Three-quarters of the U.S. population and about half of the world population are urban. Cities are complex, dynamic creatures, and urban economists have attempted to systematically explain their existence, growth and impact. This course provides an introductory look at these theories and concepts. Along the way, an important emphasis will be placed on policies (public and private) that have had important effects on urban form, structure and economy.

By the end of this course, you will be able to:

- Understand the implications of canonical theoretical models in urban economics, including the monocentric city model, the neighborhood choice model and the rational criminal model.
- Apply these models in three equally important ways: conceptually, graphically and mathematically.
- See how theoretical models have been taken to empirical data to test their validity.
- Evaluate good and bad local policy along the dimensions of efficiency, equity, sustainability and other criteria.
- Tie models to your own experience with cities by participating in the class project.

Prerequisites
The prerequisite for this class is Econ 101, Principles of Economics. This means that you have seen and are familiar with the basic concepts of demand and supply. We will have a short review of key concepts in the first week of class, but for additional reference, you may wish to consult your principles of economics textbook or the appendix of the O’Sullivan textbook.
This course, while having a strong focus on applied policy, is nonetheless a course in a discipline of economics. Therefore, it will use mathematical models, equations, graphs and statistics. We will build models that simplify the world but still allow us to draw conclusions and evaluate policy. The course will be more quantitative and mathematical than Econ 101. I will use algebra and graphs, but there will be no calculus or econometrics. If you have questions about the level of quantitative proficiency required in the course, please come and talk to me.

Textbook and Course Materials

Textbook. The required textbook for this course is Arthur O’Sullivan’s Urban Economics, 8th edition. (The 7th edition is okay, but not older editions.) International editions are fine. There are electronic versions of the textbook to rent or to buy; a place to go would be Amazon or www.coursesmart.com.

Readings. There will be some additional readings from academic journals and other sources that will supplement our textbook. These will be announced in class and made available on Blackboard, and I expect you to have read them in preparation for the lecture where we discuss them.

Blackboard. As a registered student, you should be able to view the Blackboard page for this course. This is the site where I will post lecture notes, additional study material and announcements for this course. It is your responsibility to check the site often. Lecture notes will generally be posted in advance of the lecture we cover them in. I recommend that you print them out and bring them to class so that you can take notes on them. Note that the lecture notes are incomplete, as we will fill in the missing graphs, diagrams and equations during the lecture. If you miss a lecture, it is your responsibility to find a classmate who attended class to fill in the blanks.

Grading

There are four components to your course grade.

Assignments (20%). There will be seven homework assignments, which will be posted on Blackboard. Assignments may consist of short answer questions, graphical or mathematical problems or short essays. You will have at least one week to complete each assignment. You are permitted (and encouraged) to work in a group of 4 students or fewer on assignments, but please hand in your own assignments. I will drop the assignment with the lowest grade from your final mark calculation.

You MUST hand in your assignment in the first fifteen minutes of the class that it is due (in other words, between 11 and 11.15 am). Here are the penalties for lateness:

- Handed in during class but after the first 15 minutes: 20% penalty. If you intend on doing this, please hand your assignment in at the end of the class to avoid disturbing the lecture.
- Handed in within 24 hours of due time: 30% penalty.
- Handed in after 24 hours: not accepted.
- Exceptions can be made for documented reasons.
**Midterm Exam** (20% each). There will be one midterm exam, held Tuesday, 31 March 2015. The exam will be in-class and closed-book, and last for 1 hour and 15 minutes. The exam will be a combination of short-answer problems and short-essay questions. I will provide a study guide prior to each exam.

**Final Exam** (30%). There will be a cumulative (but very heavily weighted towards material after the midterm) final exam held on **Wed., 13 May 2015, from 2 to 4 pm.** It is up to you to make sure that travel plans do not interfere with your ability to take the exams.

**Urban Snapshots Project** (30%). One of the most interesting aspects of urban economics is that urban structure and local public policy (both good and bad) can be observed simply by looking around. Is there congestion on city streets? Is there trash on the sidewalk? Why is there a “wrong side of the tracks?” The class project asks you to take scenes relevant to you and interpret them through the lens of the models we talk about in class.

You will take ten (digital) photographs of urban scenes, and you will write accompanying text (1-2 pages of double-spaced text per scene, more or less) to interpret the photograph using economic concepts discussed in this class. For example, a photo of a dilapidated house may prompt a discussion on the “broken windows” hypothesis and impact on crime, or perhaps on the foreclosure crisis. You may also juxtapose two photographs to illustrate one scene (rich vs. poor, black vs. white, etc.) – those count as one scene. During the term, you should feel welcome to come by to show me photos if you would like to talk about them.

Be sure to attribute your photos! Make a note of: who took the photograph, and the location/date/time. If you had taken a photo before this course that you’d like to include, that is fine. Finally, if you happen upon a **really fantastic** photograph taken by someone else (a friend, online, a book), you may include it with proper attribution. In that case, the text of the photograph will be given much more weight than the photo. No more than four of your scenes may come from photos not taken by you.

It is **encouraged, although not required**, that you work with a partner on this project. If you do, please place both your names on the project. You and your partner do not have to take an equal number of photographs, but you must collaborate on the write-up for all of them.

Projects will be graded on several dimensions: (1) your ability to transfer the concepts seen in class to your photographs; (2) the quality of your descriptions and their relevance to class material; (3) the variety and originality of your photographs. (Please don’t submit ten photographs of skylines!) Each scene will be graded from 0 through 10, so the total grade is 100. Extra consideration will be given if you can unify all your photographs within a grand theme.

Three Very Important Reminders:

1. You should NOT expect that photographs of the real world can be perfectly explained by models we see in class. The real world is much more complex than any of our models ever are. Keep this in mind in your write-up.
2. Oberlin is a small town, and “big-city” problems may not manifest themselves as easily here as elsewhere. If you travel (say, to Cleveland for a concert, or back to your hometown during spring break), I suggest keeping your camera with you in case inspiration strikes.

3. Your safety is of paramount importance! Please do not put yourself at risk by traveling to unfamiliar or unsafe areas, especially at night. Try not to go alone, tell friends where you are going and always carry a cell phone. Do not be too conspicuous in taking photographs, and do not take photos of people without their permission.

The due date for this project is 5 pm, Friday, 8 May 2015. A hard copy of your project (which includes printouts of your photos) is required. If the quality of your printed photos is lacking, you can also email me a zip-file of the photos only. Please hand in your project in my office, Rice 212.

Exam Absences
If you have documented, verifiable and serious reason to miss an exam, you must provide the proof to me within 48 hours of the exam, or you will receive a zero for it. Depending on the reason for absence, you will either take a make-up exam or the weight of the missed midterm will be shifted to the final exam. An excused absence for the final exam will be made up for according to the policy of the college.

In-Class Ethics
• Laptops in the class are okay for the purposes of note-taking and to reference journal articles when we are discussing them.
• Laptops and cell phones are not to be used for other purposes, such as e-mails, text messaging, Facebook, etc.
• Please contribute to classroom discussion, but try not to disrupt other students’ learning by arriving late, leaving the classroom frequently, going off-topic with your comments, etc. If you must arrive late or leave early, please let me know if possible, and sit by the door.

Honor Code
The College requires that students sign an "Honor Code" for all assignments. Presenting the work of someone else as your own is a serious affront to the other students in the course and to me. On each assignment and policy brief that you submit, you must write "I have adhered to the Honor Code in this assignment" and sign your name in assent.

Students with Disabilities
If you have specific physical, psychiatric or learning disabilities and require accommodations, please let me know early in the semester so that your learning needs may be appropriately met. You will need to provide documentation of your disability to the Office of Disability Services in Peters G-27/G-28.
# Course Outline

<table>
<thead>
<tr>
<th>Week</th>
<th>Core Concepts</th>
<th>Textbook Chapters*</th>
<th>Class Work</th>
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<tbody>
<tr>
<td>SECTION I: URBAN STRUCTURE</td>
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<tr>
<td>1 3, 5 Feb.</td>
<td>Market Areas; Why Do Cities Exist?; Review of Microeconomic Concepts</td>
<td>1, 2</td>
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<tr>
<td>2 10, 12 Feb.</td>
<td>Clusters &amp; Agglomeration; City Size</td>
<td>3, 4</td>
<td>A1 about this week</td>
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<tr>
<td>3 17, 19 Feb.</td>
<td>Urban Growth</td>
<td>5</td>
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<tr>
<td>4 24, 26 Feb.</td>
<td>Land Rent &amp; Markets</td>
<td>6</td>
<td>A2 about this week</td>
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<tr>
<td>5 3, 5 Mar.</td>
<td>Land Use Patterns; The Monocentric City</td>
<td>7</td>
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<td>SECTION II: THE CHALLENGES OF URBAN LIVING</td>
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<td>6 10, 12 Mar.</td>
<td>Suburbanization, Subcenters and Sprawl</td>
<td>7</td>
<td>A3 about this week</td>
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<tr>
<td>7 17, 19 Mar.</td>
<td>Transportation; Congestion; Environmental Issues</td>
<td>10, 11</td>
<td>A4 about this week</td>
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<td>SPRING BREAK</td>
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<td>8 31 Mar., 2 Apr.</td>
<td>Crime</td>
<td>12</td>
<td><strong>Midterm exam on Tues. 31st Mar.</strong></td>
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<td>9 7, 9 Apr.</td>
<td>Neighborhood Choice; Segregation; Sorting</td>
<td>8, parts of 15</td>
<td>A5 about this week</td>
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<tr>
<td>SECTION III: HOUSING &amp; LOCAL GOVERNMENT</td>
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<td>10 14, 16 Apr.</td>
<td>Housing; Real Estate Markets</td>
<td>13</td>
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<tr>
<td>11 21, 23 Apr.</td>
<td>Housing Policy; Gentrification</td>
<td>14</td>
<td>A6 about this week</td>
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<tr>
<td>12 28, 30 Apr.</td>
<td>Local Government</td>
<td>15, 16</td>
<td>A7 about this week</td>
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<tr>
<td>13 5, 7 May</td>
<td>Zoning; Growth Controls</td>
<td>9</td>
<td><strong>Project due 8th.</strong></td>
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* Caveat: The course outline and the readings are subject to change. In addition to the textbook, I may post additional readings on Blackboard. You will be given advance notice before discussion of the readings.*