

Transcript from the podcast
Upon Further Review:
Frontline Conversations with Dean Bobo

Episode 2 with Edward Glaeser and David Cutler

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[00:00:05.77] LARRY BOBO: Hello, everyone, and welcome to another episode of *Upon Further Review, Frontline Conversations with Dean Bobo*. I'm Larry Bobo, Dean of the Social Sciences in the Faculty of Arts and Sciences at Harvard University. My guests are Professor Edward Glaeser, who is the Fred and Eleanor Glimp Professor of Economics in our Department of Economics and David Cutler, who is the Otto Eckstein Professor of Applied Economics in our Department of Economics, and together they've written a fascinating new book entitled *Survival of the City: Living and Thriving in an Age of Isolation*. This is really an exciting piece of work.

[00:00:48.65] And I have to say, I learned a tremendous amount from it. But let me start out at the top and say this book reflects a joining of the career projects of a health economist on the one hand and an urban economist on the other, and it's clear that you both share a deep love of cities and what they provide for individual lifestyles as well as the broader collective well-being. So tell me about how and why you were drawn to this project at this time? And let me just say, as I read the book I got a feel of a real sense of urgency and concern for the future that prompted your work here.

[00:01:30.54] EDWARD GLAESER: Certainly. I mean. It was both the immediate impact of COVID-19 and, I think, pre-existing concerns that both of us had that cities, in some sense, felt like they were falling apart a little bit before 2020. Cities are defined, at least by economists, as the absence of physical space between people. They are density, proximity, closeness, and social distancing was, in a sense, the rapid fire deurbanization of the world.

[00:02:01.47] And on top of that, for at least 10 years, there's been this sense that while cities have proven remarkably successful economically, that success has not spread to everyone and has been accompanied with the pain of affordability problems, the crisis over gentrification, policing, which is often brutal and even sometimes almost senseless. So these things came together and created, I think for both of us, a sense of urgency.

[00:02:34.59] DAVID CUTLER: I'll just say, Larry, one of the things-- all of us are fortunate in that we have positions where we get to spend our time thinking and doing research and teaching and so on. And sometimes we do it to students in a class, and then sometimes we say I want to teach and I want to think. I'm going to share that with the public at large. And so we're just blessed to be able to do that, and maybe some of what we do here can spark some discussions, obviously at Harvard, but around the country, around the world. And if so, that would be a good thing.

[00:03:08.84] LARRY BOBO: Fantastic. Just fantastic. Let me draw out one further aspect of this now. I gather the two of you have collaborated on some work in the past, but what was exciting about this merging of health economics and urban economics? And if I may, were there some challenges in bringing you two together for this project?

[00:03:32.08] EDWARD GLAESER: Well, we've worked together for almost 30 years now. So we worked on segregation in the American city in the '90s, we worked on obesity in the 2000s, and we had been working on a paper which is now out on opioid overdoses, the rise of these opioids in the last five years. So this is an old collaboration and I think, at least for me, it was a particular blessing to reconnect with David during this time of social distancing and it's great to have an old friend who it's easy to work with. And obviously it's not-- we don't agree on everything, but I'll let David say the things that we don't agree on.

[00:04:10.90] DAVID CUTLER: So there is plenty, just in terms of general predisposition towards the world. I tend to be a little bit more activist, Ed tends to be a little bit more libertarian about it. As we were writing things we kept going back and forth about things like if big banks needed less space in an urban area, was that going to be bad, was there offsets that would be good, and so on. I never did convince Ed that he should be a fan of single payer health care.

[00:04:38.41] So there were lots of those discussions that went back and forth, but I would say I certainly learned an enormous amount and the way that-- just to come back to our job as academics, the way I often learn the most is by talking with people who do not study the same thing I do, who really come with very different perspectives and say, isn't it difficult that we don't have answers to this sort of question? And so it's really-- behind all the disagreements are just this fundamental sense of being forced to think through these issues and trying to explain why you think something happens the way it does or something could happen better if we did it differently.

[00:05:21.16] LARRY BOBO: Yes, that's terrific. I think, as I said at the outset, there was a feeling of urgency to the project and I know that feeling of urgency is, in many respects, tied to the core problem of the book in many ways, which is how we manage a response to the COVID-19 pandemic. But before I turn to some more detailed aspects of the book, why would that worry about the pandemic bring you two to a deep concern about the future and fate of cities, if I may?

[00:06:00.59] EDWARD GLAESER: Contagion has long been a companion of urban life. We get sick from being around other people a great deal of the time and so it's a very natural reaction to a pandemic to want to separate yourself from other people and even to want to head for the hills. Moreover, there was a lot of worry, and there still is, that this thing that we're doing right

now, connecting remotely over Zoom, will come to replace face to face contact and the cities that enable that contact. So I think there's sort of these two threats that are bubbling around both the disease directly and the associated risks with remote work.

[00:06:38.42] LARRY BOBO: David, did you want to add?

[00:06:40.22] DAVID CUTLER: Well, I was going to say the scare scenario is not that we'll all go back to rural living, because we're not going to go back to rural living. The scare scenario is that we're so afraid of pandemic disease that we set up enclaves. That rich people live in one area and it's gated and only certain people are allowed in and so on, and middle income people get a different area which is less well guarded and protected and so on.

[00:07:02.19] And then lower income people get what's left. And that would be a huge shame for society. You certainly see it in some lower income cities around the world where it's very extreme that way. And so I think part of the urgency is that we have to figure out how to let us all live together, because living apart is not going to be very good.

[00:07:23.54] LARRY BOBO: Yeah.

[00:07:24.71] EDWARD GLAESER: And a policy that relates to this that was being pushed in the middle of the pandemic by the mayor of Paris and many other people was this idea of 15 minute cities, which often have rolled up into it things that are attractive, pedestrian space, relaxing zoning that enables more stores, cafes to be interspersed with residential life. But if you think about it, carving up a metropolitan area into 15 minute cities is the last thing we should be doing.

[00:07:49.86] I mean, that's a world of elite, privileged neighborhoods and ones in which kids are going to grow up essentially cut off from the economic mainstay of the city. So another word for 15 minute cities is segregation, and it's something that we should really be, I think, very, very, very doubtful of.

[00:08:11.87] LARRY BOBO: Very wary about it. Absolutely. So let me turn now to the three big types of themes you two set out at the beginning of the book. And I'm going to kind of use my words here, in some respect, more than your own. And essentially you suggested first in order for cities to beat back the crisis of something like the COVID-19 pandemic, they really must be well governed, mindful, and effective in addressing the well-being of everyone, not just the few or the elite.

[00:08:42.26] That secondly, in order to survive, cities must be places where people can flourish, where there are real chances to innovate and experiment, to move ahead, indeed, to experience social mobility. And especially not encounter such steep regulatory constraint or hard edged state policing practices that end up driving wedges or cleavages into the population that create clear, protected insiders or winners on the one hand and extruded outsiders or losers on the other.

[00:09:22.04] And then thirdly, we have to adopt a kind of learning posture, an information and knowledge based approach that relies on science, but a science that is also honest about its own

limitations. So tell me a bit about how those three themes weave together your analysis of COVID-19 and the survival of the city.

[00:09:46.32] EDWARD GLAESER: So we were, I think, struck, above all, by the failure of our governments to be effective guardians of our health. We were struck by the fact that we spend so many trillions of dollars on health care and we ended up with this disaster. We were struck simultaneously by the fact that our governments seemed weak, in part because they weren't learning, because they weren't thinking about this as a knowledge problem the way that they were, for example, in New Zealand. That they didn't think that we had to test the asymptomatic, for example.

[00:10:25.02] And so we were making reopening decisions based on hope rather than based on some degree of knowledge. And finally, we were struck that our governments seem to be much more focused on the needs of an elite few rather than taking care of outsiders. In the early days of the pandemic, the biggest outsiders were the nursing home residents. They were the people who were the biggest victims. And if you think about the single most obvious error that our public sector made during the early months of the pandemic, it was not to protect the nursing homes.

[00:10:56.00] Many other things are debatable, but that one was just a catastrophic health event. And so that naturally leads you to, at least leads us, to thinking that we just need to have an open discussion about how our shared strength, how our public sector requires the kind of muscles that it needs to provide protection and opportunity for ordinary people.

[00:11:18.88] DAVID CUTLER: One of the themes that I guess really resonated with me-- I mean, they all do, but one that really resonated with me is the idea that for many problems we know some of the answer. You know? So how do you protect us in the case of pandemic? We kind of know the answer. And is it a good or a bad idea to lock up millions of young predominantly African-American men for nothing more than looking the wrong way or walking the wrong way or something? We kind of know-- we absolutely know the answer.

[00:11:47.47] But the competence to carry out what we need to do is often limited. And so a big theme to me is that we need government that obviously has vision, but that also has confidence to do the things that we need done. And this strikes me as a moment in history where actually doing what we know how to do is as important as coming up with new answers. That's not true about every social problem.

[00:12:10.99] For example, on climate change we really need to develop better batteries and better solar power, and those are scientific engineering type issues. But on things like how do you do contact tracing or how do you do testing of asymptomatic people so that you can observe the spread of disease, those are things we do know how to do and we just need to be able to do them right all the time.

[00:12:34.15] LARRY BOBO: I got it.

[00:12:35.05] EDWARD GLAESER: This is very reminiscent of a mantra I have about city government, which is that capacity is almost always more important than policy. Which just means that the ability to actually follow through, the ability to actually implement something, is often far more important than just having a clever idea.

[00:12:52.78] LARRY BOBO: Let me dig in on a point I think you made a little earlier, Ed. You write at one point, quote, "as long as people have lived in cities, they have battled infectious disease." And the book is truly replete, especially in the early chapters, with examples of pandemic spread and the rise and fall, or in some cases, resilience of cities.

[00:13:16.90] So what are the key historical cases that inform your thinking about how cities today should more effectively plan for and address a global pandemic like COVID-19? Because, of course, we are at the risk of more variants emerging and other new pandemic threats in the future. So to look back a bit, in what sense do major events in human experience like the Black Plague or the spread of cholera teach us about dealing with serious contemporary health threats like COVID-19?

[00:13:53.83] EDWARD GLAESER: Great. So the first point I think I take away from the history is that the impact of plague, like, I think all natural disasters, is mediated by the strength of civil society when the disaster hits. And I think for me at least, the plagues that make that point are the plagues of antiquity. So if I think about two fairly catastrophic plagues, the plague of Athens, which is our first well documented urban plague in 430 BCE-- really destabilizing for that city, which had been really a magical place for human creativity.

[00:14:28.70] Just a magical place for showing all that cities can do to hyperpower human imagination. And yet, because the plague strikes at a moment when they are at war with Sparta, it ends up being quite destabilizing. Athens does soldier on for another quarter century, but it never really attains its former glory and it sort of merges-- descends from being maybe the New York City of the Eastern Mediterranean to then being, I don't know, maybe the New Haven. Even worse--

[00:14:57.07] LARRY BOBO: I like that comparison.

[00:14:58.54] EDWARD GLAESER: Even worse would be the plague of Justinian, 541 CE, which strikes during this moment in which the Emperor Justinian is trying to reimpose the Pax Romana on the Mediterranean world. And just as he sends his Belisarius off to reconquer North Africa and reconquer Italy, Yersinia pestis, the Black Death, makes its first appearance on European shores and it is devastating. Pushes things over the edge.

[00:15:24.34] By contrast, the Antonin plague, which strikes in the second century during the era of the four good emperors-- you know, this is the time that Gibbon extolled as being the happiest time in human existence. Yeah, it's a human devastating event. It's a human catastrophe. But it doesn't rock society in the same way. And we have to ask ourselves, the disease that hit in 2021, where were we on this spectrum of resilience versus weakness?

[00:15:51.13] And I think at least for us, it felt as if we were far less resilient because we were far less united than we had been, let's say, 20 years ago when the terrorists hit the Twin Towers. In terms of urban responses, for me at least, and I think for David as well, it's cholera. Cholera is where you really see these cities come to the fore. And the early 19th century is this period of sort of proto-globalization where connections across continents are enabling diseases, typically to move from tropical areas to non-tropical areas. That's not necessarily the pattern throughout history.

[00:16:24.46] Of course, Europeans brought smallpox and measles to the New World, killing millions, and we may have had many other plagues that went to the tropics from Europe that just weren't documented. But both cholera and yellow fever emerge out of tropical areas. They come to the cities of the Eastern seaboard and you get this really hinge of history where pretty much prior to 1800, all the governments did was kill people in terms of their main activities. Right?

[00:16:51.79] You know, we remember Frederick the Great's delightful letters to Voltaire, but his main job was conquering Silesia from the Holy Roman Empire. That was his main-- from the Habsburg. His main job was conquest. But then all of a sudden in the 19th century, cities came together and often it's from the bottom up. It's people like Dr. Stephen Smith, who does this absolutely careful scrutiny of the hygienic problems in New York's poorer neighborhoods that builds the public case for really massive investments in public health.

[00:17:21.85] I mean, David's old work, which found huge positive effects of water infrastructure on mortality in the 20th century, the work of our colleagues Marcia Olsen and Claudia Goldin shows that sewers then complemented the clean water to create great added health. This was unbelievable, expensive undertakings, but unbelievably effective. And they, to us, show a model of what cities can do when they're struck with plague to actually come together, invest, and make sure that urbanization can continue without that threat of contagion.

[00:17:53.48] LARRY BOBO: So what made that capacity to come together and to make big investments? You point to civil society, but what are the qualities that needed to be in place to knit together a well-functioning civil order?

[00:18:12.14] EDWARD GLAESER: Most of the leaders were reasonably well-educated, so you had sort of an educated system that was starting to work. So Dr. Stephen Smith's a doctor. Stephen Allen worked his way up as a sail maker, so he's actually an entrepreneur. He's the mayor who then becomes the arch advocate of the aqueduct. Stephen Allen, among his most notable features is he was a member of a vast number of organizations that knit New York together.

[00:18:40.22] He led some of them, he joined many of them, and it really is sort of a Bob Putnam feel of like, just the tentacles, the ties are everywhere, and they enable him to build the support for this aqueduct. And I think there's also a sense that they were all in it together, that there was no sense in which they could retreat to an enclave and protect themselves, that a disease that starts anywhere can infect anyone in New York.

[00:19:04.94] And so they really did need to make investments for the whole of the city, and I think that was also absolutely crucial. Let's also remember, it took many years. I mean, it's not as if it happened easily. And just one of the things that I found ironic was that many of the early investments were actually based on a medical mistake, which was the miasma theory of illness. So whereas two big theories going around in the early 19th century contagion, which turned out to be medically right, miasma, which is the disease, comes out of the fetid airs, which turns out to be wrong.

[00:19:38.16] It was really the miasma theorists who were pushing to drain the swamp, who were pushing to build the aqueducts and build the sewers. And it turned out that they got the public health right even though they got the actual contagion wrong. But I think the larger thing that you even learned from that is you just had a group of people who were actually fighting over knowledge and were trying to figure out what was right. And eventually with Dr. Snow in London, they actually did figure out how cholera was spread.

[00:20:00.66] LARRY BOBO: Thank you. Let me shift gears a little bit now. Now Ed, you've spoken a lot about what we think of as, in some ways, the infrastructure of cities, both investments in physical facilities like water purification systems or sewage systems and so on, and the structure of government and the networks there that allow coordinated, effective action as being important to surviving or managing something like COVID-19.

[00:20:33.24] I want to shift gears away from those features of cities as big teeming dynamic physical geographic spaces and governing units to a far more micro individual level approach because part of what you two end up focusing on in the book, though I know this is going to be directed more at David here, is that individual bodies, resources, and vulnerability are also a critical ingredient of the story here, and the likely consequences of an illness like COVID-19. So literally you write that urban living can contribute to making our own bodies less safe.

[00:21:16.80] In one passage you write, "urban innovations include not only art and philosophy, but also the Oreo cookie and the open air drug market, and one might say the Big Mac and French fries too and supersized sodas." So we know that folks, leaping ahead here, who have a variety of pre-existing conditions such as a compromised immune system, diabetes, obesity, who are lifelong smokers, faced a much greater risk of severe illness and death in connection to COVID-19. So thinking about that nexus of concerns, how does your analysis then link individual health and health related behaviors to cities in the management of pandemics?

[00:22:10.14] DAVID CUTLER: Yeah, it's a fascinating issue. I think what it says is that we're only as safe as the least-- we're only as healthy as the least healthy among us in an era of pandemic disease. One of the interesting things about COVID-19, of course, is that it was originally spread by higher income people moving around the world in and out of Wuhan China. The strain on the East Coast likely came from Italy, from vacationers in Italy, and came back.

[00:22:35.19] The first big outbreak in the US was in Westchester County, a very well-to-do suburb just north of New York City. But then, of course, like everything else, it became concentrated. Deaths and illness became concentrated in lower income populations. If you look at New York City, which we spend some time looking at in the book, the more dense areas of

New York City, particularly in Manhattan that tend to be fairly wealthy, actually had relatively low rates of COVID deaths.

[00:23:02.22] And the reason is that people could stay at home. That's where people could Zoom to work. Zoom's not a full substitute for going to work, but it's certainly a remedial subsidy. People didn't have to ride the subway when they wanted to get out, they could go in cars and other transportation. And the areas of New York City that wound up being the least healthy are the areas in the Bronx and in upper Manhattan and Queens and so on where health has always been poor, where people live in crowded environments, where they're multigenerational housings, where people are taking public transportation, where there are high risks of preexisting illness like diabetes and obesity.

[00:23:45.51] Those matter for COVID-19. Other things like smoking will matter for other respiratory diseases. Unsafe sexual contact matters for the spread of HIV, sharing needles matters for the spread of HIV. So it's not just one risk factor, it's anything. And I think what this says is that when we think about cities and we think about the health of cities, just like a century ago, as you were talking about and Ed was mentioning, we had to think about cholera and water supply and if the water is not clean everywhere, then nowhere is safe.

[00:24:15.60] Here I think we have to think about the same thing, which is that if there's a part of New York City, of Brownsville in New York City, of Roxbury in the Boston area or Dorchester in Mattapan or Chelsea, if East LA-- if any part of the city is not safe, that puts everyone at risk. And so a lot of what we've thought of as private behavior, how much one eats, whether one smokes, whether one drinks, and so on, we're recognizing that that's more public behavior than we thought. And so we need to think about health related behaviors.

[00:24:47.43] Fortunately we know a fair amount about that. So one of the things that we know very, very strongly is that an immensely important correlate of healthy behavior is education. So people who have more years of education are much healthier. They smoke less, they drink less, they overeat less, they don't use drugs in excess, and so on. So education here is something that we think of as a little bit of a treatment, if you will. It's kind of like a pill in that sense in that it just seems to have all these benefits.

[00:25:18.31] And another thing we talk about is that we are going to have to be better at policing the things that companies can do. So as you mentioned, particularly with addictive goods, once people get started it's very hard to stop. So you can't let someone through false pretenses start an addiction and then come back and say, oh, well, sorry, I guess I made a mistake or now I've stopped doing that. That doesn't work when the good spreads from person-- when the item spreads from person to person or people find it difficult to quit.

[00:25:50.08] So we're going to have to have a more muscular regulatory system that says, you can't just, if you will, introduce a virus into a city or into a population. The virus in this case being a thing that you claim is good for you but is not actually good for you and you really knew wasn't that good for you. So I think on both the education side and on the regulation and monitoring side, we're going to have to be a lot better because private health just isn't as private as we had thought it was.

[00:26:22.06] LARRY BOBO: Now, there are a whole bunch of features embedded in what you've just outlined for us. So let me try one thing. This is a piece of the book where you don't so much go through the detail of it, but you report on work you've done analyzing social security record data to get a real grip on life expectancy as tied to your placement in particular geographic spaces.

[00:26:48.34] So talk to me a bit about what kind of analytical leverage and power having access to this level of extensive record data allowed and to some of the specifics of the results. I think most people off the top of their head might say, depending on your taste, of course, that the choice between living in Nevada and all the options in Las Vegas sounds far more exciting than those in Utah and what you might find in Provo. But you might tell folks something different, especially if they wanted a long life after the age of 40.

[00:27:28.15] DAVID CUTLER: Yes. The famous example from the economist Victor Fuchs is, of course, about Nevada and Utah, where the weather is similar and the medical care systems are similar, but of course, people live a lot longer in Utah than they do in Nevada. If you will, it's even worse than that. So if you take any big city-- I don't care where it is. I don't care if it's in the US or elsewhere, I don't care if it's a rich city, a New York or Boston, if it's an educated city, if it's a lower income city. I don't care where it is.

[00:27:56.47] Within that city, you will see huge disparities in health. So just to give you an example, in a typical city-- again, this is true of New York, it's true of St. Louis, it's true of Atlanta. Wherever it is. In New York City you can go, say, 10 miles from downtown Manhattan to parts of the Bronx. You can go 10 miles and lose 10 years of life expectancy just living in one versus the other.

[00:28:23.74] Just to give you a sense about what 10 years means, if a lifetime smoker lives about seven years less than a non-smoker and if you cured all cancer in the country, if you got rid of every single cancer death in the country, the average person would live three years longer. So the difference between Brownsville, New York and the Upper East Side is roughly three times every death from cancer.

[00:28:51.64] LARRY BOBO: My goodness.

[00:28:52.24] DAVID CUTLER: So these are just immense differences. Literally you're on the subway for 10 minutes or half an hour and you lose 10 years of life expectancy, and that's true everywhere. And it's true in London and it's true in Paris and it's true in Oslo and it's true in Mexico City and so on. And so that is just-- those are things that we can get from the detailed social security records and we know. Using those and other records, you can pinpoint what's going on. It's not violence.

[00:29:21.43] I mean, there's some increase in violence, but far more is heart disease. Why? Because obesity and diabetes and high blood pressure are untreated and so on and so forth. And so those are things that cities are going to have to-- every city is going to have to figure out how to deal with. If there's maybe any good news, it's that if we now recognize this, maybe we'll all

agree that, yes, we can devote more resources to that because not just on humanitarian grounds, but on personal interest grounds.

[00:29:48.88] Even if I'm Scrooge incarnate, I still have to care a lot about what goes on in lower income areas because there's no-- what we know is that people mix with everyone in a city, whether you do it directly here you do it second or third hand, everyone is interacting with everyone. And so I want to be safe, I have to think about those.

[00:30:08.46] LARRY BOBO: Yeah. That is just extraordinary. So I'm going to want to come back to this issue of regulation and monitoring, kind of what happens there, because there's clearly a tension, right? Because as you draw out in the book in several other ways, you want cities to be spaces in which entrepreneurialism is really facilitated and people are capable of trying lots of things to try to get ahead, to improve their lives, and sadly, I'm sure in some circumstances, that means marketing harmful things to people that, on the other hand, you're suggesting we ought to be pretty quick to nip in the bud, so to speak.

[00:30:55.98] DAVID CUTLER: Ed accuses me of being the closet socialist. I'm going to let him--

[00:31:01.92] EDWARD GLAESER: You know, it is true, actually. Probably the area in which we have the most divergence is it's not so much-- there are health regulations in which we're exactly at the same place. So for example, the 19th century regulations that required tenement owners to connect to the water system. No problem with that whatsoever. Strongly, strongly endorsed by both of us. It's more the stuff around food that tends to get me a little bit anxious.

[00:31:24.45] The libertarian part of me tends to get a little bit anxious. But I think we should be able, as a society, to be smart enough to recognize that there are things that we want to regulate and things that we don't want to regulate. And I think we both were a little tired of a long standing political narrative, which is it's all about big government versus small government. What we need is better government. What we need is actually serious analysis applied to regulations so that we don't actually impose rules that stymie entrepreneurship in the name of allegedly protecting people's health.

[00:31:57.03] I feel the same way about prison sentences. I mean, we went back to the 1980s and when you look at the things that motivated the three strikes and you're out crusade, these were awful murders. The sex offenders who perpetrated them shouldn't have been on the streets. But the idea that you're going to then draw from that, yes, there are some serial sex offenders who really are unsafe enough that you want to lock up to then say, oh, every three time pot dealer you want to lock up. That's just stupid, and it's the same point about regulation. We should be able to be smart enough to distinguish good from bad.

[00:32:31.29] LARRY BOBO: Absolutely.

[00:32:32.04] DAVID CUTLER: For those who are not watching but listening, I'm in wholehearted agreement.

[00:32:35.70] LARRY BOBO: Very good.

[00:32:36.42] [MUSIC PLAYING]

[00:32:48.89] Let me shift off of the more individual level, David, that we were focused on a moment ago and now think more at the level of health care systems, our investments in health care, and social policy that guides health care. So the book stresses that the design and investment in health care systems obviously plays a huge role in the likely course and impact of a health challenge like a pandemic.

[00:33:15.62] And indeed, there are some quite striking patterns here you cite to drive home this point where the US is clearly greatly disadvantaged relative to our other modern Western industrial peers. You write, quote, "over 350,000 Americans died from COVID-19 in 2020. Adjusted for the higher US population this death rate was more than double that of Germany or Canada, even though Germany spends one third less than the US on medical care and Canada spends half as much.

[00:33:50.96] The US death rate was literally 33 times higher than the rate in Japan and 50 times higher than the rate in South Korea. Singapore and Taiwan collectively lost fewer than 40 people to COVID-19 in 2020. The city of Lubbock, Texas with one one hundredth of the population of these two countries had 10 times more deaths." Explain this just profound disparity, and one that I really don't think has registered in much of the public discourse about COVID-19.

[00:34:28.52] DAVID CUTLER: They are shocking numbers and even writing them, you can tell from it that even just writing them, the shock that we were experiencing is coming through. I think there are a couple of issues there. One is that the US public health system really performed poorly. In part it was from the top level down, that is the president and the senior leaders of the administration were not doing everything-- were not doing many things right at all.

[00:35:01.97] But also the system itself was slow. It made mistakes. For example, the first tests for COVID were contaminated and it took some amount of time to figure that out, so we weren't doing testing. There was contradictory advice given about some things. It was not clear who was in charge, not clear whether the advice that was given was truly scientific advice or not. One of our big themes in this book as we were talking about is science needs to be done by people who are competent in doing the science, not politically, and so on.

[00:35:38.01] I also think-- so it's specific mistakes that happened. But I think in general, one of the things that comes across to me in looking at it is how grossly underfunded the public health system is. So just to think not just about the US for a second, the World Health Organization's entire budget, its entire budget, is smaller than the budget of Mass General Brigham hospital.

[00:36:04.17] LARRY BOBO: Goodness.

[00:36:04.80] DAVID CUTLER: So it's just the scale of it. And so what happens is literally the public health system hangs by a thread. You know? It's just a very small thing supporting it. And if anything goes wrong, then the whole thing falls apart. So it would be the equivalent as if we

had only one hospital that could treat a particular disease in a city. And then if the power went out, sorry you're just stuck. You don't get treated.

[00:36:28.98] Now you hope the power doesn't go out, but still, you got to prep for the power maybe going out. And so what we've observed about our public health systems is that they were not prepared-- not even for the power going out, they were not prepared for a warm day where people wanted to run their air conditioners a little bit more. So part of it is our failure as a society to think about public health that way, and we grew way too complacent because it had been so successful.

[00:36:55.50] We hadn't had any pandemic respiratory infections. HIV/AIDS was-- but we hadn't had a pandemic respiratory for quite a long time. I think the other part, though, is that if you say, why was it so underfunded? What basically happens in medical care in health care is that the medicine part eats up the public health part.

[00:37:16.36] So of the \$4 trillion roughly that we spend on medical care, 95% plus of it is treating individual disease when people get sick and maybe 2% is the public health system. And as the medical care part grows over time, we look for savings. Those savings come out of the public health system because that's the same branch of government and so on.

[00:37:39.45] LARRY BOBO: And so that's where you-- I took out this sentence at one point where you talked about the trouble we have now is that our vast ocean of health care spending needs to do more to deliver health rather than just paying for sickness.

[00:37:55.26] DAVID CUTLER: Absolutely. Absolutely. And one way to think about it is like the car is on autopilot, right? It does what it wants to do and then people pay for it and we never have anything that big. The government pays for half of medical care, so it's close to \$2 trillion and it has very little control over where that \$2 trillion is spent. And so of course you wind up with spending in some areas where you don't need it and not spending in other areas where you do need it and trying to do things at the margin.

[00:38:23.04] And as we talked in the book, it was perfectly designed to give that answer. So it's perfectly designed to do that, but it's just terrible because it now then means that in a pandemic we can't afford to do what we need to do, we're not prepared to do it. The medical system is all out of whack. So it's sort of a structural problem as well as specific failures in this pandemic.

[00:38:46.74] LARRY BOBO: Let me shift gears to two other domains of issues that we have touched on in small ways in earlier parts of our discussion here. One concerns the basic changing organization of work and the economy and its implications. So you provocatively titled one chapter of the book "Do Robots Spread Disease?"

[00:39:07.92] And at one level I'm tempted to ask, why is that the question? Really, what is it about the transformation of economies from agricultural labor systems to large scale, often urban industrial manufacturing platforms to now an increasingly service oriented economy that affects the risk, the manifestation and dynamics of a pandemic like COVID-19? And I guess, maybe Ed, this is more your bailiwick here.

[00:39:37.56] EDWARD GLAESER: So it both relates to the spreading of the disease and it relates to the economic impact of the disease. So if we think about the Black Plague experience in Europe in 1350, it's a demographic disaster. Perhaps a third, perhaps 40% of Europe dies, but it's not an economic disaster for those people who survived at all because in an economy marked by subsistence agriculture, wealth is determined by land per person.

[00:40:06.46] And when the number of people shrinks radically, [land per] person goes radically up, and consequently wages got bit up massively. And in some sense, there's at least a hypothesis that the rising wages of the late 14th century fueled the demand for luxury goods, which gave us the burst in urbanization in the 15th century, which gave us the Urban Renaissance. Flash forward to 1918, 1919 when we moved into an industrial economy-- and it's really the work of Chicago Federal Reserve Bank economist Francois Velde which provides our best fine grained picture of this-- it's a shock to the industrial economy when pandemic shows up.

[00:40:44.97] The influenza epidemic certainly shuts down coal mines, it shuts down factories, but they recover remarkably quickly, partially because no one stops demanding an icebox because of influenza. No one stopped demanding a Model T Ford. And when it was safe for the factories to start producing again, and even when it wasn't safe, they were making Model T Fords yet again. And so the economy recovered really, really quickly.

[00:41:11.37] Now, we saw the same resilience in demand for durable goods during the COVID-19 pandemic. In fact, we had a durable goods boom during various points in the pandemic. But what had changed over the last 100 years was that automation and outsourcing meant that those factory jobs had largely disappeared. And America, although it remains an industrial powerhouse, it does so far more often with machines than with human beings.

[00:41:37.54] Whereas for less skilled Americans, for less skilled people throughout the world, they have found the ability to serve a latte with a smile is an employment safe haven despite the disappearance of those factory jobs. And yet, those jobs, those urban service jobs, 32 million of them in the US before 2020, one fifth of the employed labor force. Those urban service sector jobs can disappear in a heartbeat when that smile turns into a source of peril rather than a source of pleasure, and that's exactly what we saw during the early months of the pandemic.

[00:42:08.08] The incredible shutdown of small businesses in the US, the incredible dislocation of our whole urban service economy, and that's not even over. We feel very much when you walk around many downtowns, the disruption continues. The biggest one is actually the business travel sector, which is still very, very much not back to normal and may well never recover back to normal. But really, the evolving nature of work has made us more vulnerable to disease. And of course, there's the other part, which is, in fact, our triumph over disease made it possible for us to change the way we work. Right? And that's been true as well.

[00:42:44.35] LARRY BOBO: Yeah. Let me go to the other big remaining category of analysis here and then try to get some big general observations out of this. At many points in the book, you talked about tensions between the status of insiders and outsiders-- winners, in effect, and losers. And in a way I want to put the question in this way. So how do the story of the community of Boyle Heights in Los Angeles and the murder of George Floyd in Minnesota play

into the dynamics of our collective capacity to respond to pandemics and maintain a flourishing city life?

[00:43:24.53] EDWARD GLAESER: Well, we saw it certainly after the Floyd protests, which were both understandable and they didn't seem exactly what should be happening in a healthy community that was focused on protecting themselves from pandemic. And by that I mean that it's not that I have any problem with the protesters who went out themselves, but rather there shouldn't have been the reason to protest to begin with. There shouldn't have been a wound like that ran through America's urban life and has run through it for far too long.

[00:43:53.36] Now, the background for that was the fight against crime in the 1980s, and that was a fight that was a very important one for cities. I mean, certainly I remember the New York City of my childhood. I went back and gave an address at my high school a couple of years ago and I was reminding them that murder rates were many times higher, and one of the signal events of my sophomore year in high school was the triple murder that occurred in the hotel right across the street from the high school where I went to school. Just a very different New York.

[00:44:21.46] But those urban successes have been done at a fearsome human cost. It's been done at the cost of imprisoning or incarcerating in different ways millions of young men and treating other millions of other young men with a great deal of brutality. In that sense, we have protected insiders. We protected people who were frightened of crime, but we've done so by imposing fearsome costs on outsiders.

[00:44:46.24] In the case of housing, which is really where I came to this, throughout most of American history, it's been pretty easy to build housing. Not because we were being necessarily charitable to outsiders, but because we didn't have a lot of rules and developers wanted to build. And because they wanted to make money, they provided space for people to make their way into cities. Over the past 50 years we have accreted all of these rules that make it harder and harder to add new housing supply. It starts earlier than that, quite honestly.

[00:45:17.17] I mean, it starts with Euclidean zoning in the 1920s, which has its roots even in the more pernicious racial zoning attempts of the teens which were struck down by the Supreme Court. But really, these barriers to building had become even more onerous, even more powerful over the past 70 years, and they really have the impact of freezing a city in amber. And in a sense, they're the backdrop behind the gentrification battles that, taken at a very micro-level, it seems as if the battle over Boyle Heights is one that pits long standing Hispanic residents of Boyle Heights with their rich cultural heritage, with their beautiful murals against yuppie gentrifiers.

[00:45:55.99] And that is the reality on the ground, but the larger villain isn't some young person who wants to move into Boyle Heights because he thinks it's a neat neighborhood. That's not an evil impulse. The problem is that LA as a whole has made it far too difficult to build. And of course, greater Boston has as well. And so people start looking in Boyle Heights not because they think it's cultural need, but they're looking for any space that's underpriced, and naturally that's going to cause an affordability problem there.

[00:46:24.25] And so gentrification and affordability are deeply linked. And the ultimate reason for it is the fact that we have put our cities in a regulatory straitjacket because we have protected insiders rather than outsiders. I'll just say one final thing on this around rules involving businesses as well as entrepreneurship-- businesses as well as building. If I'd say one final thing about businesses as well as buildings, that it is something of an outrage in this country that we make it so much easier for rich people to be entrepreneurs than we do for poor people to become entrepreneurs.

[00:46:55.86] And as you and I both know, you can start your internet phenomenon in your Harvard College dorm room and there won't be a lot of regulatory oversight over you for a lot of years. By contrast, if you want to go across the river and in Brighton you want to start some business that actually sells milk products, you need about 15 permits to get through. That seems infamous to me.

[00:47:16.05] And I was very involved in a mission to create a innovation district, probably around Roxbury-- this was joint with John Barros, the Boston city's Business Chief about six or seven years ago-- where the goal was very much to have something that would combine vocational training with one stop permitting for just ordinary businesses that wanted to get started. And so I think really we have to have an agenda, which is making our cities open for outsiders in the future.

[00:47:44.11] And that means rethinking our crime related policies, it means rethinking our business regulatory policies, and I think even most importantly, rethinking our education system so that we do more to provide usable skills for those kids who are born with less. Because at least for me one, of the most searing facts that comes out of our colleagues Nathan Hendren and Raj Chetty's work with the Opportunity Atlas is just how problematic cities look for children, particularly poor children, particularly poor children of color.

[00:48:10.96] And so just at the same moment that cities are doing amazing things for innovation for adults who come-- even less well-off adults who come to cities experience wage growth-- they really are failing our children, and they really can't be said to be triumphant in any way unless they actually are fulfilling their historic mission of turning poor kids into middle class adults.

[00:48:34.74] LARRY BOBO: So I guess I want to end on two questions then, and that really is in part, how do we get there? I mean, how do we reweave the civic-social fabric in culture to create that sense of a common destiny, if you will. That if there are clear pockets of our society that are weak and vulnerable, when an illness like COVID comes along we may think we're secure in our gated communities, but we really, in the long run, probably won't be, or certainly all of us won't be.

[00:49:11.64] If we have governments that are ineffective and detached that are co-opted by those who have the financial resources and connections to dictate the terms on which decision making occurs, how do we get to a better posture? And I guess, maybe a simpler entry point may be to ask, especially in the light of the level of polarization and inability to act we see at the national level, are there examples of governments taking action at the city or local level or the

state level where you see really hopeful signs that the management of these issues is coming together in a more sensible way without the great wedges, without the incredible divides between insiders, outsiders, winners, losers, marginalized, elite, that characterize so much of our social lives and capacity to deal with the major health care challenge?

[00:50:12.81] EDWARD GLAESER: One of the reasons I love city government is precisely this LaGuardia quote, which I love, which is that there's no Republican or Democratic way to clean up city streets. And historically, city governments have been just much less ideological than national governments. And I think we still see this around us. We're going to see this in one of our own. Michelle Wu has just become Mayor of Boston and she ran a pretty progressive campaign, which was exciting, and I think it got many people really, really into the idea of a City of Boston that could do more for the outsiders.

[00:50:54.21] But now she's going to face the reality of running the city. She campaigned in poetry, as Cuomo said, and now she's going to have to govern in prose. And I'm quite hopeful on that. I mean, she's smart, charismatic, and really, really has this huge potential to do something good for the city. I think we saw good things during COVID for many cities. I mean, New York's effort in terms of getting massive amounts of daycare out for many New Yorkers, getting food out for thousands and thousands of New Yorkers. It's really a Herculean effort and really unbelievably impressive.

[00:51:27.27] So I see a lot to like in cities. And I think in terms of what can we do, I mean, just in terms of efforts to engage a little bit more in terms of working to make their space better, working to make their space more open, working to make their space more of a place of learning and creativity and fun and joy.

[00:51:47.22] LARRY BOBO: David, did you want to add to that?

[00:51:49.87] DAVID CUTLER: Yeah. So just my thought here is that I suppose in my mind, the Big Bang is out and incremental progress is in and that step by step we have to go where we-- [AUDIO OUT] --and we have to say, OK, we think this is the right thing to do, so we're going to make a step in this direction. And if it turns out to be the right thing to do like, yes, we're having success with this, then let's take another step in that direction.

[00:52:15.98] And if it turns-- [AUDIO OUT] --let's just say, hey, what that turned out to be wrong. We got to go back and we got to go a different way. So I think about the health care things. We know things we need to do. We know we need to beef up public health systems. That's obvious, and so we need to do that. And we know we need to take unnecessary expense out of the health care system and take a lot of the administrative run around and all of that out, and that's going to be harder. But we have ideas, so we just got to try them. And if they work, feel good. And if they don't work, hey, that's OK. Sometimes things don't work out.

[00:52:46.36] And so that's, I think where I think, and there are examples. For example, many communities have done an extremely good job dealing with people who have drug addiction, potentially homeless because of opioid addiction, getting them into treatment. We've scaled up treatments enormously. That's probably another public health issue that we've done. The

epidemic still rages, but we have made more progress in some areas than we had feared we would.

[00:53:19.63] And that was, as Ed said, because people came together and said, let's take a step. Let's just do it and if it works, we're going to do more of it and if it doesn't work, we're going to do something different. And so that's kind of my mantra about all this. Don't ever be afraid to try and don't be afraid to say, I tried it and it didn't work and so now I've got to do something else.

[00:53:39.52] LARRY BOBO: Terrific. Well, let me thank you both for sitting down for this conversation and more importantly, for the book itself from which I learned an enormous amount. And I think all of our colleagues and scholars around the country will learn from, and indeed, I think policymakers and the folks who are wrestling on the front line with this issue have a lot that they will take away from this passionate, incredibly engagingly written, and in many respects, I feel, quite authoritative work.

[00:54:16.90] DAVID CUTLER: Thank you.

[00:54:17.29] LARRY BOBO: My congratulations to you both and thank you for joining this session of Upon Further Reflection.

[00:54:23.47] [MUSIC PLAYING]