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**Academic Year: ( 2024 / 2025 )****Review date: 07-11-2024**

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**Department assigned to the subject: Economics Department****Coordinating teacher: SIOTIS , GEORGIOS****Type: Electives ECTS Credits : 6.0****Year : Semester :**

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## REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)

Macroeconomics

## OBJECTIVES

This course aims to provide the student an overview and some basic concepts on the urban and regional economy and its basic analytic tools. To achieve this objective, the student must acquire certain knowledge, skills and attitudes.

The course runs through a set of formal lectures and practical classes.

We will study the economics of cities and urban problems by understanding the effects of geographic location on the decisions of individuals and firms. First we will try to answer general and interesting questions such as, Why do cities exist? How do firms decide where to locate? Why do people live in cities? What determines the growth and size of a city? Which policies can modify the shape of a city? Having discussed why we live in cities, we will analyze the economic problems that arise because we are living in cities. We will focus on many specific urban economic problems such as firm location, transportation, housing, education and local government economics.

## DESCRIPTION OF CONTENTS: PROGRAMME

Course program

Ch 1 Introduction to Urb.&Reg. Econ

Part I: Market Forces in the Development of Cities

Ch 2 Why Do Cities Exist?

Ch 3 Clusters

Ch 4 City Size & Urban Growth

Part II: Land Rent and Land-Use Patterns

Ch 5 Urban Land Rent

Ch 6 Land-Use Patterns and Urban Planning

Part V: Housing

Ch 7 Zoning

Ch 8 The Housing Market

Ch 9 Subprime Mortgage Crisis

## CASE STUDIES

### LEARNING ACTIVITIES AND METHODOLOGY

The teaching methodology will include:

- Lectures, which will present the knowledge that students should acquire. To facilitate their development, slide files on the class notes are posted on the course webpage. If you complete those slides taking notes from what is said in class, you should be fine for the tests. All class notes will be matched to chapters of the textbooks listed at the end.
- Homework exercises on each chapter will be reviewed in class, grading the students on their answers. Throughout the term, the instructor will provide exercises on each chapter. The exercises will be collected. The material covered in or based on the suggested exercises will likely appear on examinations. Students who do well through the exercises always outperform students who do not.
- Discussion of real cases drawn from the recent economic news that the professor provides at the beginning of each topic.

### ASSESSMENT SYSTEM

<b>% end-of-term-examination:</b>	40
<b>% of continuous assessment (assignments, laboratory, practicals...):</b>	60

#### GRADING

- Final course grade: final exam grade 40% and continuous assessment grade 60%

- the final exam will consist of theory questions (60%) and exercises (40%)

Continuous assessment: 60% of the final grade for the course

- Theory controls (partial exam) and exercises 40%

- final work (optional in groups of maximum four students) 20%

- active participation in class (debates, questions, etc.) bonus of up to 5%

**Class Participation and Ethical Integrity:** Attendance and participation in class are required. Repeated absences (more than three) and lack of participation lead to a penalty in the continuous assessment grade. Plagiarism (on tests or assignments) or other forms of dishonest behaviour will mean failure on continuous evaluation.

UC3M students doing internships in a company or academic exchange (or similar situation) may choose, with prior authorization from their professor, for the 80-20 system: 80% exam grade plus 20% individual essay grade. The professor of the course must previously authorize the subject of this essay.

The midterm exam is scheduled to take place in weeks 10 or 11, depending on how the group's dates and days of class fall.

### BASIC BIBLIOGRAPHY

- O'Sullivan, A. Urban economics. , McGraw-Hill/Irwin., 2011

### ADDITIONAL BIBLIOGRAPHY

- Economic reports published , by, European institutions.

- Edward Glaeser, TRIUMPH OF THE CITY, How Our Greatest Invention Makes Us Richer, Smarter,, Greener, Healthier, , and Happier.

- Hoover and Giarratani, Regional Economics,, Online Edition. ,  
<http://www.rri.wvu.edu/WebBook/Giarratani/contents.htm>

- [http:// baobab.uc3m.es/monet/monnet/spip.php?rubrique47](http://baobab.uc3m.es/monet/monnet/spip.php?rubrique47), and assigned , to some lectures.