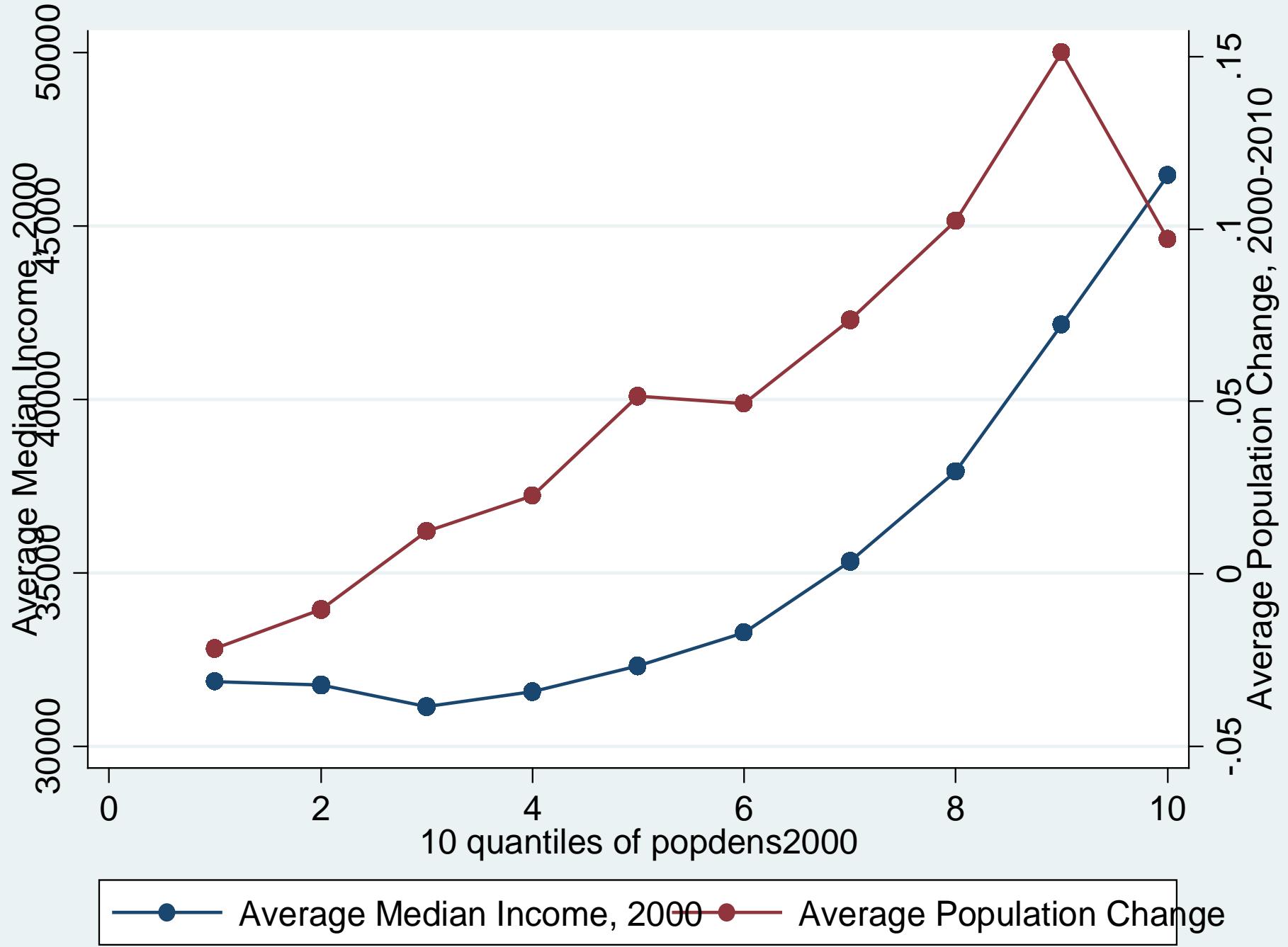


Resilient Cities

Edward Glaeser
Harvard University and NBER

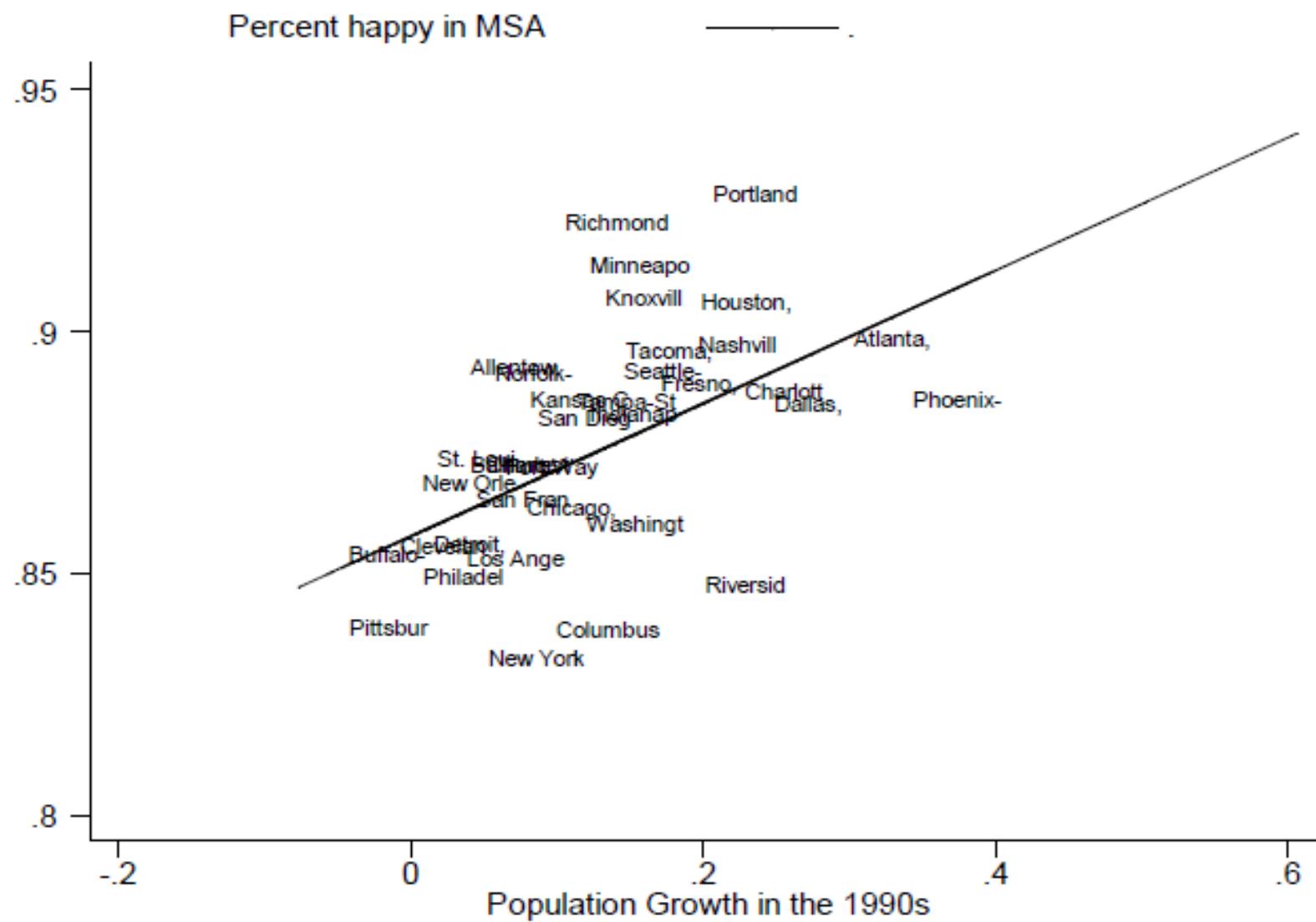


City	1950 Pop.	2010 Pop.	Change
New York	7,891,957	8,175,133	+4 %
Chicago	3,620,962	2,695,598	-26%
Philadelphia	2,071,605	1,526,006	-26%
Los Angeles	1,970,358	3,792,621	+92%
Detroit	1,849,568	713,777	-61%
Baltimore	949,708	620,961	-34%
Cleveland	914,808	396,815	-56%
St. Louis	856,796	319,294	-63%
Washington	802,178	601,723	-25%
Boston	801,444	617,594	-23%

Portrait of Decline

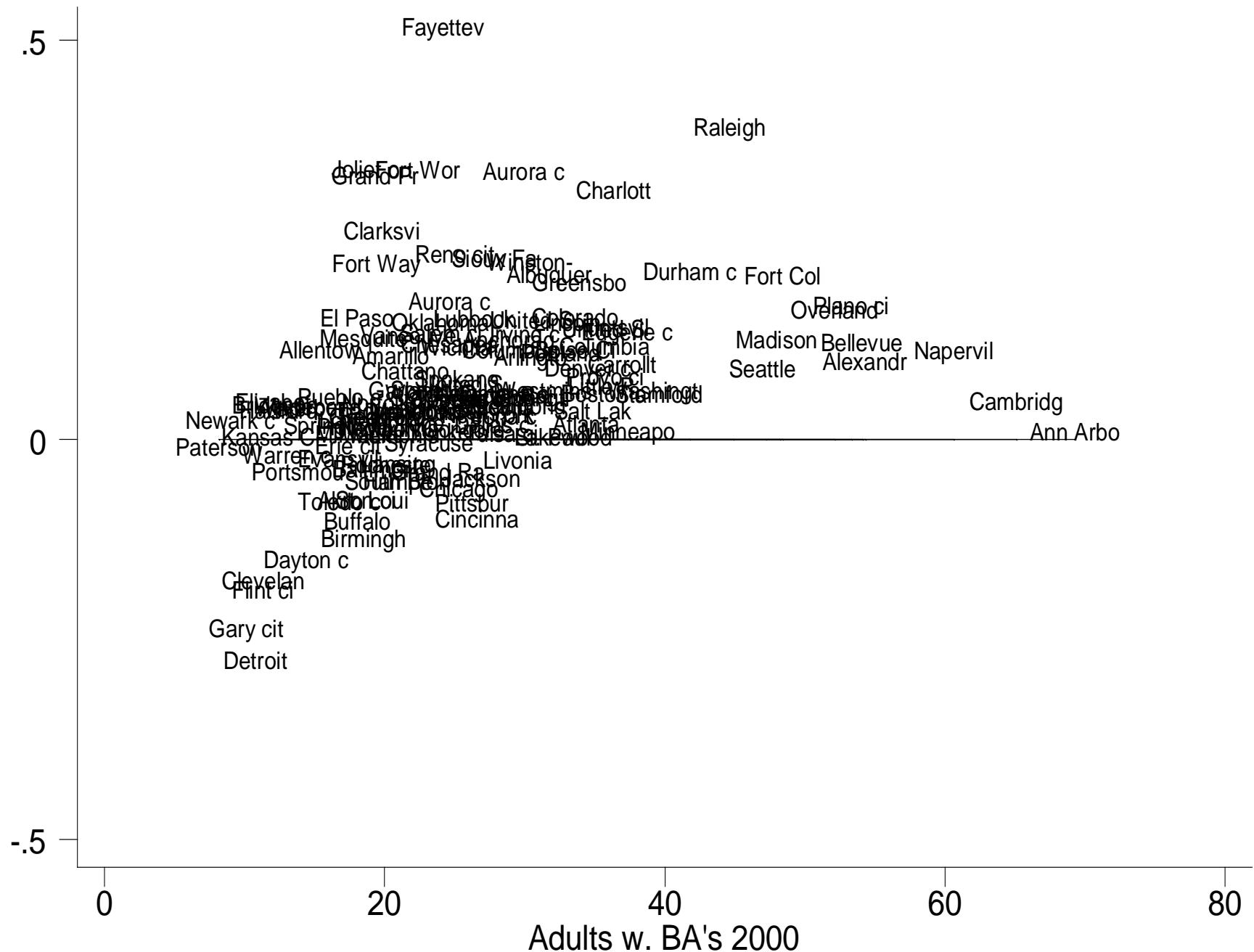
- 38 cities out of 235 with more than 100k population in 2000 have lost more than one percent of their population since then.
- Both income levels and income growth (2000-2008) are almost 20 percent below the urban average.
- They are unusual in January temperature (15 degrees less at the median) , education, share using public transit and, of course, poverty.

FIGURE 1: Happiness and Urban Growth in the 1990s

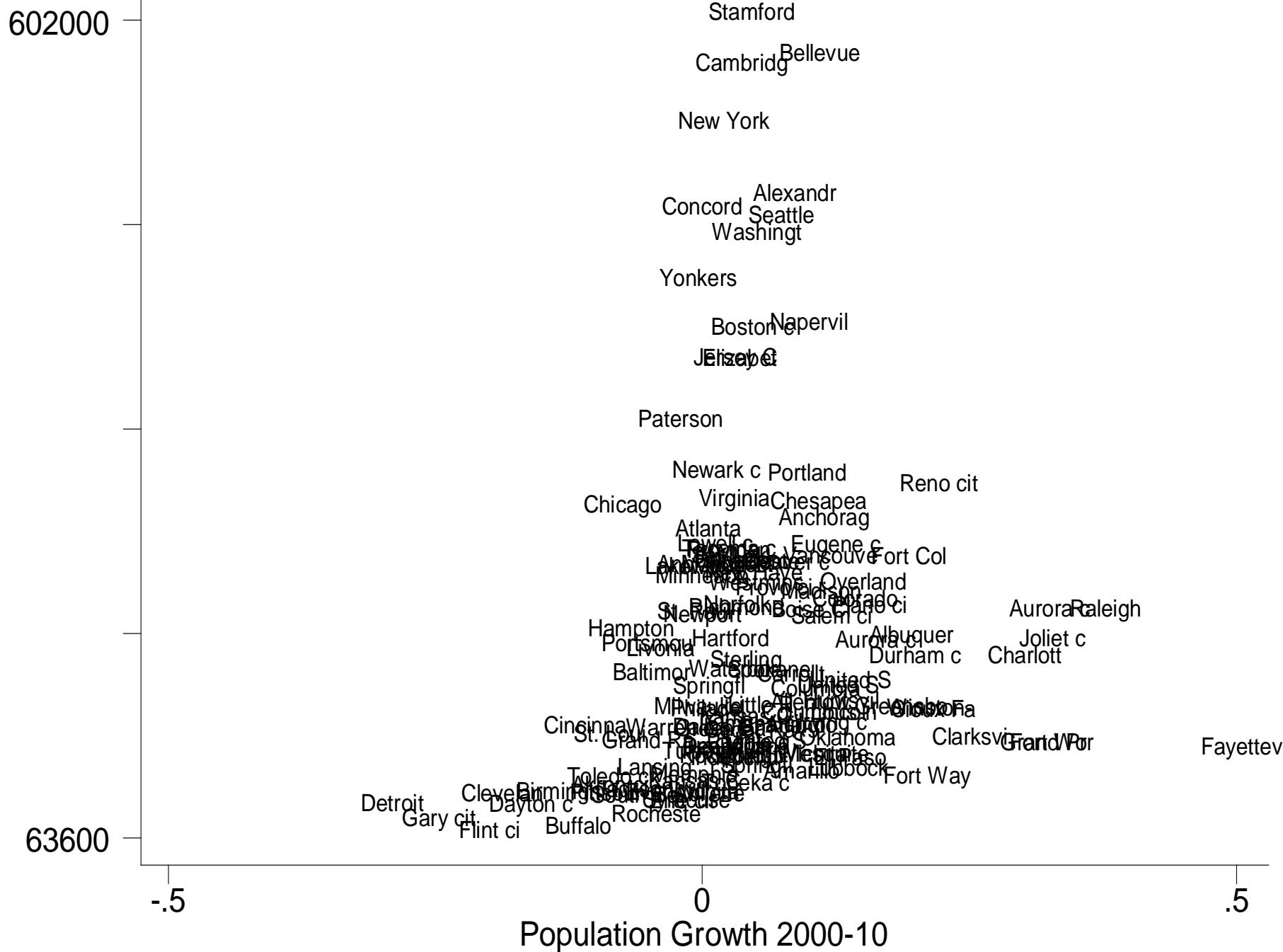


Note: Happiness refers to the share of population reporting being somewhat or very happy in the General Social Survey between 1972 and 2002. Population growth is the change in the logarithm of area population from the U.S. Census.

Population Growth 2000-10

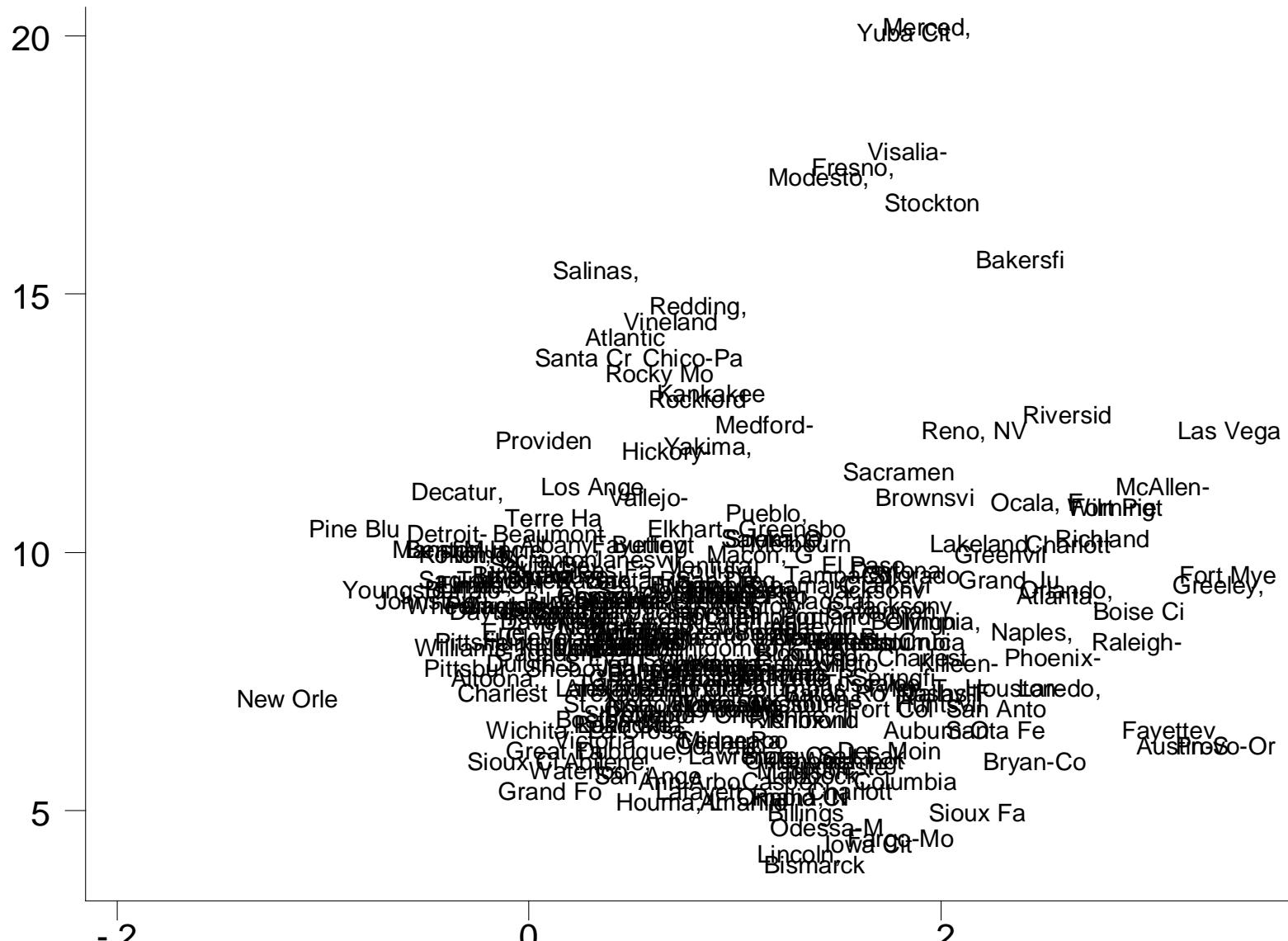


Housing Value 2008



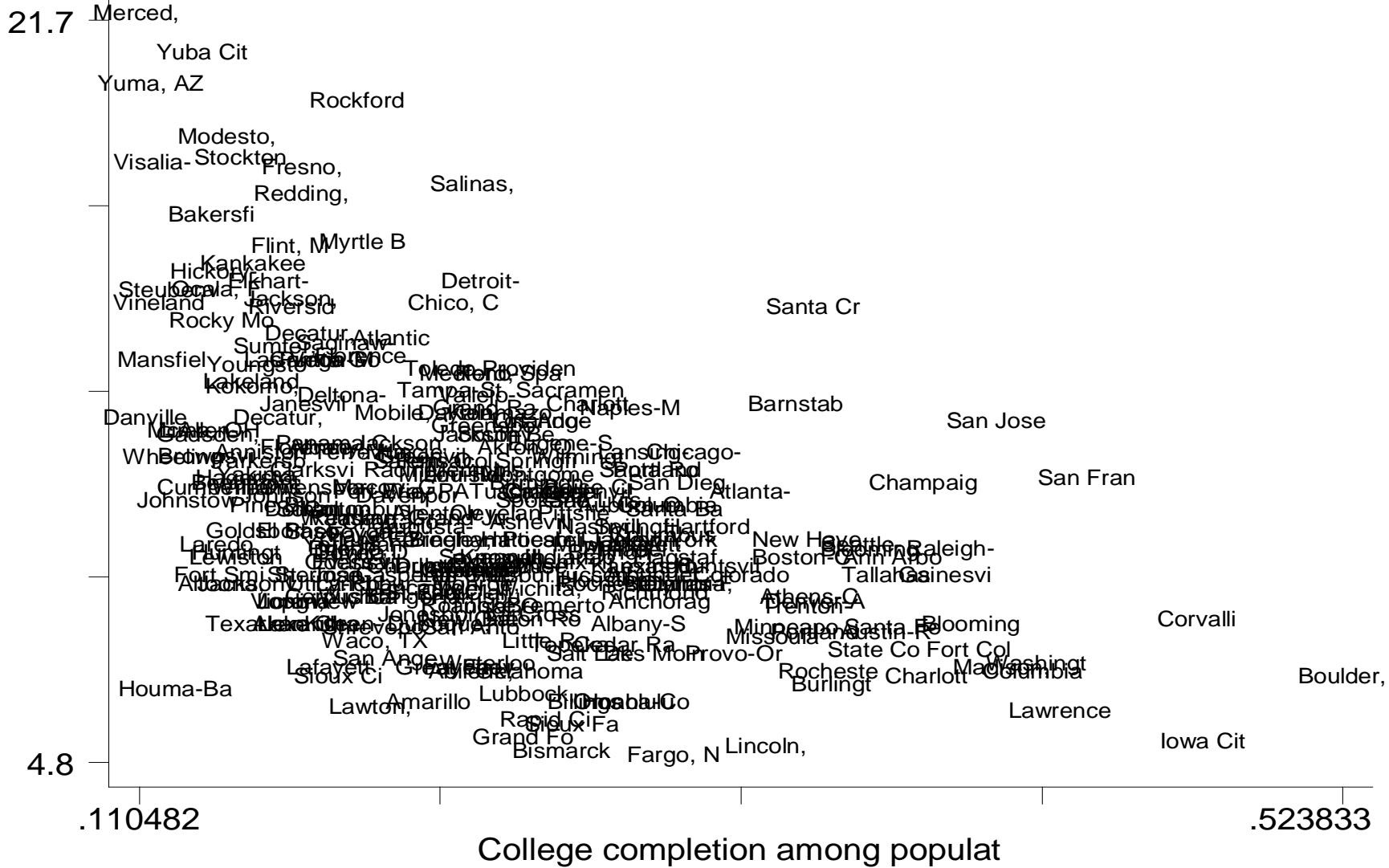
Unemployment and MSA Growth

2012 Unemployment

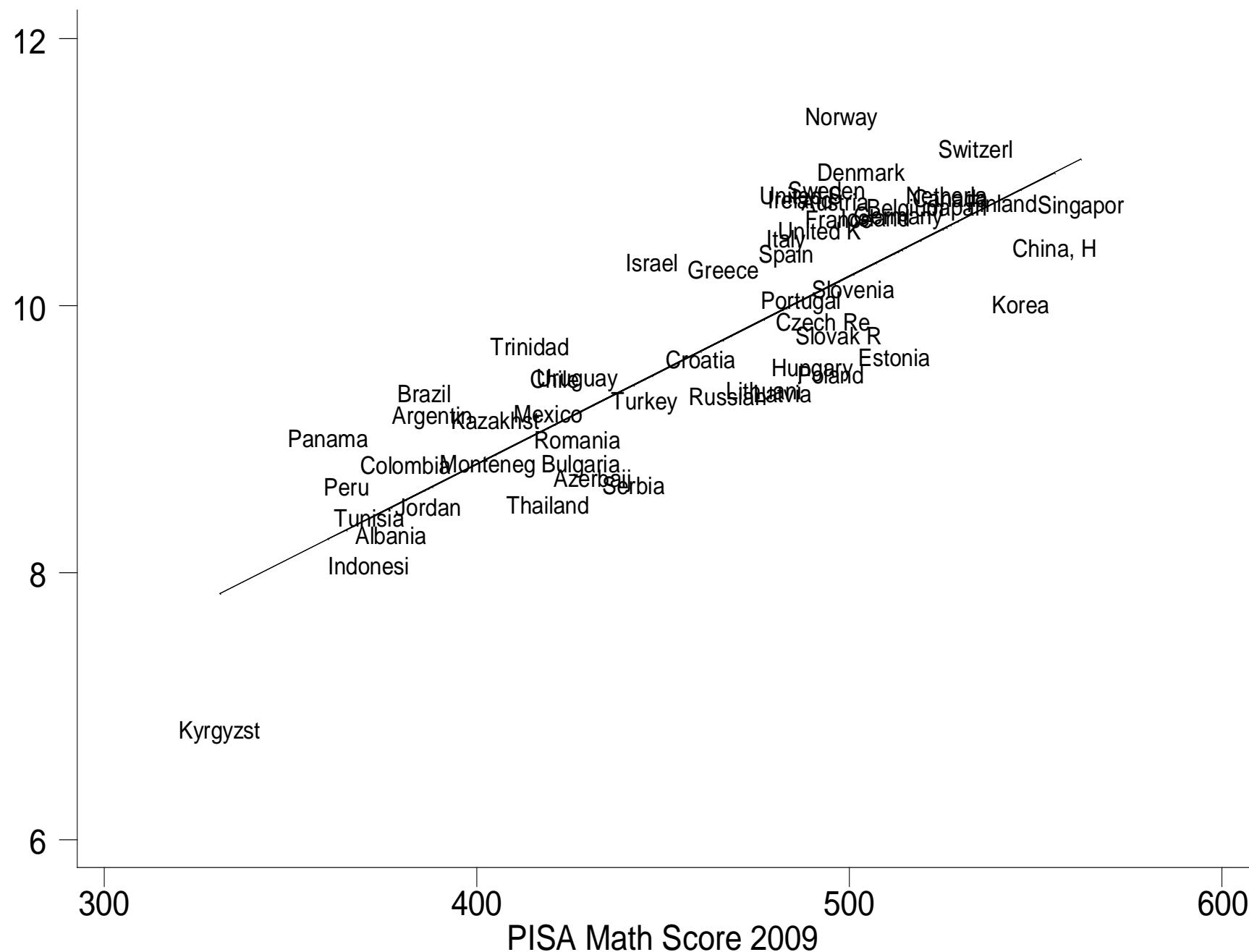


Unemployment and Education

jan10unemp



Log GDP PER Person 2010



Change in Price 2006-11

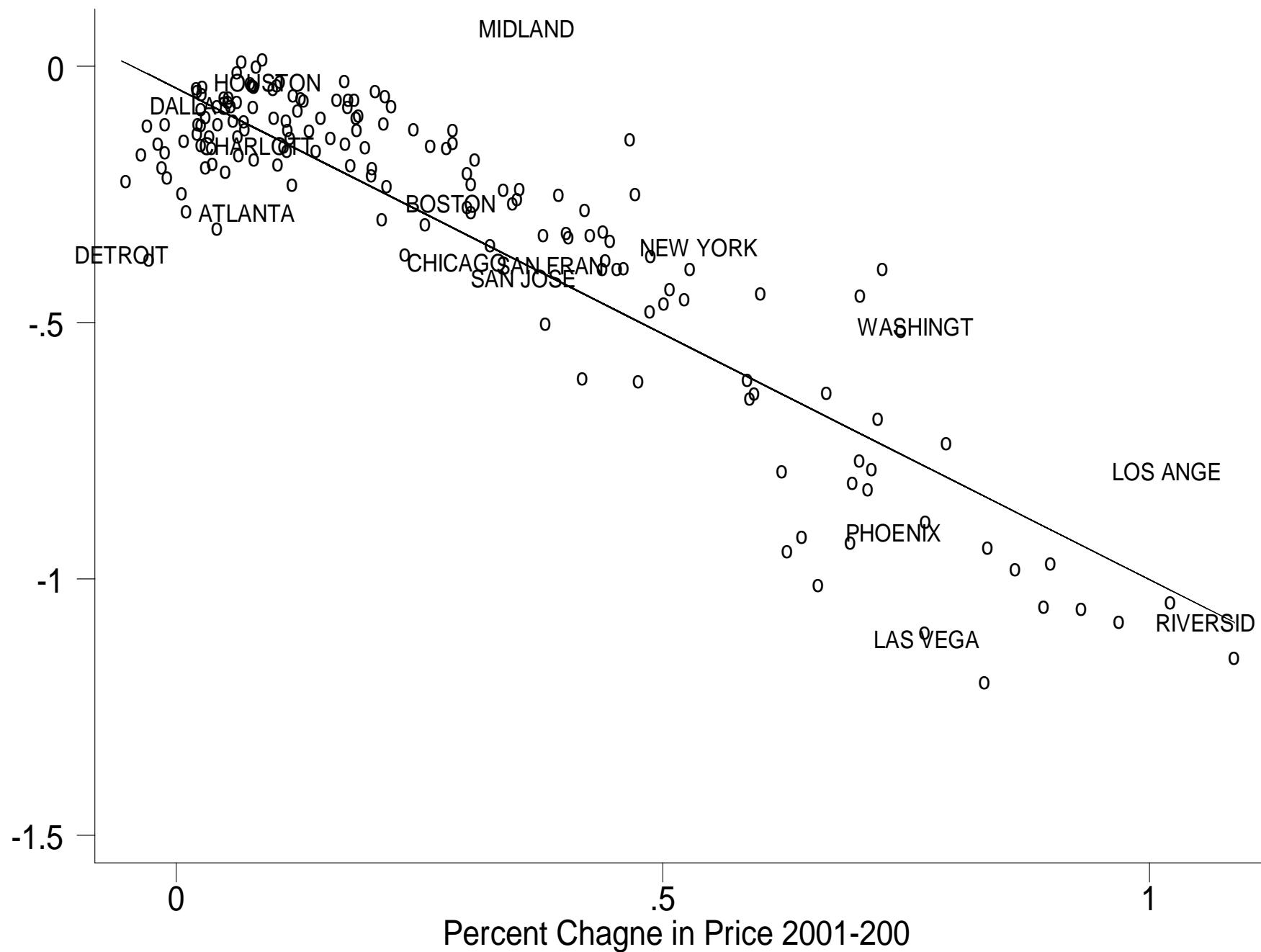
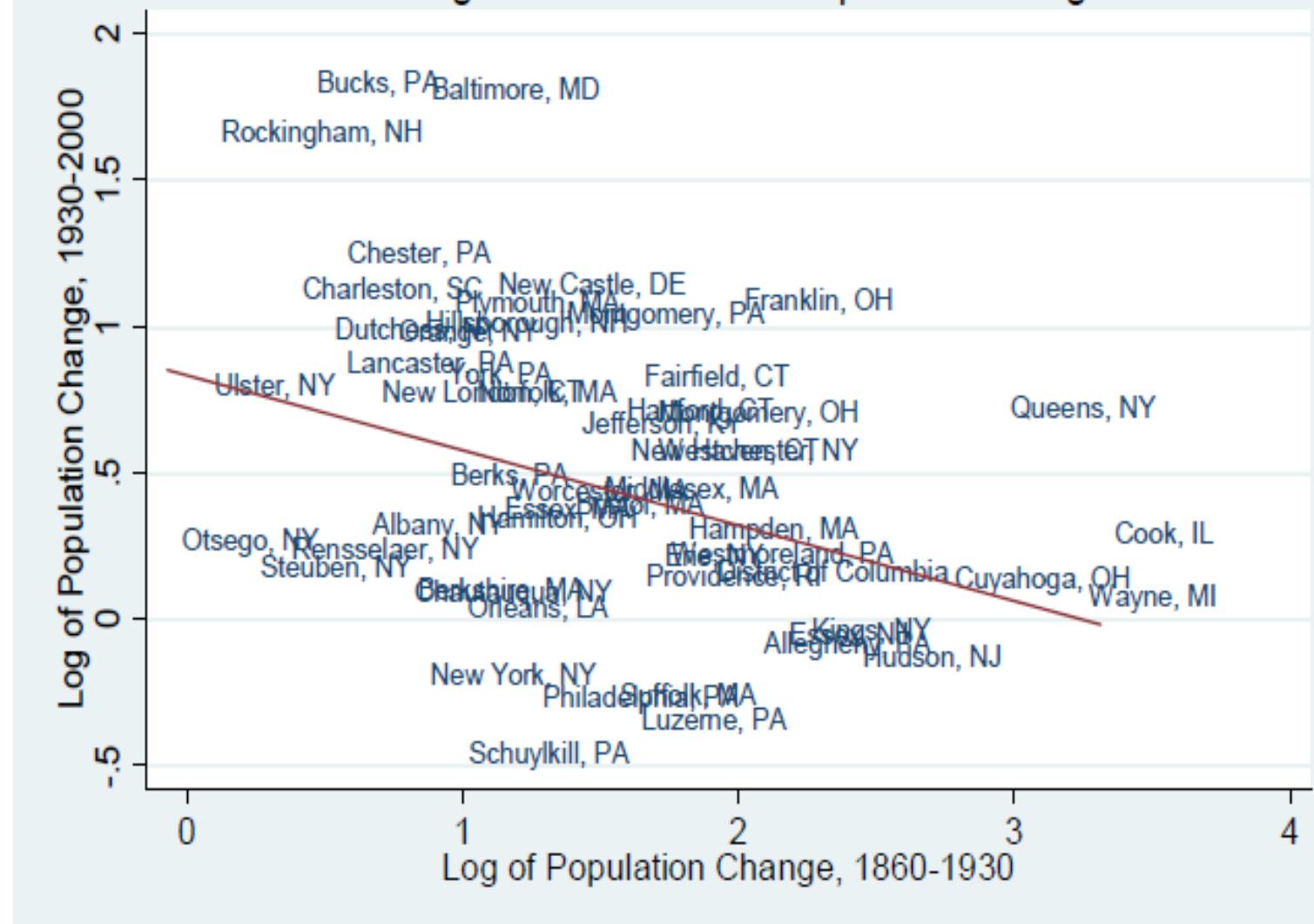


Figure 2
The Negative Correlation of Population Changes

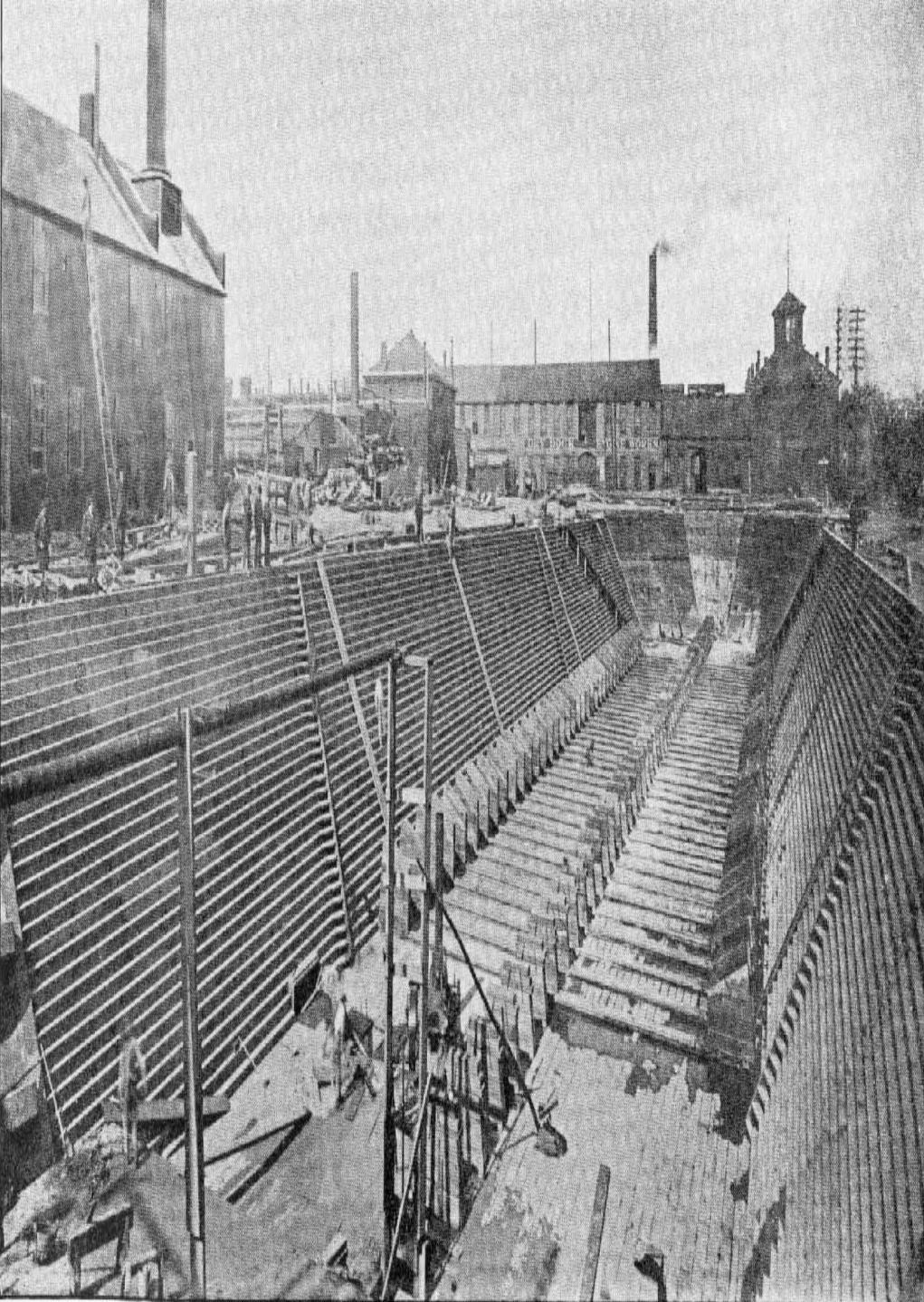


Note: Figure shows the 54 counties that had more than 50,000 people in 1860.

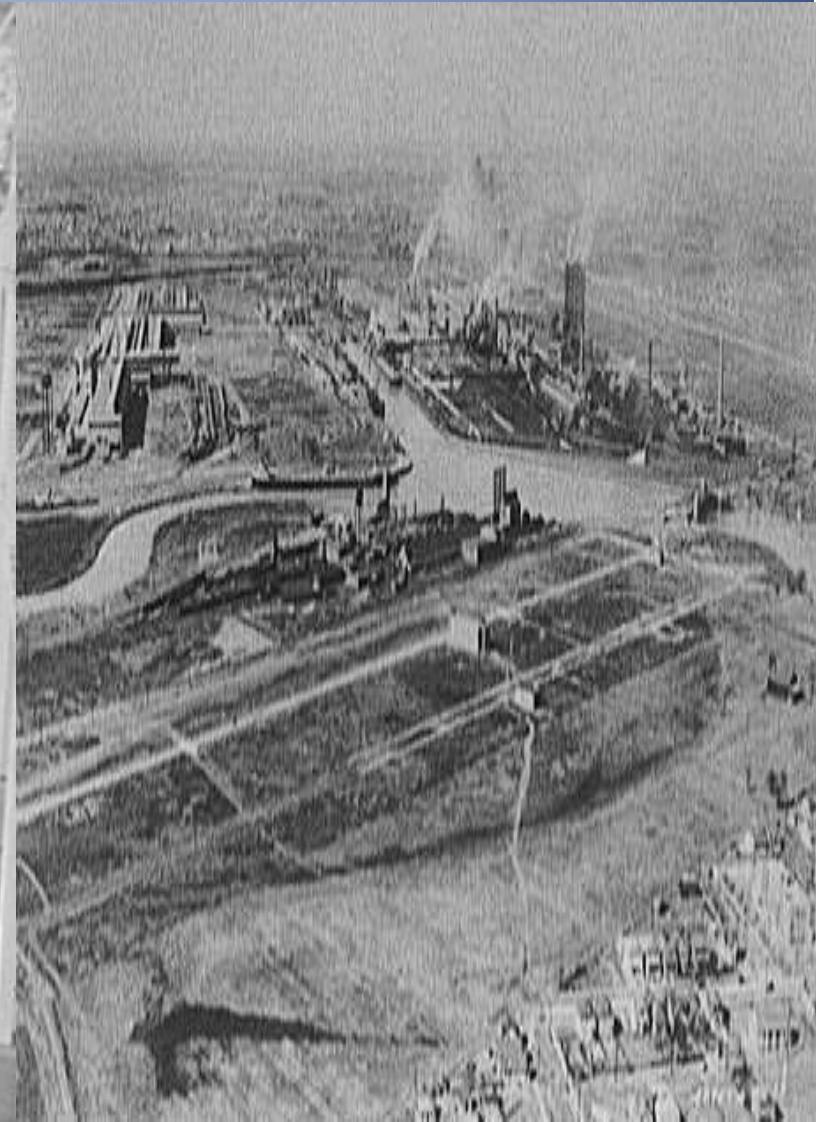
Source: County-level U.S. Census data from ICPSR 2896 - Historical, Demographic, Economic, and Social Data: The United States, 1790-2000.



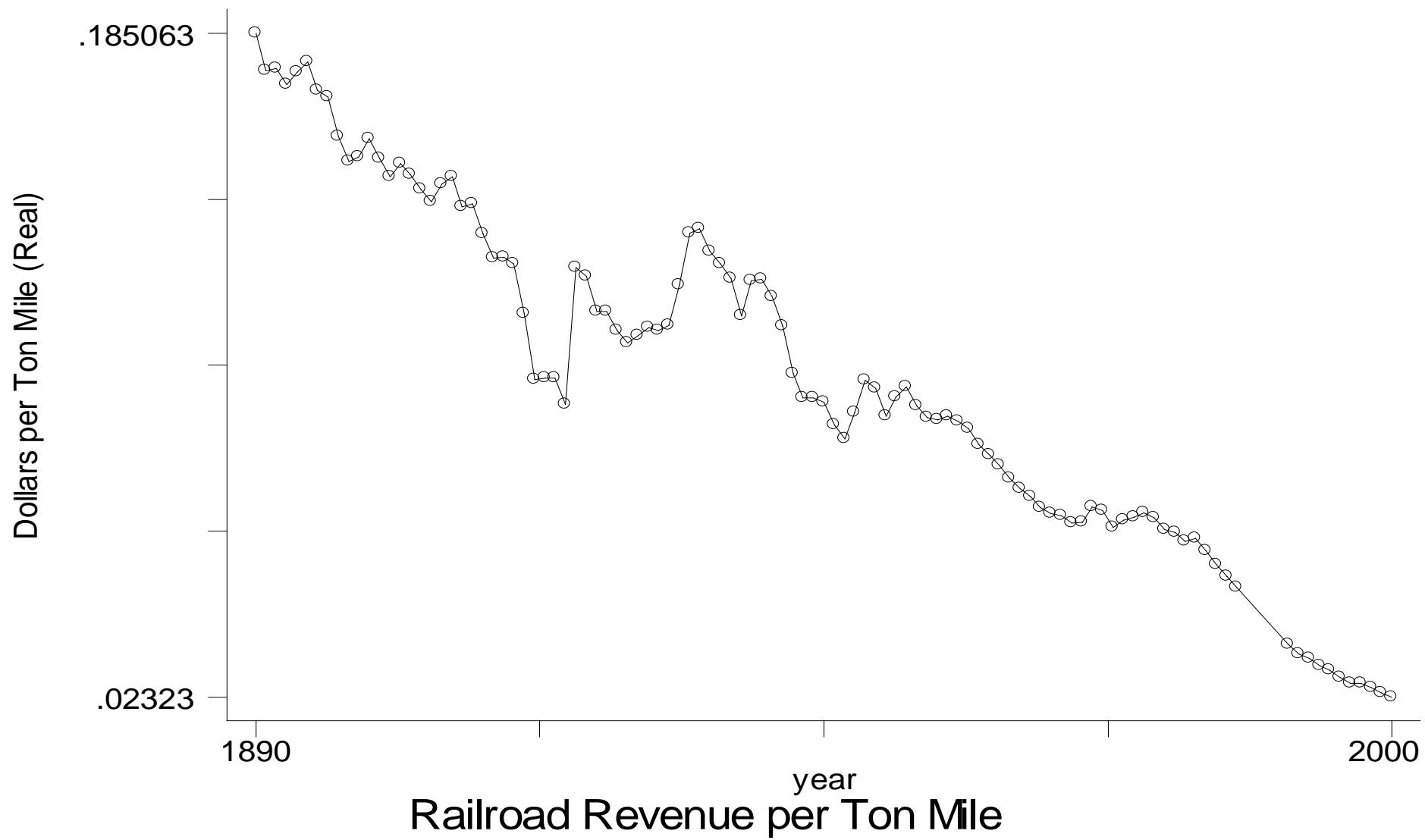
ARMOUR



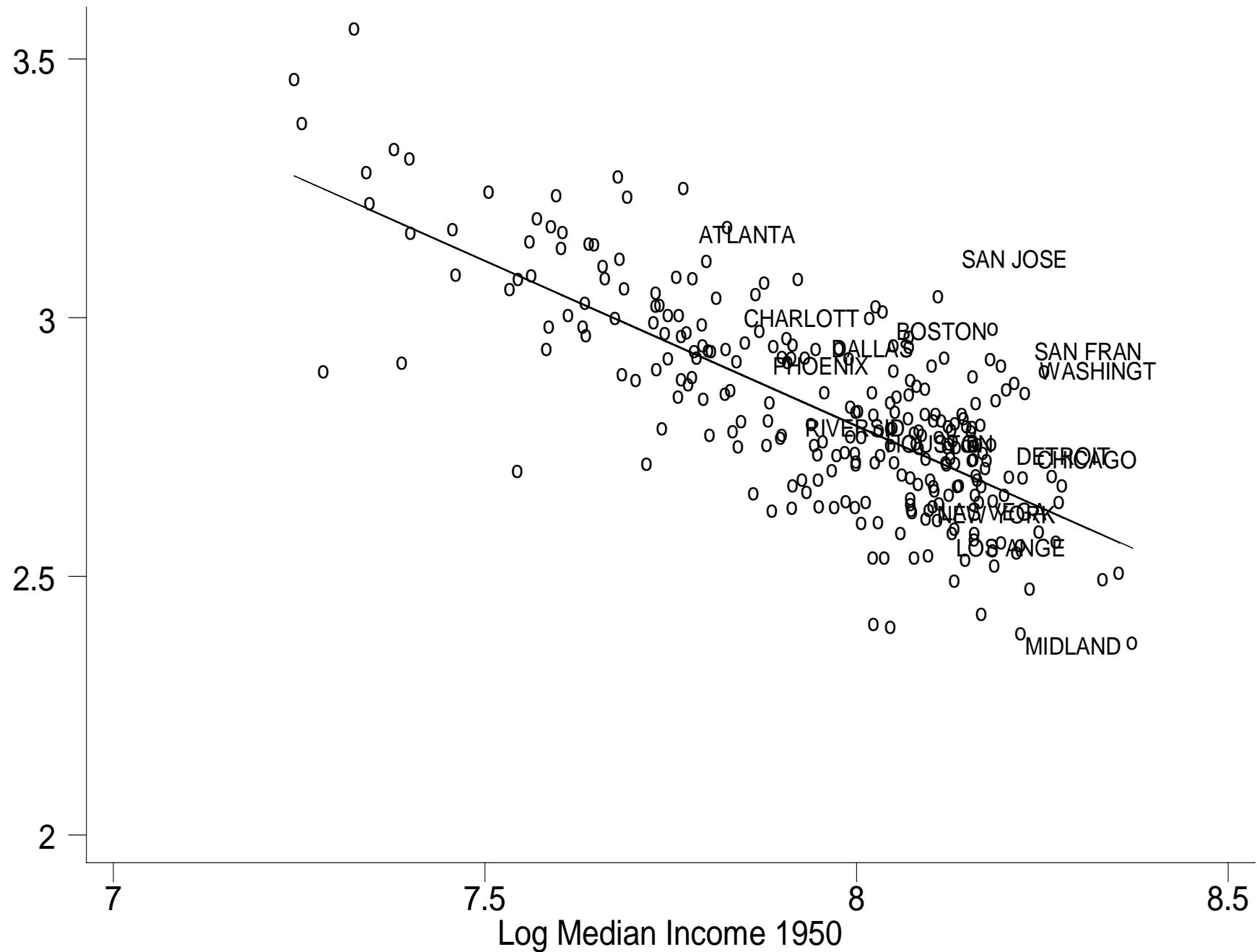
Ford's Big Idea (River Rouge)



The Decline of the Costs of Moving Goods

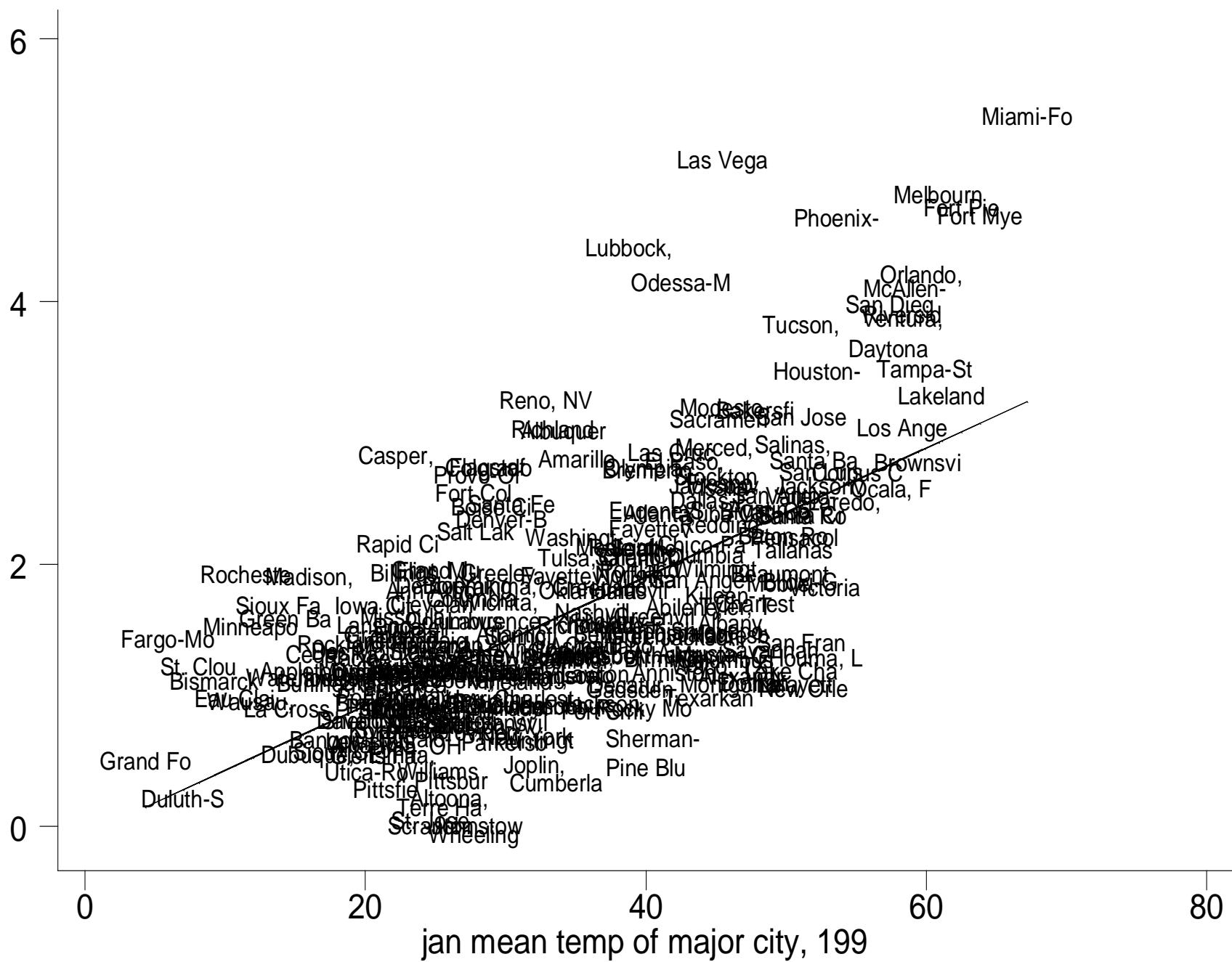


Change in Income 1950-2000

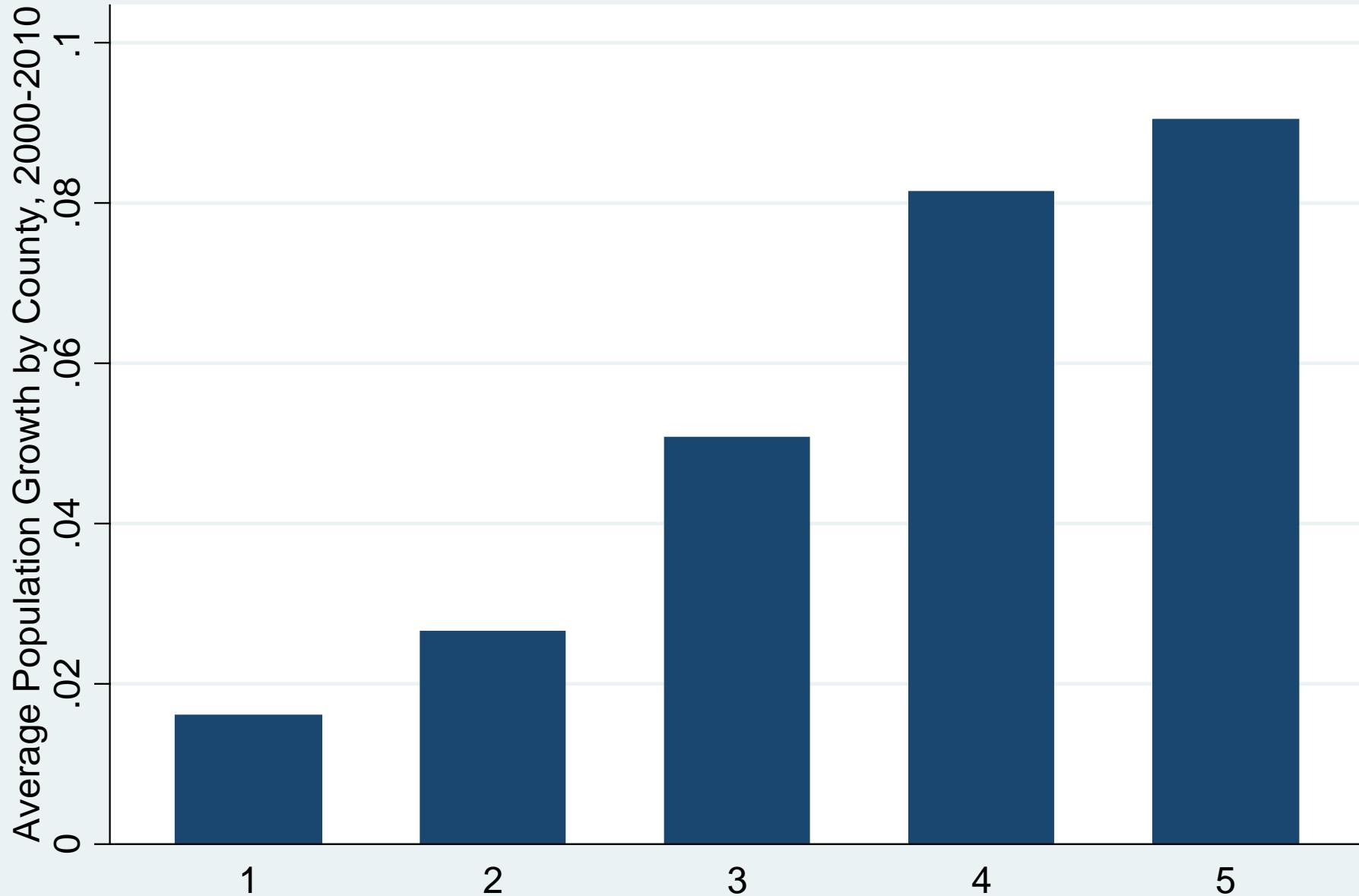


Population Change 1910-2010

— Fitted values



Average Population Growth by Average January Temperature (Quintiles)





Levittown, New York, provided thousands of mass-produced homes that helped America rebuild itself around the car.

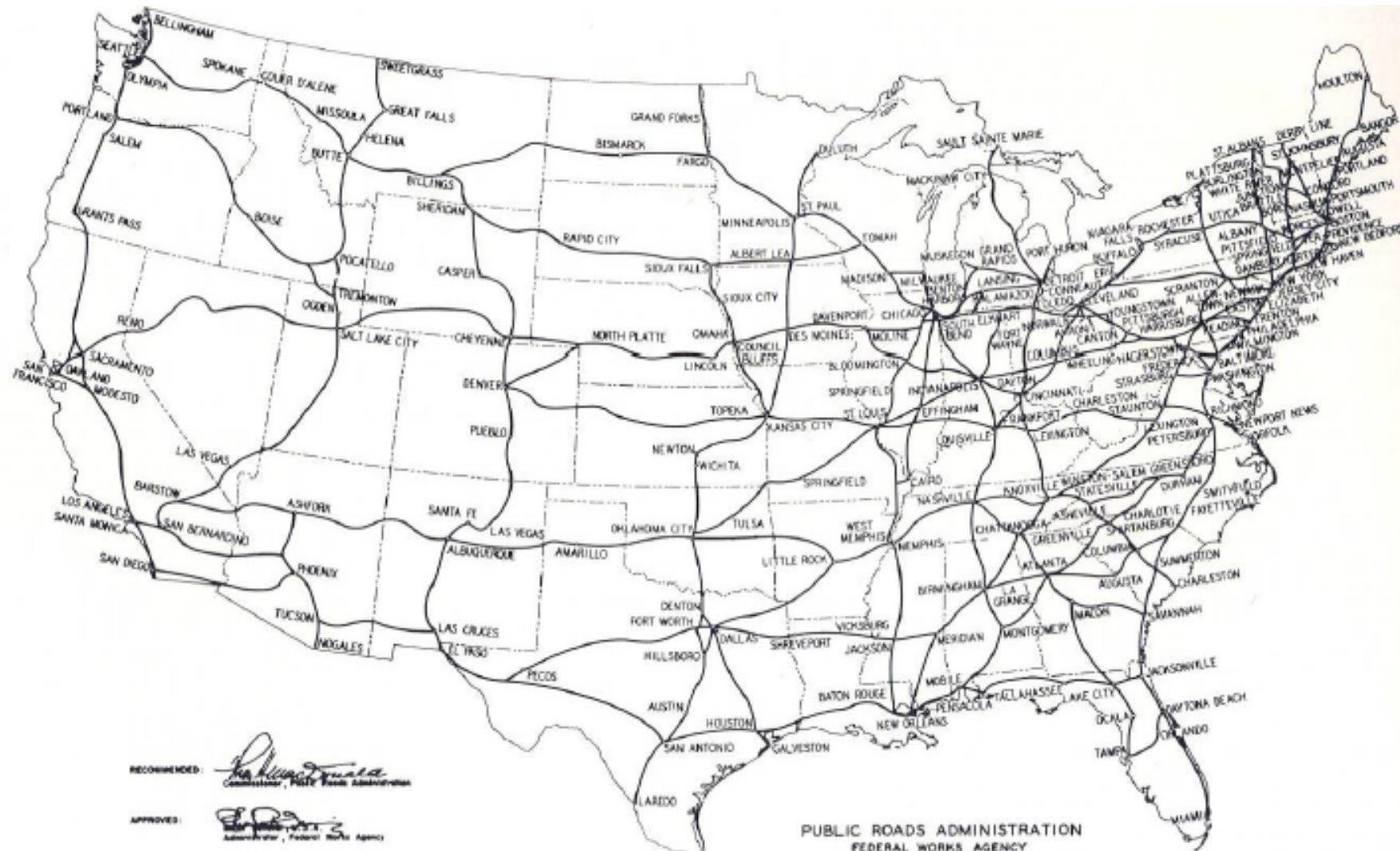
Hulton Archive/ Getty Images

The Woodlands, outside Houston, shows how much more luxurious and sylvan large-scale suburban development has become since Levittown. Unfortunately, the expansion of the exurbs has lead to more carbon intensive lifestyles. All that greenery is really pretty brown.

© Ted Washington [per permission grant]

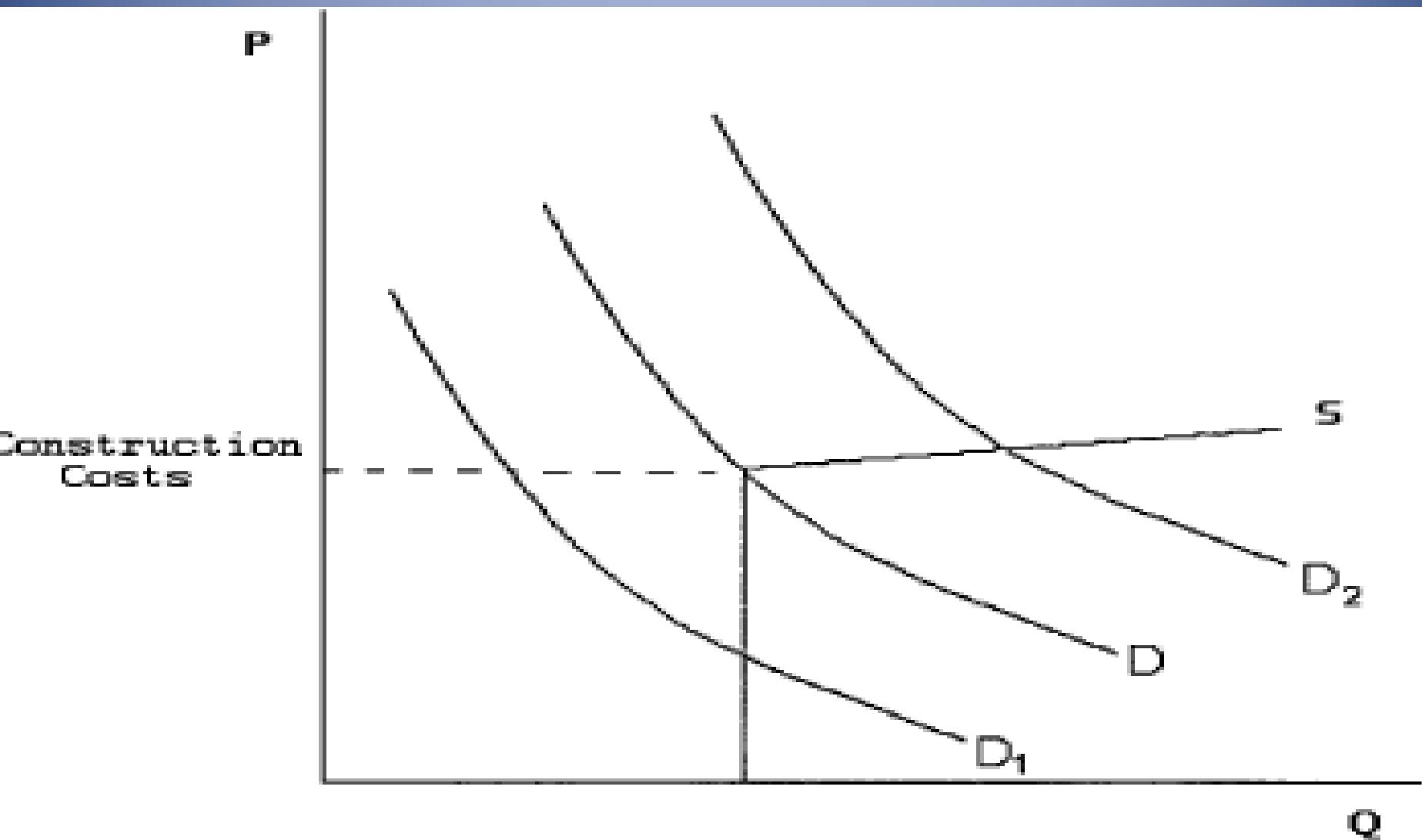


Figure I: The Projected System of Interstate Highways in 1947



NATIONAL SYSTEM OF INTERSTATE HIGHWAYS
SELECTED BY JOINT ACTION OF THE SEVERAL STATE HIGHWAY DEPARTMENTS
AS MODIFIED AND APPROVED
BY THE ADMINISTRATOR, FEDERAL WORKS AGENCY
AUGUST 3, 1947

Urban Decline and Durable Housing



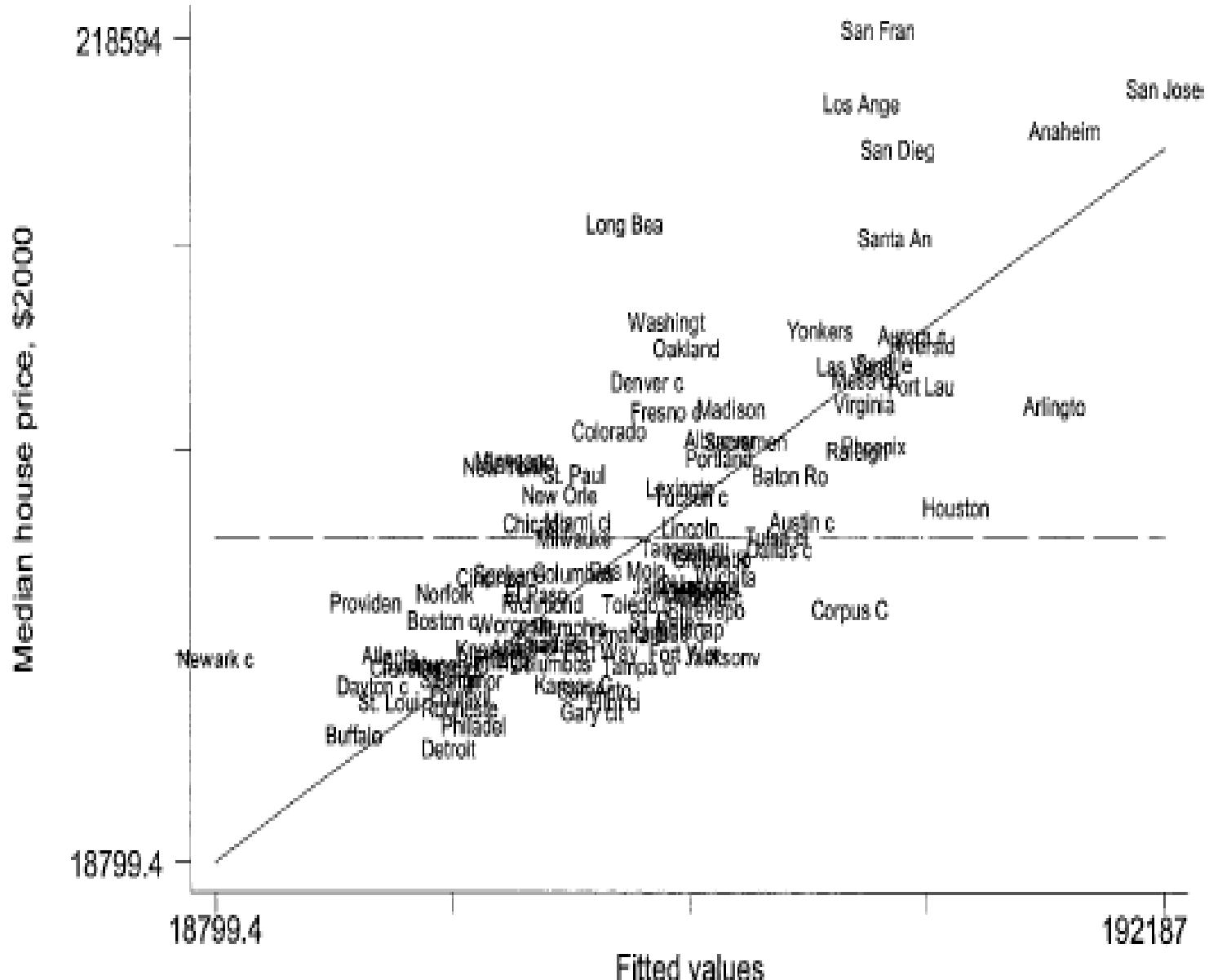


FIG. 2.—Median price regression and construction costs. The dashed horizontal line represents the \$97,974 construction costs (in 2000 dollars) for a modest-quality, 1,200-square foot single-family home estimated by R. S. Means (2000a). The observation for Honolulu is not plotted for ease of presentation.



Detroit's 1967 riot destroyed more than two thousand buildings and came to symbolize the decline of that once-great city. *Rolls Press/Popperfoto/Getty Images*



FINAL DAILY NEWS NEW YORK'S PICTORIAL NEWSPAPER 15¢

FORD TO CITY: DROP DEAD

Vows He'll Veto Any Bail-Out



**Abe, Carey
Rip Stand**

**Stocks Skid,
Dow Down 12**

Three pages of opinion
begin on page 10. Both front
and back opinion on page 11.

Cities are so monumental that we easily forget how fast they can fall—and rise. In the 1970s, New York verged on bankruptcy; President Ford refused to bail it out (left), and President Carter toured the grim ruins of the South Bronx (above). Three decades before these iconic images, Gotham had been an urban paragon, and three decades after them, it is again.

[Art 1:] New York Daily News Archive / Getty Images

[Art 2:] Teresa Zabala / The New York Times / Redux Pictures

Will the last person to leave Seattle please turn out the lights?



Alfred Peet



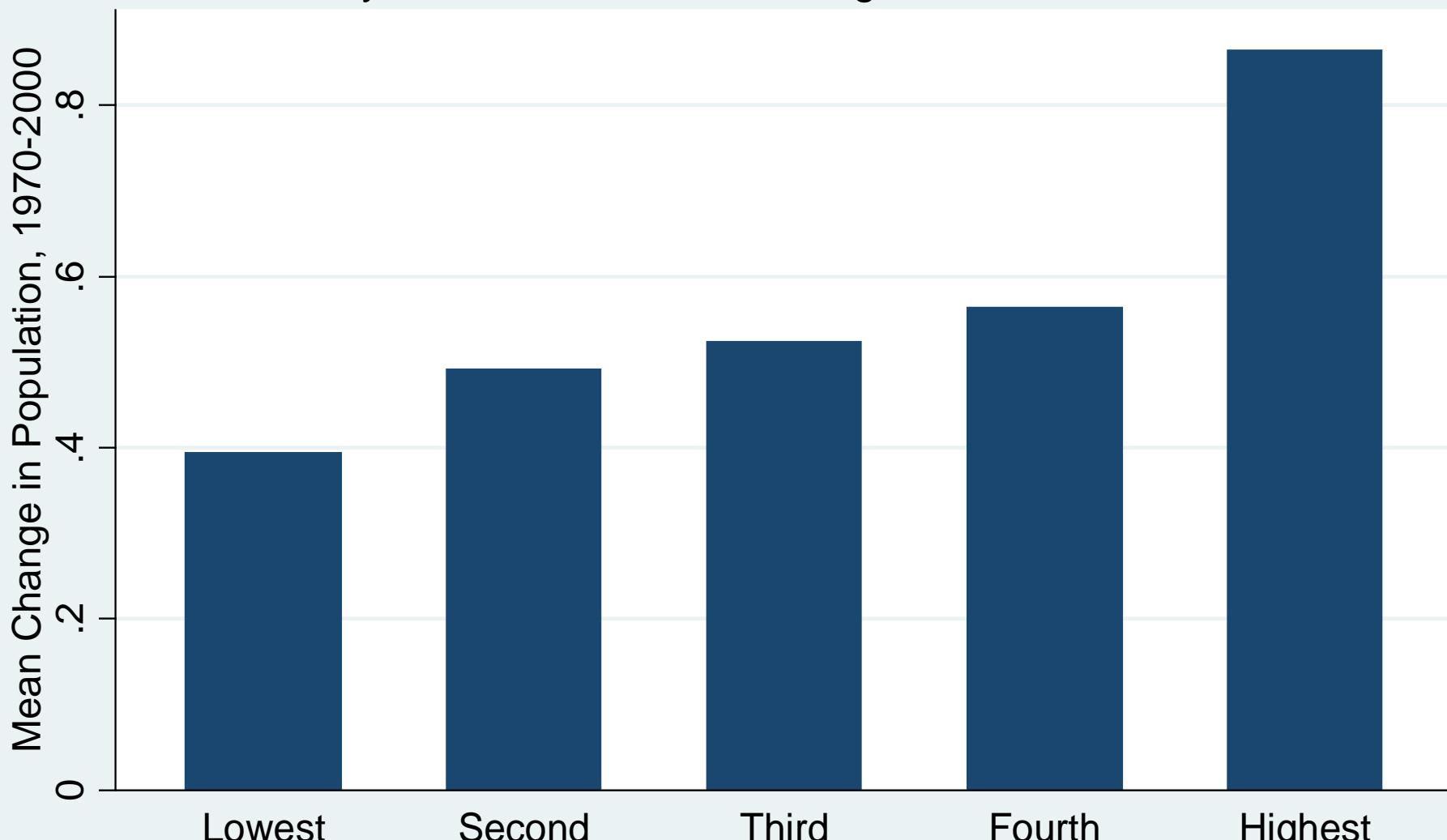
Photo by Postdil

Boston's Reinvention



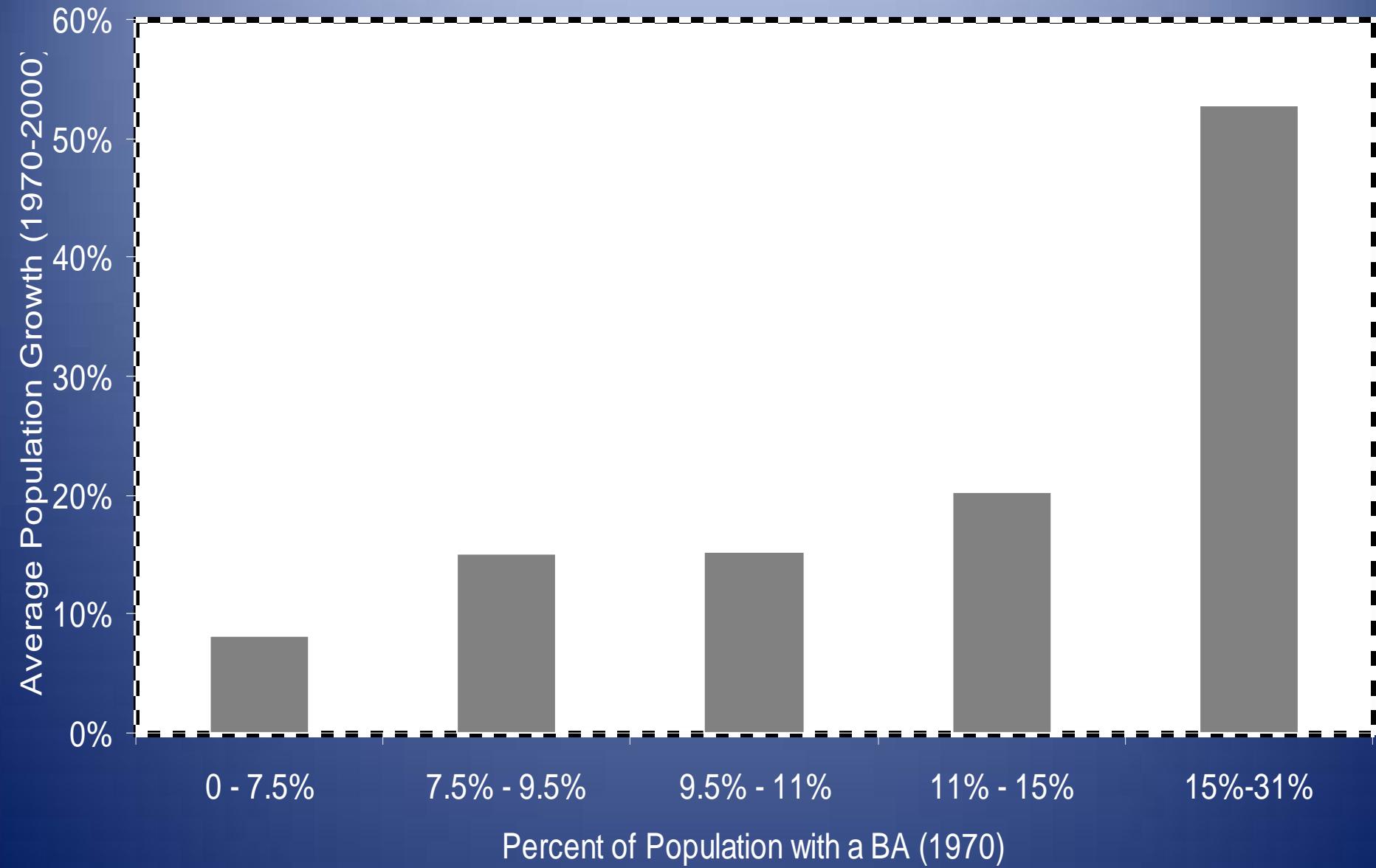
Author: TWP

Figure 7:
Change in Population, 1970-2000
by Quintile of Percent College Graduates, 1970

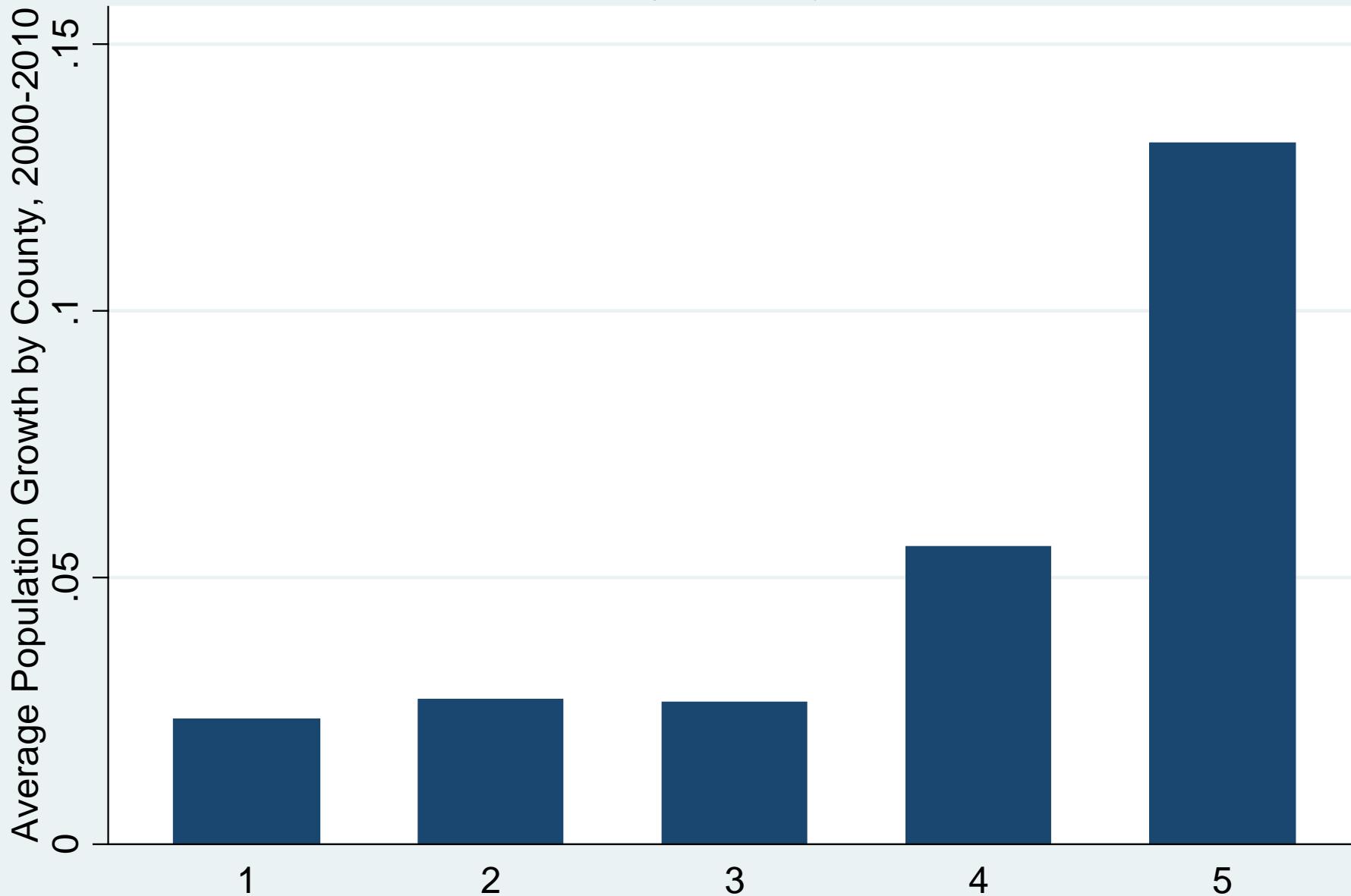


Source: U.S. Census Bureau

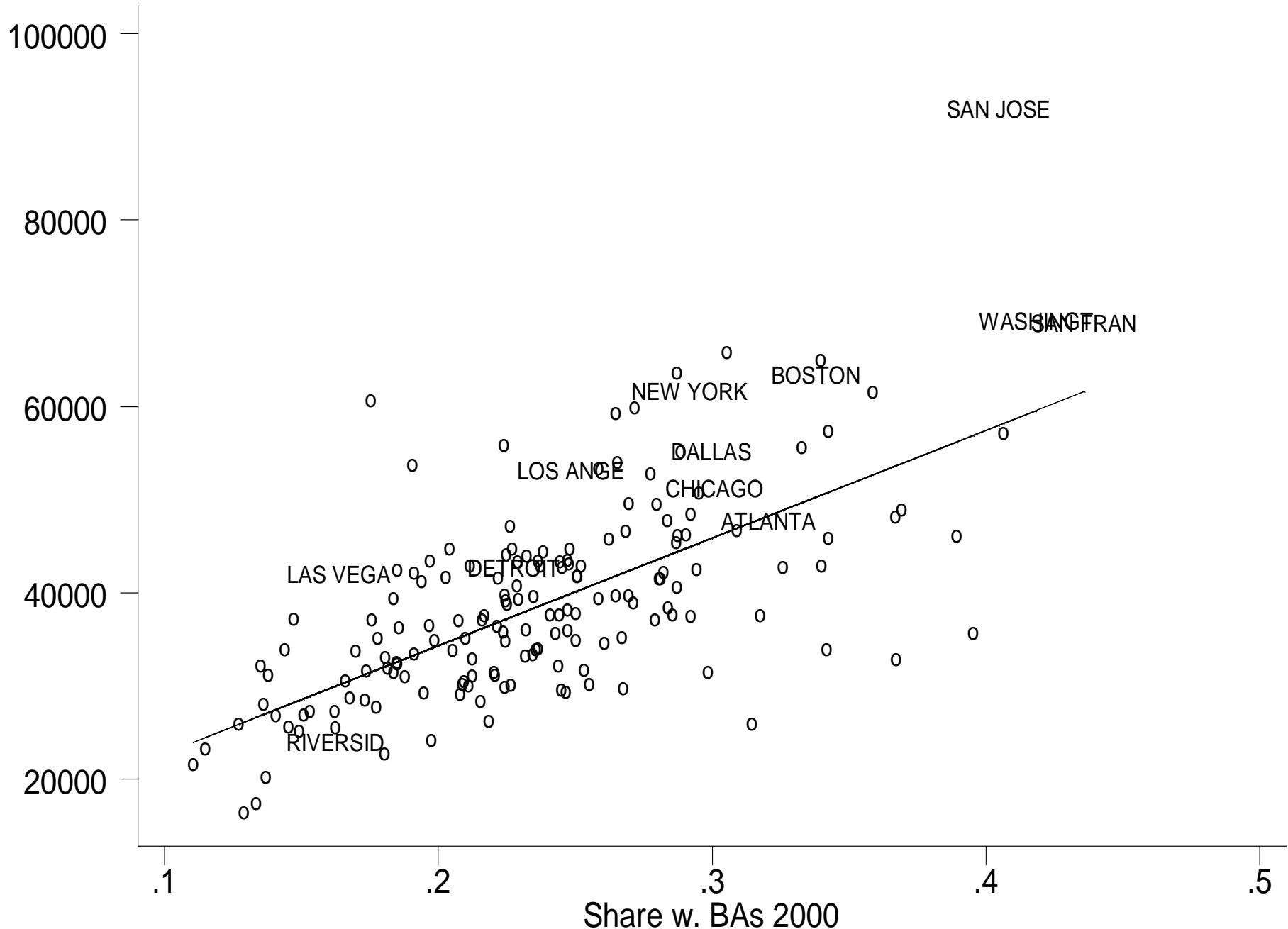
Figure 4:
Population Growth for MSAs in the Northeast and Midwest



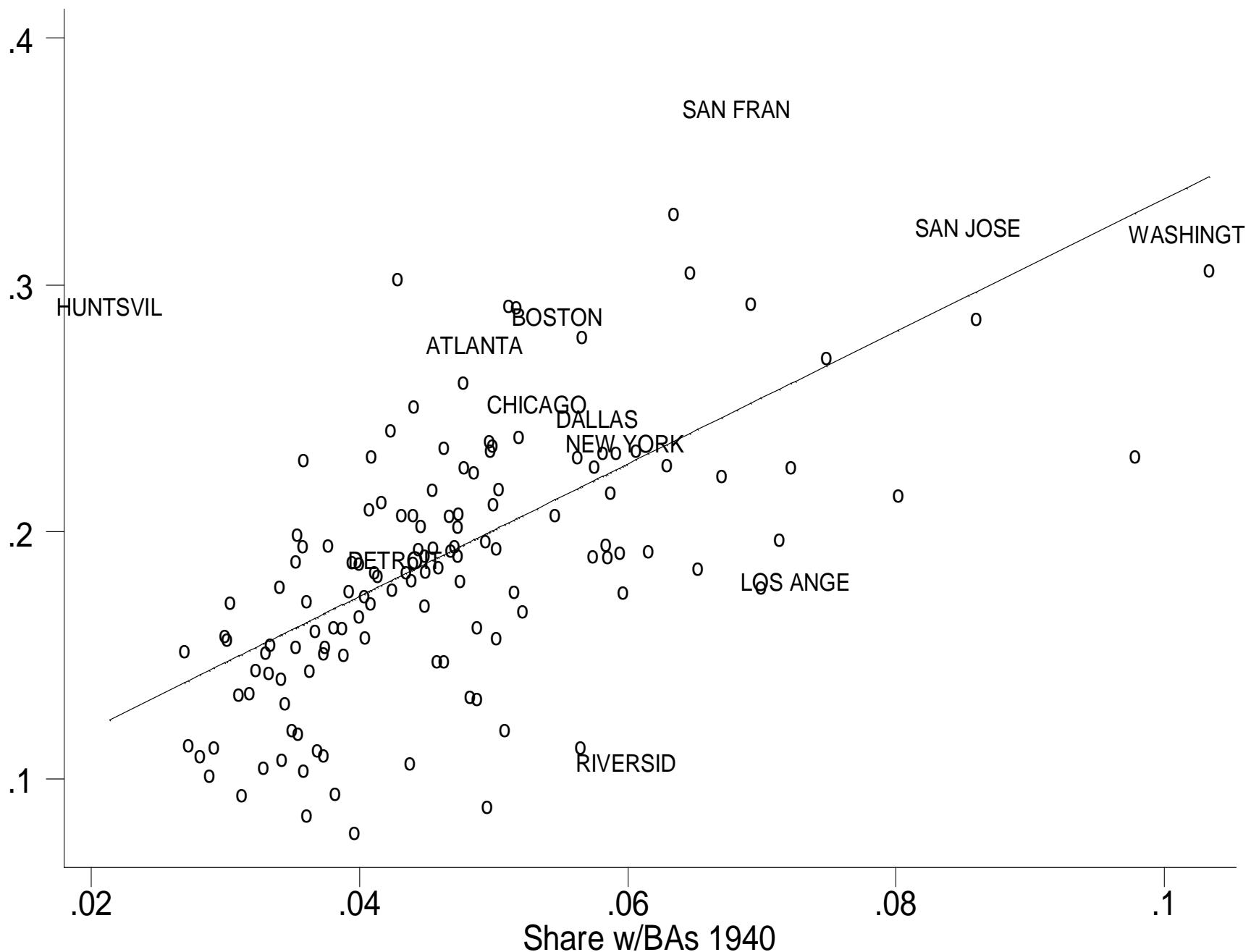
Average Population Growth by Share with BA in 2000 (Quintiles)



Per Capita GDP 2010



Change in Share w/BAs 1940-2000



Chinitz: Contrasts in Agglomeration: New York and Pittsburgh



Economic Growth and Firm Size

Employment Growth 1977-2009
(by Quintiles of 1977 Firm Size)

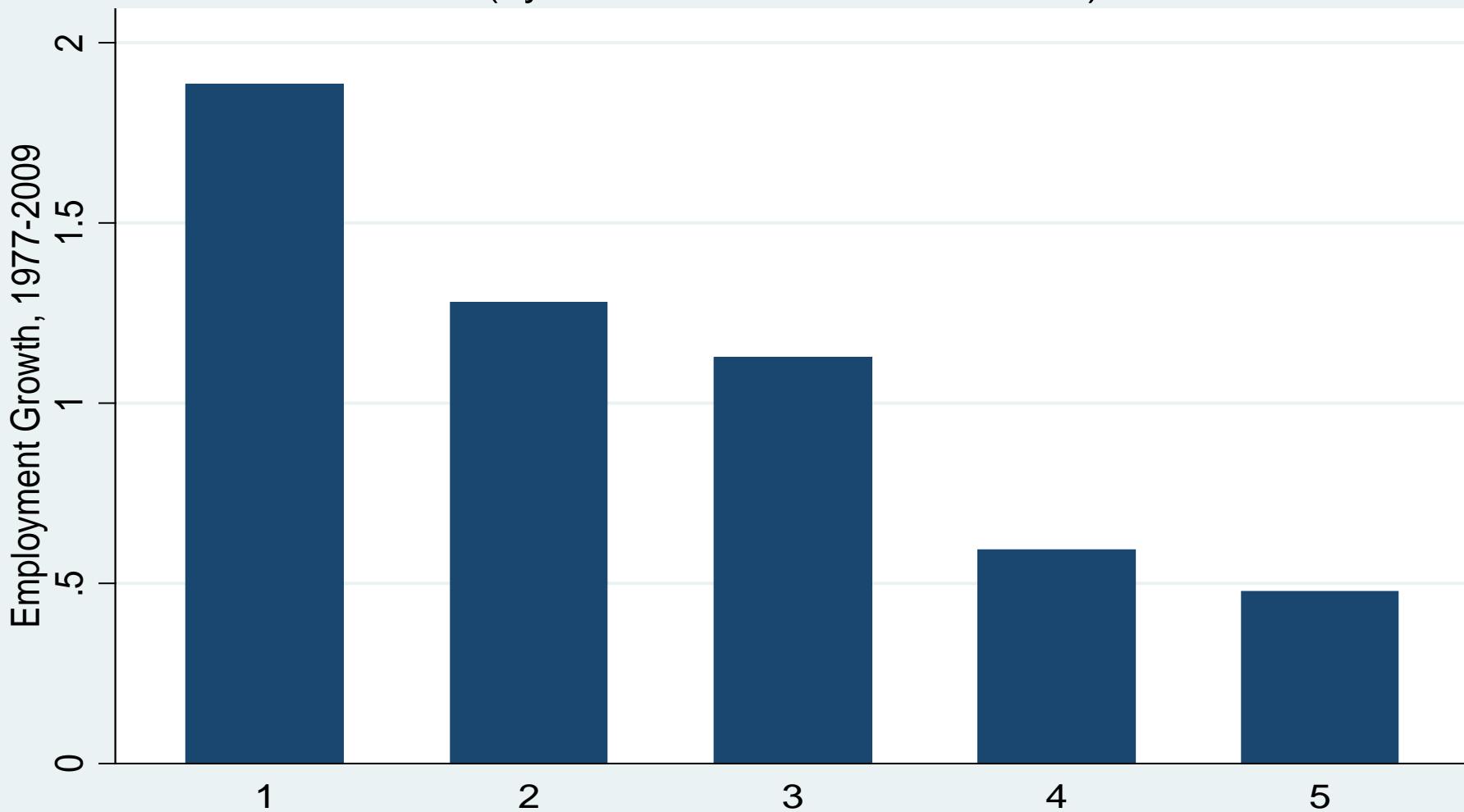
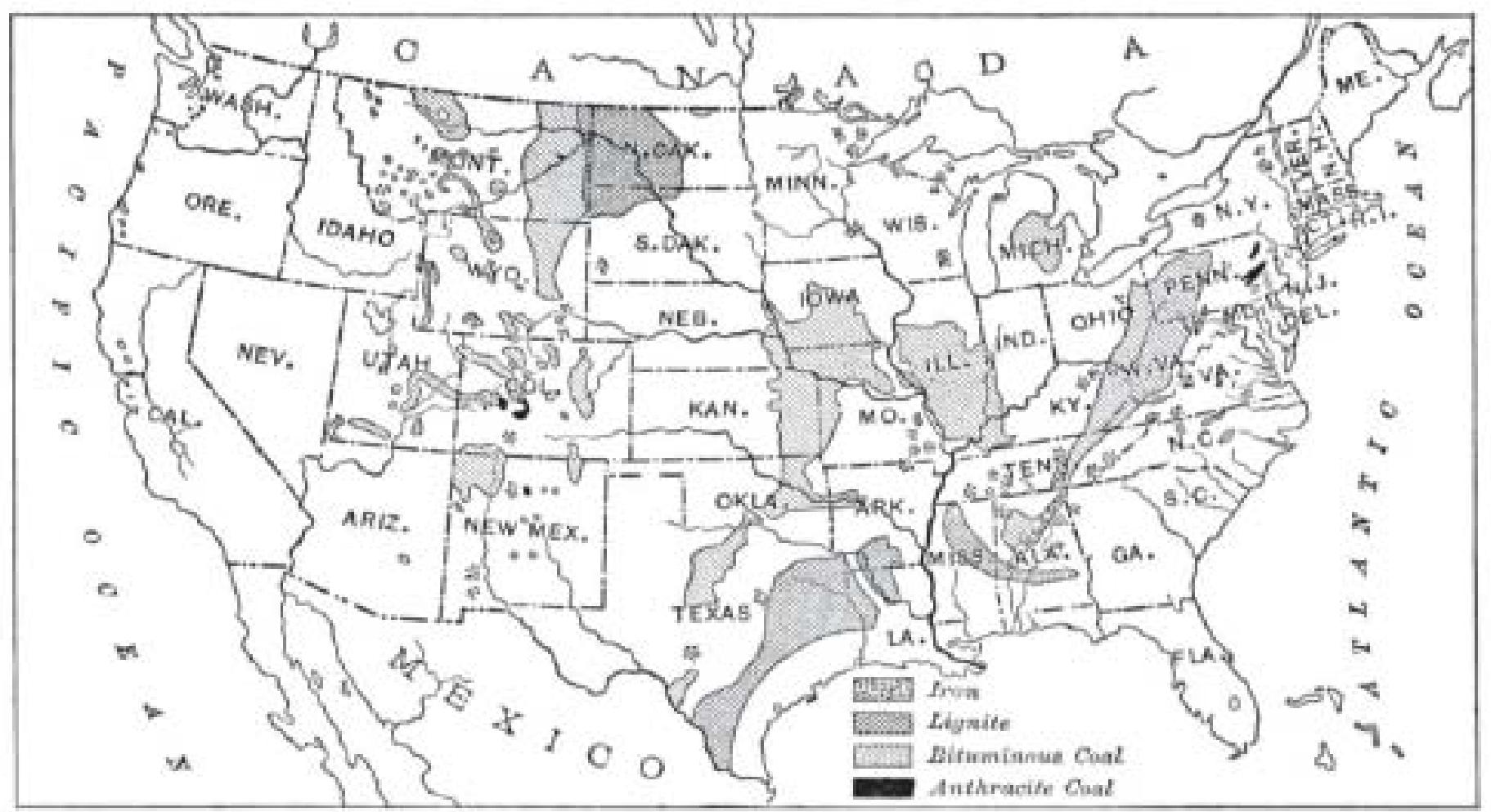


Figure 2: Representative Map of Historical Mineral and Coal Deposits

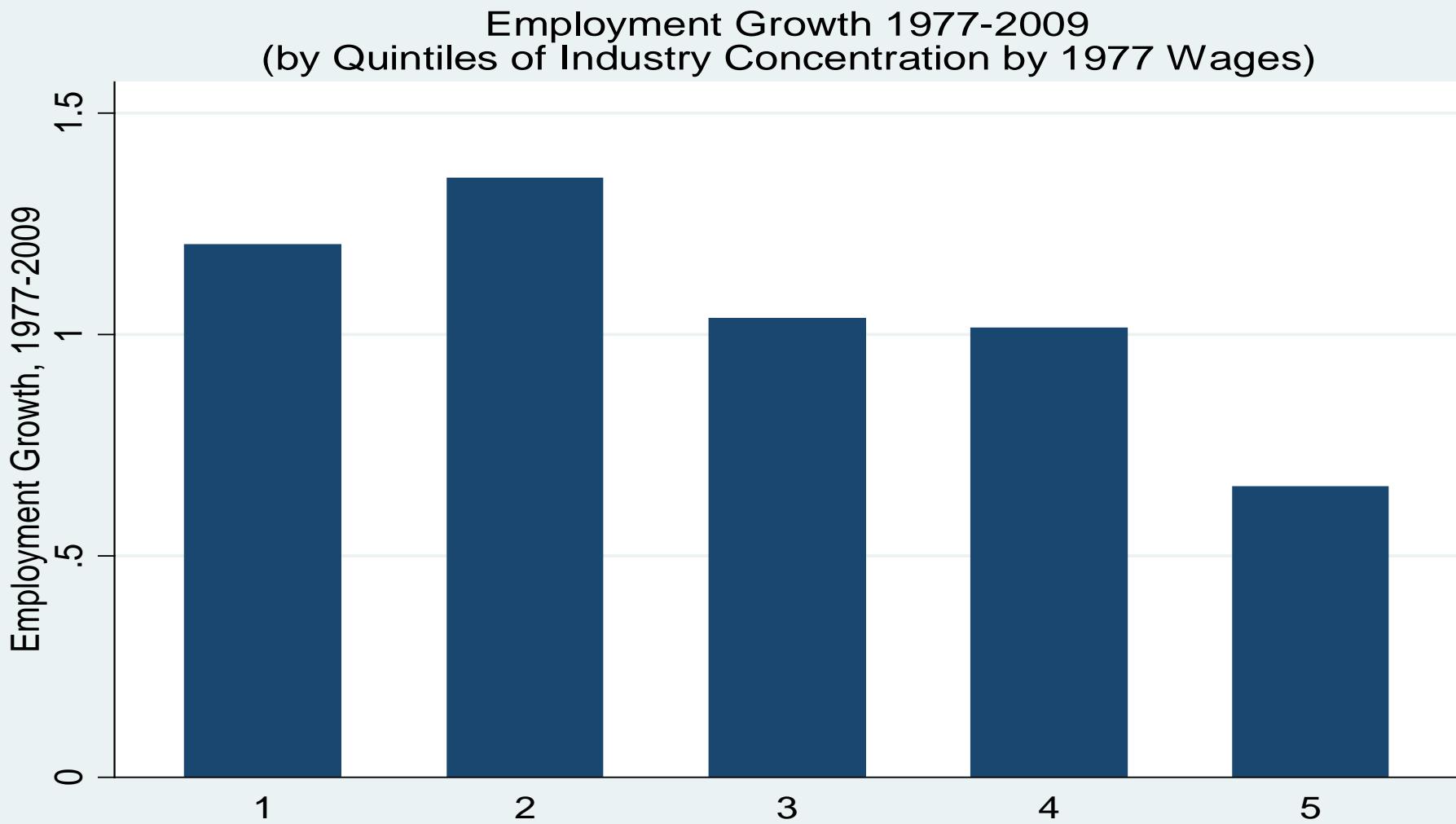


Coal and Iron Deposits in the United States, 1910

Ralph S. Tarr, B.S., F.G.S.A. and Frank M. McMurry, Ph.D., New Geographies 2nd ed
(New York, NY: The Macmillan Company, 1910)

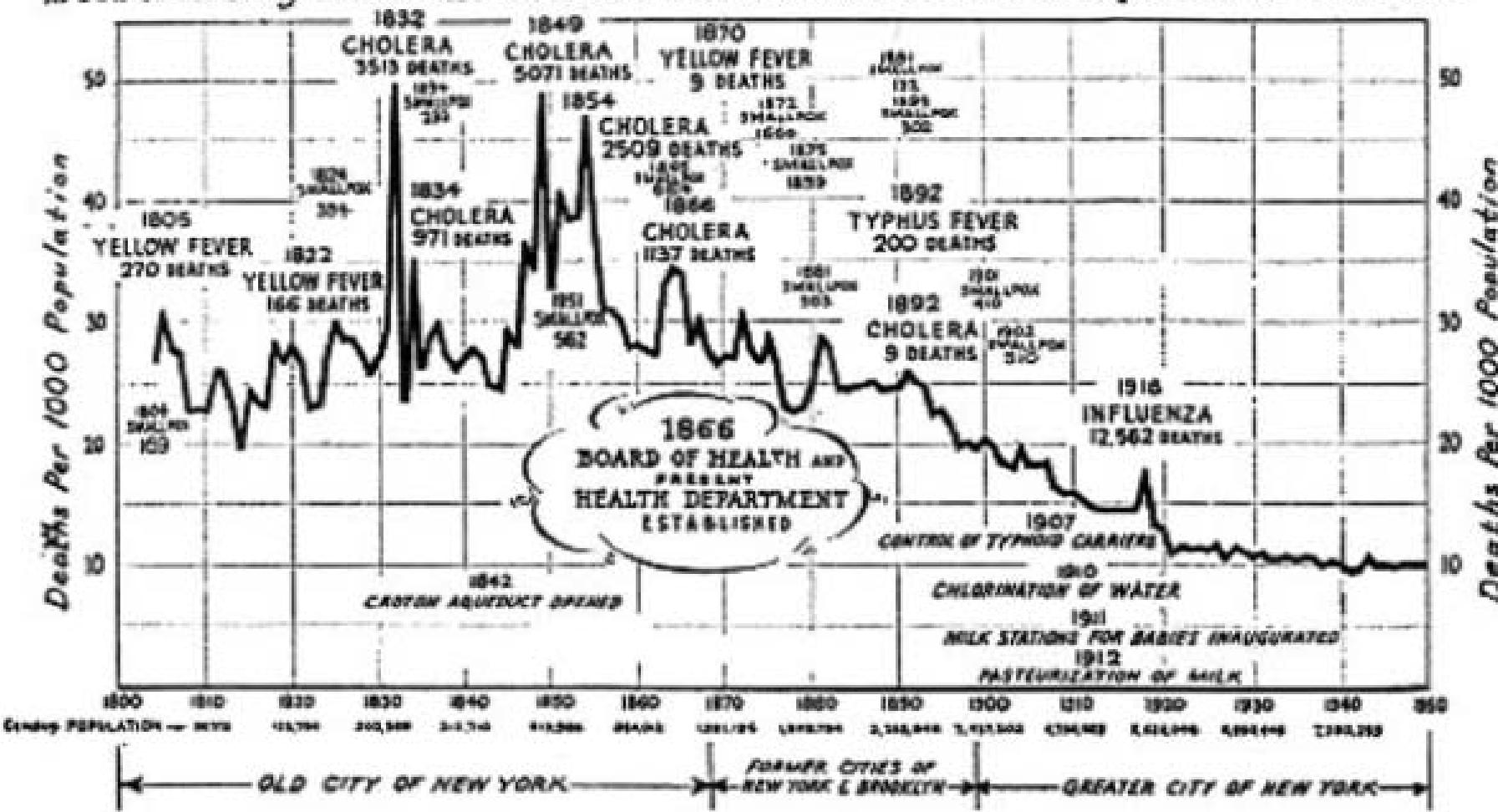
Downloaded from Maps ETC, on the web at <http://etc.usf.edu/maps> [map #02085]

Industrial Concentration and Growth

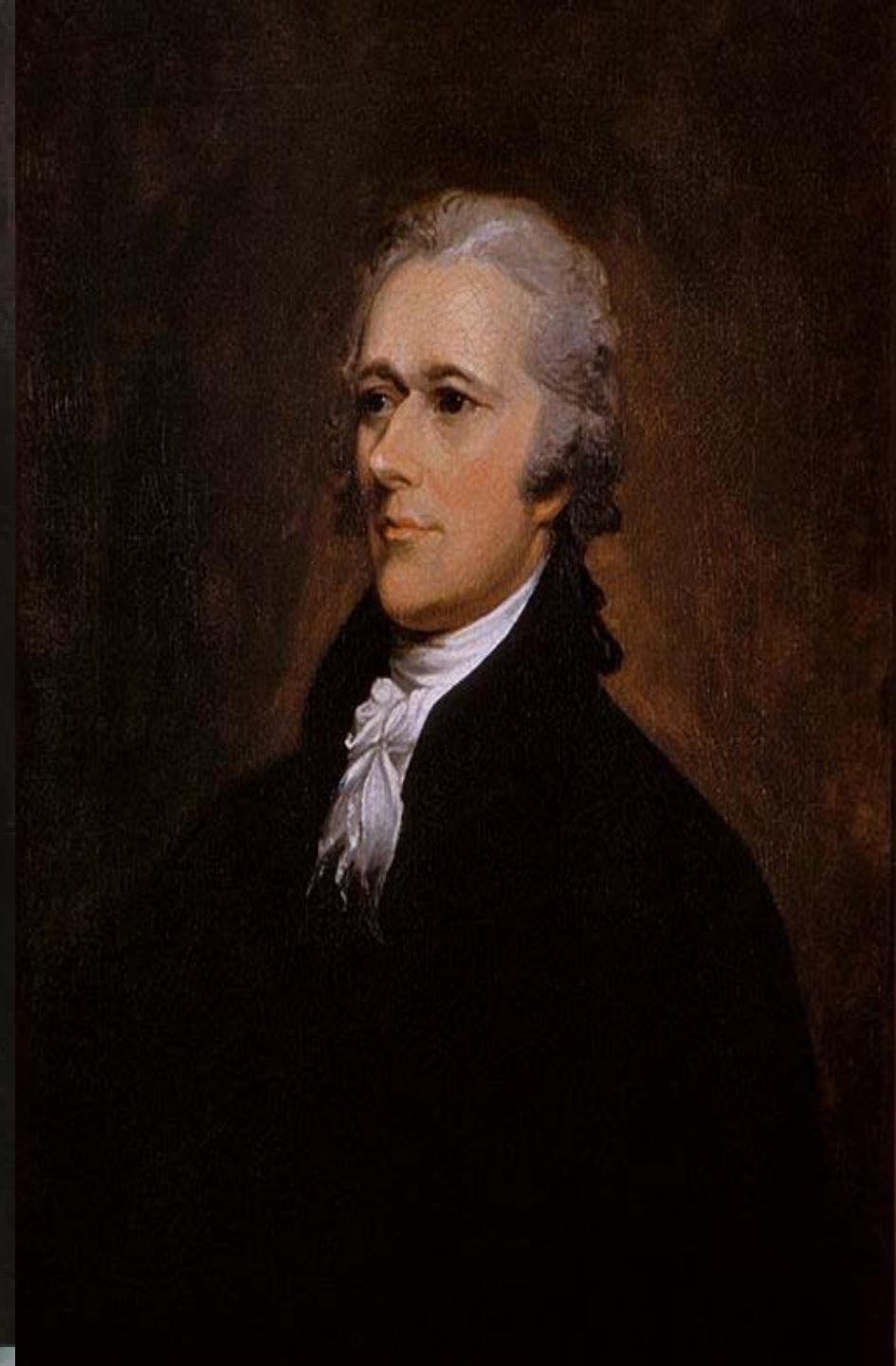


The CONQUEST OF PESTILENCE in NEW YORK CITY ~

As Shown by the Death Rate as Recorded in the Official Records of the Department of Health.



New York City's Department of Health shows the timeline of the city's mortality rate, which sharply dropped with the provision of clean water in the nineteenth century.





Author: Branille

Policy Approaches to Decline

- The Physical Capital Approach
 - Urban renewal, transportation aid
- The Tax Incentives Approach
 - Empowerment zones
- The Human Capital Approach
 - The Kalamazoo College Initiative
 - Attracting and training smart people and then get out of their way.
- Shrinking to Greatness
 - Dealing with local government

Infrastructure and Urban Decline

- Question # 1: Does it even make a difference?
- Question # 2: If it makes a difference to the city, does it meaningfully help local residents?
- Question # 3: If it helps local residents, does it meet cost-benefit analysis?
- Should the Federal government even play such an outsized role in transportation funding?

Independent variable	Dependent variable			
	Growth from 1960 to 1970		Growth from 1970 to 2000	
	In population	In income per capita	In population	In income per capita
Urban renewal spending per capita (dollars)	0.0022 (0.0014)	0.0004 (0.0006)		
Dummy for Model Cities participant			-0.051 (0.063)	0.023 (0.016)
Log of initial population	-0.027 (0.051)		-0.053 (0.021)	
Log of initial income per capita		-0.459 (0.152)		-0.177 (0.035)
Constant	0.054 (0.768)	5.92 (1.17)	1.06 (0.26)	3.34 (0.28)
No. of observations	21	21	318	318
Adjusted R^2	0.20	0.45	0.04	0.07

Source: Authors' regressions.

a. Units of observation are metropolitan statistical areas under the 1999 definitions (primary rather than consolidated MSAs where applicable, New England county metropolitan areas where applicable). Income and population data are from the U.S. Census Bureau, as described in appendix A. Urban renewal spending per capita is from Staples (1970).

Detroit tried to reverse its decline with foolish investments like its People Mover, which here glides over essentially empty streets.

Dennis MacDonald/ World of Stock



Kahn and Baum-Snow

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N. Baum-Snow, M.E. Kahn / Journal of Public Economics 77 (2000) 241–263

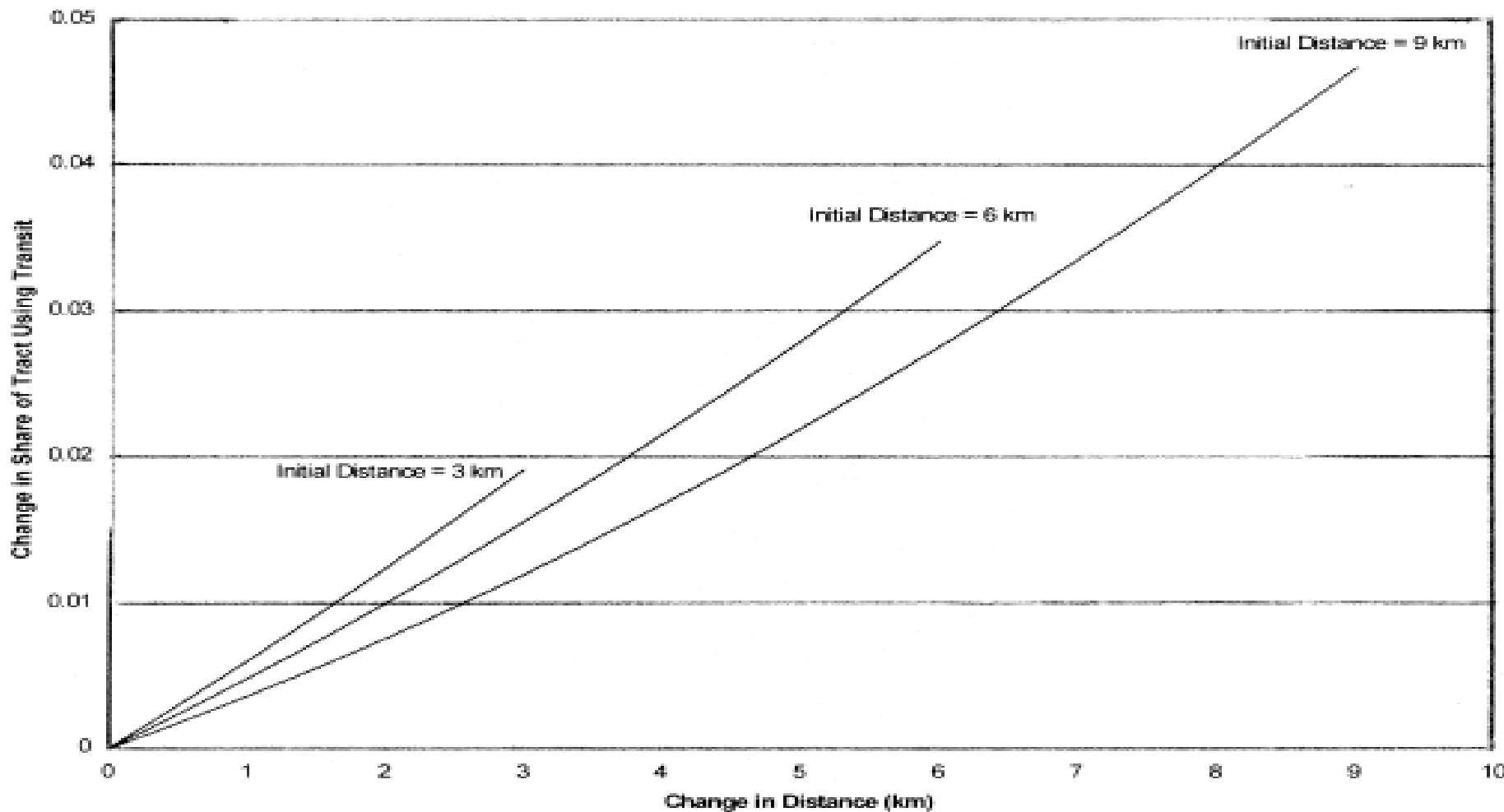


Fig. 1. Treatment effect of the change in distance to rail transit on the change in all transit use.

Tax Incentives and Decline

- There is far better evidence to support the view that tax incentives can impact areas.
 - Busso and Kline find 2-4 percent increases in employment rates in empowerment zones.
 - Greenstone and Moretti find significant impacts of million dollar plants.
- There are questions on both (composition vs. treatment in one and the treated group in the other).
- Also one area's benefit is the others loss.

Shrinking to Greatness

- Basic idea is to shrink the physical footprint of the area to reduce costs of city services and potentially produce more usable land.
- Accusations fly of Flint over-using eminent domain.
- Another strategy is the offer to move people but reduce the area covered by city services.
- Political down-sizing also seems possible.

Human Capital Approaches

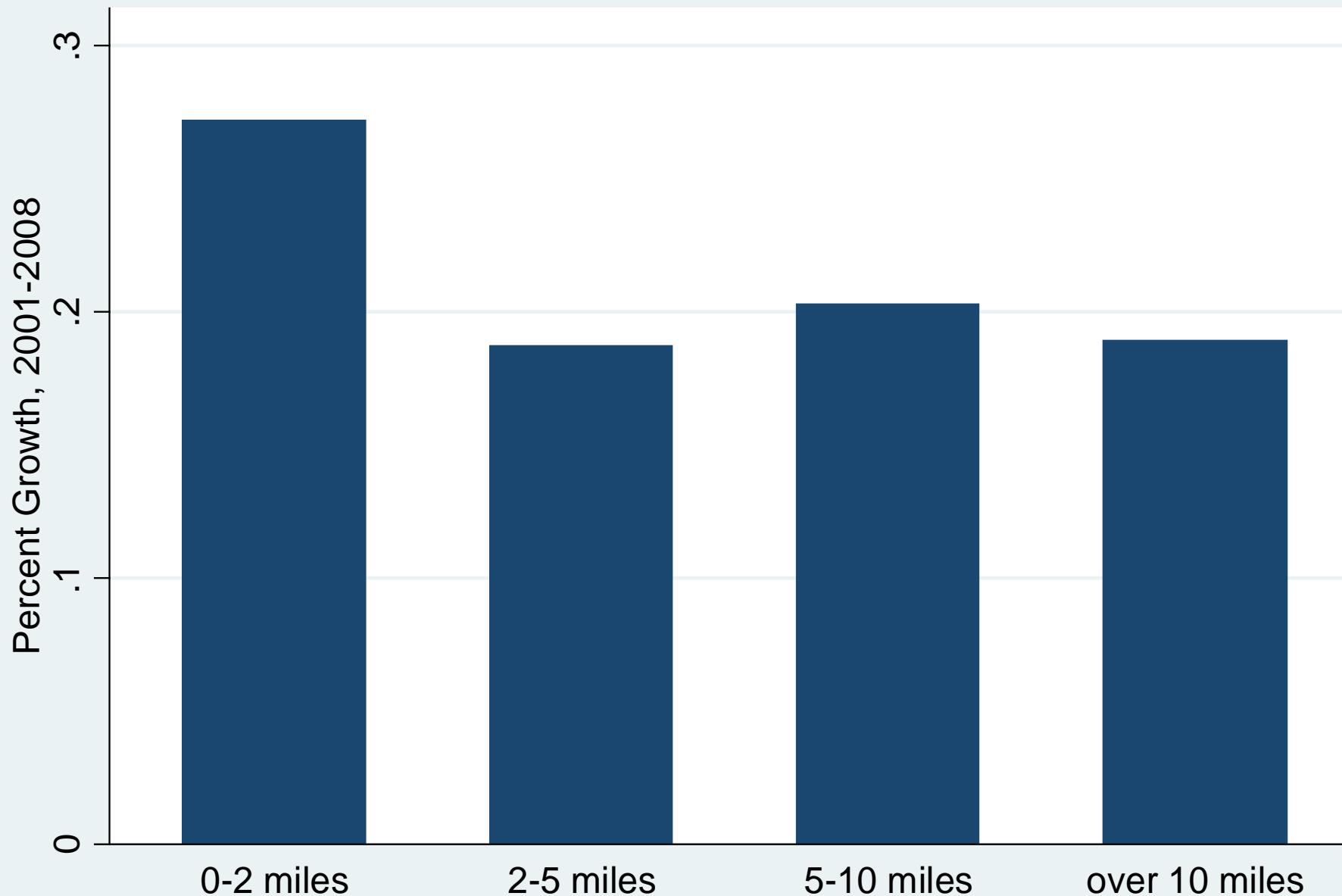
- The correlations with land grant colleges supports Moynihan's old line.
- Correlations with human capital suggest the value of the skill base.
- But is this a question for Federal or local policy?
- It is hard to argue with local investment in better schools (charters) but should we go beyond that to something else.

Attracting the Skilled

- Immutable forces— like proximity to success metro areas— can have a great deal of power.
- There has been a renewed interest in arts and entertainment, which is appropriate.
- Yet it should never take away from the core basics of good schooling, safe streets and quick commutes.
- Can this be done at a reasonable price tag???

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Visited an art gallery or museum	Went to a bar or tavern	Went out to dinner at a restaurant	Went to the movies	Went to a pop or rock concert	Went to a classical concert	Entertained people in my home
City resident	0.1891 [0.0112]**	0.051 [0.0125]**	0.1071 [0.0112]**	0.202 [0.0111]**	0.1379 [0.0113]**	0.1479 [0.0112]**	-0.0606 [0.0112]**
Suburb resident	0.0808 [0.0100]**	-0.0049 [0.0112]	0.0636 [0.0101]**	0.1149 [0.0099]**	0.0749 [0.0101]**	0.0531 [0.0101]**	-0.0062 [0.0100]
City x after 1990	-0.0064 [0.0164]	-0.0057 [0.0173]	-0.0726 [0.0167]**	0.0497 [0.0163]**	-0.0008 [0.0166]	0.0093 [0.0165]	0.076 [0.0164]**
Suburb x after 1990	-0.0041 [0.0144]	0.0366 [0.0153]*	-0.0132 [0.0147]	0.0577 [0.0143]**	0.0092 [0.0146]	0.0136 [0.0145]	0.0435 [0.0144]**
Survey year	-0.0055 [0.0008]**	0.0022 [0.0011]*	-0.0023 [0.0008]**	-0.0065 [0.0008]**	0.0023 [0.0008]**	-0.009 [0.0008]**	-0.0307 [0.0008]**
College Graduate	0.3581 [0.0086]**	-0.0589 [0.0091]**	0.1339 [0.0086]**	0.1579 [0.0085]**	0.0569 [0.0086]**	0.3434 [0.0086]**	0.0103 [0.0085]
High School Dropout	-0.1658 [0.0114]**	0.0104 [0.0125]	-0.1834 [0.0115]**	-0.1152 [0.0113]**	-0.0074 [0.0115]	-0.1217 [0.0114]**	-0.1125 [0.0114]**
Age	0.0101 [0.0014]**	-0.018 [0.0016]**	0.008 [0.0015]**	-0.0288 [0.0014]**	-0.0285 [0.0015]**	0.0066 [0.0014]**	-0.0164 [0.0014]**
Age squared	-0.0001 [0.0000]**	0.0001 [0.0000]**	-0.0001 [0.0000]**	0.0002 [0.0000]**	0.0002 [0.0000]**	0 [0.0000]	0.0002 [0.0000]**
Female	0.095 [0.0071]**	-0.3808 [0.0076]**	-0.0411 [0.0071]**	0.0119 [0.0070]	-0.0329 [0.0071]**	0.068 [0.0071]**	0.1103 [0.0070]**
Log income	0.0747 [0.0050]**	0.0593 [0.0059]**	0.225 [0.0051]**	0.114 [0.0050]**	0.0564 [0.0051]**	0.046 [0.0051]**	0.0725 [0.0050]**

Price Growth by Distance to City Centers 2001-2008



Saga of the Pink FlamInGo!

