

Urban Labor and Housing Markets

Syllabus
Winter Term 2024/25

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1. Introduction:
 - a. Urban labor and housing markets: Main questions and debates
 - b. Important concepts in housing and local labor economics
 - c. The global housing affordability crisis
2. Why housing policy?
 - a. Housing policy vs. labor market policy and redistributive policies
 - b. The value of having access to an urban labor market
 - c. Segregation and neighborhood effects
3. Housing policies
 - a. Demand-side housing policies
 - i. Housing benefits & housing vouchers
 - ii. Homeownership subsidies
 - iii. Tax treatment of rental and owner-occupied housing
 - b. Supply-side housing policies
 - i. Regulation of housing supply
 - ii. Affordable and public housing
 - c. Rent controls and regulation of rental contracts
4. Student presentations of selected papers

Main literature (bold: student presentation papers)

Autor, D.H., Palmer, C.J., and Pathak, P.A. (2014). Housing Market Spillovers: Evidence from the End of Rent Control in Cambridge, Massachusetts. *Journal of Political Economy* 122(3): 661-717.

Blouri, Y., Buechler, S., and Schoeni, O. (2021). The Geography of Housing Subsidies. MIT Center for Real Estate Research Paper No. 21/05.

Carozzi, F., Hilber, C., and Yu, X. (2020). On the Economic Impacts of Mortgage Credit Expansion Policies: Evidence from Help to Buy. Centre for Economic Performance Discussion Paper No. 1681.

Chetty, R., Hendren, N., Katz, L. (2016). The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment. *American Economic Review*, 106(4): 855–902.

Chetty, R., Hendren, N., Kline, P., and Saez, E. (2014). Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States. *The Quarterly Journal of Economics* 129(4): 1553–1623.

Collison, R. and Ganong, P. (2018). How Do Changes in Housing Voucher Design Affect Rent and Neighborhood Quality? *American Economic Journal: Economic Policy* 10(2): 62-89.

Dauth, W., Findeisen, S., Moretti, E., Suedekum, J. (2022). Matching in Cities. *Journal of the European Economic Association* 20(4), 1478-521.

De la Roca, J., Puga, D. (2017). Learning by Working in Big Cities. *The Review of Economic Studies* 84(1), 106–42.

Diamond, R. (2016). The Determinants and Welfare Implications of US Workers' Diverging Location Choices by Skill: 1980–2000. *American Economic Review* 106(3): 479–524.

Diamond, R., McQuade, T., and Qian, F. (2019). The Effects of Rent Control Expansion on Tenants, Landlords, and Inequality: Evidence from San Francisco. *American Economic Review* 109(9): 3365–94.

Eckert, F., Hejlesen, M., and Walsh, C. (2022). The return to big-city experience: Evidence from refugees in Denmark. *Journal of Urban Economics* 130: 103454.

- Eriksen, M. and Ross, A. (2015). Housing Vouchers and the Price of Rental Housing. *American Economic Journal: Economic Policy* 7(3): 154–76.
- Gibbons, S. and Manning, A. (2006). The incidence of UK housing benefit: Evidence from the 1990s reforms, *Journal of Public Economics* 90: 799-822.
- Glaeser, E., and Gyourko, J. (2005). Urban Decline and Durable Housing. *Journal of Political Economy*, 113(2), pp. 345-75.
- Glaeser, E., and Gyourko, J. (2018). The Economic Implications of Housing Supply. *Journal of Economic Perspectives*, 32(1): 3-30.
- Gyourko, J. and Molloy, R. (2015): Regulation and housing supply. In: *Handbook of Regional and Urban Economics* 5: 1289-337. Elsevier.
- Hilber, C.A., and Vermeulen, W. (2016). The Impact of Supply Constraints on House Prices in England. *Economic Journal* 126, pp. 358-405.
- Jacob, B., Ludwig, J. (2012). The Effects of Housing Assistance on Labor Supply: Evidence from a Voucher Lottery. *American Economic Review* 102(1), 272-304.**
- Mense, A., Michelsen, C., and Kholodilin, K.A. (2023). Rent Control, Market Segmentation, and Misallocation: Causal Evidence from a Large-Scale Policy Intervention. *Journal of Urban Economics* 134: 103513.
- Mense, A. (2024). The Impact of New Housing Supply on the Distribution of Rents. *Journal of Political Economy Macroeconomics*, forthcoming.
- Metcalf, G. (2018). Sand Castles Before the Tide? Affordable Housing in Expensive Cities, *Journal of Economic Perspectives* 32(1), 59-80.
- Pollakowski, H. O., Weinberg, D.H., Andersson, F., Haltiwanger, J.C., Palloni, G., Kutzbach, M.J. (2022). Childhood Housing and Adult Outcomes: A Between-Siblings Analysis of Housing Vouchers and Public Housing. *American Economic Journal: Economic Policy*, 14(3): 235-72.**
- Quigley, J. and Raphael, S. (2001). The Economics of Homelessness. The Evidence from North America. *European Journal of Housing Policy*, 1:3, 323-36.