Instructor:
Dr. Carlianne Patrick

Office: 14 Marietta Street (Andrew Young School of Policy Studies), Room 427

Office Hours: 3:00-4:00 pm Monday and Wednesday, or by appointment

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Course Meeting:
Monday 4:30-7:00 pm, Classroom South 503

Course Content:
This course will primarily be focused on the study of where economic activity takes place and why economic agents (individuals, firms, and governments) choose to locate near each other and in certain areas. We will also study economic activity that is inherently place-based such as the housing market and local government policy. Urban economic theory tries to explain observed phenomena and, as such, evolves in response to empirical work. Empirical work relies heavily on theory to clarify mechanisms, generate specifications, draw attention to identification problems and solutions, and make testable predictions. The course will build a solid foundation in urban economic theory, while retaining a strong empirical orientation. Students will be introduced to the concepts upon which modern urban economics is built as well as topics on the field’s current research frontier. Certain models and topics are left for the companion field course ECON 9330. The urban economics field is expansive and there is far too much to cover in one or two courses. Thus, the course(s) should not be considered a comprehensive survey of the field. The course will help students build the skills necessary to conduct research in the field and progress in their academic career.

Text:
*Cities, Agglomeration and Spatial Equilibrium*, Edward Glaeser (not required).

The primary texts for the course will be academic papers. The course reading list is available on Desire2Learn. **Students will be responsible for locating copies of academic papers on the reading list.** Academic papers that appear as book chapters will be available on e-reserve whenever possible.

Prerequisites:
ECON 8100, Microeconomic Analysis
Important Dates:

9/1 – Labor Day Holiday

10/13 – Paper Topic Due

11/24 – Thanksgiving Holiday, no classes

12/1 & 12/8 – Presentations of Original Research

12/15 – Final Exam, 4:15-6:45 pm (per University schedule)

Grading:

Students will be assigned a letter grade from the University letter scale: A, A-, B+, B, B-, C+, C, C-, D, F. The final letter grade will be assigned based on student performance on assignments, and exams with the following weight:

- 10% Referee Report(s)
- 10% In-Class Discussion
- 20% Reading List Presentation(s) and Discussant Comments
- 30% Term Paper and Presentation
- 30% Final

Referee Reports:

I will assign at least one, probably two, working papers for students to referee. The expectation will be that students write a professional report that could be sent to a journal editor.

In-Class Discussion:

Students are expected to fully participate in class discussions. Although there will be times when models and concepts are presented in a lecture, I prefer to have the class be an open discussion of the topics and papers on the syllabus. This requires students to read assigned papers before the class period they are discussed. If it becomes apparent that students will not participate in class, I reserve the right to create an incentive structure that will promote participation.

Reading List Presentations and Discussant Comments:

Students will be required to present two articles listed on the syllabus. Presentations will be done in a “seminar” format, where students will prepare a presentation and the audience will prepare to ask questions about the research being presented. Presentations are meant to expose Ph.D. students to the seminar style of presentation and to build an intimate knowledge of a particular piece of research. Presentation times and topics will be discussed as the semester evolves. For each paper presented, a different student will be assigned as the “discussant” for the paper. The discussant will be responsible for giving comments and critiquing the paper.
Term Paper:
Students will be expected to write a research paper, due by December 1st. The paper should be an original research undertaking similar to those we discuss in class, with the understanding that time and data are potential constraints. The precise form of the paper will depend upon the student’s interest in pursuing a dissertation topic in the field.

The paper should be a minimum of 10 typed pages and a maximum of 20 typed pages. Students are required to meet with me to discuss a potential topic before October 13th. Students are required to present their paper during the final two weeks of class.

Exam:
There will be a final exam on topics discussed in class. We can discuss optimal timing of the final given student scheduling and need-based constraints.

Students who wish to request accommodations for a disability may do so by registering with the Office of Disability Services. Students may only be accommodated upon issuance by the Office of Disability Services of a signed Accommodation Plan and are responsible for providing a copy of that plan to instructors of all classes in which an accommodation is sought.

Missed Assignments and Exams:
No make-up exams are given.

No make-up assignments are given.

Late assignments will not be accepted.

Attendance Policy:
Although attendance does not directly affect your grade, your participation in class discussions does. Attendance is a necessary, but not sufficient, condition for class participation.

Academic Honesty:
All students are expected to adhere to the highest standards of academic honesty. Each student is responsible for knowing and following the academic honesty policies of Georgia State University (See Policy on Academic Honesty (Section 409)). All in-class exams in the course are closed-notes, closed-books exams. It is each student’s responsibility to avoid any activity that suggests cheating. Please refer to the Georgia State University Code of Conduct (available on-line at: [http://codeofconduct.gsu.edu/](http://codeofconduct.gsu.edu/)) for further explanation of the University policy. Note that any student suspected of academic dishonesty WILL be referred to the Dean’s Office and prosecuted to the fullest extent of University policy.
All electronic communication devices are to be turned off and made inaccessible during lectures and exams. Video recording and picture taking are prohibited during class meetings and exams. Audio recording is allowed only with the permission of the professor and/or (student) presenter.

Course Evaluations:
Your constructive assessment of this course plays an indispensable role in shaping education at Georgia State. Upon completing the course, please take time to fill out the online course evaluation.
Course Outline:

I. Introduction (Weeks 1-2)
   a. Overview of Concepts and Theories
   b. Overview of Empirical Methods
      i. Experimentalist Approaches
      ii. Spatial Approaches

II. Spatial Equilibrium within Cities (Weeks 2-5)
   a. Monocentric Cities
      i. Alonso-Mills-Muth Model
      ii. Hedonic Theory
      iii. Empirical Tests
   b. Heterogeneous Households and Spatial Amenities
   c. Suburbanization and Transportation

III. Agglomeration (Weeks 6-8)
   a. Overview and Theory
   b. Empirics

IV. Neighborhood Choice (Weeks 9-10)
   a. Local Public Finance and Tiebout Sorting
   b. Neighborhood Effects
   c. Special Topics

V. Government and Policy (Weeks 11-12)
   a. Urban Political Economy and Public Finance
   b. Place-Based Policy

The course syllabus provides a general plan for the course; deviations may be necessary.
Readings
ECON 9300 Fall 2014

Required and presentation readings for the course will be drawn from the list below. Required readings are denoted with an asterisk. You may choose a paper for your in-class presentation that is not on the list with approval. You may not choose an overview or review paper for your in-class presentation. The required and presentation readings selected will reflect the pace at which we progress as well as student interests. The reading list may be updated and required readings may change as we progress through the course.


I. Introduction
   a. Overview of Concepts and Theories
      CASE, Chapter 1


   b. Overview of Empirical Methods

      i. Experimentalist Approaches


**ii. Spatial Approaches**


**II. Spatial Equilibrium within the City**

CASE, Chapter 2

**a. Monocentric Cities**

**i. Basic Urban Model (Alonso-Mills-Muth Model)**

CASE, Chapter 2, pp. 18-33.


**ii. Hedonic Theory**


iii. Empirical Applications


b. Heterogeneous Households and Spatial Amenities
CASE, Chapter 2: 33-40 and Chapter 5: 165-175


c. Job Decentralization, Suburbanization, and Sprawl


III. Agglomeration, Dispersion, and other Externalities

CASE, Chapter 4

a. Theory


b. Empirical Evidence and Identification

The empirical papers listed in this section cover many aspects of agglomeration, with most being agglomeration in production applications. Presentation readings drawn from this section will include at least one paper on measuring concentration, path dependence/multiple equilibria, sharing, matching, learning, and agglomeration in consumption.


IV. Neighborhood Choice

a. Local Public Finance and Tiebout Sorting
CASE, Chapter 6, pp. 204-210


i. **More on Sorting Models**


b. **Neighborhood Effects**
CASE, Chapter 5, pp. 188-195


c. Special Topics

Schools


Racial Segregation and Discrimination
CASE Chapter 5: 175-203


V. Government and Policy

a. More on Urban Political Economy and Public Finance

CASE, Chapter 6


**b. Place-Based Policy**


Jayet, Hubert and Sonia Paty. 2006. Capital indivisibility and tax competition: Are there too many business areas when some of them are empty? *Journal of Urban Economics* 60 (3): 399-417.

