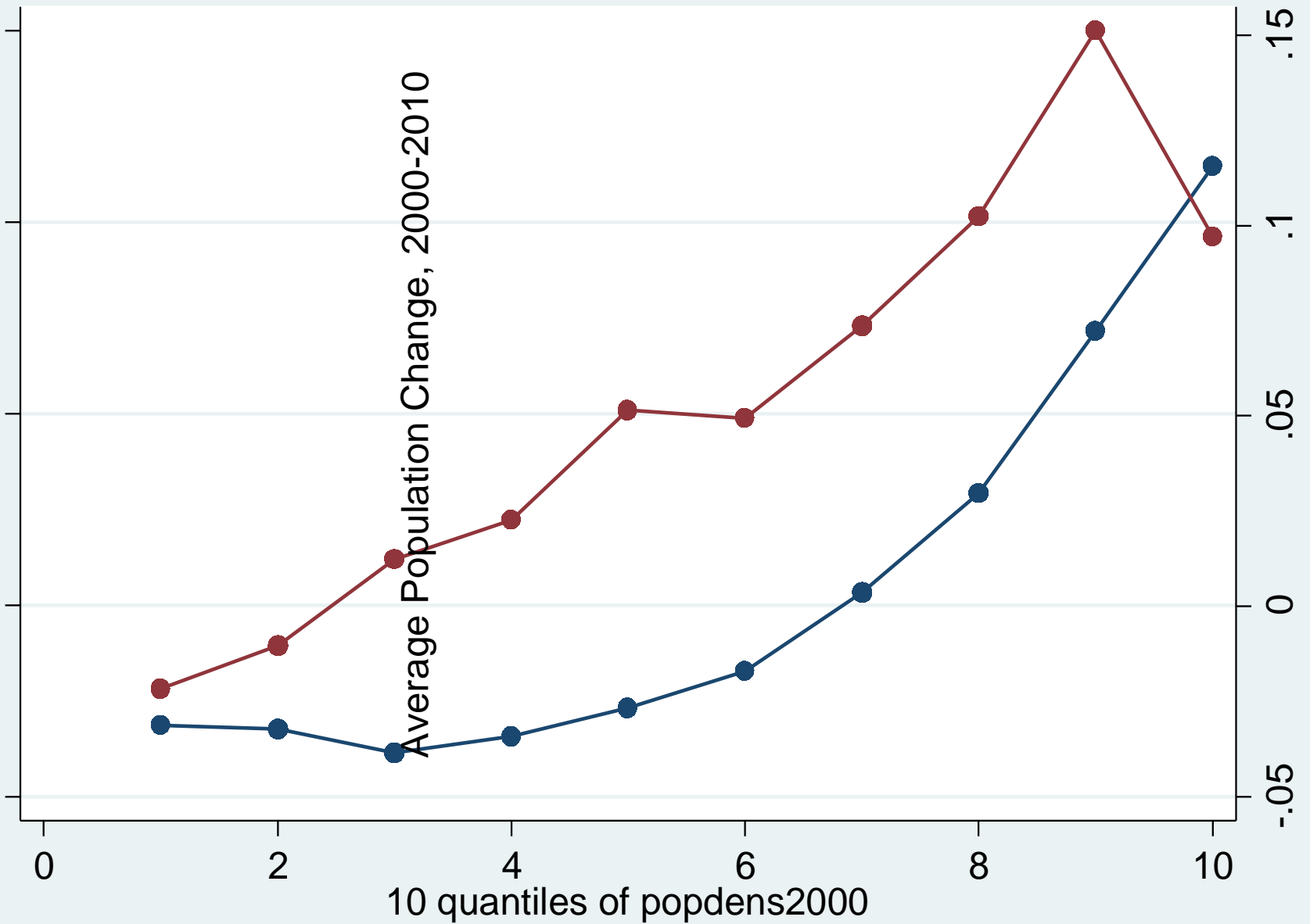


TRIUMPH OF THE CITY

How Our Greatest Invention Makes Us
Richer, Smarter, Greener, Healthier and Happier

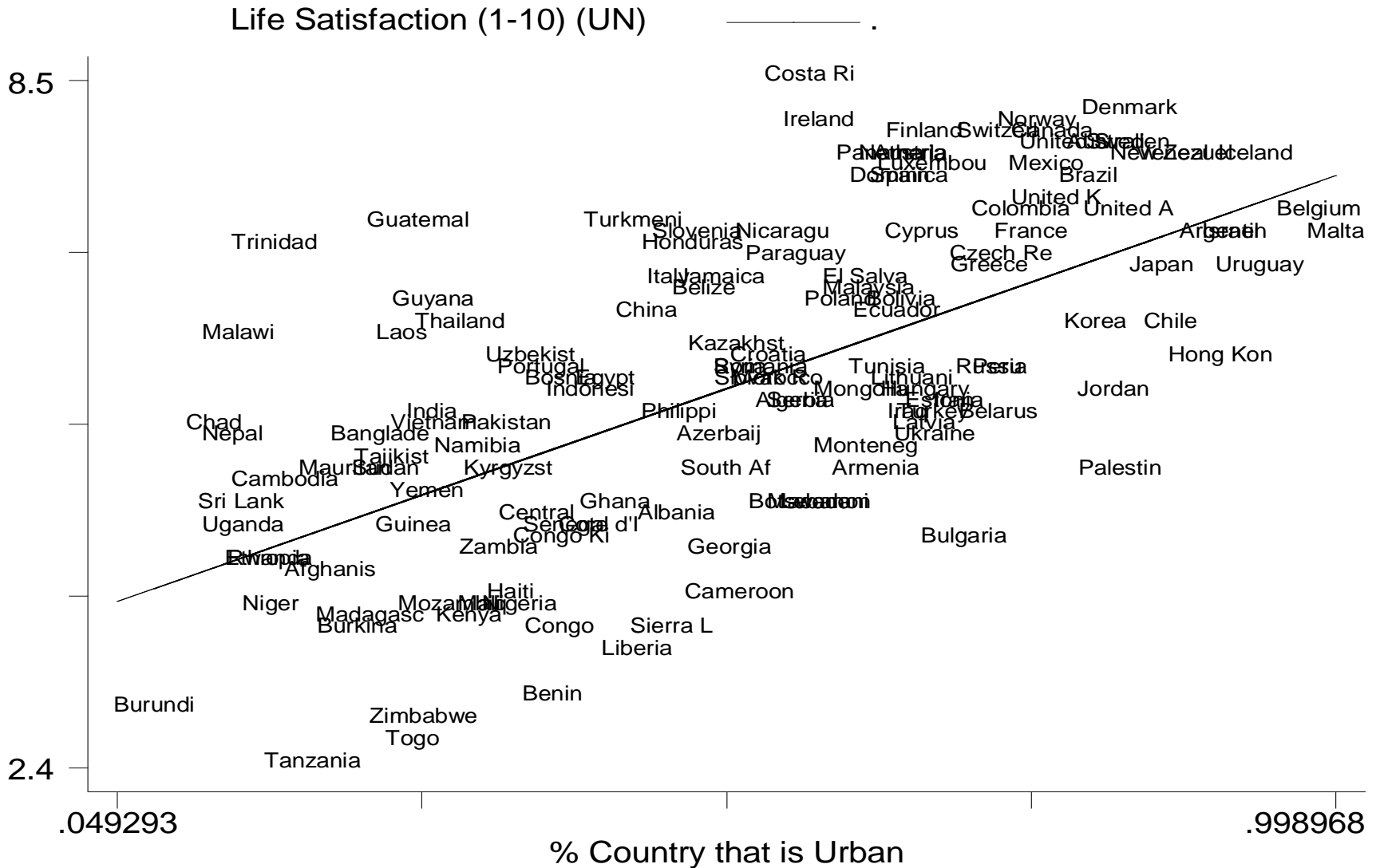
EDWARD GLAESER





—●— Average Median Income, 2000 —●— Average Population Change

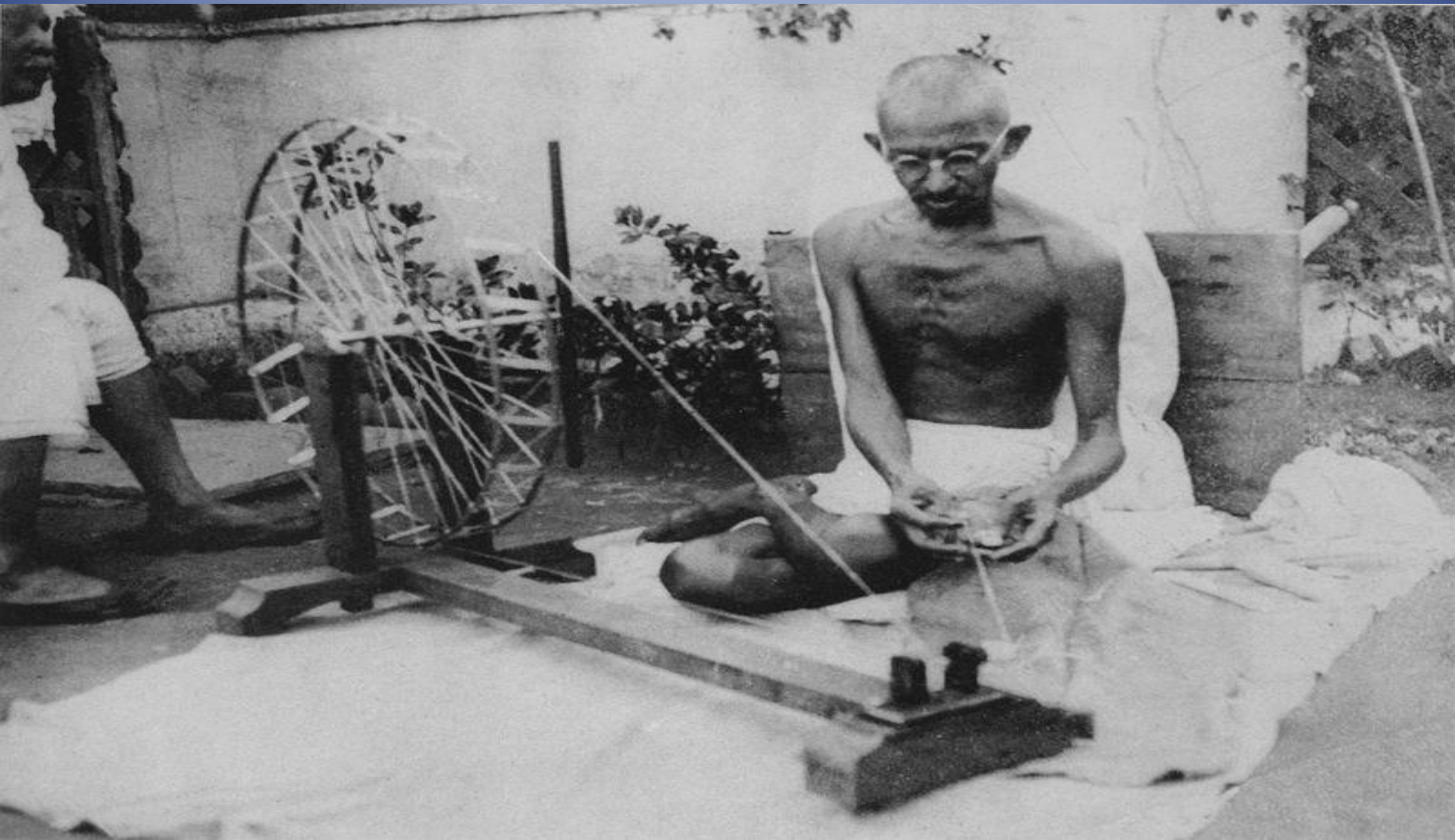
Happiness and Urbanization



The Central Paradox

- Why is it that in an era in which transportation and communication costs have virtually vanished, cities have become more important than ever?
- Urban resurgence is visible in high income levels, robust housing prices, and a concentration of innovation in urban areas.
- This is even clearer in the developing world.

“The Growth of the nation depends not on cities, but [on] its villages”





The MindTree campus in Bangalore is a pristine and elegant flat-world phenomenon that thrives by connecting smart people from India and around the world. *MindTree Ltd.*





FINAL DAILY NEWS 15¢
NEW YORK'S HISTORIC NEWSPAPER
EST. 1811 BY AM. NEWS PAPER CO. INC. VOL. 107, NO. 100,000

FORD TO CITY: DROP DEAD

Vows He'll Veto Any Bail-Out



**Abe, Carey
Rip Stand**

**Stocks Skid,
Dow Down 12**

These pages of special
interest are printed in color
at extra charge to you.

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*





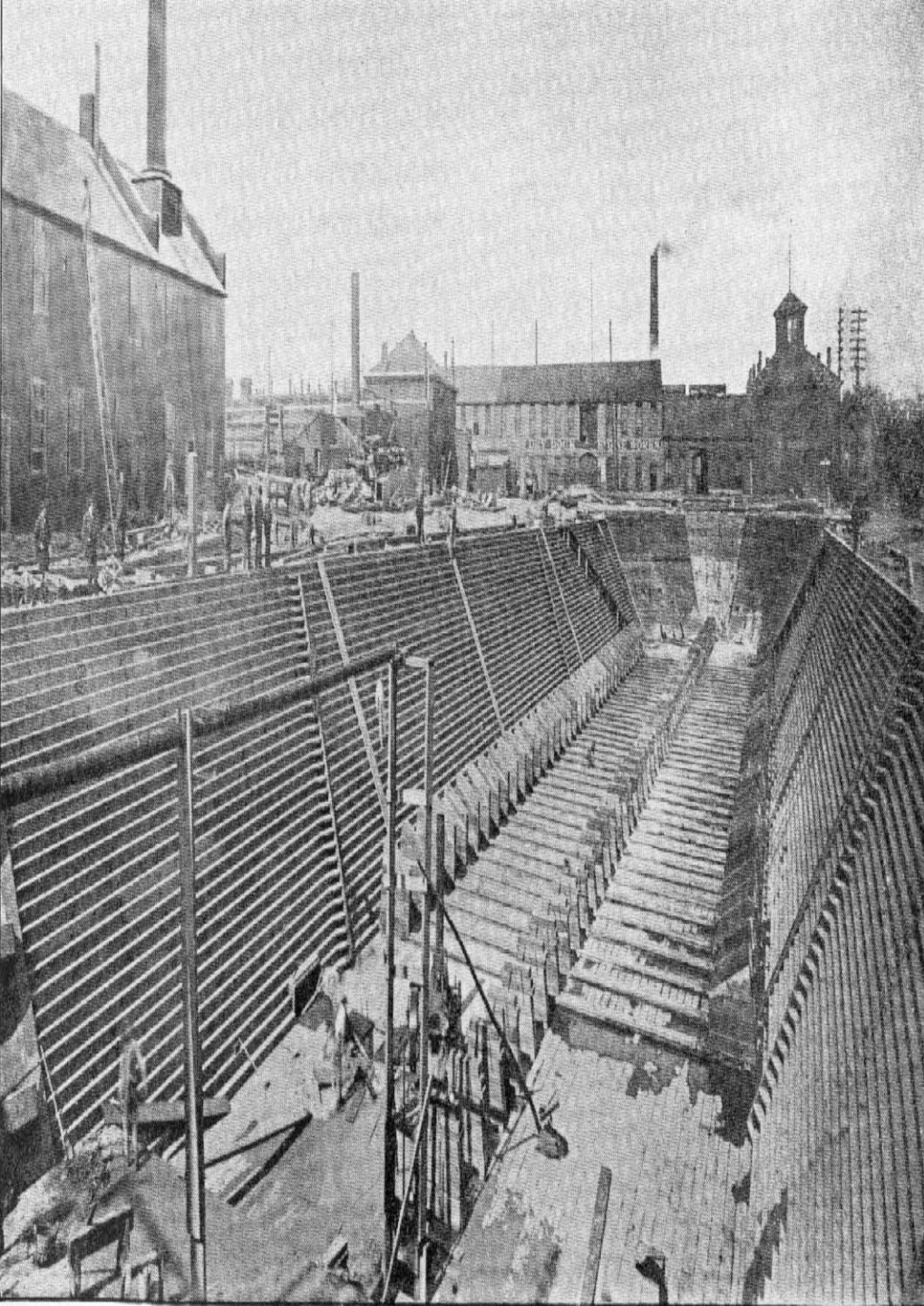
The Chicago Home Insurance Building, built in 1885, is widely considered the world's first metal-framed skyscraper. This technology would come to dictate the shape of most cities in the twentieth century and beyond.

Chicago History Museum/Getty Images

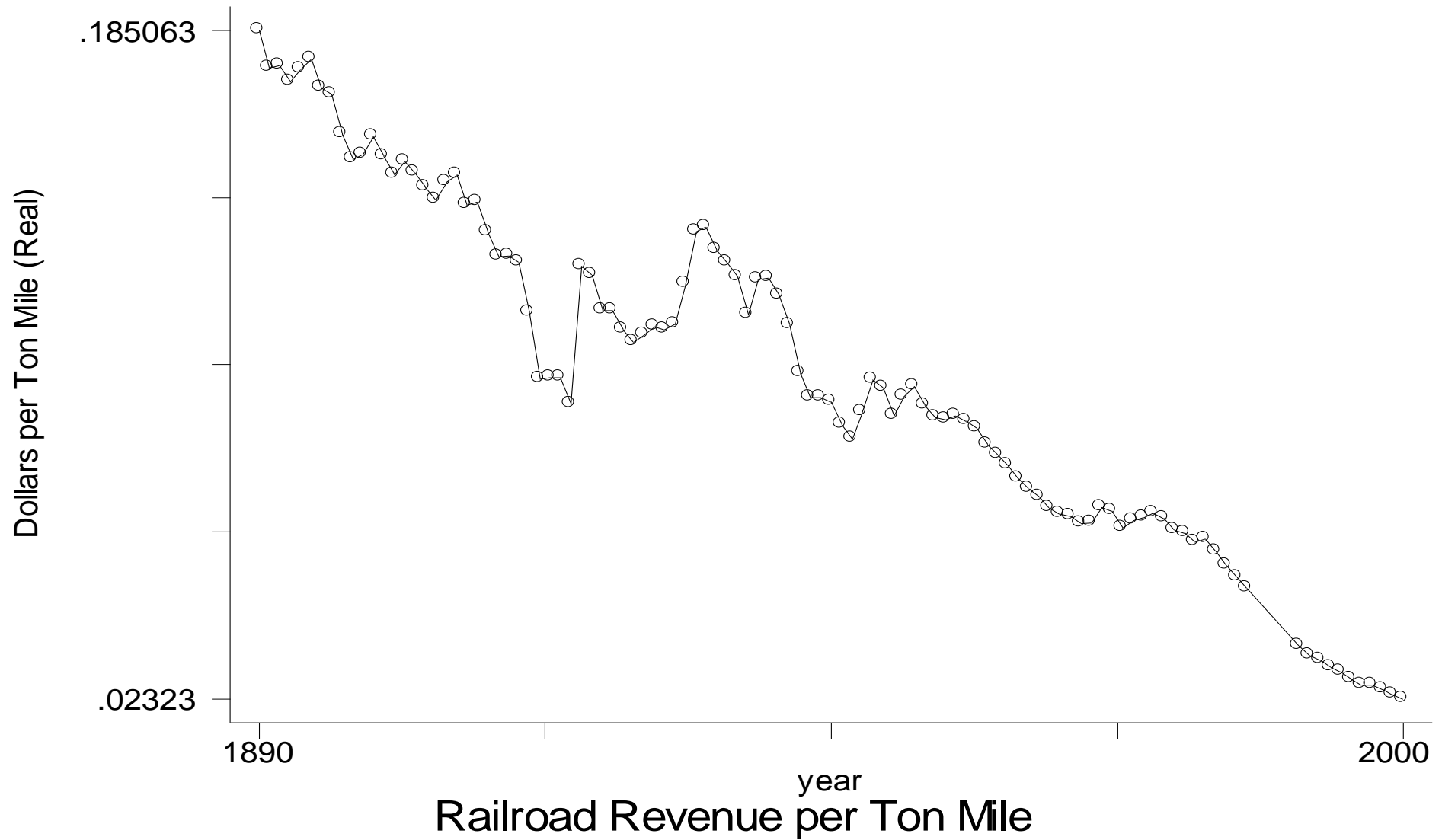
Until nearby commercial structures began to dwarf it in 1890, Trinity Church had been New York's tallest building for forty years. The two buildings to the church's left held that honor for thirty years until they were destroyed in a terrible attack that ultimately illustrated the resilience of a great city.

Jeff Greenberg/ World of Stock





The Decline of the Costs of Moving Goods



Average Population Growth by Average January Temperature (Quintiles)

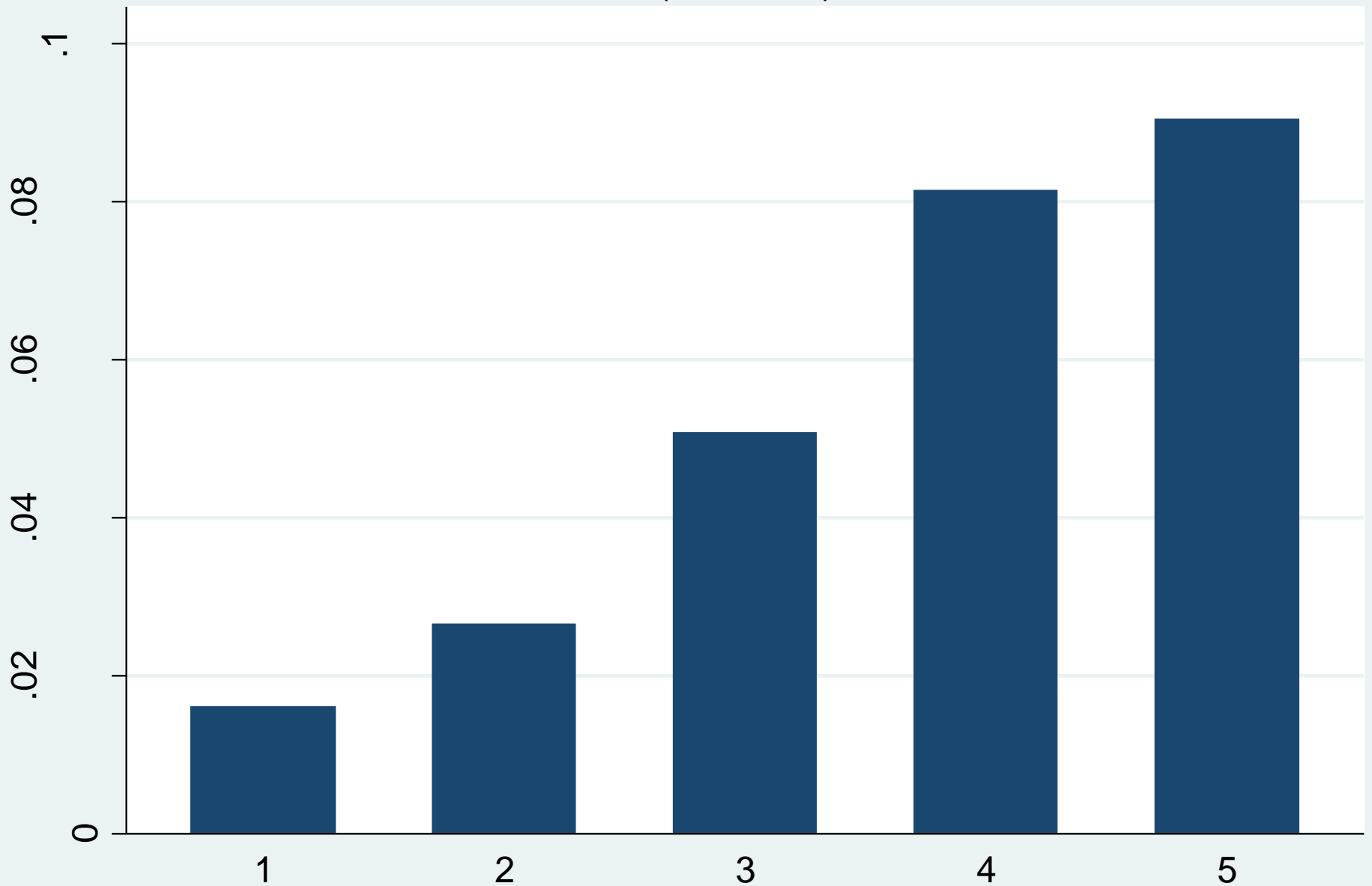
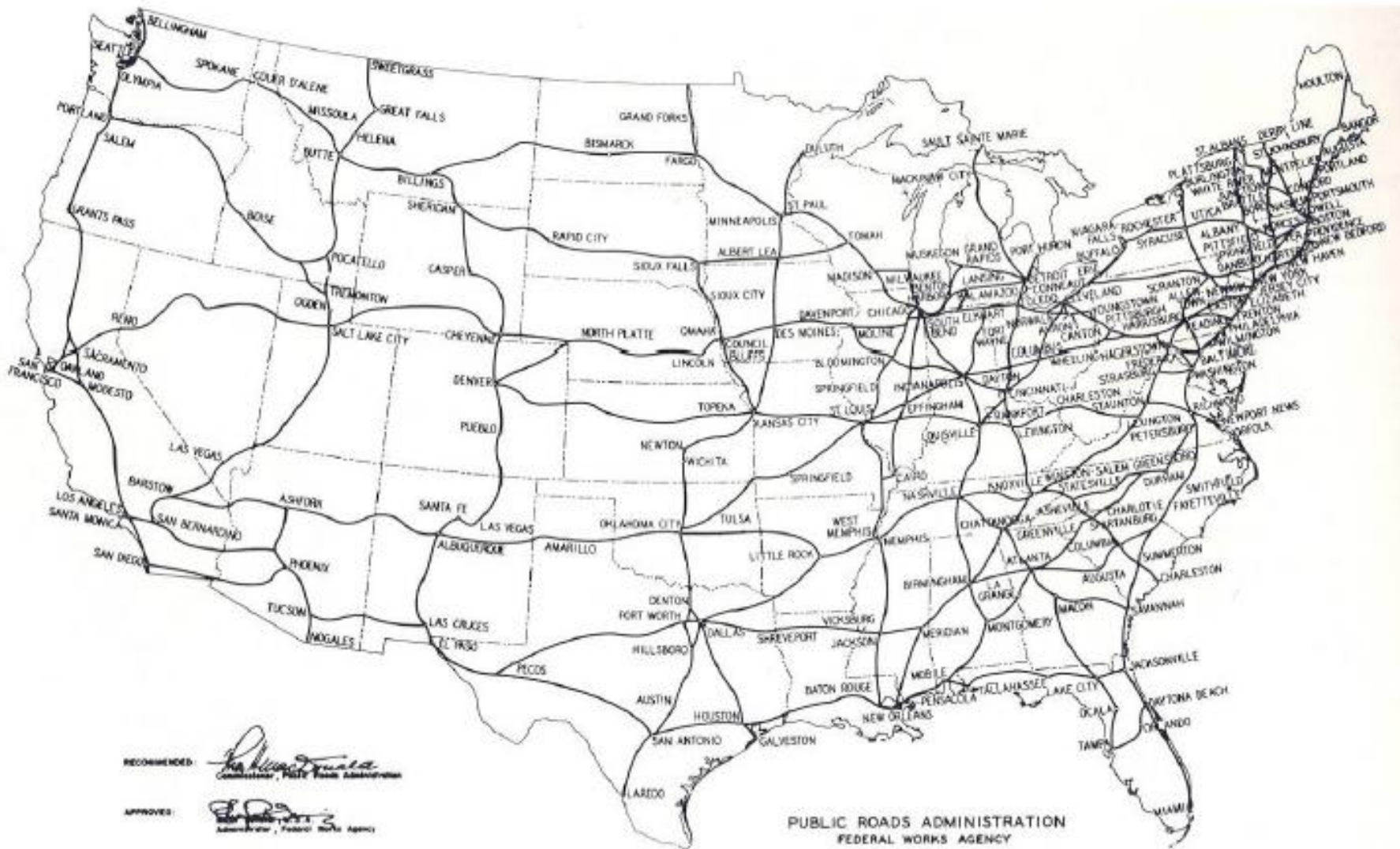


Figure I: The Projected System of Interstate Highways in 1947




RECOMMENDED: *Richard L. ...*
 Commissioner, Public Road Administration

APPROVED: *[Signature]*
 Administrator, Federal Works Agency

PUBLIC ROADS ADMINISTRATION
 FEDERAL WORKS AGENCY

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 8, 1947



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 led to more carbon intensive lifestyles. All that greenery is really pretty brown.

© Ted Washington [per permission grant]





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*

City	1950 Pop.	2000 Pop.	Change
New York	7,891,957	8,008,278	+1.5 %
Chicago	3,620,962	2,896,016	-20%
Philadelphia	2,071,605	1,517,550	-27%
Los Angeles	1,970,358	3,694,820	+87%
Detroit	1,849,568	951,270	-52%
Baltimore	949,708	651,154	-32%
Cleveland	914,808	478,403	-48%
St. Louis	856,796	348,189	-60%
Washington	802,178	572,059	-29%
Boston	801,444	589,141	-26%



Image by Andrew Jameson

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

254

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

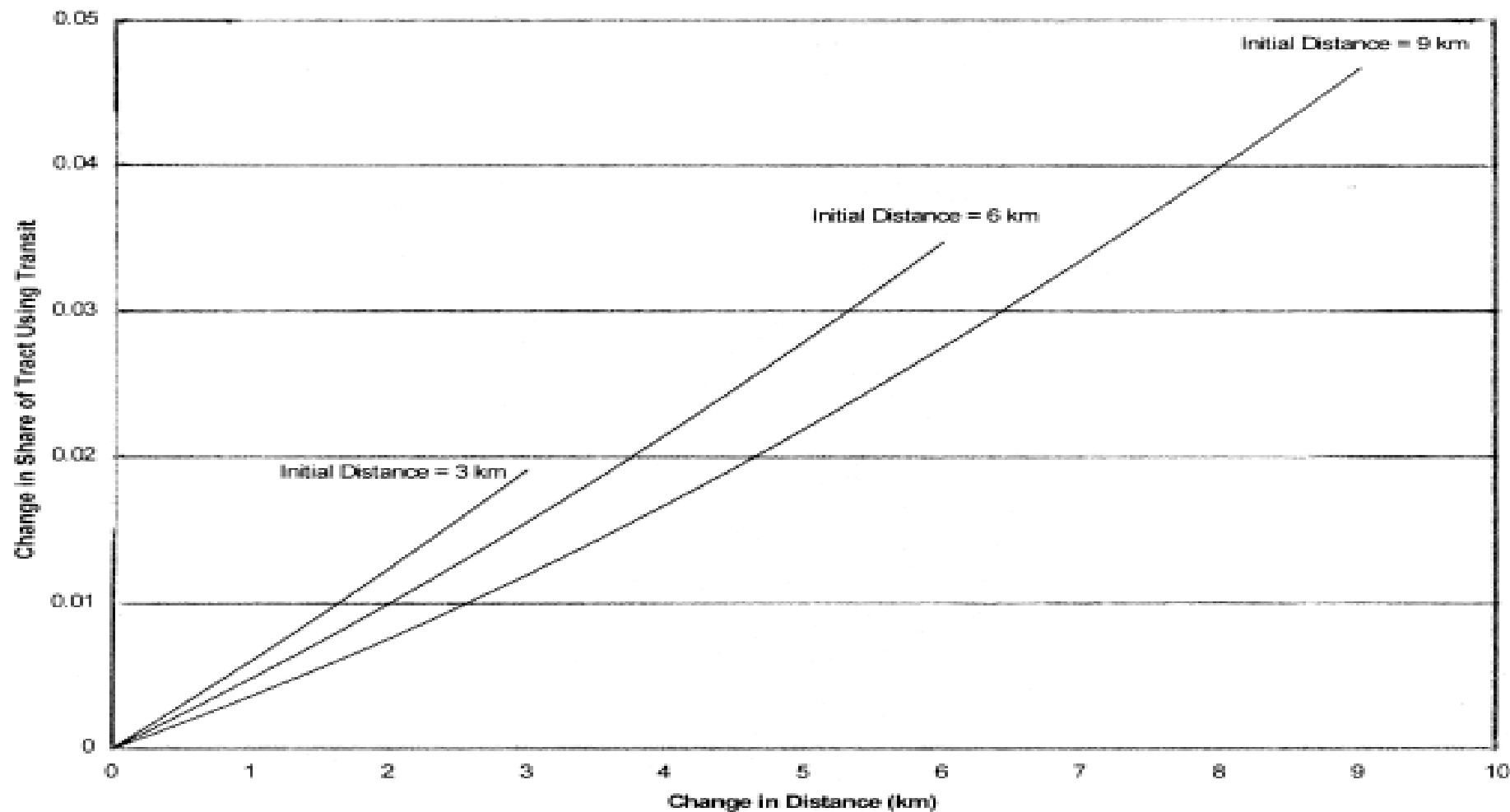


Fig. 1. Treatment effect of the change in distance to rail transit on the change in all transit use.

The Rebirth of Some Cities

- Some erstwhile manufacturing centers continue to decline, while others reinvent.
- People and ideas thrive; People movers don't
- Finance in New York and an urban chain of ideas
- Biotechnology around Boston and Minneapolis
- Computers around San Francisco
- Ideas have enabled these places to thrive— not heavy industry.
- Skills determine success.



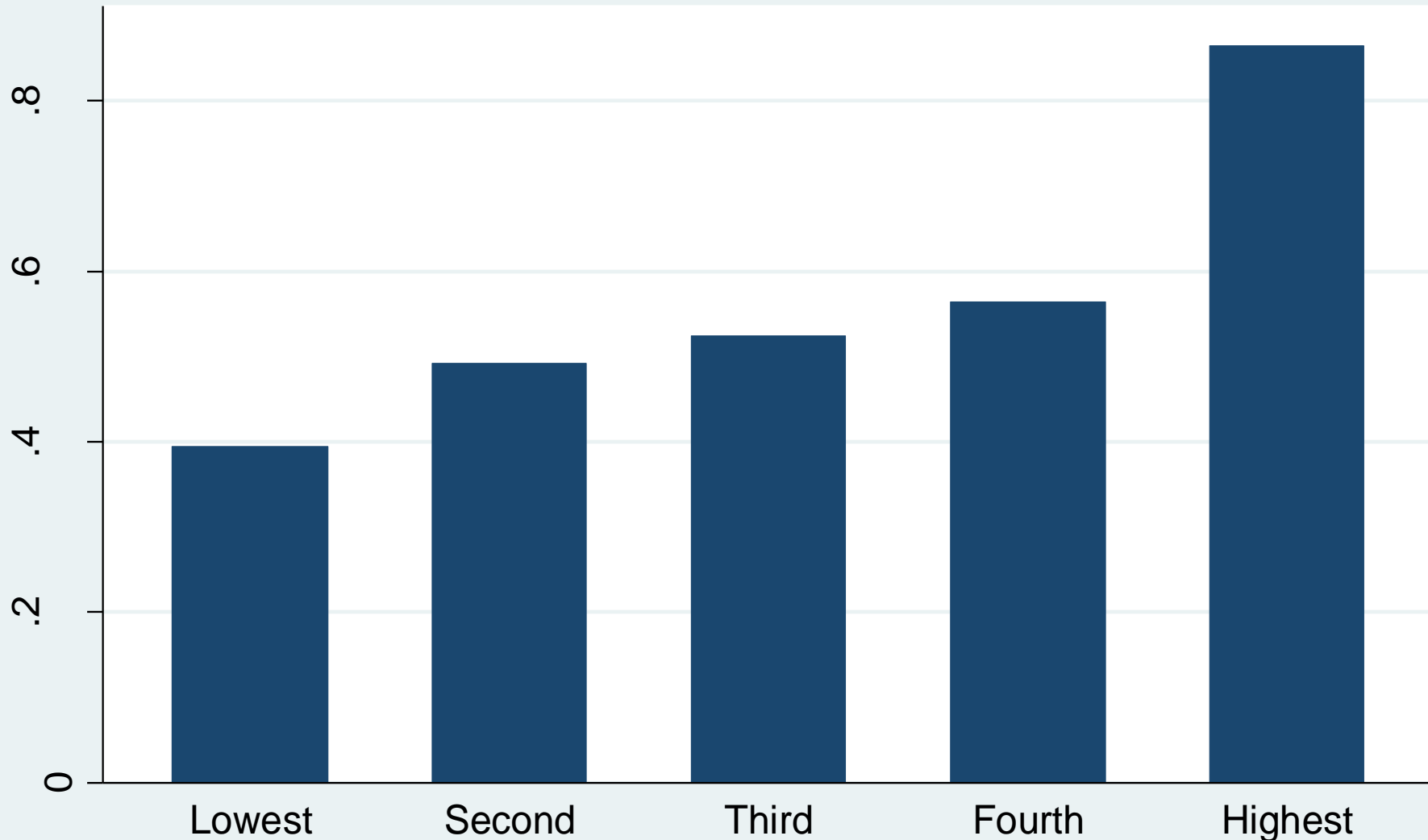
From his experience on Wall Street, New York's Mayor Michael Bloomberg learned the value of face-to-face connection, and he turned City Hall into a wall-less bullpen that enables the speedy flow of information.

Copyright City of New York, Used by Permission of the Office of the Mayor, City of New York

Cities and Ideas have a Long History

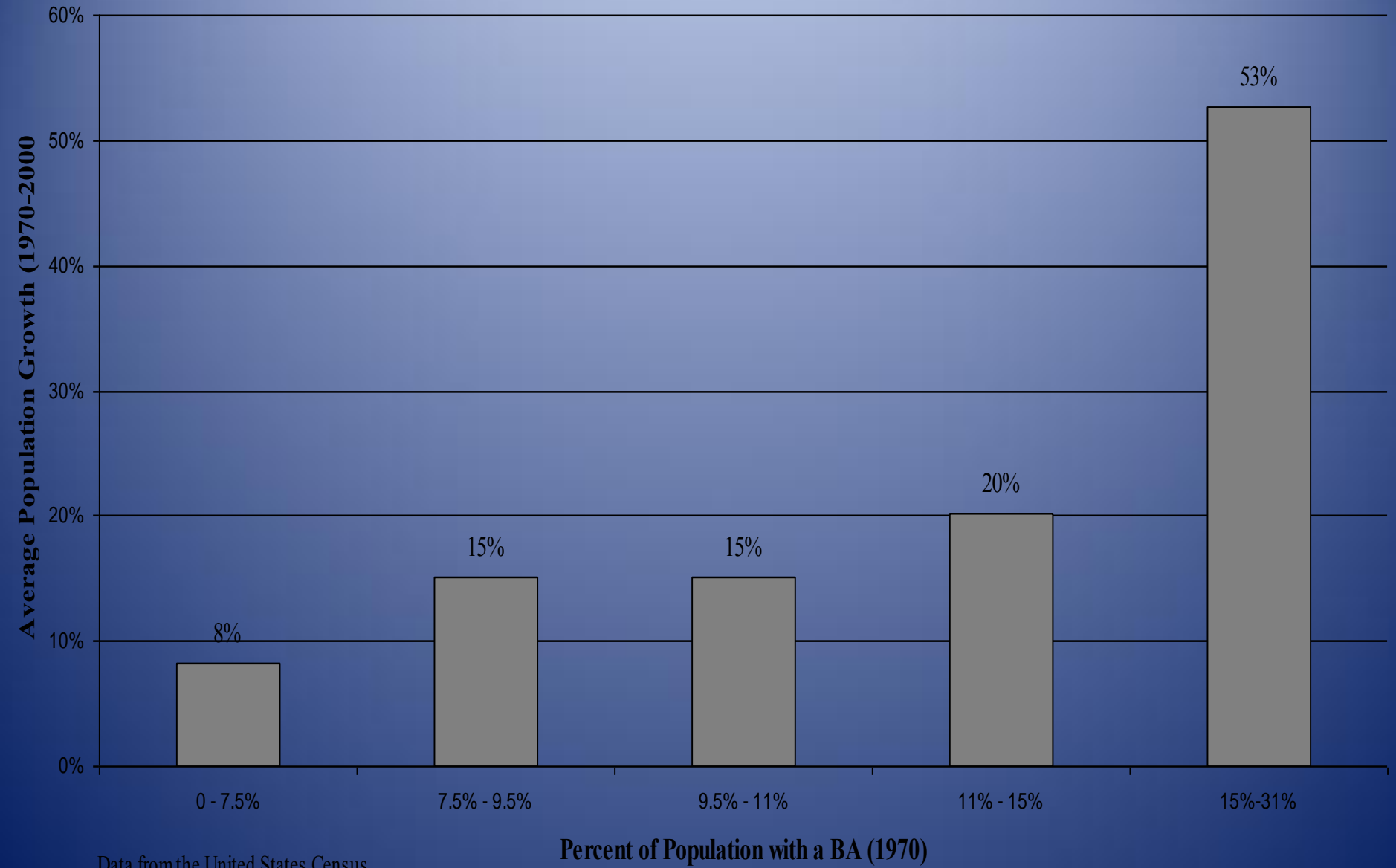
- 2500 years ago: Diaspora Greeks come to Athens bringing the wisdom of the greater Mediterranean and diffusing it.
 - Anaxagoras->Socrates->Plato-> Aristotle, also Hippodamus, Herodotus, Hippocrates
- Baghdad and the House of Wisdom
 - Al-Khwarizmi (algebra), Al-Kindi, Harun Al-Rashid and the Barmakids (translating the Sindhind and Euclid).
- Edinburgh and Glasgow during the Scottish Enlightenment
 - Smith, Hume and Witherspoon, Watt, Robison and Black.
- Nagasaki and Japanese innovation

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



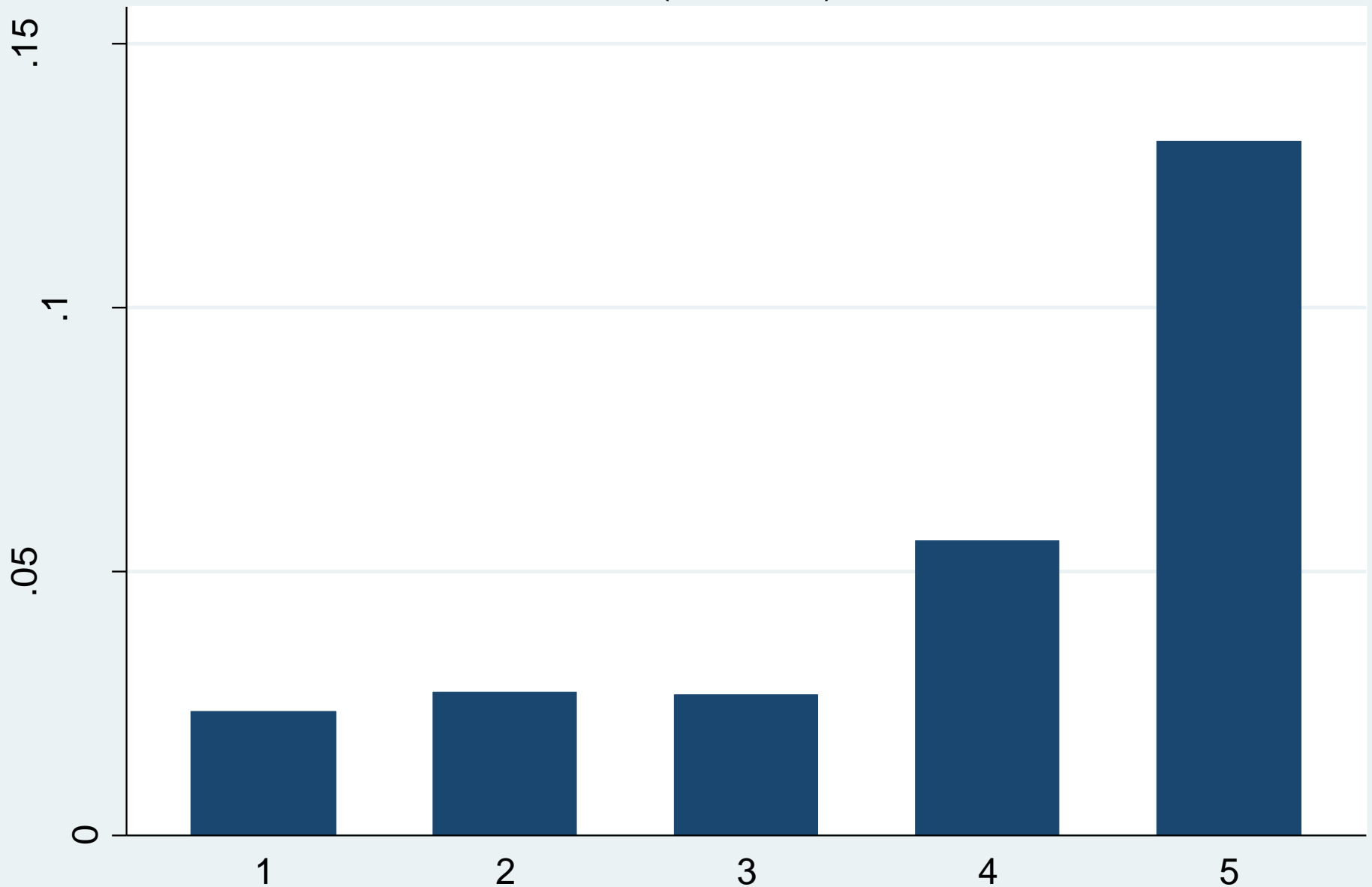
Source: U.S. Census Bureau

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



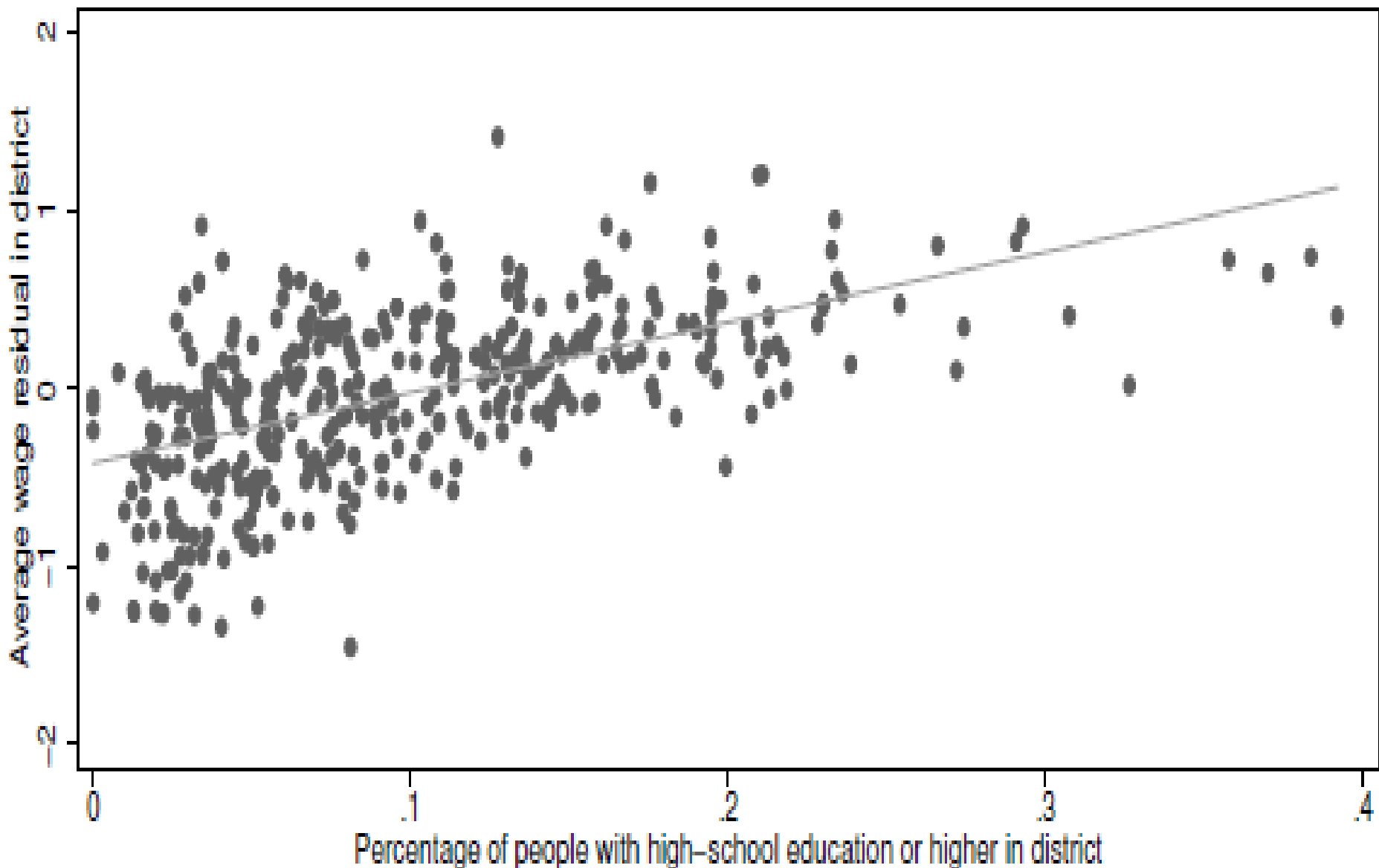
Data from the United States Census

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



Wage residuals and Population with High School degree or higher

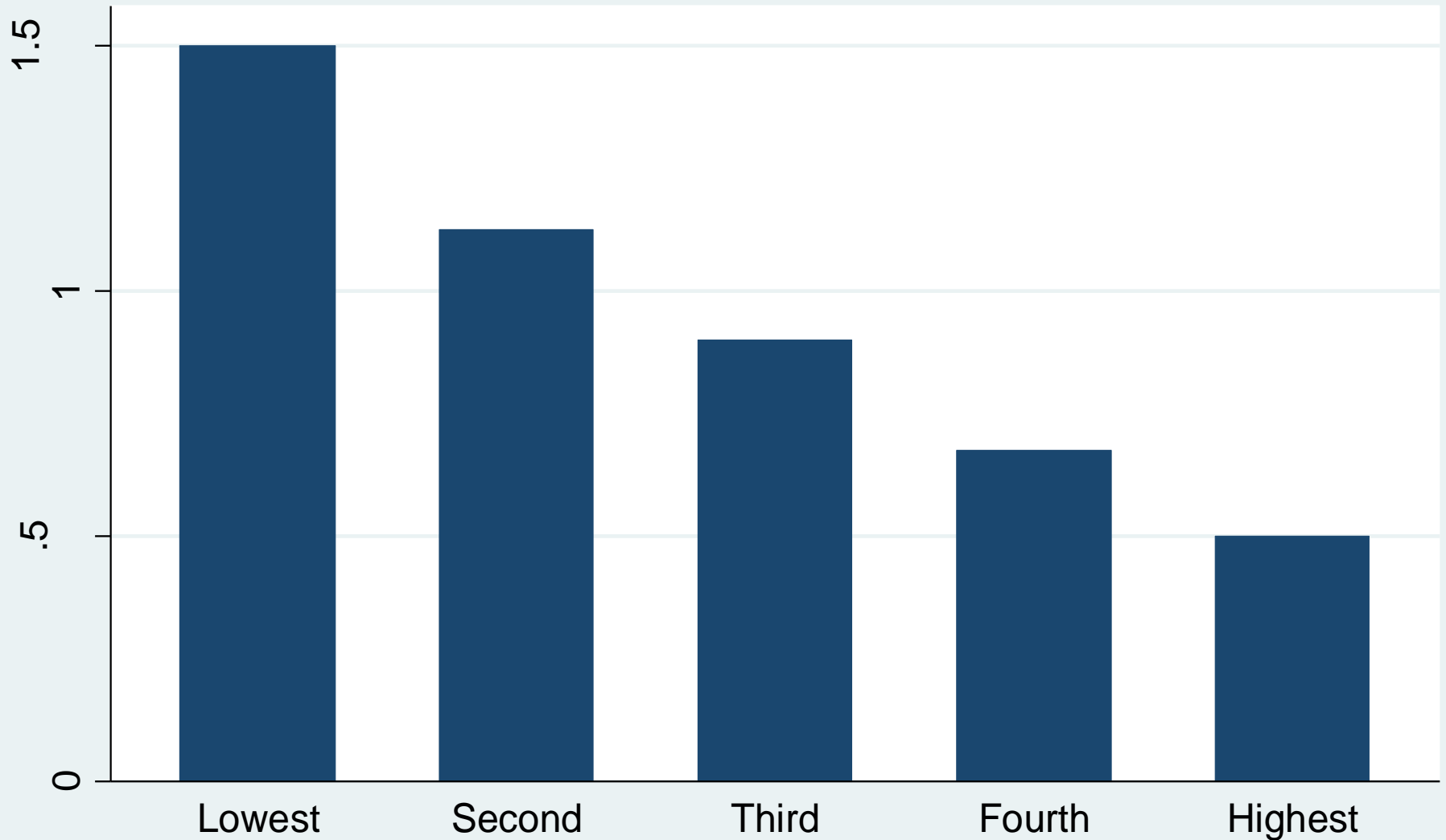
District-level observations for India



NOTE: Using data from the Indian Human Development Survey (2006) and the General Census (2001)

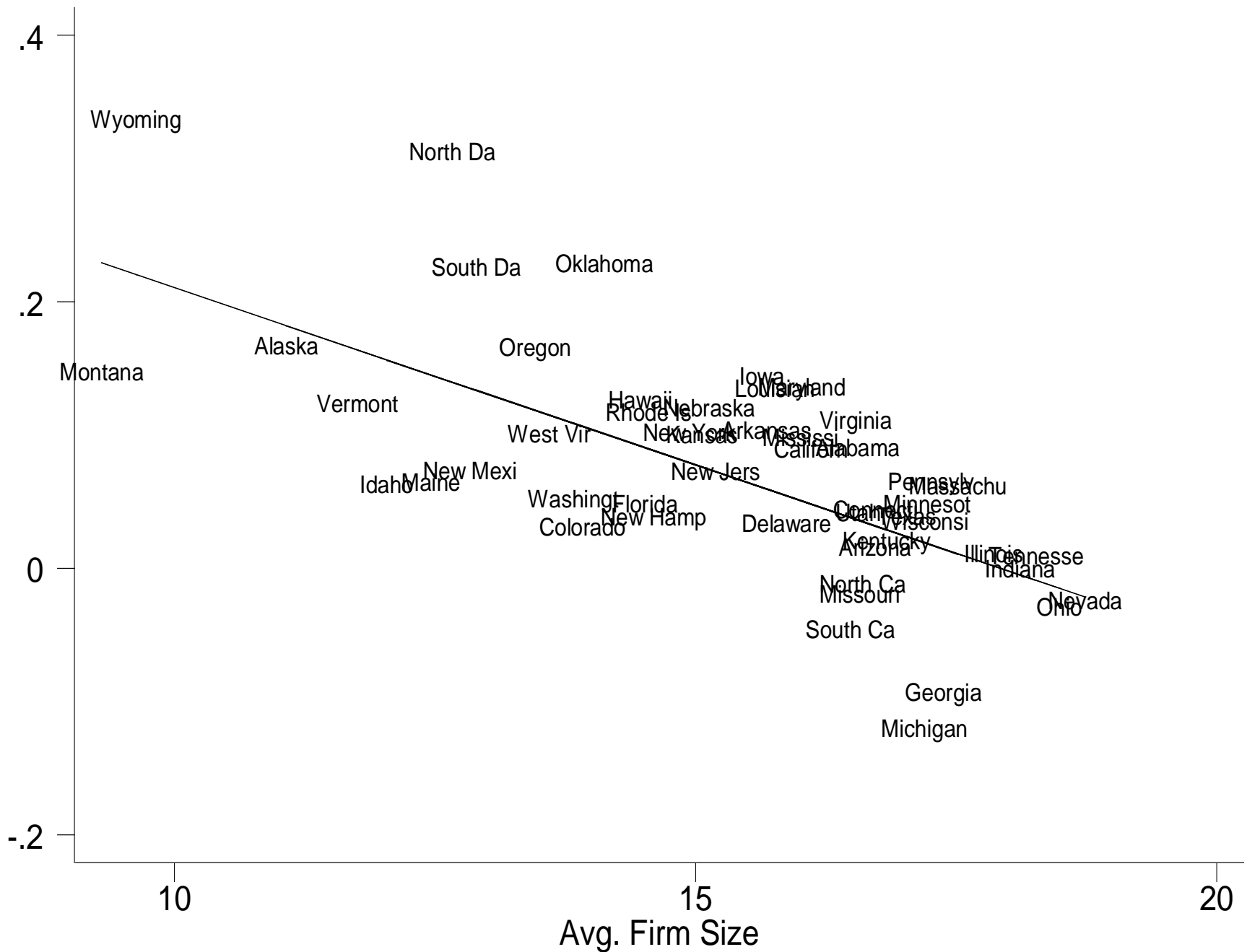
Figure 10:

Average Employment Growth, 1977-2000
by Quintile of Average Firm Size, 1977



Source: County Business Patterns, 1977 and 2000

Change in P.C. GDP 2000-2009

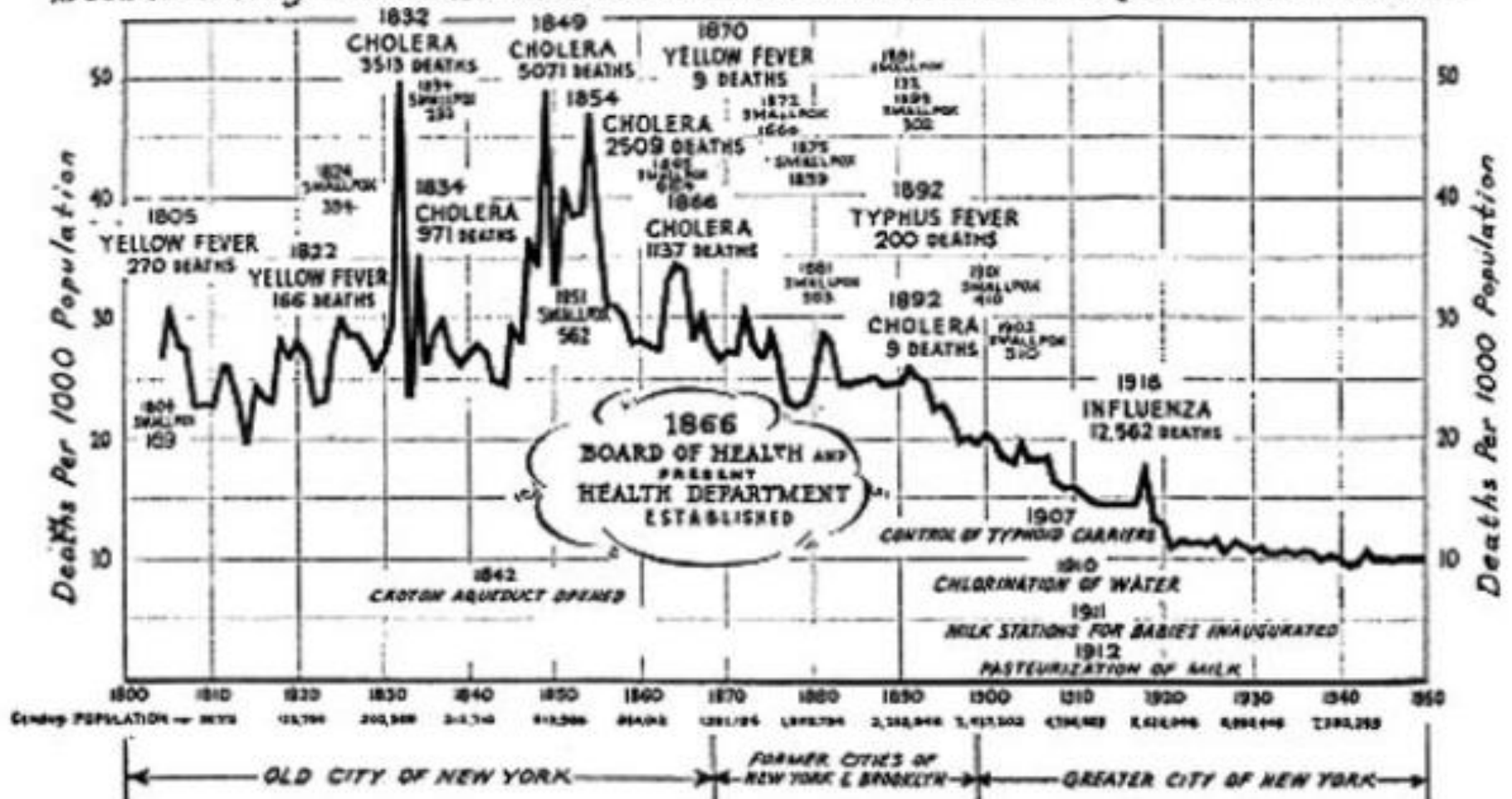




A man transports children through the bustle—and fetid streets—of Mumbai’s Dharavi slum. Conditions like this are similar to those that faced many residents of Paris, London, New York, and other large cities in the nineteenth century. *Prashanth Vishwanathan / Bloomberg / Getty Images*

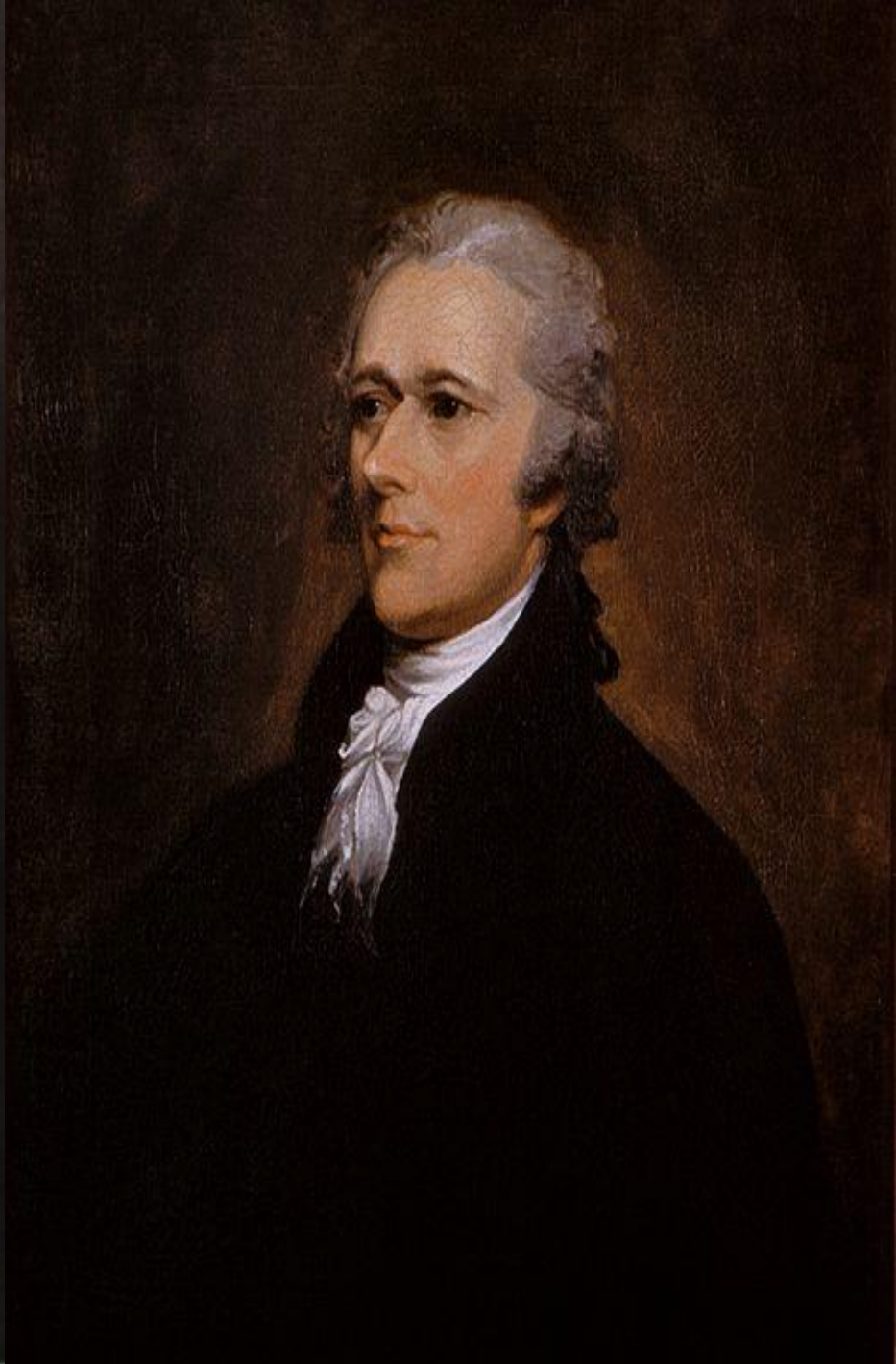
The CONQUEST OF PESTILENCE in New York City ~

... 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.

New York City Department of Health and Mental Hygiene





Author: Branille

Troesken on Municipal Water

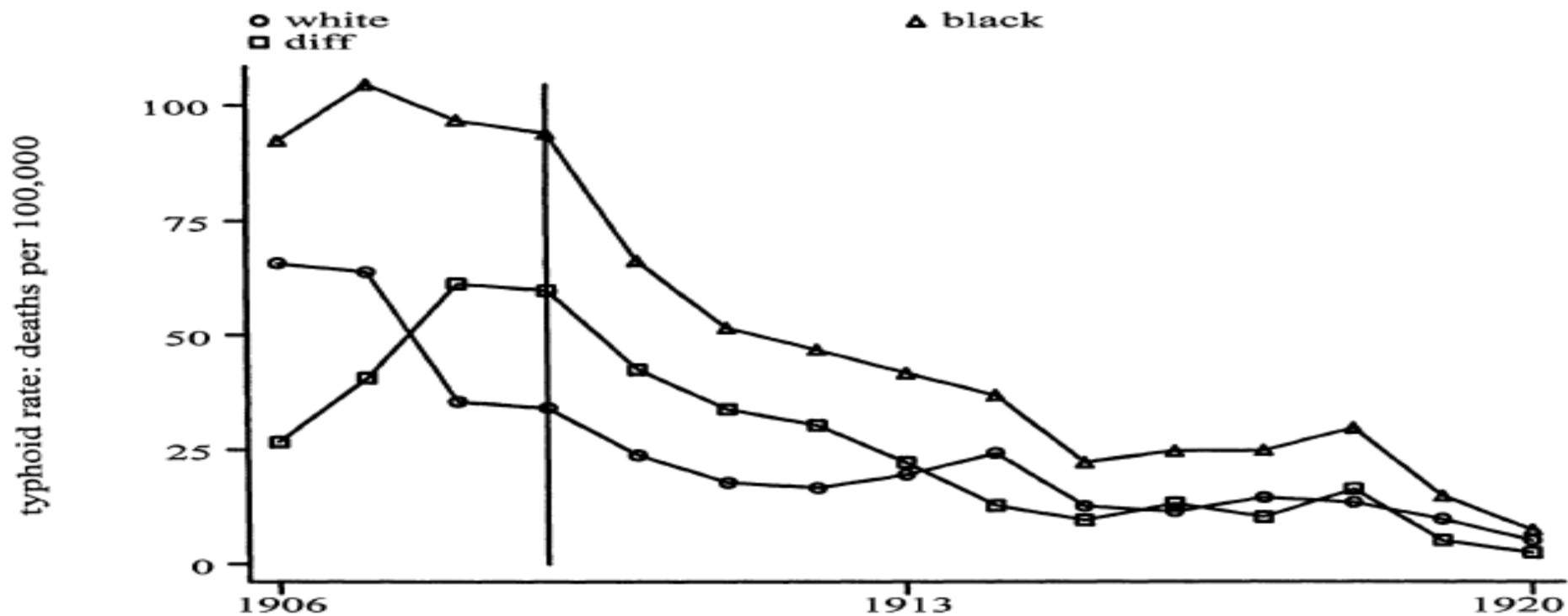


FIGURE 2

BLACK AND WHITE TYPHOID RATES IN LOUISVILLE, KENTUCKY, 1906-1920

○ - white typhoid rate, deaths per 100,000 persons

△ - black typhoid rate, deaths per 100,000 persons

□ - black typhoid rate minus white typhoid rate

Source: United States, *Mortality Statistics*, various years.



Singapore's streets move swiftly, thanks to a congestion-pricing system that electronically charges drivers for the social costs of their motoring.

Land Transport Authority of Singapore



Attribution: Gabriel Mendoza Ardila

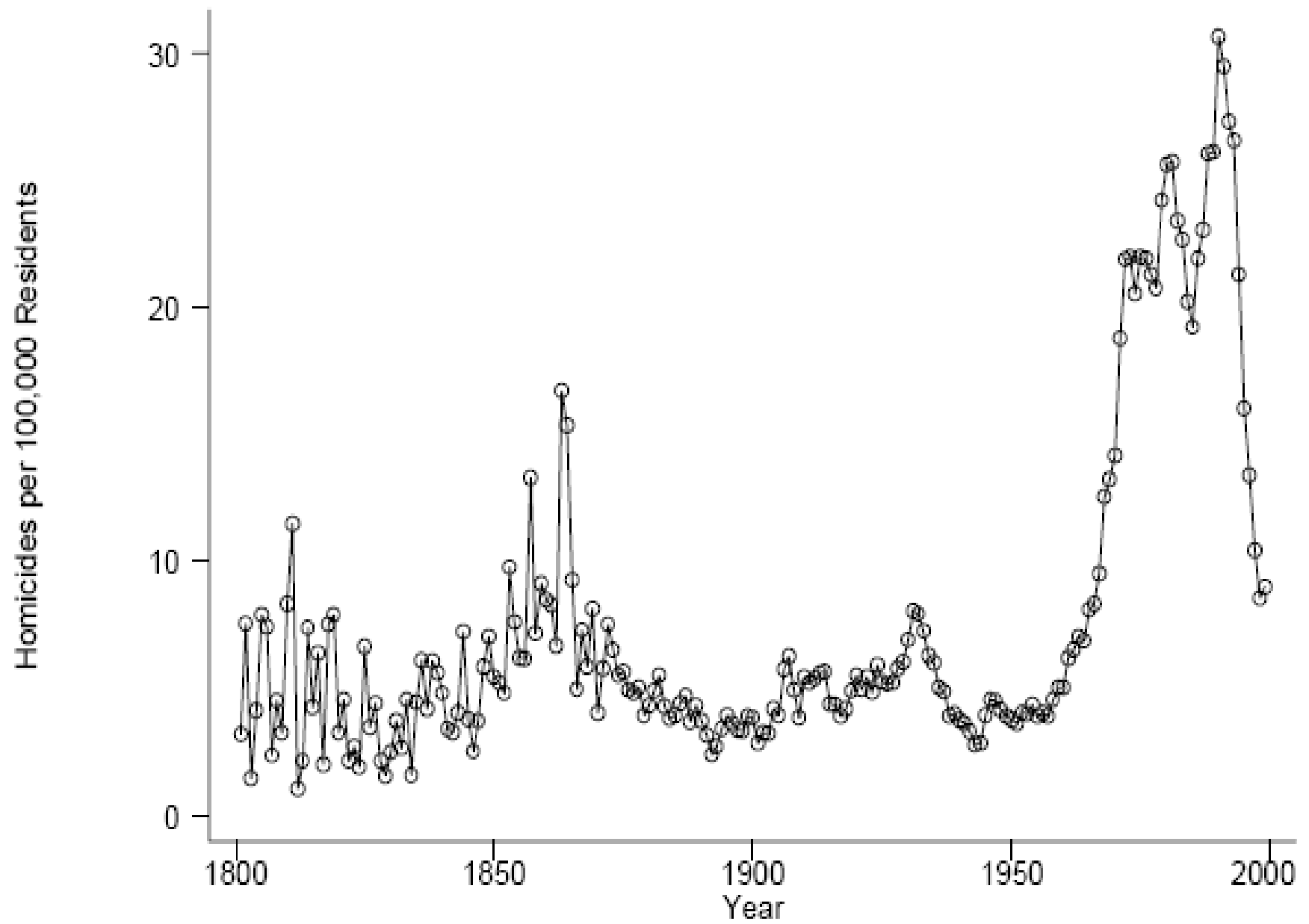


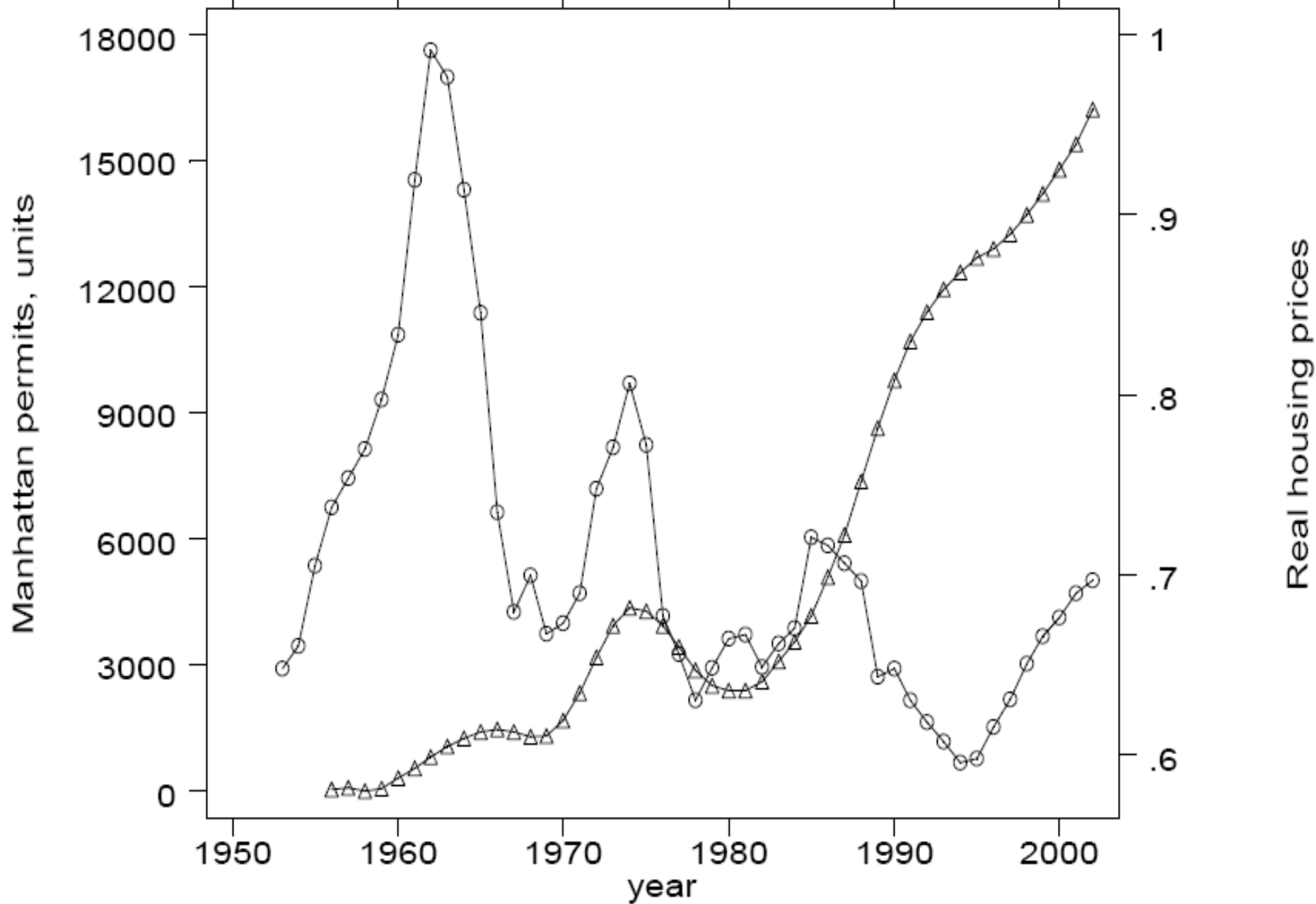
Figure 9: Homicides in New York City



Picture by Mr. Bullitt

(Four-year moving averages)

○ Manhattan permits, units △ Real housing prices

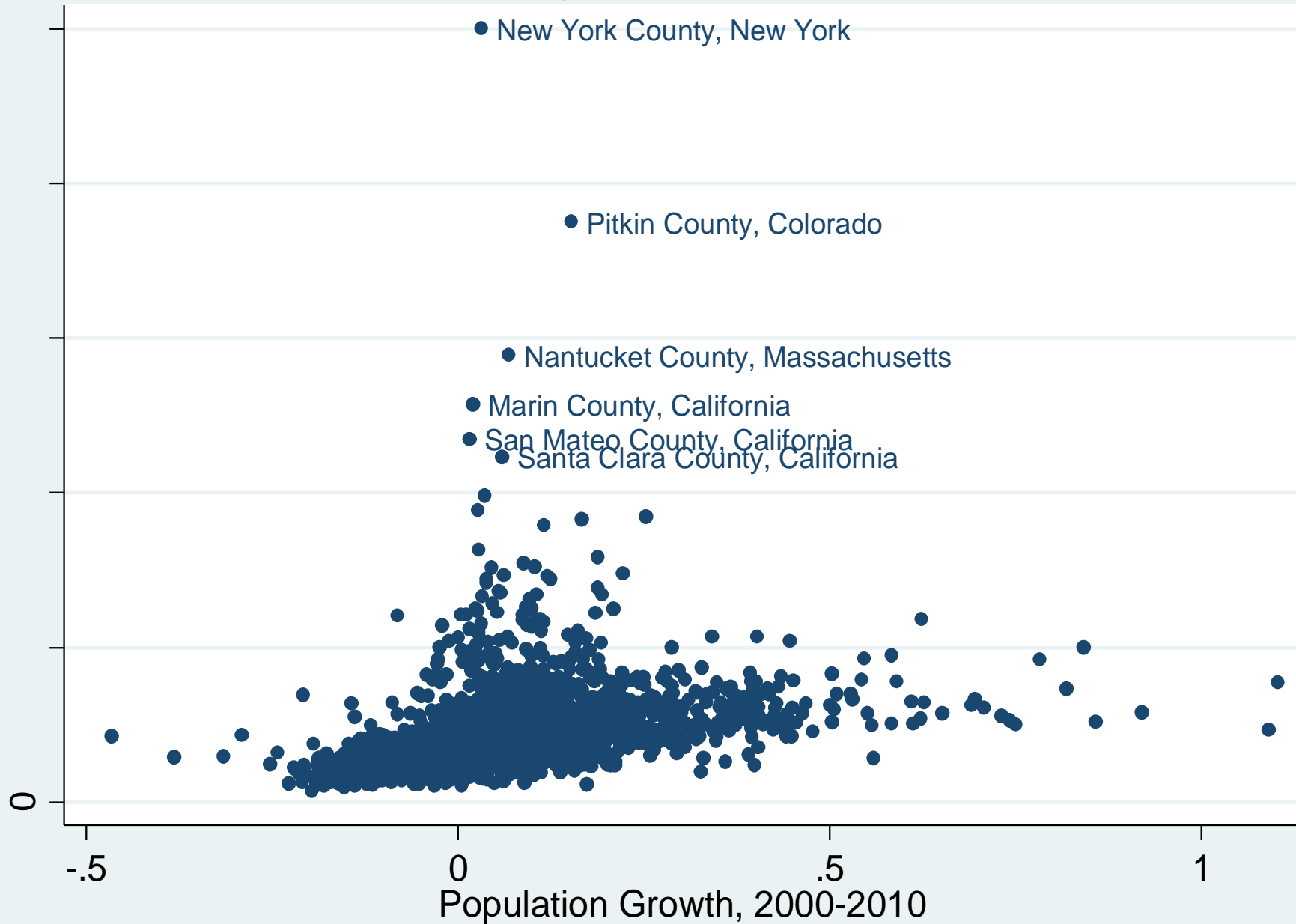


The great urbanist Jane Jacobs looks none too happy with the tall buildings surrounding her. She argued vigorously against such high-rises and in favor of a low-slung cityscape like that of New York's Greenwich Village. Her arguments have not all proven correct.

Bob Gomel/ Time & Life Pictures/Getty Images



Median Housing Value by Population Growth





Mumbai has recently begun building up, but the city is still short, expensive, and congested because of decades of overrestricting height. *Scott Eels / Bloomberg / Getty Images*

Gomez-Ibanez and Ruiz Nunez

Figure 2b: Class A Office Rents at PPP Exchange Rates and Metropolitan Population In 29 Asian Cities

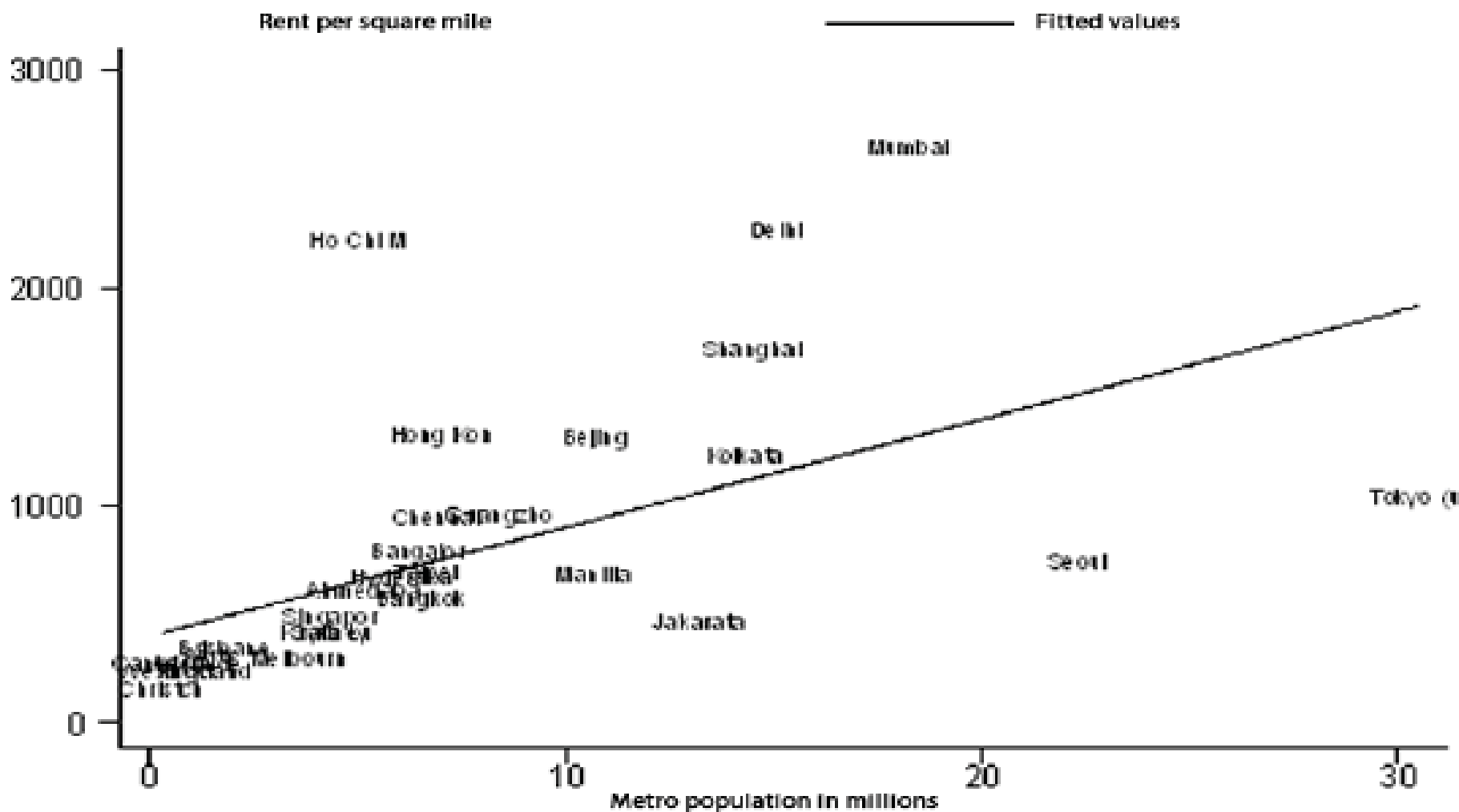




Image by QuarterCircleS

Figure 5:
Wharton Regulation Index and Total Emissions Costs

