

UNIVERSITY OF NORTH TEXAS, DEPARTMENT OF ECONOMICS, COURSE SYLLABUS
ECONOMICS OF CITIES (ECON 4650) & URBAN ECONOMICS (ECON 5750)

Term: Spring 2026, 01/12/2026-05/08/2026

Class Meetings: Tuesday & Thursday 12:30-1:50pm, Lang 214

Professor: Yang Zhou, Ph.D. (Yang.Zhou2@unt.edu)

Office Hours: Tuesday & Thursday 2:00-3:00pm & by appointment, WH 367

Textbook Required:

- O'Sullivan, Arthur (2019). *Urban Economics*. 9th ed. McGraw-Hill Irwin. (And you need the 9th edition. He made a lot of changes from the 8th to the 9th edition.)
- Glaeser, Edward (2011). *Triumph of the City: How Our Greatest Invention makes us Richer, Smarter, Greener, Healthier, and Happier*. New York: The Penguin Press.

Prerequisite(s): Intermediate Micro-Economics Theory (ECON 3550 or ECON 5030) with a grade of C or better, or consent of instructor and department.

Course Description and Objectives:

What is a city? In his classic 1937 essay "What Is a City?" Lewis Mumford proposed a deceptively simple definition: "the city is above all else a theater of social action." Probably a bit more poetic than one economist definition I have heard: "an area with a lack of space between people." In any case, over 50% of the world's population now lives in a city or urban area. This has not always been the case. Over most of human existence, there were no cities. Hunter-gatherer societies wanted to avoid population density to ensure an ample availability of things to hunt and gather. Things changed starting at about the year 10,000 BC and technology developed to allow farming. Farming requires a more permanent settlement and grain storage. Grain storage means residents have something of value that can be stolen and so efforts to prevent that are needed. There may not be huge economies of scale in farming, but there are economies of scale in grain storage and protection from raiders. Once people live together in larger groups, innovation takes place more rapidly as groups of people working to solve problems are more productive than one person in isolation. Cities, and humanity, were off to the races!

The objective of this course is to not only explain why cities exist, but also provide you with the tools to be able to describe and analyze, from an economic point of view, the major economic forces shaping the development of urban areas and the spatial organization of economic activity within them. As it turns out, while some of these forces work to increase urban density, others work in the opposite direction. Changes in the strength of these forces over time can largely explain the changing urban form over time.

This course is primarily about the economic forces that shape cities. In this course, we will start with the basics of why cities exist, and then move on to issues such as what determines city size, firm location decisions, urban growth, and land use. We

will also look at the effects of zoning and the subjects of housing and transportation. Finally, we will study the role of local governments in urban economics.

Instructional Procedures: Lectures, class participation, homework assignments, data/research team project, and exams.

Evaluations Procedures:

- Course Requirements: reading the textbook and working on the homework and data/research assignments is required.
- Attendance policies: attendance is required for the class. Students who are absent from class for any reason are responsible for missed work. No late assignment submission is accepted. More details about attendance are provided in a later section.
- For-credit assignments will be assigned in Canvas with detailed instructions.

Grades and Grading:

- *Triumph of the City* Book Review (50 points for undergraduates and graduates)
- Team Project (200 points for undergraduates and graduates)
- Midterm Exam 1 (200 points for undergraduates and graduates)
- Midterm Exam 2 (200 points for undergraduates and graduates)
- Literature Summary Essays (50 points for graduates only)
- Final Exam (cumulative, 350 for undergraduates and 300 for graduates)
- Total: 1000 points
- Course grades are based on 1000 possible points and are assigned according to the following scale: A = 900 – 1,000; B = 800 – 899; C = 700 – 799; D = 600 – 699; F = 599 or below

There is no way to perfectly calibrate an exam so that students with A performances will score between 90-100%, students with B performances score between 80-90%, etc. Each mid-term exam and the final exam may be curved as needed for the performances to match the awarded grades (see below to check my criteria).

- A: 90-100%. The student demonstrates knowledge of the economic models and the intuition behind them and demonstrates an ability to apply the models to novel situations.
- B: 80-89% The student demonstrates knowledge of the economic models and the intuition behind them, but has trouble applying the models to novel situations.
- C: 70-79%. The student demonstrates knowledge of the economics models, but has trouble explaining the intuition behind them and cannot apply the models to novel situations.

- D: 60-69%. The student cannot demonstrate a working knowledge of the economic models or how they function.
- F: < 60%. The student demonstrates little understanding of the course content.
Or F: 0%. The student fails to complete the assignment.

Book Review Assignment

For this course, you will complete a formal book review in which you analyze *Triumph of the City* by Edward Glaeser. A strong book review goes beyond summarizing the chapters; it evaluates the author's argument, examines the evidence and methods used, and situates the book within broader academic conversations. Your review should clearly explain the book's central claims, assess its strengths and limitations, and articulate your own informed perspective on its contribution to the field. The goal is to demonstrate critical reading, thoughtful engagement, and effective academic writing. The book review must be more than 1,000 words and must be written entirely by you without the use of AI tools.

Team Data/Research Project

Students will work in teams of two on either a data collection, description, and visualization project (for undergraduates) or a research paper project involving data collection and analysis (for graduates), and both types of projects should focus on urban economics. Alternative team sizes require instructor approval. At the end of the semester, each team must submit a detailed project narrative or summary (for undergraduates) or a research paper (for graduates) and deliver a brief in-class presentation. Both the written report/paper and the presentation will be evaluated as part of the final grade. The use of certain AI tools may be permitted to support your learning of software programming for data visualization and analysis; please confirm allowable tools with the professor in advance.

Literature Summaries (For Graduates Only)

Those in Econ 5750 will need to turn in a 2-3 page summary of each of the five Econ 5750 only papers. Each summary should include a description of the paper's hypothesis, the statistical results that support it, and the paper's conclusion. More details and due date for each summary will be posted on Canvas. The five articles are:

1. Glaeser, Kallal, Scheinkman and Shleifer (1992). "Growth in Cities." *Journal of Political Economy*, 100(6): 1126-1152.
2. Glaeser and Gyourko (2018). "The Economic Implications of Housing Supply." *Journal of Economic Perspectives*, 32(1): 3-30.
3. Glaeser and Saiz (2003). *The Rise of the Skilled City*. NBER Working Paper 10191. Cambridge, MA: National Bureau of Economic Research.
4. Glaeser (2004). "Sprawl and Urban Growth." In: Henderson, J.V. and J.F. Thisse, eds. *Handbook of Regional and Urban Economics*, Vol. 4. Elsevier
5. Glaeser, Gyourko, and Saks (2006). "Urban Growth and Housing Supply." *Journal of Economic Geography*, 6(1): 71-89.

Course Schedule (Subject to Change, Depending on Course Progress)

Week	Date	Topic	Readings
1	01/13	Intro to Urban Economics	O'Sullivan, Ch.1
1	01/15	Key Concepts of Urban Economics	O'Sullivan, Ch.2
2	01/20	Trading and Factory Towns: Comparative Advantage	O'Sullivan, Ch.3
2	01/22	Agglomeration Economies	O'Sullivan, Ch.4
3	01/27	Where Do Cities Develop?	O'Sullivan, Ch.5
3	01/29	Consumer Cities and Central Places	O'Sullivan, Ch.6
4	02/03	Cities in a Regional Economy	O'Sullivan, Ch.7
4	02/05	The Urban Labor Market	O'Sullivan, Ch.8
5	02/10	The First Cities	O'Sullivan, Ch.9
5	02/12	<i>Triumph</i> Discussion	Glaeser, <i>Triumph of the City</i>
6	02/17	<i>Triumph</i> Discussion	Glaeser, <i>Triumph of the City</i>
6	02/19	<i>Triumph</i> Discussion	Glaeser, <i>Triumph of the City</i>
7	02/24	Review for Midterm Exam 1	
7	02/26	Midterm Exam 1	
8	03/03	Land Rent and Manufacturing Land	O'Sullivan, Ch.10
8	03/05	Office Space and Tall Buildings	O'Sullivan, Ch.11
9	03/10	<i>Spring Break - No Classes</i>	
9	03/12	<i>Spring Break - No Classes</i>	
10	03/17	Housing Prices and Residential Land Use	O'Sullivan, Ch.12
10	03/19	Spatial Distribution of Employment and Residence	O'Sullivan, Ch.13
11	03/24	The Monocentric City and Urban General Equilibrium	O'Sullivan, Ch.14
11	03/26	Neighborhoods	O'Sullivan, Ch.15
12	03/31	Land Use Policy	O'Sullivan, Ch.16
12	04/02	Urban Housing and Public Policy	O'Sullivan, Ch.17
13	04/07	Review for Midterm Exam 2	
13	04/09	Midterm Exam 2	
14	04/14	Cars and Roads	O'Sullivan, Ch.18
14	04/16	Urban Public Transit	O'Sullivan, Ch.19
15	04/21	The Role of Local Government	O'Sullivan, Ch.20
15	04/23	Local Government Revenue	O'Sullivan, Ch.21
16	04/28	Team Project Presentations	
16	04/30	Review for Final Exam	
17	05/07	Final Exam (Cumulative) 10:00am-12:00pm	

Helpful Links:

- UNT Spring 2026 semester calendar: <https://registrar.unt.edu/sites/default/files/spring-2026-academic-calendar.pdf>
- UNT Spring 2026 final exam schedule: <https://registrar.unt.edu/exams/final-exam-schedule/spring.html>.
- Writing Center: <https://writinglab.unt.edu/graduate-tutoring> (for graduate students).
- Dropping a class: <https://registrar.unt.edu/registration/dropping-class>

Contacting Me:

I am a resource for your success in this course and at UNT!

Office hours: You do not need an appointment to meet me during the office hours. If you are unable to meet during my office hours, please email me to set up a mutually convenient time.

Via email: All email must be sent through your UNT student email address (@my.unt.edu) specifically to me at yang.zhou2@unt.edu. Email from any other source or to any other email address is unlikely to make it through UNT filters and will not be answered.

If you contact me via email, the subject line of your email must have your course and section number to be opened. I will do my best to respond to all reasonable emails within 1 business day.

Email correspondence should be appropriate and should not contain requests for me to provide you with missed assignments, handouts, notes, grades, etc. and should never be a request to treat your coursework and grade differently than what is outlined on this syllabus. Inappropriate emails and student requests may be forwarded to the corresponding campus office(official).

Attendance:

Students are expected to attend class and recitation meetings regularly and to abide by the attendance policy established for the course. It is important that you communicate with the professor prior to being absent, so you and the professor can discuss and mitigate the impact of the absence on your attainment of course learning goals. Please inform the professor if you are unable to attend class meetings due to an excusable absence acknowledged by the University.

Copyrights:

Materials used in connection with this course may be subject to copyright protection. Materials may include, but are not limited to: documents, slides, images, audio, and video. Materials in this course Web site are only for the use of students enrolled in this course, for purposes associated with this course, and may not be retained for longer than the class term. Unauthorized retention, duplication, distribution, or modification of copyrighted materials is strictly prohibited by law.

Class lectures are also protected by state common law and federal copyrights. They are the original expression of the Instructor and may be recorded at the same time as delivered in order to secure protection. Whereas, you are authorized to take notes in class thereby creating a derivative of the lecture, the authorization extends only to making one set of notes for your personal use. You are not authorized to record lectures or to make commercial use of them without the Instructor's prior express written permission.

Disability Accommodation:

The University of North Texas makes reasonable academic accommodation for students with disabilities. Students seeking accommodation must first register with the Office of Disability Accommodation (ODA) to verify their eligibility. If a disability is verified, the ODA will provide you with an accommodation letter to be delivered to faculty to begin a private discussion regarding your specific needs in a course. You may request accommodations at any time, however, ODA notices of accommodation should be provided as early as possible in the semester to avoid any delay in implementation. Note that students must obtain a new letter of accommodation for every semester and must meet with each faculty member prior to implementation in each class. For additional information see the Office of Disability Accommodation website at <https://studentaffairs.unt.edu/office-disability-access>. You may also contact them by phone at (940) 565-4323.

The Economics Department cooperates with the Office of Disability Accommodation (ODA) to make reasonable accommodations for qualified students with disabilities. If you have not registered with ODA, we encourage you to do so. Please present your written accommodation request on or before the 4th class day.

Academic Integrity Policy:

Academic Integrity Standards and Consequences. According to UNT Policy 06.003, Student Academic Integrity, academic dishonesty occurs when students engage in behaviors including, but not limited to cheating, fabrication, facilitating academic dishonesty, forgery, plagiarism, and sabotage. A finding of academic dishonesty may result in a range of academic penalties or sanctions ranging from admonition to expulsion from the University. The UNT Department of Economics adheres to the University's Policy on Cheating and Plagiarism. To view the complete Student Academic Integrity policy, go to <https://policy.unt.edu/policy/06-003>.

Cheating:

The use of unauthorized assistance in an academic exercise, including but not limited to:

1. Use of any unauthorized assistance to take exams, tests, quizzes, or other assessments;
2. Dependence upon the aid of sources beyond those authorized by the instructor in writing papers, preparing reports, solving problems or carrying out other assignments;

3. Acquisition, without permission, of tests, notes or other academic materials belonging to a faculty or staff member of the University;
4. Dual submission of a paper or project, or re-submission of a paper or project to a different class without express permission from the instructor;
5. Any other act designed to give a student an unfair advantage on an academic assignment.

Plagiarism:

Use of another's thoughts or words without proper attribution in any academic exercise, regardless of the student's intent, including but not limited to:

1. The knowing or negligent use by paraphrase or direct quotation of the published or unpublished work of another person without full and clear acknowledgement or citation;
2. The knowing or negligent unacknowledged use of materials prepared by another person or by an agency engaged in selling term papers or other academic materials.

AI and Academic Integrity:

The "unauthorized" use of any person or technology that assists in a student's assignment, project, or paper is considered cheating under the UNT Student Academic Integrity Policy (UNT Policy 6.003).

1. Unless a professor or instructor gives explicit "authorization," AI cannot be used to complete assignments, projects, or papers. Doing so will result in a "cheating" violation.
2. AI should not be used to assist in writing papers, searching for sources, or creating citations. Citations provided by AI are fabricated by mimicking existing bodies of work. In most cases, AI will pull direct quotes from existing sources to answer queries and make-up information about the source.
3. AI can be used ethically to help you develop an outline for a paper, generate ideas, and learn a citation style. Talk to your subject librarian or professor about how you can use AI ethically.

Prohibition of Discrimination, Harassment, and Retaliation (Policy 16.004):

The University of North Texas (UNT) prohibits discrimination and harassment because of race, color, national origin, religion, sex, sexual orientation, gender identity, gender expression, age, disability, genetic information, veteran status, or any other characteristic protected under applicable federal or state law in its application and admission processes; educational programs and activities; employment policies, procedures, and processes; and university facilities. The University takes active measures to prevent such conduct and investigates and takes remedial action when appropriate.

Acceptable Student Behavior:

Student behavior that interferes with an instructor's ability to conduct a class or other students' opportunity to learn is unacceptable and disruptive and will not be tolerated in any instructional forum at UNT. Students engaging in unacceptable behavior will be directed to leave the classroom and the instructor may refer the student to the Dean of Students to consider whether the student's conduct violated the Code of Student Conduct. The University's expectations for student conduct apply to all instructional forums, including University and electronic classroom, labs, discussion groups, field trips, etc. Visit UNT's Code of Student Conduct (<https://studentaffairs.unt.edu/dean-of-students/conduct>) to learn more.

Sexual Assault Prevention:

UNT is committed to providing a safe learning environment free of all forms of sexual misconduct, including sexual harassment, sexual assault, domestic violence, dating violence, and stalking. Federal laws (Title IX and the Violence Against Women Act) and UNT policies prohibit discrimination on the basis of sex, and therefore prohibit sexual misconduct. If you or someone you know is experiencing sexual harassment, relationship violence, stalking, and/or sexual assault, there are campus resources available to provide support and assistance. UNT's Survivor Advocates can assist a student who has been impacted by violence by filing protective orders, completing crime victim's compensation applications, contacting professors for absences related to an assault, working with housing to facilitate a room change where appropriate, and connecting students to other resources available both on and off campus. The Survivor Advocates can be reached at SurvivorAdvocate@unt.edu or by calling the Dean of Students Office at (940) 565-2648. Additionally, alleged sexual misconduct can be non-confidentially reported to the Title IX Coordinator at oeo@unt.edu or at (940) 565-2759.

Advice and Encouragement:

You will be most successful in any economics class if you are:

1. Curious: Economics applies to everyone in virtually all of their everyday activities. Be inquisitive, take an interest in how the world works.
2. Diligent: Read the textbook, participate in class, do the homework, study for the exams, etc. Efforts do pay off.

"In studying the effects of any given economic proposal we must trace not merely the immediate results but the results in the long run, not merely the primary consequences but the secondary consequences, and not merely the effects on some special group but the effects on everyone." - Henry Hazlitt

"The master-economist must possess a rare combination of gifts. He must reach a high standard in several different directions and must combine talents not often found together. He must be mathematician, historian, statesman, philosopher—in some degree. He must understand symbols and speak in words. He must contemplate the particular in terms of the general, and touch abstract and concrete in the

same flight of thought. He must study the present in the light of the past for the purposes of the future.” - John Maynard Keynes

“The curious task of economics is to demonstrate to men how little they really know about what they imagine they can design.” - Friedrich A. Hayek