

Urban Economics

Fudan University

Department: School of Economics

Course Code	ECON 130255		
Course Title	Urban Economics		
Credit	4	Credit Hours	72
Course Nature	<input type="checkbox"/> Specific General Education Courses <input checked="" type="checkbox"/> Core Courses <input type="checkbox"/> General Education Elective Courses <input type="checkbox"/> Basic Courses in General Discipline <input type="checkbox"/> Professional Compulsory Courses <input checked="" type="checkbox"/> Professional advanced Courses <input type="checkbox"/> Others		
Course Objectives	After taking the course, students will have an understanding of standard urban theory and of empirical evidence on various important applied urban topics. This course will prepare students with many of the necessary tools to undertake their own research in urban economics or related fields.		
Course Description	The goal of this course is to give students an understanding of how economists think about cities. We will explore why cities exist as they do, the geographic organization of economic activities and a variety of urban policy issues such as housing, land use regulation, environment, public good provision, and place-based policies. You will learn about urban economic theory and analysis of empirical data sets in the context addressing important urban-related questions. Empirical examples will be taken primarily from the US and China.		
Course Requirements: Each student will be required to present one paper on the reading list or of his/her choice with approval to the class. A final research proposal will be due at the end of the semester. Each student will discuss the topic of his/her research proposal in the late December.			
Teaching Methods: Lecture, presentation, group discussion			

Instructor's Academic Background:

MS. Zhi Wang received her PhD in Economics from Brown University in 2013 and joined the School of Economics at Fudan University shortly afterwards as an assistant professor. Her research focuses on the applications of microeconomics in the field of Urban Economics. Her research projects investigate: the relationship between the location of labor-force entry and wage growth; the spatial pattern of urban land development and the determinants; the effects and implementation of land use regulations; the effects of environmental regulations; the effects of school boundaries in urban China; the determinants of the spatial distribution of college admissions in China; the empirical evidence on peer effects; and the determinants and effects of industrial land policies.

Members of Teaching Team

Name	Gender	Professional Title	Department	Responsibility
Zhi Wang	Female	Lecturer	985 Group	

Course Schedule**Introduction**

- 1.1 Evolutions of cities in the world
- 1.2 Topics

Module 1: Background on urbanization in China

- 1.3 China leading up to 1949: geography, resources, historical background
- 1.4 Maoist era, 1949 to 1978
- 1.5 Market transition, post 1978

Materials:

- 1.1-1 Naughton, Chapter 1, Geography
- 1.1-2 Naughton, Chapter 2, The Chinese Economy Before 1949
- 1.2-1 Naughton, Chapter 3, The Socialist Era, 1949-1978: Big Push Industrialization and Policy Instability
- 1.2-2 Putterman, Louis, 1993. Continuity and Change in China's Rural Development. New York: Oxford University. pp. 9-50.
- 1.2-3 Chen, S., Lan, X. 2016. "There Will be Killing: Collectivization and Death of Draft Animals." American Economic Journal: Applied Economics, forthcoming.
- 1.3-1 Naughton, Chapter 4, Market Transition: Strategy and Process
- 1.3-2 Putterman, L., 1997. "On the past and future of China's township and

village-owned enterprises.” *World Development*, 25 (10), 1639-1655

1.3-3 Li, W., Putterman, L., 2008. “Reforming China’s SOEs: An overview.” *Comparative Economic Studies*, 50, 353-380.

1.3-4 Guo, Y., Gan, J., Xu, C., 2008. “A nationwide survey of privatized firms in China.” *Seoul Journal of Economics*, 21(2).

Module 2: Spatial distribution of economic activities

2.1 What is the true urban population of China? What is hukou?

2.2 Internal migration in China

2.3 Are Chinese cities too small or too big? What are the optimal and equilibrium city sizes?

2.4 The geography of China’s industrial production

Materials:

2-1 Naughton text, Chapter 5, Section 5.1: The Urban-Rural Divide

2-2 Chan, Kam Wing. 2009. “What is the True Urban Population of China? Which is the Largest City in China?”

2-3 Chan, Kam Wing. 2009. “The Chinese Hukou System at 50.” *Eurasian Geography and Economics*, 50 (2): 197-221.

2-4 Chan, 2010. “China, Internal Migration.”

2-5 Cai, Fang. “Floating Populations: Urbanization with Chinese Characteristics.” CASS mimeo (2006).

2-6 Liu, Z, 2005. “Institution and inequality: the Hukou system in China.” *Journal of Comparative Economics*, 33(1): 133-157.

2-7 Afridi, F., Li, S.X., Ren, Y., 2015. “Social identity and inequality: The impact of China’s hukou system.” *Journal of Public Economics*, 123: 17-29.

2-8 Au, C.C., Henderson, J.V., 2006. “Are Chinese cities too small?” *Review of Economic Review*, 73(3): 549-576.

2-9 Xing, C. and Zhang, J., 2013. “The preference for larger cities in China: evidence from rural-urban migrants.”

2-10 Zhang, J., Zhao, Z., 2013. “Measuring the Income-Distance Tradeoff for Rural-Urban Migrants in China.”

2-11 Baum-Snow, N., Henderson, V., Turner, M.A., Brandt, L., 2016. “Highways, market access, and urban growth in China.”

2-12 Young, A., 2000. “The razor’s edge: Distortions and incremental reform in the People’s Republic of China.” *The Quarterly Journal of Economics*, 15(4), 1091-1135.

2-13 Ge, Y., 2009. “Globalization and industry agglomeration in China.” *World Development*, 37(3), 550-559.

2-14 Li, B., Lu, Y., 2009. “Geographic concentration and vertical disintegration: Evidence from China.” *Journal of Urban Economics*, 65, 294-304.

2-15 Lu, J., Tao, Z., 2009. “Trends and determinants of China’s industrial agglomeration.” *Journal of Urban Economics*, 65, 167-180.

Module 3: Why cities exist?

- 3.1 The first-nature amenities and the second-nature amenities
- 3.2 Production-side agglomeration economy
- 3.3 Consumption-side agglomeration economy
- 3.4 The value of cities

Materials:

3-1 Jedwab, R., Vollrath, D., 2015. "Urbanization without Growth in Historical Perspective," *Explorations in Economic History*.

3-2 Duranton, Gilles and Diego Puga. 2004. "Micro-foundations of urban agglomeration economies." *Handbook of Urban and Regional Economics*, Vol. 14. Geography and Cities J.V. Henderson and J-F Thisse eds.

3-3 Rosenthal, S.S. and Strange, W.C., 2004. "Evidence on the nature and sources of agglomeration economies." In: Henderson, J.V., Thisse, J.F. (Eds.), *Handbook of Regional and Urban Economics*, vol. 4. Elsevier, Amsterdam: 2119-2171.

3-4 Glaeser, E., Kallal, H.D., Scheinkman, J.A. and Shleifer, A., 1992. "Growth in Cities." *Journal of Political Economy*, 100(6): 1126-1152.

3-5 Henderson, J.V., Kuncoro, A. and Turner, M. 1995. "Industrial Development in Cities." *Journal of Political Economy*, 103(5): 1067-1090.

3-6 Henderson, J.V., 1997. "Externalities and industrial development." *Journal of Urban Economics*, 42: 449-470.

3-7 Rosenthal, S. and Strange, W.C., 2003. "Geography, industrial organization, and agglomeration." *Review of Economics and Statistics*, 85(2): 377-393.

3-8 Arzaghi, Muhammad and J. Vernon Henderson. 2008. "Networking off Madison Avenue." *Review of Economic Studies*, 75(4): 1011-1038.

3-9 Rauch, J., 1993. "Productivity gains from geographic concentration of human capital: Evidence from cities." *Journal of Urban Economics*

3-10 Glaeser, Edward L. and David C. Mare. 2001. "Cities and Skills." *Journal of Labor Economics*, 19(2): 316-342.

3-11 Wheaton, W.C., Lewis, M.J., 2002. "Urban wages and labor market agglomeration." *Journal of Urban Economics*.

3-12 Moretti, Enrico. 2004. "Estimating the Social Return to Higher Education: Evidence from Longitudinal and Repeated Cross-Sectional Data." *Journal of Econometrics*, 121: 175-212.

3-13 Gould, E.D. 2007. "Cities, Workers, and Wages: A Structural Analysis of the Urban Wage Premium." *The Review of Economic Studies*, 74: 477-506.

3-14 Rosenthal, S.S., Strange, W.C., 2008. "The attenuation of human capital spillovers." *Journal of Urban Economics*.

3-15 Combes, Pierre-Philippe, Gilles Duranton and Laurent Gobillon. 2008. "Spatial Wage Disparities: Sorting Matters!" *Journal of Urban Economics*, 63(2): 723-742.

3-16 Bacold, M., Blum, B.S. and Strange, W.S., 2009. "Skills and the City." *Journal of Urban Economics*, 65.

3-17 Baum-Snow, Nathaniel and Ronni Pavan. 2011. "Understanding the City Size Wage Gap." *Review of Economic Studies*, 79(1): 88-127.

- 3-18 Fu, Shihe, Ross, Stephen L., 2013. "Wage premia in employment clusters: How important is worker heterogeneity?" *Journal of Labor Economics*, 31: 271-304
- 3-19 Wang, Z. 2016. "Wage growth, ability sorting, and location choice at labor-force entry: New evidence from U.S. Census Data." *Journal of Urban Economics*, 96: 112-120.
- 3-20 De La Roca, Puga, 2017. "Learning by Working in Big Cities." *Review of Economic Studies*, 84: 106-142.
- 3-21 Ciccone, A., Hall, R.E., 1996. "Productivity and the density of economic activity." *American Economic Review*.
- 3-22 Henderson, J.V., 2003. "Marshall's scale economies." *Journal of Urban Economics*, 53: 1-28
- 3-23 Greenstone, Michael, Richard Hornbeck, and Moretti, Enrico. 2010. "Identification Agglomeration Spillovers: Evidence from Winners and Losers of Large Plant Openings." *Journal of Political Economy*, 118(3): 536-598.
- 3-24 Dekle, R., Eaton, J., 1999. "Agglomeration and land rents: Evidence from the prefectures." *Journal of Urban Economics*.
- 3-25 Glaeser, E., 2012. "Urban Public Finance." NBER working paper # 18244. (*Handbook of Public Economics*, 2013.)
- 3-26 Bleakley, H., Lin, J., 2012. "Portage and path dependence." *Quarterly Journal of Economics*, 127(2): 587-644.
- 3-27 Billings, S.B., Johnson, E.B., 2016. "Agglomeration within an urban area." *Journal of Urban Economics*, 91: 13-25.
- 3-28 Bosquet, C., Combes, P., 2017. "Sorting and agglomeration economies in French economics departments." *Journal of Urban Economics*, 101: 27-44.
- 3-29 Fan, J., Zou, B., 2015. "Industrialization from scratch: The persistent effects of China's 'Third Front Movement.'" https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2676645
- 3-30 (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2676645)
- 3-31 Glaeser, Edward, Jed Kollo, Albert Saiz. 2001. "Consumer City." *Journal of Economic Geography* 1, 27-50.
- 3-32 Waldfogel, Joel. 2003. "Preference externalities: An empirical study of who benefits whom in differentiated product markets." *Rand Journal of Economics*, 34(3): 557-568.
- 3-33 Waldfogel, Joel. 2004. "Who benefits whom in local television markets?" *Brookings-Wharton Papers on Urban Affairs*: 257-305.
- 3-34 Lee, Sanghoon. 2010. "Ability Sorting and Consumer City." *Journal of Urban Economics*, 68: 20-33.
- 3-35 Handbury, Jessie. 2012. "Are poor cities cheap for everyone? Non-Homotheticity and the Cost of Living Across U.S. cities."
- 3-36 Handbury, J., Weinstein, D.E., 2014. "Goods prices and availability in cities." *The Review of Economic Studies*.
- 3-37 Schiff, Nathan. 2014. "Cities and Product Variety: Evidence from Restaurants." *Journal of Economic Geography*.
- 3-38 Gautier, P., Svarer, M., Teulings, C. N., 2010. "Marriage and the city: Search frictions and sorting of singles." *Journal of Urban Economics*, 67: 206-218.
- 3-39 Costa, D., Kahn, M., 2000. "Power couples: Change in the location choice of the college educated, 1940-1990." *Quarterly Journal of Economics*, 115: 1287-1314.
- 3-40 Compton, J. and Pollak, R. 2007. "Why are power couples increasingly

- concentrated in large metropolitan areas?” *Journal of Labor Economics*, 25: 475-512.
- 3-41 Sinai, T., Waldfoegel, J., 2004. “Geography and the internet: Is the internet a substitute or a complement for cities?” *Journal of Urban Economics*, 56(1): 1-24.
- 3-42 Couture, Victor, 2016. “Valuing the consumption benefits of urban density.”
- 3-43 Kuang, C., 2017. “Does quality matter in local consumption amenities? An empirical investigation with Yelp.” *Journal of Urban Economics*, 100: 1-18.
- 3-44 Roback, J., 1982. “Wages, Rents and the Quality of Life.” *Journal of Political Economy*, 90: 1257-1278.
- 3-45 Blomquist, G., Berger, M., Hoen, J., 1988. “New estimates of quality of life in urban areas.” *American Economic Review*, 78(1): 89-107.
- 3-46 Gyourko, J., Tracy, J. 1991. “The structure of local public finance and the quality of life.” *Journal of Political Economy*, 91(4): 774-806.
- 3-47 Gabriel, Stuart A., Rosenthal, Stuart S., 2004. “Quality of the business environment versus quality of life: do firms and households like the same cities?” *The review of Economics and Statistics*, 86(1): 434-444.
- 3-48 Chen, Yong and Stuart S. Rosenthal., 2008. “Local Amenities and Life-Cycle Migration: Do People Move for Jobs or Fun?” *Journal of Urban Economics*, 64: 519-537.
- 3-49 Albouy, D., 2015. “What are cities worth? Land rents, local productivity, and the total value of amenities.” *Review of Economic Statistics*, forthcoming.
- 3-50 Albouy, D. 2012. “Are big cities bad places to live? Estimating quality of life across metropolitan areas.”
- 3-51 Glaeser, E. and Gottlieb, J.D., 2009. “The Wealth of Cities: Agglomeration Economies and Spatial Equilibrium in the United States.” *Journal of Economic Literature*, 47(4): 983-1028.
- 3-52 Black, Sandra E., 1999. Do Better Schools Matter? Parental Valuation of Elementary Education. *Quarterly Journal of Economics*, 114(2): 577-599.
- 3-53 Bayer, P., Ferreira, F., and McMillan, R., 2007. A Unified Framework for Measuring Preferences for Schools and Neighborhoods. *Journal of Political Economy*, 115(4)
- 3-54 Saiz, A., 2003. “Room in the kitchen for the melting pot: Immigration and Rental Prices.” *Review of Economics and Statistics*, 85(3): 502-521.
- 3-55 Chay, K. and Greenstone, M., 2005. “Does air quality matter? Evidence from the housing market.” *Journal of Political Economy*, 113(2): 376-424.
- 3-56 Gibbons, S., 2015. “Gone with the wind: Valuing the visual impacts of wind turbines through house prices.” *Journal of Environmental Economics and Management*, 72: 177-196.
- 3-57 Rappaport, Jordan. 2007. “Moving to nice weather.” *Regional Science and Urban Economics*, 37: 375-298.
- 3-58 Greenwood, M.J., Hunt, G.L., 1989. “Jobs versus amenities in the analysis of metropolitan migration.” *Journal of Urban Economics*.
- 3-59 Zheng, S., Fu, Y., Liu, H., 2009., “Demand for Urban Quality of Living in China: Evidence from Cross-City Land Rent Growth.” *Journal of Real Estate Finance and Economics*, 38: 194-213.
- 3-60 Zheng, S., Cao, J., Kahn, M.E., 2011. “China’s rising demand for “green cities”: Evidence from cross-city real estate price hedonics.” NBER working paper #16992.
- 3-61 Zheng, S., Kahn, M.E., Liu, H., 2009. “Towards a system of open cities in

China: Home prices, FDI flows and air quality in 35 major cities.” *Regional Science and Urban Economics*, 40: 1-10.

3-62 Zheng, S., Cao, J., Kahn, M., Sun, C., 2014 “Real estate valuation and cross-boundary air pollution externalities: evidence from Chinese cities.” *The Journal of Real Estate Finance and Economics*, 48(3): 398-414.

3-63 Xing, C. and Zhang, J., 2013. “The preference for larger cities in China: evidence from rural-urban migrants.”

3-64 Zhang, J., Zhao, Z., 2013. “Measuring the Income-Distance Tradeoff for Rural-Urban Migrants in China.”

3-65 Boustan, Leah Platt, Bunten, D., and Hearey, O., 2013. “Urbanization in the United States, 1800-2000.” In *Oxford Handbook of American Economic History*, forthcoming.

3-66 Chen, Y., Henderson, J.V., Cai, W., 2016. “Political favoritism in China’s capital markets and its effect on city sizes.” *Journal of Urban Economics*, forthcoming.

3-67 Redding, S., Rossi-Hansberg, E. 2016. “Quantitative spatial economics.” NBER working paper, # 22655.

3-68 Hsieh, Chang-Tai, Moretti, Enrico, 2017. “Housing constraints and spatial misallocation.” NBER working paper 21154.

3-69 Tombe, Trevor, Zhu, Xiaodong, 2017. “Trade, migration and productivity: A quantitative analysis of China.”
<http://homes.chass.utoronto.ca/~xzhu/paper/tombezh2015.pdf>

Module 4: Urban spatial structure and urban land use

4.1 Urban land use in a mono-centric city framework

4.2 Inner city structure of Chinese cities: spatial patterns of population, production, and land development

Materials:

4-1 Fujita, M., 1989. “Urban Economic Theory.” Cambridge University Press, Cambridge. Chapters 1-4.

4-2 Fujita, M. and Ogawa, H., 1982. “Multiple equilibria and structural transition of nonmonocentric urban configuration.” *Regional Science and Urban Economics* 12(1), 161-196.

4-3 Lucas, R.E.J. and Rossi-Hansberg, E., 2002. “On the internal structure of cities.” *Econometrica* 70(4), 1445-1476.

4-4 Glaeser, E.L., Kahn, M.E., 2004. “Sprawl and Urban Growth,” in Vernon Henderson and Jacques-Francois Thisse, eds, *Handbook of Regional and Urban Economics*, vol IV (Amsterdam: North-Holland, 2004)

4-5 Burchfield, M., Overman, H.G., Puga D., and Turner, M. 2006. “Causes of sprawl: A portraits from space.” *Quarterly Journal of Economics*, 121 (2): 587-633.

4-6 Baum-Snow, N. 2007. “Did highways cause suburbanization?” *Quarterly Journal of Economics*.

4-7 Baum-Snow, Brandt, Henderson, Turner and Zhang. 2016. “Roads, Railroads and Decentralization of Chinese Cities.” *The Review of Economics and Statistics*,

forthcoming.

4-8 Wang, Z., Zhang, Q., Zhou, L.A., 2016. "To build outward or upward? The spatial pattern of urban land development in China."

4-9 Zheng, S., Sun, W., Wu, J., Kahn, M., 2015. "The birth of edge cities in China: Measuring the spillover effects of industrial parks." NBER working paper #21378.

4-10 Duranton, G. and Turner, M. 2009. "Urban growth and transportation." *Review of Economic Studies*, 79(4): 1407-1440.

4-11 Deng, Huang, Rozelle, and Uchida, 2008. "Growth, population and industrialization, and urban land expansion of China." *Journal of Urban Economics*, 63: 96-115.

4-12 Lichtenberg, E., Ding, C. 2009. "Local officials as land developers: urban spatial expansion in China." *Journal of Urban Economics*, 66: 57-64.

4-13 Anglin, P.M., Dale-Johnson D., Gao, Y., Zhu, G., 2014. "Patterns of growth in Chinese cities: Implications of the land lease." *Journal of Urban Economics*, 83: 87-107.

4-14 Zheng, Siqi, Fu, Yuming, Liu, Hongyu, 2006. "Housing-choice hindrances and urban spatial structure: Evidence from matched location and location-preference data in Chinese cities." *Journal of Urban Economics*, 60: 535-557.

4-15 Zheng, S., Kahn, M., 2008. "Land and residential property markets in a booming economy: New evidence from Beijing." *Journal of Urban Economics*, 63: 743-757.

4-16 Baum-Snow, N., 2010. "Changes in Transportation Infrastructure and Commuting Patterns in U.S. Metropolitan Areas, 1960-2000." *American Economic Review Papers & Proceedings*, 100(2): 378-382.

4-17 Baum-Snow, Nathaniel, Kahn, Matthew E., 2000. "The effects of new public projects to expand urban rail transit." *Journal of Public Economics*, 77: 241-263.

4-18 Zheng, S., Kahn, M., 2013. "Does government investment in local public goods spur gentrification? Evidence from Beijing." *Real Estate Economics*, 41(1): 1-28.

4-19 Zheng, S., Sun, W., Wang, R., 2013. Land supply and capitalization of public goods in housing prices: Evidence from Beijing. *Journal of Regional Science*, 54(4): 550-568.

4-20 Xu, Y., Zhang, Q., Zheng, S., 2015. "The rising demand for subway after private driving restriction: Evidence from Beijing's housing market." *Regional Science and Urban Economics*, forthcoming.

4-21 Ding C. and G. Knaap. "Urban Land Policy Reforming China's Transitional Economy" in Ding and Song (eds) *Emerging Land and Housing Markets in China* (2005).

4-22 Zhang, Sumei and Kenneth Pearlman. 2009. "Legislative Support for Urban Land-Use Control in China." *Environmental and Planning C. Governmental and*

Policy, 27: 399-412.

4-23 Deng FF and Y. Huang. "Uneven land reform and urban sprawl in China: The Case of Beijing." *Progress in Planning* 61 (2004).

Module 5: Land-use regulations in Chinese cities

5.1 What are land-use regulations? What are the impacts of the land-use regulations on the land and housing markets? What are the determinants of land-use regulations?

5.2 How to develop urban land in China? What are the typical land-use regulations in Chinese cities? How restrictive are these regulations?

Materials:

5-1 Cai, H., Henderson, V.J., Zhang, Q., 2012. China's Land Market Auctions: Evidence of Corruption. *Rand Journal of Economics*.

5-2 Cai, H., Wang, Z., Zhang, Q., 2017. "To build above the limit? Implementation of land use regulations in urban China." *Journal of Urban Economics*, 98: 223-233.

5-3 Tan, Y., Wang, Z., Zhang, Q., 2016. "Land-use Regulation and the Intensive Margin of Housing Supply." Manuscript (<http://zhiwang2013brownecon.weebly.com/research.html>)

5-4 Brueckner, J.K., Fu, S., Gu, Y., Zhang, J., 2016. "Measuring the Stringency of Land-Use Regulation and Its Determinants: The Case of China's Building-Height Limits." *Review of Economics and Statistics*, forthcoming.

5-5 Wang, Z., Zhang, Q., Zhou, L. 2018. "Career Incentives of City Leaders and Urban Spatial Expansion in China." Working paper.

5-6 (<https://zhiwang2013brownecon.weebly.com/research.html>)

5-7 Fu, Shihe, Xu, Xiacong, Zhang, Junfu, 2018. "Land conversion and misallocation across cities in China." Working paper.

Module 6: Housing market in Urban China

6.1 How much have housing prices in China appreciated during the last decade? How did the price appreciation vary across different Chinese cities?

6.2 Public good provisions and local real estate prices

Materials:

6-1 John R. Logan, Yiping Fan, and Zhanxin Zhang. 2009. "Access to Housing in Urban China." *International Journal of Urban and Regional Research* 33(4): 914-935.

6-2 Logan, John R., Yiping Fang, and Zhanxin Zhang. 2010. "The Winner in China's Urban Housing Reform." *Housing Studies*, 25(1): 101-117.

6-3 Wu, J., Gyourko, J., Deng, Y., 2012. "Evaluating conditions in major Chinese markets." *Regional Science and Urban Economics*, 42(3): 531-543.

6-4 Wu, J., Deng, Y., Liu, H., 2011. "Housing price index construction in the nascent housing market: the case of China." IERS working paper series.

6-5 Wu, Gyourko, Deng, 2015. "Evaluating the risk of Chinese housing markets: What we know and wage we need to know." NBER working paper #21346.

6-6 Fang, Gu, Xiong, Zhou, 2015. "Demystifying the Chinese housing boom." NBER working paper # 21112.

6-7 Wang, Z., Zhang, Q., 2014. "Fundamental factors in the housing markets of China." Journal of Housing Economics, 25: 53-61.

Module 7: Environmental issues

7.1 What is the current status of China's environment?

7.2 What kind of environmental policies have been implemented in China? How effective is the policy? What is the impact of the policy on industrial development?

Materials:

7-1 Kahn, M., Li, P., Zhao, D., 2015. Pollution control effort at China's river borders: When does free riding cease? American Economic Journal: Economic Policy, 7(4): 223-242.

7-2 Chen, Y., Jin, G.Z., Kumar, N., Shi, G., 2012. "Gaming in air pollution data? Lessons from China." The B.E. Journal of Economic Analysis & Policy, 13(3): 1-43.

7-3 Cai, H.B., Chen, Y., Qing, G., 2015. "Polluting the neighbor: the case of river pollution in China." Journal of Environmental Economics and Management, 76, 86-104.

7-4 Zheng, S., Wang, R., Glaeser, E., Kahn, M., 2010. "The Greenness of China: Household Carbon Emissions and Urban Development." Journal of Economic Geography, 10(6): 1-32.

7-5 Zheng, S., Wu, J., Kahn, M., Deng, Y., 2012. The Nascent "Green" Real Estate Market in Beijing. European Economic Review, 56(5): 974-984.

7-6 Zheng, S., Cao, J., Kahn, M., 2014. Real estate valuation and cross-boundary air pollution externalities: Evidence from Chinese cities. Journal of Real Estate Finance and Economics, 48: 398-414.

7-7 Zheng, S., Kahn, M., 2013. Understanding China's Urban Pollution Dynamics, Journal of Economic Literature, 51(3): 731-772.

7-8 Zheng, S., Kahn, M., Sun, W., Luo, D., 2014 Incentives for China's urban mayors to mitigate pollution externalities: The role of the central government and public environmentalism. Regional Science and Urban Economics, 47: 61-71.

7-9 Sun, C., Zheng, S., Wang, R., 2014. Restricting driving for better traffic and clearer skies: Did it work in Beijing? Transport Policy, 32: 34-41.

7-10 Viard, V.B., Fu, S., 2015. The effects of Beijing's Driving Restrictions on Pollution and Economic Activity. Journal of Public Economics, 125: 98-115.

7-11 Kahn, M., Li, P., Zhao, D., 2015. Pollution control effort at China's river

borders: When does free riding cease? *American Economic Journal: Economic Policy*, 7(4): 223-242.

7-12 Chen, Z., Kahn, M., Liu, Y., Wang, Z., 2017. "The consequences of spatially differentiated water pollution regulation in China."

7-13 (<http://zhiwang2013brownecon.weebly.com/research.html>)

7-14 Ghanem, D., Zhang, J., 2014. 'Effortless perfection:' Do Chinese cities manipulate air pollution data? *Journal of Environmental Economics and Management*, 68: 203-225.

7-15 Jiang, L., Lin, C., Lin, P., 2014. The determinants of pollution levels: Firm-level evidence from Chinese manufacturing. *Journal of Comparative Economics*, 42: 118-142.

7-16 Wang, H., Wheeler, D., 2005. Financial incentives and endogenous enforcement in China's pollution levy system. *Journal of Environmental Economics and Management*, 49: 174-196.

7-17 Wu, H., Guo, H., Zhang, B., Bu, M., 2017. Westward movement of new polluting firms in China: Pollution reduction mandates and location choice. *Journal of Comparative Economics*, 45, 119-138.

7-18 Zeng, D., Zhao, L., 2009. Pollution havens and industrial agglomeration. *Journal of Environmental Economics and Management*, 58: 141-153.

7-19 Cai, X., Lu, Y., Wu, M., Yu, L., 2014. Does environmental regulation drive away inbound foreign direct investment? Evidence from a quasi-natural experiment in China. *Journal of Development Economics*, 123, 73-85.

7-20 Ebenstein, A. 2012. The consequences of industrialization: Evidence from water pollution and digestive cancers in China. *Review of Economics and Statistics*, 94(1), 186-201.

7-21 Ghanem, D., Zhang, J., 2014. 'Effortless perfection:' Do Chinese cities manipulate air pollution data? *Journal of Environmental Economics and Management*, 68, 203-225.

7-22 Hering, L., Poncet, S., 2014. Environmental policy and exports: Evidence from Chinese cities. *Journal of Environmental Economics and Management*, 68, 296-318.

7-23 Jiang, L., Lin, C., Lin, P., 2014. The determinants of pollution levels: Firm-level evidence from Chinese manufacturing. *Journal of Comparative Economics*, 42, 118-142.

7-24 Chen, Z. Kahn, M., Liu, Y., Wang, Z., 2018. "The Consequences of Spatial Differentiated Water Pollution Regulation in China," *Journal of Environmental Economics and Management*, 88, 468-485.

7-25 Chen, Y. J., Li, P., Lu, Y., 2018. "Career concerns and multitasking local bureaucrats: Evidence of target-based performance evaluation system in China." *Journal of Development Economics*, 133, 84-101.

7-26 Gendron-Carrier, Nicolas, Gonzalez-Navarro, Marco, Polloni, Stefano, Turner, Matthew, 2018. "Subways and urban air pollution." Working paper #24183.

Module 8: Place-based policies

8.1 What are place-based policies?

8.2 The effects of the place-based policies in China (industrial parks, transportation infrastructure).

Materials:

8-1 Wang, Jin., 2013. "The economic impact of special economic zones: Evidence from Chinese municipalities." *Journal of Development Economics*, 101: 133-147.

8-2 Alder, S., Shao, L., Zilibotti, F., 2016. "Economic reforms and industrial policy in a panel of Chinese cities." *Journal of Economic Growth*, 21, 305-349.

8-3 Chen, Z., Poncet, S., Xiong, R., 2016. "Inter-industry relatedness and industry-policy efficiency: Evidence from China's export processing zones."

8-4 Zheng, S., Sun, W., Wu, J., Kahn, M., 2017. "The birth of edge cities in China: Measuring the effects of industrial parks policy." *Journal of Urban Economics*, 100: 80-103.

8-5 Lu, Y., Wang, J., Zhu, L., 2015. "Place-Based Policies, Creation, and Displacement: Evidence from China's Economic Zone Program." (<http://yly6.weebly.com/working-papers.html>).

8-6 Lin, Y., 2017. "Travel costs and urban specialization patterns: Evidence from China's high speed railway system." *Journal of Urban Economics*, 98, 98-123.

8-7 Baum-Snow, Brandt, Henderson, Turner, Zhang. 2016. "Highways, market access, and urban growth in China." IGC working paper.

8-8 Baum-Snow, Henderson, Turner, Zhang, and Brandt, 2018. "Does investment in national highways help or hurt hinterland city growth?" *Journal of Urban Economics*, forthcoming.

The design of class discussion or exercise, practice, experience and so on:**If you need a TA, please indicate the assignment of assistant:**

Yes, a TA is needed and will help the lecturer with the attendency, organization of group discussion.

Grading & Evaluation (Provide a final grade that reflects the formative evaluation process):

4 assignments (20% of final grade); 1 midterm exam (20% of final grade); 1 final exam (40% of final grade); class participation (20% of final grade)

Teaching Materials & References (Including Author, Title, Publisher and Publishing time):

Your primary source will be the provided notes, slides, and papers on the reading list. Barry Naughton's *The Chinese Economy*, MIT Press, 2007 will serve as the reference.

Background papers:

● **Migration: Labor market & Occupational segregation**

1-1 Naughton text

Chapter 8: Labor markets

Chapter 9: Inequality

1-2 Lu, Z., Song, S., 2006. "Rural-urban migration and wage determination: the case of Tianjin, China." *China Economic Review*, 17(3): 337-345.

1-3 Ravallion, M, Chen, S., 2007. "China's (uneven) progress against poverty." *Journal of Development Economics*, 82(1): 1-42.

1-4 Yue, Z., Shuzhou Li, Marcus Feldman, and Haifeng Du. 2010. "Floating Choices: a Generational Perspective on Intentions of Rural-Urban Migrants in China." *Environment and Planning*, 42: 545-562.

1-5 Wang, Mark Y. and Jiang Wu. 2010. "Migrant Workers in the Urban Labour Market of Shenzhen, China." *Environmental and Planning A*, 42: 1457-1475.

● **Migration: Living conditions**

2-1 Zhou M. and G. Cai. "Trapped in Neglected Corners of a Booming Metropolis." In J.R. Logan *Urban China in Transition* (2008)

2-2 Wu W. and E. Rosenbaum. "Migration and Housing: Comparing China with U.S." In J.R. Logan *Urban China in Transition* (2008)

2-3 Zheng, S., Long, F., Fan, C., Gu, Y., 2009, "Urban Villages in China: A 2008 Survey of Migrant Settlements in Beijing." *Eurasian Geography and Economics*, 50(4): 1-22.

2-4 Wang, Yaping, Yanglin Wang, and Jiansheng Wu. 2010. "Housing Migrant Workers in Rapidly Urbanizing Regions: A Study of the Chinese Model in Shenzhen." *Housing Studies*, 25(1): 83-100.

2-5 Tang, Wenfang and Qing Yang. "The Chinese Urban Caste System in Transition." *The China Quarterly*, 196: 759-779.

2-6 Fan, C Cindy, Mingjie Sun, and Siqi Zheng. 2011. "Migration and Split Households: a Comparison of Sole, Couple, and Family Migrants in Beijing, China." *Environmental and Planning A*, 43: 2164-2185.

2-7 Biao, Xiang. 2004. "Migration and Health in China: Problems, Obstacles and Solutions." *Asian Metacenter for Population and Sustainable Development Analysis. Research Paper Series*, 17.

2-8 Hesketh, Therese, Xuejun Ye, Lu Li, and Hongmei Wang. 2008. "Health Status and Access to Health Care of Migrant Workers in China." *Public Health Reports*, 123: 189-197.

2-9 J. Kwong. "Educating Migrant Children: Negotiations between the State and Civil

Society." *China Quarterly* (2004): 1073-1088.

2-10 deBrauw, A., Giles, J., 2008. "Migrant opportunities and the educational attainment of youth in Rural China." Working paper 4526. World Bank.

2-11 Lee, L., Park, A., 2011. "Parental migration and child development in China." Mimeo, Hong Kong University of Science and Technology.

2-12 Meng, X., Yamauchi, C., 2012. "Impact of rural-urban migration on human capital development of migrant children." Paper presented at the 2012 PAA Meetings.

- **Land markets: brownfield development**

3-1 Zhu J. "From Land Use Right to Land Development Right." *Urban Studies* 4 (2004): 1249-1269.

3-2 Zhu J. "Urban development under ambiguous property rights" *International Journal of Urban and Regional Research* (2002)

- **Land markets: greenfield development**

4-1 Guo, Xiaolin. 2001. "Land Expropriation and Rural Conflicts in China." *The China Quarterly*, 166: 422-439.

4-2 Zhao, Yanjing and Chris Webster. 2011. "Land Dispossession and Enrichment in China's Suburban Villages." *Urban Studies*, 48(3): 529-551.

- **Housing**

5-1 Chen, Jie, Qianjin Hao, and Mark Stephens. 2010. "Assessing Housing Affordability in Post-Reform China: A Case Study of Shanghai." *Housing Studies*, 25(6): 877-901.

5-2 He, Shenjing, Yuting Liu, Fulong Wu, and Chris Webster. 2010. "Social Groups and Housing Differentiation in China's Urban Villages: An Institutional Interpretation." *Housing Studies*, 25(5): 671-691.

5-3 Zhou Y. and J.R. Logan. "Growth on the Edge: the New Chinese Metropolis" In J.R. Logan *Urban China in Transition* (2008)

5-4 Huang. "Housing Markets, Government Behaviors, and Housing Choice: A Case Study of 3 Cities in China." *Environment and Planning A* 36 (2004): 45-68.

5-5 Stephens, Mark. 2010. "Locating Chinese Urban Housing Policy in an International Context." *Urban Studies*, 47(14): 2965-2982.

5-6 Li, Si-ming. 2011. "Mortgage Loan as a Means of Home Finance in Urban China: A Comparative Study of Guangzhou and Shanghai." *Housing Studies*, 25(6): 857-876.

- **Inner City Structure**

6-1 "Beijing: Symbol of Chinese Urbanization," McKinsey report, 2009, pp 189-198

6-2 Deng FF and Y. Huang. "Uneven land reform and urban sprawl in China: The Case of Beijing." *Progress in Planning* 61 (2004).

6-3 Pan, Haixiao, Qing Shen, and Ming Zhang. 2009. "Influence of Urban Form on Travel Behaviour in Four Neighborhoods of Shanghai." *Urban Studies*, 46(2): 275-294.

6-4 Han, Sun Sheng and Bo Qin. 2009. "The Spatial Distribution of Producer Services in Shanghai." *Urban Studies*, 46(4): 877-896.

6-5 Yi Hong, Fiona F Yang, and Anthony G O Yeh. 2011. "Intraurban Location of Producer Services in Guangzhou, China." *Environmental and Planning A*, 43: 28-47.

6-6 Zacharias John and Yuanzhou Tang. 2010. "Restructuring and Repositioning Shenzhen, China's New Mega City." *Progress in Planning*, 73: 209-249.

6-7 Vogel, Ronald K., et al. 2010. "Governing Global City Regions in China and the West." *Progress in Planning*, 73: 1-75.