Prof. Jason Barr
Office Hours: For now, OH on Zoom, Tues & Thurs, 5:30 pm – 6:30 pm, or by appointment through email. (A Zoom link for office hours will be posted on Canvas).
Email: jmbarr@rutgers.edu

Meeting Time: Tuesday and Thursday, 11:30 am-12:50 pm
Location: January 18 – January 27: Course on Zoom:
https://rutgers.zoom.us/j/98238542781?pwd=MTg3RURGNm01d0xaVTRoT0E1amQ2UT09
February 1 – End of Semester: Hill Hall Room 217

Course Overview: Urban Economics is the study of urban and suburban areas from an economic point of view. The field studies how and why cities exist, how they function, and how cities provide for (or not) the needs and wants of its residents. This class will give an overview of the theory and concepts of urban economics as well as examples, including from Newark and New York City. The course builds mostly on the basic theory of microeconomics, including supply and demand and the analysis of costs and benefits for consumers and firms. I assume you have already taken at least intermediate microeconomics and econometrics.

By the end of the course, you will be able to think more critically about the role of cities in our lives. We will first discuss why cities exist—and what economic problems they solve; next, we will discuss the particular benefits of proximity and why living and working in close proximity increases productivity and overall well-being. Next, we will discuss the economics of land use and spatial structure and discuss how land is valued and how and why land uses are distributed across space, with a focus on the relationship between central business districts and the suburban neighborhoods around the core. We will discuss the economics of population density, zoning, and suburban sprawl. After that, we will discuss related topics such as income inequality, climate change, and happiness.

Note: There is no textbook for this course, but you will be required to acquire one book on your own: Moretti, E. (2012). The New Geography of Jobs. The rest of the readings will either be posted on Canvas or will have urls.

Requirements and Grading:

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<thead>
<tr>
<th>Homeworks</th>
<th>25%</th>
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<tbody>
<tr>
<td>Class Participation/Attendance (see below)</td>
<td>10%</td>
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<tr>
<td>Midterm Exam (March 10)</td>
<td>20%</td>
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<tr>
<td>Research Paper</td>
<td>20%</td>
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<tr>
<td>Final Exam</td>
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<td><strong>Total</strong></td>
<td>100%</td>
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Requirements

1. **Homeworks/Problem Sets.** There will be several homeworks throughout the semester. About once per week or so, I will distribute a problem set which will contain a list of questions about the readings, as well as other things to work on (such as searching for a news article or working through some problems in the textbook.)

2. **Class Participation.** Your class participation grade will be determined by attendance and your willingness to participate in class discussions. More than two unexcused absences will automatically trigger a 0% for the class participation grade. For the Graduate Students: you...
will have to give a **10-minute oral presentation** at the end of the semester about your term paper. Your oral presentation grade will be part of your class participation grade.

3. **Exams:** There will be midterm and final. The formats of the exams will be discussed later in the semester. I anticipated the midterm will given out in-person in the classroom.

4. **Research Paper.** Each student will have to write a page research paper (undergrads 8-10 pages, grads 12-15 pages), due at the end of the semester. Paper guidelines and suggested topics will be posted during the first or second week of class. Papers can be extensive literature reviews, statistical analyses or cases studies, for example. All topics must be approved by the professor.

**Course Policies**

1. There will be NO make-up exams given unless you show a valid DOCUMENTED excuse (such as doctor’s note). If you are unable to take an exam because of a legitimate reason, you must tell me (or email me) **BEFORE** the exam.

2. **Attendance** is mandatory. We are a small class so we must have full attendance. **More than two unexcused absence will cause your class participation grade to go to zero.** This class will be much more enjoyable, and you will learn much more if you attend classes.

3. **Cheating and Academic Dishonesty** will **NOT** be tolerated and will be prosecuted to the full extent of university regulations. To familiarize yourself with these regulations see the University Policies ([http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers/](http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers/)).

4. **Homework Policy.** I will drop the lowest grade on all your homeworks. This means that if you do not hand one in, it won’t affect your grade. If you miss more than one, you must provide a legitimate excuse, such as a doctor’s note or death certificate, otherwise you will get zero credit.

**Readings:**

There is no required textbook for the course. All readings will be posted on Canvas or can be downloaded online or from the Rutgers library website. The recommended readings are simply for your information. They will not be covered on the exams.

As references, here are three particularly useful textbooks in urban economics. If you would like to review them in more detail, please contact me or get them at the library:


**Topics and Readings**

Please note this is a general road map and is subject to change (advance notice will be given). * means to be read by everyone—both grads and undergrads; ** means grads only. Recommended readings are only for your information (and won’t be on any exams).

1. **What is Urban Economics?**

   *Required Readings:*


Recommended Reading:
1. O’F, Chapter 1.

II. Why do Cities Exist?
Recommended Readings:

Recommendations:

III. Why is Density Good? Introduction to the Economics of Agglomeration
Recommended Readings:

Recommended Readings:

IV. Land, ho!: The Economics of Land Use and Land Values
Required Readings:

**Recommended Readings:**

**V. How High Can you Get? The Economics of Skyscrapers**

**Required Readings:**

**Recommended Readings:**

**VI. Where Am I Going to Live? Housing and Urban Spatial Structure**

**Required Readings:**
2. **Brueckner, Chapter 2**

**Recommended Readings:**

**VII. In the Zone: The Birth and Growth of Land Use Regulations**

**Required Readings:**

Recommended Readings:

VIII. Why is Housing so Expensive? Regulations and Housing Prices

Required Readings:

Recommended Readings:

IX. Gentrification: Is it Good or Bad?

Recommended Readings:

X. Cities, Sprawl, and Climate Change

Required Readings
2. **Brueckner, Chapter 4

Recommended Readings:

XI. The Rise and Fall of the Manufacturing City

Required Readings

Recommended Readings:

XII. Income Inequality and Urban Growth

Required Reading:
(Grads whole book, undergrads, chapters TBA)


Recommended Readings:


XIII. Are you Happy Yet? Subjective Well-being and the City

**Required Reading:**


**Recommended Readings:**


XIV. Covid-19 and the Future of Cities

**Note:** This is a topic I’m thinking about adding at the end. We may not get to it. But if there’s sufficient interest by the class we can add it.