



## ECO333: Urban Economics

Winter 2025

Note: Some sections and article recommendations may still be subject to change!

**Lecture LEC5101:** Wed 2-4pm, UC 140, Eastern Time Zone (GMT-4)  
Tutorials will take place from 4-5pm in UC140  
Your tutor is Derek Thiele ([d.thiele@mail.utoronto.ca](mailto:d.thiele@mail.utoronto.ca))

**Lecture LEC0101:** Wed 6pm – 8pm, NL6, Eastern Time Zone (GMT-4)  
Tutorials will take place from 8-9pm in NL6  
Your tutor is Grant Benjamin ([grant.benjamin@mail.utoronto.ca](mailto:grant.benjamin@mail.utoronto.ca))

**Instructor:** Stephan Heblich  
150 St. George, Rm. 301  
**Phone:** (416) 946 8935  
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**Website:** [sites.google.com/view/stephanheblich](https://sites.google.com/view/stephanheblich)

**Office Hours:** Online or in person, Thu 2-6pm, Eastern Time Zone (GMT-4)

**Delivery:** In-person

**Prerequisites:** ECO200Y1/ECO204Y1/ECO206Y1

**Corequisites:** None

**Exclusions:** ECO333H5

**Credit Value:** 0.5



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## 1 Course Description

When walking through a city, do you ever wonder why it was founded, why it continues to thrive, how urban life is organized, and why so many people choose to live in cities despite the vast space available elsewhere? These are some of the central questions we will explore in this course on urban economics.

We begin by delving into the historical origins of cities, examining how they emerged and evolved over time. This historical perspective will help us understand the long-lasting influences of the past on the spatial distribution of activity within and across cities today, offering insights into how cities adapt to societal change.

To grasp the process of urbanization, we will investigate the advantages of proximity and reduced distance between people. These include the efficient transport of goods, better matching of workers and employers, and the circulation of idea—key sources of agglomeration economies. However, urban density also brings challenges, such as congestion, poverty, segregation, and pollution. We will address these issues by exploring the balance between the benefits of agglomeration and the costs of congestion. The concept of spatial equilibrium, where agents move across space to optimize their location, will serve as a fundamental tool to analyze these dynamics.

## 2 Course Objectives

This course aims to...

- apply and develop tools and economic concepts introduced in the core economics units;
- understand the origins of cities and challenges they are facing today;
- appreciate and analyze issues related to the organization of economic activity within and between cities;
- understand social problems that arise from dense living;
- discuss urban policies.

By the end of the course, students should be able to...

- explain the contributions that economics can make to the analysis and organization of cities;
- evaluate policies to address urban issues such as land use, pollution, or transportation;
- apply economic tools and methods to urban issues;
- interpret tables and graphs in research papers.



### 3 Course Format

The course consists of 12 two-hour *lectures* and 12 one-hour *tutorials*.

**Lectures:** In the lectures, you will be introduced to concepts and tools that explain the origins, evolution, and organization of cities. These insights will help you evaluate the benefits and challenges of urban life, as well as policies aimed at alleviating urban disamenities. The economic tools used to address urban issues will be similar to those from your core economics courses.

**Tutorials:** In the tutorials, we will review state-of-the-art research papers, and you will have the opportunity to ask teaching assistants questions about the material. Following exams or homework assignments, the teaching assistants will also walk through the answers during the tutorials.

### 4 Class meetings

The course will be taught in person. The syllabus applies to Lectures LEC5101 held in University College (UC 140) and LEC0101 held in the C David Naylor Building (NL 6).

### 5 Office hour

Online office hours are on Thursdays between, 2-6pm, starting on January 9. Please use the following link and password to attend the office hours on zoom. Alternatively, you could come to my office at 150 St. George, Rm. 301.

- Meeting Link: [Zoom Office Hours](#)
- Meeting ID: 845 9580 9215
- Meeting Password: 08656187

### 6 Evaluation Criteria

Final grades in the course are given as letter grades. They reflect the overall performance in achieving the stated [Course Objectives](#). Assessments and interim evaluations will take different forms (see below and course structure). Homework and Quizzes evaluations provide feedback on your progress towards the final course grade. The plagiarism software [Plagiarism Detection Tool](#) will be used in this course. It is integrated into Quercus, so students do not have to sign into [ouriginal.com](#) separately. Final grades will automatically be curved up to ensure the median



grade is at least a B-. Final grades will never be curved down. Please contact me if you would like more guidance on your individual course performance.

The following is required for successful completion of the course:

Evaluations:	Weight	Deadline	Submission via	Ooriginal
Homework and Quizzes	25%	See <a href="#">Lecture Schedule</a>	Quercus	Y
Midterm Exam	25%	See <a href="#">Lecture Schedule</a>	N/A	N
In-Person Final Exam	50%	Final Exam Period	N/A	N

### 6.1 Homework and Quizzes (25%)

25% of your final grade will come from your homework and quizzes. On Quercus there will be a large number of short quizzes and response questions. For most of these you will be able to use any resources you have available, including working with classmates. There will be some quizzes that you will not be able to work with classmates, but they will still be open notes.

For the purposes of academic integrity, the homework and quizzes within a given third of the course are considered as one. This means the typical penalty for cheating on a homework or quiz is receiving a zero for all homework and quiz sets in that third of the course.

### 6.2 In-Person Midterm Exam (25%)

25% of your final grade will come from the midterm exam. This will cover Modules 1–6. The specific date will be announced soon.

### 6.3 In-Person Final Exam (50%)

50% 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 half of the course. Roughly 75% of the points will be from the last half of the course with remaining 25% from the first half. The final is in-person synchronous.

### 6.4 Late Penalty

Late homework will be assessed a 10 percentage point penalty per day.



## 7 Lecture Schedule

**Week 01, 01/08 - 01/12:** *Why do cities exist?*

**Week 02, 01/15 - 01/19:** *Urban Location and City Formation*

**Week 03, 01/22 - 01/26:** *Agglomeration economies: Benefits of Urban Density*

**Week 04, 01/29 - 02/02:** *Congestion Costs and Urban Disamenities*

**Week 05, 02/05 - 02/09:** *Urban Spatial Structure and Land Use Patterns*

**Week 06, 02/12 - 02/16:** *Housing Markets and Urban Development*

**Week 07, 02/19 - 02/23:** **Reading Week**

**Week 08, 02/26 - 03/02:** *Transportation and Infrastructure*

**Week 09, 03/05 - 03/09:** *Urban Inequality and Segregation*

**Week 10, 03/12 - 03/16:** *Crime, Safety, and Social Dynamics in Cities*

**Week 11, 03/19 - 03/23:** *Cities and the Environment*

**Week 12, 03/26 - 03/30:** *The Role of Urban Policy and Governance*

**Week 13, 04/02 - 04/06:** *The Future of Cities: Trends and Challenges*



## 8 Reading Material

Most of the reading material for this course will consist of detailed lecture notes that will be distributed before the start of each class. There will also be required readings posted on Quercus. Students should aim to complete the readings for each week before the start of lecture.

Text books that inspired parts of this lecture include:

- Bertaud, Alain 2018. Order without Design. MIT Press.
- Brueckner, Jan 2011. Lectures in Urban Economics. MIT Press.
- O'Sullivan, Arthur 2018. Urban Economics. McGraw Hill; 9th Edition.
- Sieg, Holger 2020. Urban Economics and Fiscal Policy. Princeton University Press.

In addition, I suggest this non-technical presentation of most of the topics we will cover in this course:

- Glaeser, Edward L. 2011. Triumph of the City. Penguin Press.

Note though that this is not a textbook, and we will not follow it in class. Nonetheless, I suggest students read it to get involved with the subject from the start.

Please send me a picture of a blobfish if you have read that far ☺

## 9 Policies and Statements

### 9.1 Communication

I check my University of Toronto email accounts once each business day and expect you to do the same. I will respond to all emails within two business days. Emails should be sent from your official University of Toronto email address.

We also have a Piazza course page, accessible via Quercus. Piazza is an ideal place to post questions, and it allows fellow classmates, the TAs, and me to collaborate on answering them.

In all communications—whether in class, via email, or on Piazza—please maintain respect toward fellow students and instructors. Healthy disagreements during discussions are welcome, but always approach others with the same respect and consideration you would hope to receive.



## 9.2 Generative Artificial Intelligence

You are welcome to use Large Language Models (LLMs), such as ChatGPT or Claude, for assistance with your assignments. Learning how to effectively use these tools is valuable, and seeking their help can be a reasonable approach. However, you must not submit machine-generated responses as your own work. Additionally, be mindful that LLMs do not always provide accurate answers, so it is important to critically assess their output. Lastly, keep in mind that these tools will not be available during exams, so the goal is to use them as a learning aid to deepen your understanding of the material.

## 9.3 Plagiarism Detection Tool

Normally, students will be required to submit their course essays to the University's plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the [Centre for Teaching Support & Innovation web site](#).

## 9.4 Students with Disabilities or Accommodation Requirements

I am committed to providing reasonable accommodations for various circumstances, including disabilities, health issues, religious observances, extracurricular commitments, family bereavement, illness, or injury. To request an accommodation, please submit a written request. If you need an accommodation for a disability, please register with [University of Toronto's Accessibility Services](#). This helps maintain privacy and confidentiality, and provides students with support when requesting and accessing accommodations. Students who register with Accessibility Services may also be eligible for disability-related services/equipment.

Information about registering with [Accessibility Services](#) is available on the website and in the office's [Graduate and Professional Program Handbook](#). There is also a short [video](#). If you are unsure whether you have a disability, please don't hesitate to connect with the office at [accessibility.services@utoronto.ca](mailto:accessibility.services@utoronto.ca) to discuss.

## 9.5 Course Drop Date

The latest date to drop this course is Monday, Mar 10, 2025.





## 9.6 Missed Academic Work

*Missing an exam.* The most common accommodation request is to miss an exam. Requests due to non-medical reasons must be received by Apr 09, 2025.

If you need to miss the midterm due to illness, you must email me, from your official University of Toronto email account, before 2pm the day of the exam. You must not have opened the exam, either before or after sending the email. Your email must concisely explain why you missed the test, contain the statement "I understand that it is a punishable academic offense to present false or misleading information with my request for a make-up test" and close with your name and student number. I do not require a medical note. There will be a makeup exam on 4 June 2024.

For medical issues that last longer than a few days, you should consult with your college registrar.

If you miss the final exam, you must follow Arts & Science's procedures for requesting a deferred exam.

*Homework.* As an automatic accommodation for sickness, technical problems, etc. that impact your ability to complete the homework or quizzes done on Quercus on time, your worst 10% of homework or quizzes on Quercus will be dropped. There are no other accommodations made regarding the homework. Late homework will be assessed a 10 percentage point penalty per day.

## 9.7 Appealing Grades

If you believe an assignment, quiz, or exam has been graded incorrectly, you may request a re-evaluation. A form for submitting re-evaluation requests will be available on Quercus. Please submit your request promptly after receiving your graded work, as it must be received within two weeks of the return date. Note that the entire assignment will be regraded, which may result in an increase or decrease in your grade. This policy is not intended to discourage you from seeking a review but to ensure fairness and accuracy, recognizing that grading can involve some degree of subjectivity. The goal of regrading is to minimize this variability and provide a more accurate assessment of your performance. If you remain dissatisfied after this process, you may pursue a formal grade appeal through the [university's official policies](#).

## 9.8 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.



## 9.9 Academic Integrity

All students, faculty and staff are expected to follow the University's guidelines and policies on academic integrity. For students, this means following the standards of academic honesty when writing assignments, collaborating with fellow students, and writing tests and exams. Ensure that the work you submit for grading represents your own honest efforts. Plagiarism—representing someone else's work as your own or submitting work that you have previously submitted for marks in another class or program—is a serious offense that can result in sanctions. All suspected cases of academic dishonesty will be investigated following procedures outlined in the [Code of Behaviour on Academic Matters](#). If you have questions or concerns about what constitutes appropriate academic behaviour or appropriate research and citation methods, please reach out to me or a TA. Note that you are expected to seek out additional information on academic integrity from me or other institutional resources. For example, to learn more about how to cite and use source material appropriately and for other writing support, see the U of T writing support [website](#). Consult the Code of Behaviour on Academic Matters for a complete outline of the University's policy and expectations. For more information, please see [A&S Student Academic Integrity](#) .

## 9.10 Copyright, Trademark, and Intellectual Property

Course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Copyright Act, RSC 1985, c C-42. These materials are made available to you for your own study purposes, and cannot be shared outside of the class or "published" in any way. Lectures, whether in person or online, cannot be recorded without the instructor's permission. Posting course materials or any recordings you may make to other websites without the express permission of the instructor will constitute copyright infringement. The [Center for Teaching Support & Innovation \(CTSI\)](#) in Robarts Library can provide further guidance. You may also access [copyright resources](#) on the University of Toronto Libraries website.

## 10 Mental Health and Well-Being

The University of Toronto's [Student Mental Health Resource Guide](#) is an online tool where students can access various on-campus and off-campus mental health resources, including those listed below. The School of Graduate Studies has a dedicated counsellor for graduate students. Appointments may be booked with them by contacting the Health and Wellness Centre at 416-978-8030 or [info.hwc@utoronto.ca](mailto:info.hwc@utoronto.ca) and asking to be connected with the dedicated graduate student counsellor.



## 11 Other Mental Health Resources

Feeling distressed? Are you in crisis? There's help. Call Good2Talk: 1-866-925-5454 (Ontario); text GOOD2TALK to 686868. Free, confidential helpline with professional counselling, information and referrals for mental health, addictions and well-being, 24/7/365.

You can also contact:

1. [My Student Support Program \(MySSP\)](#) 1-844-451-9700 (North America); 001-416-380-6575 (Outside of North America)
2. [the U of T Employee & Family Assistance Program \(EFAP\)](#) 1-800-663-1142 (toll-free); 1-866-398-9505 (TTY); 604-689-1717 (collect).

Visit "[Feeling Distressed?](#)" for more resources.

Are you in immediate danger? For Personal Safety – Call 911, then Campus Community Police\*

- UTSG Police: 416-978-2222
- U of T Mississauga Police: 905-569-4333
- U of T Scarborough Police: 416-978-2222
- Centre for International Experience Safety Abroad 416-946-3929

\*24/7/365; Campus Community Police can direct your call to the right service.