

ECP 3613 – URBAN ECONOMICS

SPRING 2015, CRN 10173, Tues./Thurs. 5:00-6:15 PM, Lutgert Hall, Rm. 2202, 3 credit hours

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And by appointment.

TEXTBOOKS

Required: Arthur O'Sullivan, *Urban Economics*, 8th ed. (McGraw-Hill, 2012), ISBN: 9780073511474.

3 Scantron sheets: "Pearson NCS Test Sheets 100/100, Form No. 95679" (They are available at the FGCU Book Store.) **Forms that are wrinkled or torn are not readable by the grading machine. There will be a 5-point deduction if the machine cannot grade your exam.**

Recommended: William Strunk and E.B. White, *The Elements of Style*, 4th ed. (1999). (An online version of a previous edition is available here: [http://www.bartleby.com/141/.](http://www.bartleby.com/141/))

PREREQUISITES

ECO 2023 and ECO 2013 with a minimum grade of C.

COURSE DESCRIPTION (from catalog)

"A study of urban development, location theory, economics of housing, local public finance, and urban problems associated with poverty, racial discrimination, and transportation."

COURSE OBJECTIVES

The objective of this course is to enhance your understanding of the application of microeconomic principles to the location of economic activity. You will be expected to demonstrate an understanding of the following areas: the basic principles of urban economics; the role of market forces in the development of cities; land rent and land-use patterns; the economics of urban transportation, education, and crime; the economics of housing; and the economics of local government.

ASSESSMENT OF PROGRESS TOWARDS COURSE OBJECTIVES

Grading:	25% - Exam 1	15% - Homework
	25% - Exam 2	10% - Participation
	25% - Exam 3	

My grading scale is as follows:

A	93-100	B+	87-89	C+	77-79	D+	67-69	F	0-59
A-	90-92	B	83-86	C	70-76	D	63-66		
		B-	80-82			D-	60-62		

EXAMS (75%)

The exams will consist of 1) multiple choice questions designed to assess your knowledge of the concepts discussed in class and in the textbook, and 2) essay questions and problems designed to assess your ability to apply those concepts. Some of the latter group of questions will be similar to the problems in the “Applying the Concepts” section at the end of each chapter of your textbook. We will occasionally work on some of those questions together in small groups in class. The best way to prepare for the exams is to familiarize yourself with the basic concepts in each chapter, answer the questions at the end of the chapter, and attend class regularly so that you will benefit from the classroom discussion and be there when we work questions together in class. You will need only a pencil, an eraser, a non-programmable calculator (such as the Texas Instruments BA2+), and a Scantron form for all exams. (Use “Pearson NCS Test Sheets 100/100, Form No. 95679.” They are available at the FGCU Book Store.) **Scantron forms that are wrinkled or torn are not readable by the grading machine. There will be a 5-point deduction if the machine cannot grade your exam.** You are NOT permitted to use programmable calculators, cell phones, scanners, or any other electronic devices on exams, **nor are you permitted to leave and reenter the classroom during an exam** (except in the case of an emergency). (Plan your bathroom trips accordingly.) There will be three exams during the semester. There is no comprehensive final exam. Exam #3 will only cover the material covered after Exam #2. It will be the same length as Exams 1 and 2. **There will be NO make-up exams.** If you miss an exam without my prior approval you will earn a grade of zero on that exam.

HOMEWORK (15%)

Your primary activity outside of class will be to read the assigned chapters and other outside readings (to be distributed later) and be prepared to discuss them in class. To provide you a stronger incentive to do this, for each chapter and each outside reading you will have a homework assignment consisting of the following three parts:

- 1) A brief accurate description of the three most important concepts of that chapter (**one or two sentences per concept**), written IN YOUR OWN WORDS. Do NOT quote directly from the textbook. (The first violation of this rule results in a loss of credit for this section. The second violation results in a loss of credit for the entire assignment. Additional violations will be considered willful acts of plagiarism and appropriate official disciplinary actions will be taken, up to and including a failing grade in the course.)
- 2) A brief (**one or two sentences**) description of something you’d like to discuss in class related to the reading. It could be the concept that you found most difficult in that chapter or the one you found most interesting. (For example, “I did not understand _____.”; or “I found _____ most confusing.”; or “The concept I’d most like to discuss in class is _____.”)
- 3) Find an article in a newspaper, magazine, or blog, or a short video (less than 10 minutes long) that relates to the concepts in the chapter. **In three or four sentences**, identify the concept and describe IN YOUR OWN WORDS how the article pertains to that concept. Provide a website address for that article.

These assignments are due via email (send to dstansel@fgcu.edu) **BY 2:00 PM** on the first day that we discuss each reading. (A detailed course schedule that will contain those dates will be distributed later. Until then, the due dates will be announced in class.) The assignment should be **pasted into the text of the email and the reading to which it relates should be clearly identified. DO NOT SEND IT AS AN ATTACHED FILE.** You will earn 1 point for each of the three parts that you complete satisfactorily and 1 point if there are no more than two minor errors in writing (as described below). In addition to the specific guidelines above (failure to follow those instructions will result in the deduction of points) the specific grading rubric is as follows:

1) Part 1

Full credit (1 point): There are three important concepts that pertain to the chapter. They are labeled in a way that makes it clear that there are three (that is: 1, 2, 3, or a, b, c). Each one of those three is described correctly in **one or two short sentences**. They are written in your own words. It is clear that you have read all of the chapter and understood the important concepts.

2) Part 2

Full credit (1 point): There is at least one concept listed. It is written in your own words. It is specific. It is NOT just the title of a graph or a section of the chapter. It is communicated **in one or two sentences**.

3) Part 3

Full credit (1 point): You have identified one concept. You have described how it's illustrated in the article. You have done so **in three or four sentences**. It is written in your own words. You have provided the article title and a website address.

4) Writing quality

Full credit (1 point): Parts 1-3 are all written in the form of complete sentences. There are no more than two minor errors in writing: that includes punctuation, spelling, grammar, and basic clarity.

Strunk and White's classic book, *The Elements of Style*, 4th ed., is an excellent resource to help you improve your writing. An online version of a previous edition is available here:

<http://www.bartleby.com/141/>.

Your grades will be given via email. If you did not get full credit (4 points), there will be a number in parentheses identifying the part of the assignment on which you did not get full credit. For example, a grade of "3 (3)" means that you got 3 points and the reason you did not get the full 4 points is that Part 3 of the assignment needs substantial improvement; "3.5 (3)" means that Part 3 was on the border and needs some improvement. If there is more than one number in parentheses, the one listed first was the one that was most problematic. If you do not submit an assignment via email **BY 2:00 PM** on the due date, you will receive a zero on that one. However, **you will only be graded on 12 homework assignments**. That 12 must consist of four assignments for each of the three sets of readings on which there will be an exam. That means by Exam 1, you must have done four assignments; by Exam 2, you must have done four more; and then by Exam 3, you must have done four more. If you do fewer than four from one of those three sets of readings, you can NOT replace one of those with an extra assignment from one of the other sections.

I will post a mid-term homework grade on Canvas about half-way through the semester. Your final homework grade will be the numeric average of your homework grades, converted to a 0-100 scale. (Note that a 4 is an A, a 3 is a B, a 2 is a C, and a 1 is a D.)

PARTICIPATION (10%)

Since this will not be a traditional lecture-style class, you will be expected to be an active participant in classroom discussion. You will be expected to read the assigned chapters and be prepared to discuss them in class. I will call on you individually, and **if you are unprepared to participate that will adversely impact your participation grade, as will violations of the classroom conduct policy (below)**. Failure to actively participate in classroom discussion WILL lower your participation grade. I will keep track of attendance. The primary factors in determining your overall participation grade will be your attendance record and, more importantly, how often you make useful contributions to classroom discussion. **My expectation is that each of you will be present and will make useful contributions**

(meaning more than one) to classroom discussion every day that we have class. Your participation grade will reflect how well you live up to that expectation. I will post a mid-term participation grade on Canvas about half-way through the semester. (Note that “useful contributions to classroom discussion” can include asking good questions or bringing up good discussion topics, like those from Part 2 of your homework assignments.)

ATTENDANCE POLICY

Since you can't participate if you are not present in class, failure to attend class will adversely affect your participation grade. (See discussion above under “Participation.”) I believe that it will also indirectly have an adverse effect upon your homework and exam grades.

CLASSROOM CONDUCT

Because they can create a distraction that can reduce classroom discussion, **the use of laptop computers (or other electronic devices, including cell phones) is NOT permitted in the classroom.** Students have been found to remember lectures better when they take handwritten notes rather than using a laptop. (<http://www.theatlantic.com/technology/archive/2014/05/to-remember-a-lecture-better-take-notes-by-hand/361478/>) During class time please turn off your cell phone or set it to vibrate only. Violations of this policy will adversely impact your participation grade, as will any other behavior that creates a distraction (such as chatting amongst yourselves while others are talking).

EMAIL

I will often communicate with the class via FGCU EagleMail. If you do not have an EagleMail account you need to establish one right away (<http://eagle.fgcu.edu/>). Outside of my official office hours, the best way to reach me is via email (dstansel@fgcu.edu). Please include “ECP 3613” in the header of your email. **Do NOT expect me to reply to messages asking questions that can be answered by simply reading the syllabus.** Although I use Canvas to post your exam grades, I do NOT use it for email. Any messages you send there will not be read. Excellent advice on how to communicate professionally via email can be found here: <http://www.wikihow.com/Email-a-Professor>. I strongly suggest you read this and make use of the suggestions.

COURSE SCHEDULE

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| 1 | Tues. 1/6
Thurs. 1/8 | First Day of Class
Micro review: Appendix: Tools of Microeconomics (pp. 455-477) & Indifference Curves handout |
| 2 | Tues. 1/13
Thurs. 1/15 | Finish micro review; Chapter 1 – Introduction (pp. 1-14);
Chapter 2 – Why Do Cities Exist? (pp. 17-33 & 42-43)
“The world goes to town,” <i>The Economist</i> , May 3, 2007 (4 pages) http://www.economist.com/node/9070726 |
| 3 | Tues. 1/20

Thurs. 1/22 | Jacobs, Jane. 1969. “Cities First -- Rural Development Later.” Chapter 1 in <i>The Economy of Cities</i> . New York: Random House. (25 pages; pp. 3-18 and 39-48; skim through pp. 18-39)
Chapter 3 – Why Do Firms Cluster? (pp. 45-64)
Chapter 4 – City Size (pp. 70-84) |
| 4 | Tues. 1/27

Thurs. 1/29 | Glaeser, Edward. 2011. “Why Do Cities Decline?” Ch. 2 in <i>Triumph of the City</i> . New York: Penguin Press. (33 pp)
Chapter 5 – Urban Growth (pp. 92-114)
Chapter 5 |
| 5 | Tues. 2/03
Thurs. 2/05 | EXAM #1 (BRING AN UNWRINKLED, UNTORN SCANTRON)
Chapter 6 – Urban Land Rent (pp. 127-152) |

- 6 Tues. 2/10 Ch. 6 & Chapter 7 – Land-Use Patterns (pp. 161-189 and 193-197)
 Thurs. 2/12 **Chapter 7**
- 7 Tues. 2/17 Ch. 7 & **Chapter 8** – Neighborhood Choice (pp. 202-225)
 Thurs. 2/19 Ch. 8 & Chapter 9 – Zoning and Growth Controls (pp. 230-249)
- 8 Tues. 2/24 **Chapter 9** – Zoning and Growth Controls
 Thurs. 2/26 **Chapter 14** – Why is Housing Different? (pp. 367-382)
- Mon. 3/2-Fri. 3/6 – NO CLASS: SPRING BREAK**
- 9 Tues. 3/10 **Thornton, Mark. 2009.** “The Economics of Housing Bubbles” Ch. 11 in Randall Holcombe and Benjamin Powell, eds., *Housing America: Building Out of a Crisis* (Oakland: Independent Institute). (22 pages)
 Hall, Joshua C. and Matt E. Ryan. 2009. “The Economics of Government Housing Assistance for the Poor” Ch. 8 in Holcombe and Powell, eds., *Housing America: Building Out of a Crisis*. (23 pages)
 Stansel, Dean and Anthony Randazzo. 2013. “Unmasking the Mortgage Interest Deduction: Who Benefits and by How Much? 2013 Update” Reason Foundation, Policy Study, No. 421. (21 pages)
 Thurs. 3/12 **Chapter 15** – Housing Policy (pp. 301-18)
- 10 **Tues. 3/17 EXAM #2 (BRING AN UNWRINKLED, UNTORN SCANTRON)**
 Thurs. 3/19 **Chapter 10** – Externalities from Autos (pp. 257-284)
- 11 Tues. 3/24 Ch. 10 & **Chapter 11** – Mass Transit (pp. 290-311)
 Thurs. 3/26 Ch. 11 & **O’Toole, Randall. 2010.** “Urban Transit.” Cato Institute. (7 pages)
 Puentes, Robert. 2008. “A Bridge to Somewhere: Rethinking American Transportation for the 21st Century.” Brookings Institution. (8 pages)
- Fri. 3/27 Last day to withdraw from classes without academic penalty**
- 12 Tues. 3/31 **Duany, Andres, Elizabeth Plater-Zyberk, and Jeff Speck. 2010.** “What Is Sprawl, and Why?” Ch. 1 in *Suburban Nation: The Rise of Sprawl and the Decline of the American Dream* (New York: North Point Press). (17 pages)
 Duany et al. (2010). Ch. 7 “The Victims of Sprawl” in *Suburban Nation* (New York: North Point Press). (19 pages)
 Rybczynski, Witold. 2005. “Suburban Despair: Is urban sprawl really an American menace?” *Slate Magazine*, Nov. 7, 2005. (3 pages) http://www.slate.com/articles/arts/architecture/2005/11/suburban_despair.single.html
 Thurs. 4/2 **Edward Glaeser. 2011.** “Why Has Sprawl Spread?” Ch. 7 in *Triumph of the City*. New York: Penguin Press. (33 pp)
- 13 Tues. 4/7 **Holcombe, Randall. 1990.** “Growth Management in Florida: Lessons for the National Economy.” *Cato Journal*, 10 (1): 109-125. (16 pages)
 Foldvary, Fred. 1994. “Urban Economics and Public Choice,” Ch. 14 in *Public Goods and Private Communities* (Cheltenham, UK: Edward Elgar) (9 pages)
 Thurs. 4/9 **Foldvary, Fred. 1994.** “Utopia for Rent: Walt Disney World,” Ch. 9 in *Public Goods and Private Communities* (Cheltenham, UK: Edward Elgar) (20 pages)
 Stringham, Edward P., Jennifer K. Miller, and J.R. Clark. 2010. “Internalizing Externalities Through Private Zoning: The Case of Walt Disney Company’s Celebration, Florida.” *Journal of Regional Analysis and Policy*, 40 (2): 96-103. (8 pages)
 Tierney, John. 2004. “The Autonomist Manifesto (Or, How I Learned to Stop Worrying and Love the Road)” *New York Times Magazine*, Sept. 26, 2004. (7 pages)
 http://www.nytimes.com/2004/09/26/magazine/26HIGHWAY.html?_r=0&pagewanted=print&position=
- 14 **Tues. 4/14 NO CLASS: Mandatory Out-of-Class Assignment: Read Ch. 12 (Education) or Ch. 13 (Crime) and do a 5th homework assignment**
 Thurs. 4/16 **Chapter 16** – The Role of Local Government (pp. 411-427)
- 15 Tues. 4/21 Ch. 16 & **Chapter 17** – Local Government Revenue (pp. 431-451)
 Thurs. 4/23 Ch. 17 and **Stansel, Dean. 2006.** “Interjurisdictional Competition and Local Government Spending in U.S. Metropolitan Areas,” *Public Finance Review*, 34, 2, 173-94. (11 pages)
- Tues. 4/28 EXAM #3, 3-5:15 pm (BRING AN UNWRINKLED, UNTORN SCANTRON)**

UNIVERSITY-REQUIRED STATEMENTS:

Academic Behavior Standards and Academic Dishonesty

All students are expected to demonstrate honesty in their academic pursuits. The university policies regarding issues of honesty can be found in the FGCU Student Guidebook under the ***Student Code of Conduct*** and ***Policies and Procedures*** sections. All students are expected to study this document which outlines their responsibilities and consequences for violations of the policy. The FGCU Student Guidebook is available online at <http://studentservices.fgcu.edu/judicialaffairs/new.html>

Disability Accommodations Services

Florida Gulf Coast University, in accordance with the Americans with Disabilities Act and the university's guiding principles, will provide classroom and academic accommodations to students with documented disabilities. If you need to request an accommodation in this class due to a disability, or you suspect that your academic performance is affected by a disability, please contact the Office of Adaptive Services. The Office of Adaptive Services is located in Howard Hall 137. The phone number is 239-590-7956 or TTY 239-590-7930

Student Observance of Religious Holidays

All students at Florida Gulf Coast University have a right to expect that the University will reasonably accommodate their religious observances, practices, and beliefs. Students, upon prior notification to their instructors, shall be excused from class or other scheduled academic activity to observe a religious holy day of their faith. Students shall be permitted a reasonable amount of time to make up the material or activities covered in their absence. Students shall not be penalized due to absence from class or other scheduled academic activity because of religious observance. Where practicable, major examinations, major assignments, and University ceremonies will not be scheduled on a major religious holy day. A student who is to be excused from class for a religious observance is not required to provide a second party certification of the reason for the absence.
