PP&D 206: Microeconomics for Urban Planning

Class Hours:  Tue & Thu 12:30~13:50  
Classroom:  1306 Social Ecology II  
Instructor:  Jae Hong Kim (jaehk6@uci.edu)  
            Wed 15:30~17:00 or by appointment (206 SEI)  
T.A.:  Amrita Singh (amritas@uci.edu)  
        Mon 9:30~10:30 or by appointment (248 SEI)  

COURSE DESCRIPTION

This course is designed to introduce students (particularly those in the Master of Urban & Regional Planning program) to microeconomics in order to help them understand the market mechanisms that underlie dynamic changes in urban areas and to promote their analytic capabilities for dealing with complex planning issues. Emphasis is on the application of core microeconomic concepts/principles to a broad range of planning subjects, such as land use, housing, and transportation. The course also provides an opportunity for students to discuss the effectiveness of various government interventions and/or de-regulation strategies from an economic point of view.

COURSE OBJECTIVES

It is expected that every student will
  - comprehend the nature of economic decision-making and market systems
  - understand the critical role of public sectors (or other collective actions) in (re)shaping market system behaviors and thus attaining a more complete realization of urban/regional development
  - acquire the knowledge and skills in economic analysis (including welfare analysis and cost-benefit analysis) of various planning issues

COURSE ORGANIZATION & MATERIALS

This course is organized as a series of lectures along with assignments, designed to promote students’ problem solving skills and their understanding of key microeconomic concepts/principles. In addition, adequate time and opportunity for discussion will be provided. Therefore, students are responsible for completing the readings and
assignments on time and coming to class prepared to participate in discussions. The readings include a required textbook – Pindyck, R.S. and D.L. Rubinfeld. 2012, *Microeconomics* (8th edition). Prentice Hall – and a set of additional materials, available through the UCI e-reserve and/or the course website (https://eee.uci.edu/13w/54310).

**GRADING**

Grading will be based on the following four elements:

1) Problem Sets 20 % (5% each)  
2) Report Assignment 20 %  
3) Mid-term Exam 30 %  
4) Final Exam 30 %

Please be advised that 1 percentage point per day will be deducted from the grade of all assignments received after the given due date. In contrast, extra credits will be given to students who actively participate in class discussions. The final grade will be assigned as follows.

- A : 93.0 or above (Excellent Work)  
- A- : 92.9 ~ 90.0  
- B+ : 89.9 ~ 87.0  
- B : 86.9 ~ 83.0  
- ...  
- F : Under 60.0 (Failure)

**ACADEMIC HONESTY**

As a responsible member of the academic community, every student should know and comply with all responsibilities, as found in the UCI general catalogue at http://www.editor.uci.edu/catalogue/appx/appx.2.htm#academic Violations of academic honesty in any class activities (e.g., assignments and exams) will be strictly handled in accordance with the university policies.

**SPECIAL CIRCUMSTANCES**

Please communicate any expected or unexpected absences with the instructor as early as possible. Every effort will be made to work with students having unexpected obligations outside the course, such as family emergencies and health issues. Any student with a disability who needs special accommodation within and beyond the classroom also should contact the instructor and the UCI Disability Services Center (949-824-7494, http://www.disability.uci.edu/index.php) to get appropriate assistance so as to achieve the learning objectives in this course.
## PP&D 206: Microeconomics for Urban Planning  
### Winter 2013

**COURSE OUTLINE: TOPICS & READINGS**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Topics</th>
<th>Text</th>
<th>Assignment Due</th>
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</thead>
<tbody>
<tr>
<td>01</td>
<td>Jan 08 [Tu]</td>
<td>Course Intro + Planners &amp; Economics</td>
<td>[1]</td>
<td>(A)</td>
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<tr>
<td>05</td>
<td>Jan 22 [Tu]</td>
<td>Consumer Theory pt.3 - Behavior under Uncertainty</td>
<td>[5]</td>
<td>(B)</td>
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<tr>
<td>06</td>
<td>Jan 24 [Th]</td>
<td>Producer Theory pt.1 - Profit &amp; Producer’s Choice</td>
<td>[6.1<del>3 &amp; 8.1</del>3]</td>
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<tr>
<td>07</td>
<td>Jan 29 [Tu]</td>
<td>Producer Theory pt.2 - Scale, Scope, &amp; Dynamics</td>
<td>[6.4 &amp; 7]</td>
<td>PS#2</td>
</tr>
<tr>
<td>08</td>
<td>Jan 31 [Th]</td>
<td>Producer Theory pt.3 - (Spatial) Market Structures</td>
<td>[10]</td>
<td>(C)</td>
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<tr>
<td>09</td>
<td>Feb 05 [Tu]</td>
<td>Producer Theory pt.4 - Strategic Decision Making</td>
<td>[11]</td>
<td>(D)</td>
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<tr>
<td>11</td>
<td>Feb 12 [Tu]</td>
<td>Mid-term Exam</td>
<td>Informal Analysis Plan</td>
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### Part II. Analysis & Extensions

| 13  | Feb 19 [Tu] | Externalities                                                          | [18.1~3]           |
| 14  | Feb 21 [Th] | Public Goods & Services                                                | [18.4~6] | (E~F) |
| 15  | Feb 26 [Tu] | Report Assignment Session                                              | (G~H) | PS#4 |
| 16  | Feb 28 [Th] | Market Failure Approaches                                              |               |
| 18  | Mar 07 [Th] | Cost-Benefit Analysis pt.1                                               | (K)           |
| 19  | Mar 12 [Tu] | Cost-Benefit Analysis pt.2                                               | (L)           |

LIST OF OTHER READINGS


