



## *The Hebrew University of Jerusalem*

### *Syllabus*

## **URBAN ECONOMICS - 57515**

*Last update 10-09-2013*

*HU Credits:* 2

*Degree/Cycle:* 1st degree (Bachelor)

*Responsible Department:* Economics

*Academic year:* 0

*Semester:* 1st Semester

*Teaching Languages:* English

*Campus:* Mt. Scopus

*Course/Module Coordinator:* Dr. Naomi Hausman

*Coordinator Email:* [naomi.hausman@mail.huji.ac.il](mailto:naomi.hausman@mail.huji.ac.il)

*Coordinator Office Hours:* Tuesday 15:00-16:00

*Teaching Staff:*

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Dr. Naomi Hausman

Course/Module description:

*Why do people and firms pay such high prices to cluster together in cities? Why do some cities grow and flourish while others decline? Employing theoretical frameworks such as those of spatial equilibrium and externalities, this course examines explanations for the existence of cities, differences between them, and some of the benefits and challenges they present. While workers flock to cities to learn, earn higher wages, and enjoy amenities, they also face higher costs of living (including housing) and often higher crime, congestion, and pollution. In addition to providing an understanding of these urban and regional dynamics, the course presents methods and tools for analyzing local policies such as rent control, land use regulation, transportation policy, and anti-poverty policy.*

Course/Module aims:

*To improve understanding of topics and methods in urban economics.*

Learning outcomes - On successful completion of this module, students should be able to:

*Be able to understand and explain central topics and methods in urban economics.*

Attendance requirements(%):

*As you wish, but class participation is 5% of your grade.*

*Teaching arrangement and method of instruction: Lectures, readings, quizzes, final exam.*

Course/Module Content:

*Course Overview (Chapter 1, Lindahl)  
The Alonso-Muth-Mills Model (Chapter 2, Lindahl)  
Transportation, Poverty and AMM (Chapter 2, Lindahl)  
Spatial Equilibrium Across Space (Chapter 3, Lindahl)  
Dynamic Spatial Equilibrium and City Growth (Lindahl, Chapter 3)  
Measuring Agglomeration (Lindahl, Chapter 4)  
Transport Costs and Agglomeration (Lindahl Chapter 4)  
Transport Technologies and Urban Change (Enduring City, Chapters 3, 4, 5)  
Connecting People (Lindahl Chapter 4)  
Ideas in Cities (Lindahl Chapter 4)  
Human Capital Spillovers (Lindahl, Chapter 4)*

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*Agglomeration Economies in Transition (Lindahl, Chapter 4)*  
*Measuring the Sources of Agglomeration Economies*  
*Non-Pecuniary Agglomeration Economies*  
*Crime and Cities*  
*Discrimination and Segregation (Lindahl, Chapter 5)*  
*Ghettos and Segregation*  
*The Demand for Housing*  
*The Operation of the Housing Markets*  
*Housing Supply and Growth*  
*Housing Dynamics*  
*Housing Policies and Rent Control*  
*The Tiebout Model (Lindahl, Chapter 5)*  
*Space-Based Policies (Lindahl, Chapter 6)*

*Required Reading:*

*The main readings for the course are research papers and survey articles, available online through the Hebrew University library system. Many of the readings can be procured directly from me in a zip file if you come to my office hours with a USB drive (more recent papers will not be in this set).*

*The course also has a textbook for important background, intuition, and further detail on the topics discussed. I will include chapter references as background reading for each lecture or set of lectures. The citation is: Glaeser, Edward L., *Cities, Agglomeration, and Spatial Equilibrium: the Lindahl Lectures*, New York: Oxford University Press, 2008. A second book, with sections you will surely want to reference when writing a research paper, is a very light and application-focused econometrics textbook: Angrist, Joshua, and Jorn-Steffen Pischke, *Mostly Harmless Econometrics*, Princeton University Press, 2009.*

*In addition, there are several books written by urban economists for general audiences that are both interesting and informative. I strongly suggest you read them:*

*Glaeser, Edward L., *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier**  
*Moretti, Enrico, *The New Geography of Jobs**

*Again, the syllabus has a fairly long list of article references, but only the starred articles are required reading for each lecture. It is expected that you read starred articles before class so that you may contribute to vibrant in-class discussions. Be smart about how you read – certain parts of a paper are more important than others if your main goal is to understand what this paper does and how it contributes to the literature.*

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Additional Reading Material:

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Course/Module evaluation:

End of year written/oral examination 80 %  
Presentation 0 %  
Participation in Tutorials 5 %  
Project work 0 %  
Assignments 0 %  
Reports 10 %  
Research project 0 %  
Quizzes 5 %  
Other 0 %

Additional information:

Updated syllabi are available from the professor.