COURSE DESCRIPTION

Since their appearance on earth during the Bronze Age, cities have played a major role both as vessels of civilization and sustainers of economic life. Cities owe a debt to economic social relations among people but have also nurtured the development of trade and market allocation of resources. The last few decades have witnessed an explosion of urbanization across the globe so that today more than half the world lives in some variety of city. However, the form of the city has been changing so that urbanization today is vastly different than in the pre-industrial or industrial age. In opposition to post modern sprawl, and in response to climate concerns, many urban planners and economists now advocate smart growth that balances high density with the preservation of open space.

This course is designed to introduce students to macro- and microeconomic principles applicable to the city and provide tools to understand current urban trends. We develop an economic model for the growth of cities and discuss different forms of urban and regional development. The course focuses on American urban development but also looks at urban development in other countries and places urban economics in the context of the global economy.

Besides urban and regional growth, the course examines the role of government in managing the economy, financial crises, global capital flows insofar as they affect national economies and demographic trends shaping the development of cities. Class discussions will closely follow economic news and its impact on urban development.

Besides reading the required and suggested texts, students are asked to read the *Wall Street Journal* and/or *Financial Times* to keep abreast of current economic news.

**Required Books**


**Supplemental Books**


**Required Supplemental Readings**

Various additional articles and reports, or excerpts thereof, are required. These will be mentioned in the syllabus, posted on blackboard or distributed in class.

**Course Requirements**

There is a mid-term examination and a final examination. Modifications to this syllabus may be made throughout the course. Any modifications will be announced on Blackboard or in class.

Each student is responsible for staying apprised of all announcements, assignments and reporting any difficulties.

Active class participation, especially in connection with discussing assignments, is a factor in course grade. Failure to actively participate in class may lead to a lower grade as indicated by percentages below.

**Grading Parameters**

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class Participation</td>
<td>15%</td>
</tr>
<tr>
<td>Mid-Term Exam</td>
<td>35%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>50%</td>
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<td>100%</td>
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</tbody>
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(Grades for late assignments may be reduced depending on degree of lateness. Assignments more then 24 hours late may not be accepted at all.)

**OFFICE HOURS**

Office hours are by appointment. I may also be reached by telephone or e-mail with any questions that arise.

**SUGGESTED RESOURCES**

Economic and Demographic Data:

US:  [www-fedstats.org](http://www-fedstats.org)  
[www.census.gov](http://www.census.gov)  
[www.federalreserve.gov](http://www.federalreserve.gov)  
[www.itdb.bts.gov](http://www.itdb.bts.gov) (Intermodal Transportation Data)

NYC: [www-labor.state.ny.us](http://www-labor.state.ny.us) (Employment Data)  
[www.newyorkbiz.com](http://www.newyorkbiz.com) (NYC Economic Development Corporation)
SYLLABUS

1 Jan 27  Overview of course objectives, structure, materials and expectations. Instructor and class profiles. Place of economics in social sciences. History of cities in human civilization. Basic concepts of economics, economic indicators and economic trends. Definition of economics. What is macroeconomics as opposed to microeconomics? Microeconomics: The consumer problem; consumer preferences; revealed preferences; utility; supply and demand graphs; elasticity; the producer problem. Macroeconomics: GNP and the National Income Accounts; interest rates; inflation; unemployment. Economic analysis applied to real estate investment. What is urban economics? Introduction to comparative advantage, agglomeration and externalities.


Marshall, Alfred, Principles of Economics, BOOK IV, CHAPTER X 1920 (on Blackboard)


Recommended reading: Mumford, chapters 1-5


Handout Minutes of the Federal Open Market Committee, Federal Reserve (on Blackboard)


Moynihan, Michael, Chapters 1 and 2


Required Reading: DiPasquale and Wheaton, Chapters 1,2.


Required Reading: DiPasquale and Wheaton, Chapter 7.


Required Reading: DiPasquale and Wheaton, Chapters 13,14.


Required Reading: DiPasquale and Wheaton, Chapter 3.


March 17 – No Class – Spring Break.

8 Mar 24 Midterm exam

**Required Reading:** DiPasquale and Wheaton, Chapter 5.

Jackson, Crabgrass Frontier


**Required Reading:** DiPasquale and Wheaton, Chapters 4,8.


**Required Reading:** Glaeser, Edward L. and Tobio, Kristina, “The Rise of the Sunbelt”, *Harvard University and NBER, Harvard University WP-2007-04*

Moynihan, Michael, Chapter 4 and 8


**Required Reading:** DiPasquale and Wheaton, Chapter 6.


Required Reading: