



Contents

<i>Preface</i>	<i>ix</i>
<i>Workshop Participants</i>	<i>xvii</i>
<i>Chapter Summaries</i>	<i>xix</i>
<i>About the Editors and Contributors</i>	<i>xxiii</i>
<i>Acknowledgments</i>	<i>xxvii</i>
<i>Abbreviations</i>	<i>xxix</i>
1 Urbanization and Growth: Setting the Context	1
<i>Patricia Clarke Annez and Robert M. Buckley</i>	
2 Rethinking Economic Growth in a Globalizing World: An Economic Geography Lens	47
<i>Anthony J. Venables</i>	
3 Are Cities Engines of Growth and Prosperity for Developing Countries?	67
<i>Gilles Duranton</i>	
4 Urbanization, Agglomeration, and Economic Development	115
<i>John M. Quigley</i>	

5 Spatial Inequality and Economic Development: Theories, Facts, and Policies	133
<i>Sukkoo Kim</i>	
6 Housing Policy in Developing Countries: The Importance of the Informal Economy	167
<i>Richard Arnott</i>	
7 The U.S. Subprime Mortgage Crisis: Issues Raised and Lessons Learned	197
<i>Dwight M. Jaffee</i>	
Index	237
Boxes	
1.1 The Role of Finance in Cleaning Up Britain’s “Killer Cities” in the 19th Century	10
1.2 How Baron Haussman Financed the Modernization of Paris	29
Figures	
1.1 Urbanization and Per Capita GDP across Countries, 2000 (1996 dollars)	3
1.2 Urbanization and Per Capita GDP in the United States, 1880–2006	4
1.3 Urbanization and Per Capita GDP in China, 1960–2004	5
1.4 Rural Population in China and India, 1980–2006	5
1.5 Per Capita Income in China and India, 1980–2006	5
1.6 Urbanization and Per Capita GDP in Brazil, 1960–2003	6
1.7 Urbanization and Per Capita GDP in Kenya, 1960–2003	7
1.8 Urban and Rural Poverty Headcount in East Asia, 1993–2002	9
1.9 Per Capita GDP, Urban Share of Population, and Poverty Headcount in East Asia, 1993–2002	9
1.10 Urban and Rural Poverty Headcount in Sub-Saharan Africa, 1993–2002	9
1.11 Per Capita GDP, Urban Share of Population, and Poverty Headcount in Sub-Saharan Africa, 1993–2002	9
1.12 Growth Rates in Agriculture, Manufacturing, and Service Sectors in Selected High-Growth Economies	12
1.13 Income Advantages of Coastal Metropolitan Regions in China, 2000	17

A2.1 Urbanization and Per Capita GDP across Countries, 1960–2000 (1996 Dollars)	37
A3.1 Poverty Headcount in Latin America and the Caribbean, 1993–2002	39
A3.2 Poverty Headcount, Urban Share of Population, and Per Capita GDP Indexes for Latin America and the Caribbean, 1993–2002	39
A3.3 Poverty Headcount in South Asia, 1993–2002	39
A3.4 Poverty Headcount, Urban Share of Population, and Per Capita GDP Indexes for South Asia, 1993–2002	39
A3.5 Poverty Headcount in Europe and Central Asia, 1993–2002	40
A3.6 Poverty Headcount, Urban Share of Population, and Per Capita GDP Indexes for Europe and Central Asia, 1993–2002	40
A3.7 Poverty Headcount in the Middle East and North Africa, 1993–2002	40
A3.8 Poverty Headcount, Urban Share of Population, and Per Capita GDP Indexes for the Middle East and North Africa, 1993–2002	40
2.1 GDP Per Capita and Foreign Market Access	53
2.2 Changes in World Income Distribution	56
3.1 Baseline Case for Typical City	71
3.2 Welfare Analysis	76
3.3 Primate Cities Favoritism	87
3.4 Internal Market Access	89
3.5 Harris-Todaro Migrations	92
3.6 Dual Housing Sector	95
3.7 Learning in Cities	97
3.8 Growth in Cities	101
7.1 Ratio of Mortgage Debt Outstanding to GDP	203
7.2 Subprime Mortgage Originations, Annual Volume and Percent of Total	205
7.3 All Loans Past Due as Percentage of Category Total Outstanding	210
7.4 Foreclosures Started during Quarter as Percent of Category Total Outstanding	211
7.5 Loans in Foreclosure as Percent of Category Total Outstanding	212

7.6 Subprime Delinquency Rate 60+ Days, by Age and Year of Origination	213
7.7 The OFHEO House Price Index, Quarterly Changes at Annual Rates	214
7.8 Non-Mortgage, Asset-Backed Securities Outstanding	219
7.9 Securitization Rates for Mortgage Categories	220

Tables

1.1 Percentage of Annual Urban Population Growth Attributable to Internal Migration, by Region	21
A1.1 Government Views on the Spatial Distribution of the Population: 1976, 1986, 1996, and 2007	33
A1.2 Government Policies on Internal Migration into Urban Agglomerations: 1976, 1986, 1996, and 2007	35
6.1 GNP Per Capita and Informal Employment by City Development Index, 1998	168
6.2 Rates of Owner Occupancy, Unauthorized Housing, and Squatter Housing by Country Income Group, 1990	169
7.1 Subprime Loans Originated for Home Purchase	206
7.2 Home Sales, Total and Attributable to Subprime Loans	207
7.3A Owner Occupancy Rates	208
7.3B Computing Home Purchases	209
7.4 Subprime Borrower and Subprime Loan Observable Factors	213