



NYU

**ROBERT F. WAGNER GRADUATE
SCHOOL OF PUBLIC SERVICE**

URPL-GP 2608.001 and 2608.002

Urban Economics

Spring 2019

Instructor Information

- Section 1:
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 - Office Hours: Tuesday 4:00-5:30 or by appointment
 - David Quart
 - Email: daq200@nyu.edu
 - Office Hours: Tuesday 8:30-9:30 or by appointment

Course Information

- Class Meeting Times and Locations:
 - Section 1: Monday 9:00–10:40am; GCASL, Room 269
 - Section 2: Tuesday 6:45–8:25pm; Silver 509
- Tutor:
 - Catherine Zinnel
 - Email: cz607@nyu.edu
 - Office Hours: Thursday 4:30-6:00pm, Puck 3045
- For administrative matters, please contact:
 - Catherine Falzone
 - Email: catherine.falzone@nyu.edu

Course Prerequisites

Students should have completed CORE-GP 1018 (Microeconomics) and should have taken or be taking CORE-GP 1101 (Statistical Methods) concurrently. Several assignments will ask you to use excel, so please brush up on your excel skills if needed.

Course Description

The field of urban economics introduces space into economic models and studies the location of economic activity. Urban economics typically addresses three sets of questions, and this course is organized around these three areas. The first set of questions focuses on the development of urban areas. Why do cities exist and why do some grow more rapidly? How can local governments encourage such growth, and if so, how? The second set of questions addresses patterns of development *within* metropolitan areas. Why do certain parts of metropolitan areas grow more rapidly than others? How do firms and households decide where to locate within given metropolitan areas? What determines the price of land, and how do these prices vary across space? The third set of questions concerns the economics and spatial dimensions of urban problems. In this class, we will focus on poverty, racial segregation, and suburban sprawl.

Course and Learning Objectives

Students completing this course should be able to:

1. Identify the factors that have driven the growth of cities historically and that drive it today, including agglomeration economies.
2. Evaluate who wins and loses from local economic growth.
3. Assess the likely effects of different policies to encourage local economic growth.
4. Explain the concept of spatial equilibrium, and how it shapes land rents.
5. Analyze and explain the evolution of urban land use patterns and density.
6. Analyze the costs and benefits of different kinds of land use regulations.
7. Judge which level of government is best equipped to address different issues.
8. Explain the unique characteristics of housing markets and assess the arguments for government intervention.
9. Examine the costs of urban sprawl and justify different policies to address it.
10. Analyze the causes and consequences of racial and economic segregation in U.S. metropolitan areas and evaluate whether and how governments should address this segregation.
11. Write clear economic arguments advocating for policies to address such challenges as suburban sprawl, urban poverty, and racial segregation.
12. Identify challenges facing cities in the future and how cities can manage them.

Assignments and Evaluation

There are four take-home assignments, an in-class mid-term exam, and a policy memo. The assignments combine problems and data analysis. Assignments must be submitted by the due dates or they will not be counted towards final grade. Borderline grades may be adjusted on

the basis of class participation. The take-home assignments will be graded pass-fail, but the midterm and policy memo will be graded on a scale (see below).

	Due Date	% of Grade	Objectives Assessed
First Assignment	Feb 18/19	5%	1, 2
Second assignment	March 11/12	5%	3, 4, 5
Third assignment	April 1/2	5%	6, 7, 8
Midterm exam	April 8/9	50%	1, 2, 3, 4, 5, 6, 7, 8, 11
Fourth assignment	April 22/23	5%	9, 10
Policy memo	May 6/7	30%	9, 10, 11, 12

Required Readings

All readings are required, unless noted as supplementary. Students are expected to do the reading each week before class. The readings include chapters from two textbooks:

- O’Flaherty, Brendan, **City Economics**. Cambridge, Mass: Harvard University Press, 2005.
- O’Sullivan, Arthur, **Urban Economics** (Eighth Edition). Boston: Irwin/McGraw Hill, 1990, 2009.

Students do NOT need to purchase either book in its entirety. The O’Sullivan chapters are in a customized text available for sale at the NYU Bookstore. The customized text may also be purchased as an e-book (see instructions posted on the course NYU Classes site. The O’Flaherty book is available in full online through the NYU Library (you may need to be logged in to NYU Home to access):

<https://ebookcentral.proquest.com/lib/nyulibrary-ebooks/detail.action?docID=3300089#>

Other required readings for the class are posted on NYU Classes. Most of the supplemental readings should be posted on the site as well. These supplemental articles are there for your interest and are optional.

Academic Integrity

Academic integrity is a vital component of Wagner and NYU. All students enrolled in this class are required to read and abide by [Wagner’s Academic Code](#). All Wagner students have already read and signed the [Wagner Academic Oath](#). Plagiarism of any form will not be tolerated and students in this class are expected to report violations to their professors. If any student in this class is unsure about what is expected of you and how to abide by the academic code, you should consult with us. For this particular course, there are some specific behaviors required to meet our standards of academic integrity:

Assignments: While we strongly encourage all students to work in groups, the final write up of assignments must be done individually with no sharing of written answers.

Exams: All exams must be the sole work of the individual student.

Violations of these standards will result in students' failing the assignment and potentially the course and being remanded to the discipline committee for further action.

Henry and Lucy Moses Center for Students with Disabilities

Academic accommodations are available for students with disabilities. Please visit the [Moses Center for Students with Disabilities \(CSD\) website](#) and click on the Reasonable Accommodations and How to Register tab or call or email CSD at (212-998-4980 or mosescsd@nyu.edu) for information. Students who are requesting academic accommodations are strongly advised to reach out to the Moses Center as early as possible in the semester for assistance.

NYU's Calendar Policy on Religious Holidays

[NYU's Calendar Policy on Religious Holidays](#) states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify me in advance of religious holidays that might coincide with exams to schedule mutually acceptable alternatives.

Letter Grades

Letter grades for the entire course will be assigned as follows:

Letter Grade	Points
A	4.0 points
A-	3.7 points
B+	3.3 points
B	3.0 points
B-	2.7 points
C+	2.3 points
C	2.0 points
C-	1.7 points
F	0.0 points

Student grades will be assigned according to the following criteria:

- (A) Excellent: Exceptional work for a graduate student. Work at this level is unusually thorough, well-reasoned, creative, methodologically sophisticated, and well written. Work is of exceptional, professional quality.
- (A-) Very good: Very strong work for a graduate student. Work at this level shows signs of creativity, is thorough and well-reasoned, indicates strong understanding of appropriate methodological or analytical approaches, and meets professional standards.
- (B+) Good: Sound work for a graduate student; well-reasoned and thorough, methodologically sound. This is the graduate student grade that indicates the student has fully accomplished the basic objectives of the course.
- (B) Adequate: Competent work for a graduate student even though some weaknesses are evident. Demonstrates competency in the key course objectives but shows some indication that understanding of some important issues is less than complete. Methodological or analytical approaches used are adequate but student has not been thorough or has shown other weaknesses or limitations.
- (B-) Borderline: Weak work for a graduate student; meets the minimal expectations for a graduate student in the course. Understanding of salient issues is somewhat incomplete. Methodological or analytical work performed in the course is minimally adequate. Overall performance, if consistent in graduate courses, would not suffice to sustain graduate status in “good standing.”
- (C/-/+) Deficient: Inadequate work for a graduate student; does not meet the minimal expectations for a graduate student in the course. Work is inadequately developed or flawed by numerous errors and misunderstanding of important issues. Methodological or analytical work performed is weak and fails to demonstrate knowledge or technical competence expected of graduate students.
- (F) Fail: Work fails to meet even minimal expectations for course credit for a graduate student. Performance has been consistently weak in methodology and understanding, with serious limits in many areas. Weaknesses or limits are pervasive.

Overview of the Semester

Week	Section 1 Date	Section 2 Date	Topic	Deliverable
Week 1	January 28	January 29	Introduction to Course and Cities	
Week 2	February 4	February 5	What Drives Urban Economic Growth?	
Week 3	February 11	February 12	Why Do We Care About Economic Growth?	
Week 4	February 18	February 19	Policies to Promote Urban Growth	Assignment 1 due in class
Week 5	February 25	February 26	Introduction to Land Rent and Land Use	
Week 6	March 4	March 5	Residential Land Use Patterns	
Week 7	March 11	March 12	Overview of Local Government	Assignment 2 due in class
	March 18	March 19	SPRING BREAK - NO CLASS	
Week 8	March 25	March 26	The Economics of Zoning and Land Use Regulations	
Week 9	April 1	April 2	Economics of Housing Markets	Assignment 3 due in class
Week 10	April 8	April 9	MIDTERM	In-class midterm
Week 11	April 15	April 16	Debating Suburbanization and Sprawl	
Week 12	April 22	April 23	Race and Housing	Assignment 4 due in class
Week 13	April 29	April 30	Urban Poverty: The Role of Neighborhoods	
Week 14	May 6	May 7	The Future of Cities	Policy memo due in class

Detailed Class Schedule

Part I: Market Forces in the Development of Cities

1. Introduction: What is a City and Why Do They Exist?

We start by defining the city as an economic unit. We discuss how this abstract definition is translated into units of measurement. We also introduce the core tenets of urban economics and introduce the notion of agglomeration economies.

Readings

O'Sullivan, Chapter 1.

O'Flaherty, Chapters 1 and 2.

Glaeser, Edward L., "Why Economists Still Like Cities." *City Journal* (1996): 70–77.

United Nations, Department of Economic and Social Affairs, Population Division (2014). *World Urbanization Prospects: The 2014 Revision, Highlights*.

Demographia, "[Definition of Urban Terms.](#)"

Supplementary

Glaeser, Edward L., "Are Cities Dying?" *Journal of Economic Perspectives* 12(1998): 139–160.

Jacobs, Jane, *The Economy of Cities*. New York, NY: Random House, 1960.

2. What Drives Urban Economic Growth?

We discuss the mechanisms that lead to agglomeration of economic activity. To understand why cities grow, we study the drivers of labor demand and labor supply. We set out to understand the history of New York City using economic models, and finally consider determinants of urban growth in the contemporary United States.

Readings

Glaeser, Edward L., "Urban Colossus: Why is New York America's Largest City?" NBER Working Paper 11398.

Carlino, Gerald. "Three Keys to the City: Resources, Agglomeration, and Sorting." *Business Review* Q3, 2011.

Quigley, John M., "Urban Diversity and Economic Growth." *Journal of Economic Perspectives* 12(1998): 127–138.

Rappaport, Jordan. "U.S. Urban Decline and Growth: 1950-2000." *Federal Reserve Bank of Kansas City Economic Review* 88(2003).

News and Analysis: Surowiecki, James. "Why Do Companies Like Company?" *The New Yorker*, April 24th, 2000.

Supplementary

Elison, Glenn and Edward L. Glaeser, "The Geographic Concentration of Industry: Does Natural Advantage Explain Agglomeration?" *American Economic Review* 89(1999): 311–316.

Glaeser, Edward L., Jed Kolko, and Albert Saiz. "Consumer City." *Journal of Economic Geography* 1(2001): 27–50.

Puga, Diego. "The Magnitude and Causes of Agglomeration Economies." *Journal of Regional Science* 50(2010).

3. Why Do We Care About Economic Growth?

We study whether increases in city population and employment lead to improvements in the standard of living and well-being of the population. We discuss the consequences of wage and rent differentials across cities, how they lead to migration flows, and why differences in standard of living persist. We also consider how answers may differ in developing country context.

Readings

Bartik, Timothy J., "Who Benefits from Local Job Growth: Migrants or the Original Residents?" *Regional Studies* 27(1993): Focus on pp. 297–298 and pp. 307-209.

Greenstone, Michael, Richard Hornbeck, and Enrico Moretti, "Identifying Agglomeration Spillovers: Evidence from Winners and Losers of Large Plant Openings." *Journal of Political Economy* 118(2010): Focus on pp 536–541 and pp 589-593.

Henderson, Vernon, "Urbanization in Developing Countries." *The World Bank Research Observer* 17(2002): 89–112.

News and Analysis: "Economic Scene: A Study Finds Benefits for Localities that Offer Subsidies to Attract Companies." *New York Times*, Dec 11, 2003.

Supplementary

Bartik, Timothy J., "Who Benefits from State and Local Economic Development Policies" W.E. Upjohn Institute for Employment Research.

Courant, Paul N. "How Would You Know a Good Economic Development Policy if You Tripped Over One? Hint: You Don't Just Count Jobs." *National Tax Journal* 47(1994): 863–881.

4. Urban Economic Growth and State and Local Policy

We explore which local economic development strategies are most likely to create jobs and boost tax revenue. We distinguish between demand- and supply-led growth. Demand-side strategies aim at attracting jobs, while supply-side strategies focus on attracting people.

Readings

O'Flaherty, Chapter 18, pp. 531-551.

Ellen, Ingrid Gould and Amy Ellen Schwartz, "No Easy Answers: Cautionary Notes for Competitive Cities." *The Brookings Review* (2000): 44–47.

Moretti, Enrico. *The New Geography of Jobs*. New York, NY: Houghton Mifflin Harcourt, 2012. (Chapter 6. Poverty traps and sexy cities).

World Bank, "Dynamic Cities as Engines of Economic Growth," in *World Development Report 1999-2000: Entering the 21st Century—The Changing Development Landscape* (1999): 125–138. (Focus especially on 130–138.)

News and Analysis: Raskin, Sam, "Amazon's HQ2 Deal with New York, Explained," *Curbed*, Nov 16, 2018.

Supplementary

Ades, Alberto F. and Edward L. Glaeser, "Trade and Circuses: Explaining Urban Giants." *The Quarterly Journal of Economics* 110(1995): 195–227.

Kolko, Jed, and David Neumark. "Do Enterprise Zones Create Jobs? Evidence from California's Enterprise Program." *Journal of Urban Economics* 68(2010): 1-19.

Ellen, Ingrid Gould, Amy Ellen Schwartz, and Ioan Voicu, "The Impact of Business Improvement Districts on Property Values: Evidence from New York City." *Brookings Wharton Papers on Urban Affairs*, 2007: 1-39.

Noll, Roger and Andrew Zimbalist. *Sports, Jobs, and Taxes: The Economic Impact of Sports Teams and Stadiums*. Brookings Institution Press, 1997.

Part II: Land Rent and Land-Use Patterns with Metropolitan Areas

5. Introduction to Land Rent and Land Use

We consider the determinants of land rent and intra-city location of firms. We introduce the widely used monocentric models and discuss land use. We consider the case for land taxes.

Readings

O'Sullivan, Chapter 6.

Glaeser, Edward L., "The Economic Approach to Cities." NBER Working Paper 13696, pp. 1-10.

News and Analysis: "Land-Value Tax: Why Henry George Had a Point." *The Economist* April 2, 2015.

Supplementary

Cohen, Jeffrey P. and Cletus C. Coughlin, "An Introduction to Two-Tiered Taxation of Land and Buildings." *Federal Reserve Bank of St. Louis* 87(2005): 359–374.

<http://www.research.stlouisfed.org/publications/review/05/05/CohenCoughlin.pdf>.

Netzer, Dick, *Land Value Taxation: Can and Will it Work Today?* Cambridge, MA: Lincoln Institute for Land Policy, 1998.

6. Residential Land Use Patterns and Their Causes

We expand the monocentric model to include residential location choice. Since land and housing markets are heavily regulated, we study the effects of land use regulation. We use the model to try to understand suburbanization in the U.S. and other contexts.

Readings

O'Sullivan, Chapter 7.

Angel, Shlomo, Jason Parent, Daniel L. Civco, and Alejandro M. Blei, "Making Room for a Planet of Cities." Cambridge, MA: Lincoln Institute of Land Policy, 2011. Chapters 1 and 2 only (focus on chapter 2).

Burchfield, Marcy, Henry G. Overman, Diego Puga, and Matthew A. Turner, "Causes of sprawl: A portrait from space." *Quarterly Journal of Economics* 121(2006): 587–633.

NBER Urban Digest, 2016. "Time-Starved Skilled Workers May be Driving Gentrification." Summary of Lena Edlund, et al., *Bright Minds, Big Rent: Gentrification and the Rising Returns to Skill* (NBER Working Paper No. [21729](#))

Mieszkowski, Peter and Edwin S. Mills, "The Causes of Metropolitan Suburbanization." *Journal of Economic Perspectives* 7(1993): 135-147.

Supplementary

Baum-Snow, Nathaniel, "Did Highways Cause Suburbanization?" *Quarterly Journal of Economics* 122(2006): 775–805.

Edlund, Lena, et al. 2015. *Bright Minds, Big Rent: Gentrification and the Rising Returns to Skill* (NBER Working Paper No 21729).

Glaeser, Edward L. and Matthew E. Kahn, "Decentralized Employment and the Transformation of the American City." *Brookings-Wharton Papers on Urban Affairs* (2001): 1–63.

Glaeser, Edward L., Matthew E. Kahn, and Jordan Rappaport, "Why Do the Poor Live in Cities? The role of public transportation." *Journal of Urban Economics* 63(2008): 1–24.

O'Flaherty, chapters 3 and 6.

7. Overview of Local Government

We discuss the types and structure of local governments and how they influence location decisions. We consider which types of problems are best addressed by centralized government and which are best placed in the sphere of more local governments.

Readings

O'Sullivan, Chapter 15.

Schwartz, Amy Ellen, "Tax and the City: Tax Reform for a Competitive New York" in *Rethinking the Urban Agenda: Reinvigorating the Liberal Tradition in New York City and Urban America*, eds. Ken Emerson and John Mollenkopf. New York, NY: Century Foundation Press, 2001.

Smoke, Paul, "Fiscal Decentralization Policy in Developing Countries: Bridging Theory and Reality," in *Public Sector Reform in Developing Countries*, eds. Yusuf Bangura and George Larbi. London: Palgrave MacMillan, 2006.

8. The Economics of Zoning and Land Use Regulations

What is the economic justification for regulating land use? How do land use regulations help address the externalities of development? What are some of the downsides of regulation, and how can local officials minimize them?

Readings

O'Sullivan, Chapter 9.

Been, Vicki, Ingrid Gould Ellen, Michael Gedal, Edward Glaeser, and Brian McCabe.

"Preserving History or Restricting Development: The Heterogenous Effects of Historic Districts on Local Housing Markets in New York City." *Journal of Urban Economics*, 92(2016): 16-30.

Fischel, William A., "Comment on Carl Abbott's 'The Portland Region: Where Cities and Suburbs Talk to Each Other and Often Agree.'" *Housing Policy Debate* 8(1997): 65–73.

News and Analysis: Ohanian, Lee and Edward Prescott, "What in the Sam Hill Are Cows Doing on Sand Hill Road?" *Wall Street Journal*, Dec 1, 2017.

Supplementary

Fischel, William A. *The Economics of Zoning Laws: A Property Rights Approach to American Land Use Controls*. Baltimore, MD: Johns Hopkins University Press, 1985.

Gyourko, Joseph, and Raven Molloy. *Regulation and Housing Supply*. NBER Working Paper 20536, 2014.

Hilber, Christian and Frédéric Robert-Nicoud, "On the origins of land use regulations: Theory and evidence from US metro areas." *Journal of Urban Economics* 75(2013): 29–43.

Mills, Edwin S. "Economic Analysis of Urban Land-Use Controls," in *Current Issues in Urban Economics*, eds. Peter Mieszkowski and Mahlon Straszheim. Baltimore: Johns Hopkins University Press, 1979, 511–541.

O'Flaherty, Chapter 8.

9. Economics of Housing Markets

We explore the characteristics that make housing a unique commodity. We learn about ways to measure housing price, rents, and affordability, and explore what has driven their trends over time. Finally, we consider how government intervenes in housing markets, and what the justification is for such action.

Readings

O'Flaherty, Chapter 13 (through page 376).

Gyourko, Joseph, Christopher Mayer, and Todd Sinai, "Superstar cities." *American Economic Journal: Economic Policy*.

Diamond, Rebecca, Tim McQuade, and Franklin Qian. "The Effects of Rent Control Expansion on Tenants, Landlords and Inequality: Evidence from San Francisco." NBER Working Paper, 24181, pp. 1-18 plus conclusion.

News and Analysis: Adam Davidson, "The Perverse Effects of Rent Regulation." *New York Times*, July 23, 2013; and Gary Painter, "No, Rent Control Doesn't Always Reduce the Supply of Housing." *Los Angeles Times*.

Supplementary

Aaron, Henry J., "Chapter One: Rationale for a Housing Policy," in *Shelter and Subsidies: Who Benefits from Federal Housing Policies*. Brookings Institution, 1972: 3–22.

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

Quigley, John, and Steven Raphael, "Is Housing Unaffordable? Why Isn't it More Affordable?" *Journal of Economic Perspectives* 18(2004): 191–214.

10. IN-CLASS MIDTERM – April 8 and April 9

Part III: Economics of Urban Problems

11. Urban Sprawl and the Challenges of Urban Growth

We discuss how to define urban sprawl and debate whether it represents a market failure. We consider the winners and losers and evaluate approaches to counteract it.

Readings

Angel, Shlomo, Jason Parent, Daniel L. Civco, and Alejandro M. Blei, "Making Room for a Planet of Cities." Cambridge, MA: Lincoln Institute of Land Policy, 2011. Chapter 5.

Brueckner, Jan, "Urban Sprawl: Diagnosis and Remedies." *International Regional Science Review* 23(2000): 160–171.

Gordon, Peter and Harry W. Richardson, "Prove it: The Costs and Benefits of Sprawl." *The Brookings Review* (1998): 23–25.

News and Analysis: "Sprawl Can Be Beautiful if Cities Learn to Manage Growth." *Bloomberg Businessweek*, August 10, 2017.

Supplementary

Downs, Anthony, *New Visions for Metropolitan America* (Brookings Institution Press, 1994): pp. 3-30.

- Glaeser, Edward L. and Matthew E. Kahn. "Sprawl and urban growth," in Handbook of Regional and Urban Economics, eds. Vernon Henderson and Jacques-François Thisse. Amsterdam: North-Holland, 2481–2527.
- Jackson, Kenneth T. Crabgrass Frontier: The Suburbanization of the United States. Oxford University Press, 1985.
- Nivola, Pietro S. Laws of the Landscape: How Policies Shape Cities in Europe and America. Brookings Institution Press, 1999, 35–51.

12. Race and Housing

We consider trends in racial segregation and debate the causes of persistent racial segregation. We consider both market and non-market forces, focusing on evidence about discrimination in the housing market. Finally, we explore appropriate policy responses.

Readings

O’Flaherty, Chapter 12.

Pattillo, Mary, Sherrilyn Iffil, Rucker Johnson and Patrick Sharkey. "Why Integration?" In Ingrid Gould Ellen and Justin P. Steil, Eds., *The Dream Revisited: Contemporary Debates About Housing, Segregation and Opportunity*, pp. 29-43.

De la Roca, Jorge, Ingrid Gould Ellen, and Justin Steil, "Does Segregation Matter for Latinos?" *Journal of Housing Economics*, 2017.

Turner, Margery A., Robert Santos, Diane Levy, Douglas Wissoker, Claudia Aranda, and Rob Pitingolo, "Housing discrimination against racial and ethnic minorities 2012" Housing Discrimination Study, U.S. Department of Housing and Urban Development, 2013. (Executive Summary)

News and Analysis: "Racial Segregation: The Great Melting." *The Economist*, Jan 9th, 2016.

Supplementary

Boustan, Leah Platt, "Was postwar suburbanization 'white flight'? Evidence from the black migration." *Quarterly Journal of Economics* 125(2010): 417–443.

Cutler, David, Edward Glaeser, and Jacob Vigdor, "The Rise and Decline of the American Ghetto," *Journal of Political Economy* 107(1999): 455–506.

Ladd, Helen F., "Evidence on Discrimination in Mortgage Lending." *Journal of Economic Perspectives* 12(1998): 41–62.

Munnell, Alicia H., Geoffrey M.B. Tootell, Lynn E. Browne, and James McEneaney, "Mortgage Lending in Boston: Interpreting HMDA Data." *American Economic Review* 86(1996): 25–53.

Yinger, John. *Closed Doors, Opportunities Lost: The Continuing Costs of Housing Discrimination*. New York, NY: Russell Sage Foundation, 1995.

13. Urban Poverty: The Role of Neighborhoods

We review poverty trends and consider reasons why neighborhood economic and social characteristics might shape the life chances of residents. We discuss how to measure neighborhood effects and review the latest evidence. Finally, we evaluate alternative policies to improve the lives of poor families living in cities.

Readings

- Chetty, Raj, Nathan Hendron, and Lawrence Katz. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project." *American Economic Review* 106(2016): 855-902.
- Ellen, Ingrid Gould, and Margery Austin Turner, "Does Neighborhood Matter? Assessing Recent Evidence." *Housing Policy Debate* 8(4): 833–866. (Read quickly, focus on reasons for why neighborhoods matter.)
- Sanbonmatsu, Lisa et al., "The Long-Term Effects of Moving to Opportunity on Adult Health and Economic Self-Sufficiency" *Cityscape* 14(2012): 109–136.
- Sharkey, Patrick, Ingrid Gould Ellen, Johanna Lacoë, and Amy Ellen Schwartz. 2015. "High Stakes in the Classroom, High Stakes on the Street: The Effects of Community Violence on Students' Standardized Test Performance." *Sociological Science*.

Supplementary

- Holzer, Harry J., "Black Employment Problems: New Evidence, Old Questions." *Journal of Policy Analysis and Management* 13(1994): 699–722.
- Kasinitz, Philip and Jan Rosenberg, "Why Empowerment Zones Won't Work." *The City Journal* 3(1993): 63–71.
- Kling, Jeffrey R., Jeffrey B. Liebman, and Lawrence F. Katz, "Experimental Analysis of Neighborhood Effects." *Econometrica* 75(2007): 83–119.
- O'Regan, Katherine and John M. Quigley, "Spatial Effects on Employment Outcomes: The Case of New Jersey Teenagers." *New England Economic Review* (May/June 1996): 41–58.

14. Looking to the Future

In this last class, we consider three looming challenges to the future of cities: autonomous vehicles, sea level rise, and economic polarization. We consider what these trends mean to the vitality and spatial organization of cities and the role that they play in the national economy.

Readings

- Fuller Brandon, Lisa Schweitzer, Gilles Duranton, and Wendell Cox, "Point of Contention: Driverless Cars." *Cityscape: A Journal of Policy Development and Research* 18(3): 181-204.
- Glaeser, Edward L., "Demand for Density? The Functions of the City in the 21st Century." *The Brookings Review* (2000): 12–15.

Plumer, Brad. "These 20 Cities Have the Most to Lose from Rising Sea Levels." *The Washington Post*, August 20, 2013.

Austin, Benjamin, Edward Glaeser, and Lawrence Summers. "Jobs for the Heartland: Place-Based Policies in 21st-Century America." *Brookings Papers on Economic Activity*. Spring, 2018.

News and Analysis: Edward Glaeser, "Can Buffalo Ever Come Back?" *The City Journal*, August 2017.

Supplementary

Glaeser, Edward L. and Jesse M. Shapiro, "Cities and Warfare: The Impact of Terrorism on Urban Form." *Journal of Urban Economics* 51(2002): 205–224.

Moretti, Enrico. *The New Geography of Jobs*. New York, NY: Houghton Mifflin Harcourt, 2012. (Chapter 7. The new human capital century.)