

Syllabus

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Course: Urban Economics

Professor:

2025 SECOND SEMESTER

COURSE OUTLINE

This course explores theoretically and empirically a range of topics related to the economics of cities. The course begins with a discussion of the modeling and estimation of agglomeration economies. It also discusses models of housing markets and housing policy, with a focus on topics that are relevant to the urbanization of developing countries, such as the understanding of the causes and consequences of slums. Additional themes covered in the course are local labor markets, transportation, and place-based policies. The course will discuss how urban economics relates to other areas, such as public, environmental, macro, development, labor, and regional economics.

METHODOLOGY

The course is intended to prepare students to do applied research in several topics in urban economics. Half of the course discusses structural empirical applications, while the other half is dedicated to reduced-form empirical applications.

PROGRAM

Topics	Class
Empirical Methods in Urban Economics	1
Agglomeration: Theory	2,3
Agglomeration: Empirics	3,4
Local Labor Markets	5,6
Slums	7,8
Housing Policies	9,10, 11
Place-based Policies	12, 13
Transportation	14

Housing, Consumption and Macroeconomics	(extra)
Land Use Regulation	(extra)
Cities and the Environment	(extra)

BIBLIOGRAPHY

*** = main papers**

I. Empirical Methods in Urban Economics

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II. Agglomeration: Theory

*Ahlfeldt Gabriel M, Stephen J. Redding, Daniel M. Sturm and Nikolaus Wolf, 2015. "The Economics of Density: Evidence from the Berlin Wall". *Econometrica*, 83 (6): 2127–2189.

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III. Agglomeration: Empirics

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*De la Roca, J. and D. Puga, 2017. "Learning by Working in Big Cities," *Review of Economic Studies*, 84(1): 106–142.

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*Greenstone, Michael, Richard Hornbeck, and Enrico Moretti. 2010. "Identifying Agglomeration Spillovers: Evidence from Winners and Losers of Large Plants Openings." *Journal of Political Economy* 118(3):536–598.

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IV. Local Labor Markets and Spatial Equilibrium

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V. Slums and Housing in Developing Countries

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VI. Housing Policy: Public Housing, Rent Subsidies, Rent Control.

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VII. Place-based Policies

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Shenoy, Ajay, 2018. "Regional development through Place-based Policies: Evidence from a Spatial Discontinuity," *Journal of Development Economics*, 130: 173-189.

VIII. Transportation

Abbiasov, T. et al. 2022, "The 15-Minute City Quantified Using Mobility Data", NBER Working Paper n. 30752.

Akbar, P., Couture, V., Duranton, G., and Storeygard, A. 2023. "Mobility and Congestion in Urban India". *American Economic Review*, 113(4): 1083-1111.

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EXTRA: Housing, Consumption and Macro

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EXTRA: Land Use Regulation

* Duranton, Gilles and Diego Puga, 2015. "Urban Land Use" in Handbook of Regional and Urban Economics Volume 5, Edited by Gilles Duranton, J. Vernon Henderson and William C. Strange.

Glaeser, Edward L. and Joseph Gyourko. 2005. "Urban decline and durable housing". *Journal of Political Economy*, 113(2): 345–375.

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EXTRA: Cities and the Environment

Carozzi, F.; Roth, S., 2022, "Dirty density: Air quality and the density of American cities". *Journal of Environmental Economics and Management*.

GRADING

Mock referee report of a paper (homework assignment 1): 15%
Mock referee report of a paper (homework assignment 2): 15%
Presentation of your project's idea: 20%
Writeup of project proposal (homework assignment 3): 35%
Class participation: 15%

PROFESSOR – EMAILS