

Contents

<i>Preface and Acknowledgments</i>	<i>page xi</i>
Introduction	1
PART 1. URBAN SEARCH-MATCHING	
1. Simple Models of Urban Search-Matching	10
1. Introduction	10
2. The Benchmark Model	11
3. Search Effort as a Function of Distance to Jobs	30
4. Endogenous Search Intensity and Housing Consumption	42
5. Discussion	58
6. Notes on the Literature	62
2. Extensions of Urban Search-Matching Models	65
1. Introduction	65
2. Workers' Heterogeneity in Training Costs	67
3. Endogenous Job Destruction	74
4. Positive Mobility Costs	88
5. Very High Mobility Costs	96
6. Wage Posting	104
7. Notes on the Literature	118
3. Non-Monocentric Cities and Search-Matching	121
1. Introduction	121
2. Rural-Urban Migration and Search	123
3. Job Matching and Search in Multicentric Cities	132
4. Job Matching and Assignment in a System of Cities	143
5. Notes on the Literature	163

	PART 2. URBAN EFFICIENCY WAGES	167
4.	Simple Models of Urban Efficiency Wages	171
	1. Introduction	171
	2. The Benchmark Model	172
	3. Endogenous Housing Consumption	183
	4. Open Cities and Resident Landlords	190
	5. City Structure	195
	6. Long-Run Equilibrium with Free Entry	203
	7. Endogenous Unemployment Benefit	206
	8. Notes on the Literature	210
5.	Extensions of Urban Efficiency Wage Models	212
	1. Introduction	212
	2. Effort as a Function of Distance to Jobs	213
	3. Effort and Leisure	221
	4. High Relocation Costs	229
	5. Effort, Leisure, and Relocation Costs	239
	6. Notes on the Literature	245
6.	Non-Monocentric Cities and Efficiency Wages	248
	1. Introduction	248
	2. Rural-Urban Migration: The Harris-Todaro Model with a Land Market	249
	3. Migration between Cities of Different Sizes	255
	4. Migration within Cities: Dual Labor Markets in a Duocentric City	264
	5. Endogenous Formation of Monocentric Cities with Unemployment	286
	6. Notes on the Literature	297
	PART 3. URBAN GHETTOS AND THE LABOR MARKET	301
7.	The Spatial Mismatch Hypothesis: A Search-Matching Approach	309
	1. Introduction	309
	2. Access to Job Information	310
	3. Different Entry Costs	319
	4. Different Transport Modes	330
	5. Notes on the Literature	346

8.	The Spatial Mismatch Hypothesis: An Efficiency-Wage Approach	347
1.	Introduction	347
2.	The Firms' Perspective	348
3.	The Workers' Perspective	354
4.	A More General Model	367
5.	Notes on the Literature	375
9.	Peer Effects, Social Networks, and Labor Market Outcomes in Cities	376
1.	Introduction	376
2.	Social Networks as Externalities	379
3.	Social Networks as Dyads	395
4.	Social Networks as Explicit Graphs	404
5.	Discussion	419
6.	Notes on the Literature	421
	General Conclusion	423
A.	Basic Urban Economics	427
1.	The Basic Model with Identical Agents	427
2.	The Basic Model with Heterogenous Agents	447
B.	Poisson Process and Derivation of Bellman Equations	453
1.	Poisson Process	453
2.	An Intuitive Way of Deriving the Bellman Equations	457
3.	A Formal Way of Deriving the Bellman Equations	459
C.	The Harris-Todaro Model	462
1.	A Simple Model with Exogenous Wages	462
2.	The Harris-Todaro Model with Minimum Wages	467
3.	The Harris-Todaro Model with Efficiency Wages	470
4.	The Harris-Todaro Model with Urban Search Externalities	476
	<i>Bibliography</i>	481
	<i>Author Index</i>	501
	<i>Subject Index</i>	506