

**ECO333H1: URBAN ECONOMICS  
UNIVERSITY OF TORONTO, FALL 2015**

1. BASIC INFORMATION

Section L0101

Lecture: Wednesday 10:10AM–12:00PM in MS 2172

Tutorials: Friday 10:10–11:00AM in MS 2172

Section L0201

Lecture: Wednesday 2:10–4:00PM in SS 2118

Tutorials: Friday 11:10AM–12:00PM in SS 2117

Instructor: Jonathan Hall

Office: GE 356

Email: [jonathan.hall@utoronto.ca](mailto:jonathan.hall@utoronto.ca)

Office hours: Wednesday and Thursday 4:15–5:15PM and by appointment.

Teaching assistant: Tongtong Hao

Email: [tongtong.hao@mail.utoronto.ca](mailto:tongtong.hao@mail.utoronto.ca)

Office hours: To be announced, only the week of an exam.

Teaching assistant: Siben (Tony) Li

Email: [siben.li@mail.utoronto.ca](mailto:siben.li@mail.utoronto.ca)

Teaching assistant: Matthew Walshe

Email: [matt.walshe@mail.utoronto.ca](mailto:matt.walshe@mail.utoronto.ca)

Blackboard: <http://portal.utoronto.ca>

Course Facebook group: <https://www.facebook.com/groups/eco333.2015/>

2. COURSE DESCRIPTION AND OBJECTIVES

In this class we will study the economic forces that lead to the existence of cities and effect their shape and form, as well as study a variety of issues affecting cities. My version of this course will have a larger focus on urban transportation than other professors' version of this course. If you look below to the course outline you will find a list of questions we hope to address in this course.

3. TEXTBOOKS

The following textbooks are available at the University of Toronto Bookstore. ISBNs are included so you can see if you can find cheaper versions online. The O'Sullivan book is on course reserve at the Robarts Library and an electronic copy of the Brueckner book is available on the University of Toronto library website.

- O'Sullivan, Arthur. 2012. Urban Economics. McGraw-Hill/Irwin. ISBN: 978-0073511474 <http://go.utlib.ca/cat/8600615>
- Brueckner, Jan. 2011. Lectures on Urban Economics. MIT Press. ISBN: 978-0262016360 <http://go.utlib.ca/cat/8842730>

#### 4. APPROACH

This class is primarily lecture based, with some group discussion. The weekly tutorials will primarily be an opportunity for you to ask the teaching assistants any questions you have about the material. After an exam or homework assignment the teaching assistants will go over the answers in the tutorial.

#### 5. REQUIREMENTS

**Prerequisites.** ECO200Y1/ECO204Y1/ECO206Y1. Prerequisites requirements are strictly enforced and I am not permitted to waive them.

#### 6. POLICIES

**First rule of holes.** Stop digging and get some help! Come see me, your college registrar's office, CAPS, or any of the other resources listed in Section 8.

**No glowing rectangles.** You are not allowed to have computers, tablets, phones, etc. out during class. A growing body of research finds that even when electronic devices are used in the best possible way they still lead to worse student outcomes (Mueller and Oppenheimer, 2014). Each time I see your computer, tablet, phone, etc. in class will be penalized by a two percentage point reduction in your final grade.

**Cold calling.** I will call on you to answer questions regardless of whether you have raised your hand. I do this for two reasons: to assess how well the entire class is understanding the material and to encourage the entire class to be engaged with the material.

**Email.** I check my University of Toronto email account once each business day and expect you to do the same. I will respond to all emails within two business days. When emailing me please prefix the subject line with [ECO333] so that I can prioritize your message.

In order to help me get to know you better, I would prefer that you ask questions in class, after class, or during my office hours; rather than by email.

**Accommodation.** I am willing to provide reasonable accommodations for a variety of reasons (such as disability/health problems, religious observance, participation in an extra-curricular activity, death in the family, illness, or injury). To be fair to all the students in the course, I require documentation of the need for accommodation and a written request to consider a reasonable accommodation. For illness, injury, or a death in the family the documentation must be received within a week of the relevant exam or assignment due date. For any other reason the request must be made before the end of the second week of the course.

If you need an accommodation due to illness or injury you must provide me with an original, fully completed University of Toronto Verification of Student Illness or Injury form, available at <http://www.illnessverification.utoronto.ca>. The doctor's OHIP registration number must be provided. Please familiarize yourself with the FAQ at this website.

If you need an accommodation for a disability you should register with Accessibility Services <http://accessibility.utoronto.ca>.

The standard accommodation for a missed exam is an oral exam.

**Late homework.** Late homework is accepted up until the time the teaching assistant finishes grading the assignment. It is your responsibility to get your homework to the teaching assistant. Late homework will be assessed a ten percentage point penalty.

**Appealing grades.** If you believe an assignment, quiz, or exam has been incorrectly graded, you may ask the person who graded it for a re-evaluation. You need to make this request as soon as possible after receiving the work back, and the request must be received within two weeks of the coursework being handed back. The entire work will be regraded and your grade may increase or decrease. I have this policy not to punish you for asking for a re-evaluation, but because notwithstanding all our efforts to achieve precision in grading, grading inevitably involves a degree of randomness and in regrading we wish to reduce the randomness (both in your favor and against) on all parts of the work in order to come to a more precise measure of your true performance on the assignment. If after completing this process you still have a problem with any aspect of your grade, the overall grade appeal process under the university's policies

remain available to you (see <http://www.governingcouncil.utoronto.ca/Assets/Governing+Council+Digital+Assets/Policies/PDF/grading.pdf>).

**No audio or video recordings.** You may not create audio or video recordings of classes, with the exception of those students requiring an accommodation for a disability, who must speak to me prior to beginning to record lectures.

**Exam rules.** We will follow the standard final exam rules for all course exams. For more details see <http://www.artsci.utoronto.ca/current/exams/reminder>.

**Academic Integrity.** I expect you to be honest, turn in your own work, and in all other ways follow the University of Toronto's Code of Behaviour on Academic Matters (<http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>).

If you have questions or concerns about what constitutes appropriate academic behavior or appropriate research and citation methods, you are expected to seek out additional information on academic integrity from your instructor or from other institutional resources (see <http://www.utoronto.ca/academicintegrity/resourcesforstudents.html>).

## 7. IMPORTANT DATES

- First midterm exam: Friday, October 9th, during tutorial. For the morning section the exam is in our regular classroom, for the afternoon section the exam is in EX 310/320.
- Second midterm exam: Friday, November 6th, during tutorial. For the morning section the exam is in our regular classroom, for the afternoon section the exam is in EX 100.
- Final exam: Between December 11th–22nd

## 8. RESOURCES

**Academic Success Centre.** <http://www.writing.utoronto.ca/>

**Accessibility Services.** <http://accessibility.utoronto.ca>

**Counseling & Psychological Services.** <http://caps.utoronto.ca/>

**College Registrars' offices.** <http://uoft.me/advising>

**Office of Student Academic Integrity.** <http://www.artsci.utoronto.ca/osai>

**Rights & Responsibilities.** <http://uoft.me/rights>

**Writing help.** <http://www.writing.utoronto.ca/>

**How not to plagiarize.** <http://www.writing.utoronto.ca/advice/using-sources/how-not-to-plagiarize>

## 9. GRADES

Grades will be based on

- 2 Midterm exams (40%)
- Comprehensive final exam (40%)
- Quizzes (10%)
- Homework (10%)
- Optional presentation (extra credit, amount to be determined)

I may curve the course grades upwards, but will not curve them down.

**Midterm exams.** 40% of your final grade will come from your average on the midterms. *The midterms will be given during the tutorials on Friday, October 9th, and Friday, November 6th.* If you cannot take the midterms on these dates, you must tell me before the end of the second week of the course. No non-medical excuses will be accepted after that date.

**Final exam.** 40% of your final grade will come from the final exam. The final exam will be given as scheduled by the Office of the Faculty Registrar. The final exam will be comprehensive, but will be heavily weighted towards the last third of the course.

**Quizzes.** 10% of your final grade will come from your average on quizzes. There will be a quiz covering the syllabus as well as student presentations. You may use your notes during the quiz but should not discuss the quiz with other people until after everyone has taken it.

**Homework.** 10% of your final grade will come from whether you completed your homework assignments. There are two types of homework assignments: short responses to a podcast, video, or reading, as well as problem sets. Both of these are graded on a completion basis.

I encourage you to work in groups on your problem sets. Because these are not graded for correctness, you should attend the tutorials to learn the correct answers to the problem sets.

**Optional presentation.** Up to six groups of up to two students each can give a 16 minute presentation on an academic paper for extra credit. The amount of extra credit will be determined by a second price auction. After the first midterm has been returned, groups can submit a bid for how much extra credit they would like to receive for doing a presentation. The six groups with the lowest bids will get to make presentations and earn extra credit; the amount of extra credit earned will be determined by the lowest non-winning bid. I reserve the right to cap the amount of extra credit and have fewer groups present.

Each group which presents will provide me with three multiple choice questions based on their presentation, which will be used for a quiz on the presentations.

Your presentation will be graded. While I hope each group will earn all of the extra credit possible, I reserve the right to award only partial credit.

The topic this year is urban sprawl. Those groups making presentations need to propose an academic paper on the topic and have it approved by me. Articles on topic from the following journals will almost certainly be approved:

- American Economic Review
- Quarterly Journal of Economics
- Journal of Political Economy
- Review of Economics and Statistics
- Journal of Public Economics
- Journal of Urban Economics
- Regional Science and Urban Economics
- American Economic Journal: Policy/Applied/Microeconomics

Articles from other academic journals, even from journals outside of economics, will certainly be considered.

To find an article I would suggest searching on JSTOR or Google Scholar; or looking at the section in the textbook on the topic, finding the papers they cite, and then (optionally) finding papers which cite those papers using a tool such as Google Scholar.

You are allowed to use slides (eg. PowerPoint) for your presentation.

## 10. COURSE OUTLINE

Preliminary and subject to change. Specific reading assignments will be posted on Blackboard by the Friday before each class.

- (1) Economic forces in the development of cities
  - (a) Questions we hope to answer
    - (i) Why do cities exist?
    - (ii) Why do industries cluster in a given city, or within the same area of a given city?
    - (iii) Are cities too big, too small, or just right?
    - (iv) Why are some cities bigger than others?
    - (v) How is technology changing our cities? How about lower communication and transportation costs?
    - (vi) What causes some cities to grow and others to decline?
    - (vii) Should we try to save declining cities?
  - (b) Reading
    - (i) O'Sullivan 1–4
    - (ii) Brueckner 1

- (2) Urban spatial structure
  - (a) Questions we hope to answer
    - (i) What determines land use within a city?
    - (ii) Is urban sprawl a problem?
    - (iii) Why is there so much spatial segregation of ethnic, racial, and income groups?
  - (b) Reading
    - (i) O'Sullivan 6–9
    - (ii) Brueckner 2–4
- (3) Transportation
  - (a) Questions we hope to answer
    - (i) Why are our roads so congested and what can we do about it?
    - (ii) How should we pay for transportation infrastructure?
    - (iii) Is there too much or too little parking?
    - (iv) Is it priced correctly?
    - (v) Will building new roads or train lines spark economic development?
    - (vi) How should we decide whether to build public transit?
    - (vii) How should we decide what kind of public transit to build?
    - (viii) Should we subsidize the construction of new public transit?
    - (ix) Should we subsidize the operating costs of public transit?
    - (x) Can the answer to those last two questions be different?
  - (b) Reading
    - (i) O'Sullivan 10, 11
    - (ii) Brueckner 5
- (4) Housing
  - (a) Questions we hope to answer
    - (i) Why does anyone buy a house?
    - (ii) Who does rent control help?
    - (iii) What causes gentrification and who gains and loses?
  - (b) Reading
    - (i) O'Sullivan 14, 15
    - (ii) Brueckner 6, 7
- (5) Local public goods and services
  - (a) Questions we hope to answer
    - (i) Why does the typical metropolitan area have dozens of municipalities?
    - (ii) Should we try to save struggling cities?
    - (iii) How should cities raise revenue?
  - (b) Reading
    - (i) O'Sullivan 16, 17
    - (ii) Brueckner 8

## REFERENCES

Mueller, Pam A. and Daniel M. Oppenheimer. 2014. "The Pen Is Mightier Than the Keyboard: Advantages of Longhand Over Laptop Note Taking." *Psychological Science*:1–10.