



## **Rebecca Diamond Recipient of the 2022 Elaine Bennett Research Prize**

Rebecca Diamond, Professor Economics at the Stanford Graduate School of Business, is the recipient of the 2022 Elaine Bennett Research Prize. Established in 1998, the Elaine Bennett Research Prize recognizes and honors outstanding research in any field of economics. Professor Diamond will formally accept the Prize at the Business Meeting and Award Ceremony of the American Economic Association (AEA) Committee on the Status of Women in the Economics Profession (CSWEP), held during the 2023 AEA/ASSA Meeting on January 6, 2023 at 12:30 pm CST.

Professor Diamond is a leading scholar in the fields of urban and labor economics. Her work has greatly advanced our understanding of housing markets and labor markets, and connections between them, with important policy implications. Her work includes careful econometric analysis, often involving the creation of new innovative datasets, and is complemented by theoretical modeling.

Professor Diamond's influential paper "The Determinants and Welfare Implications of US Workers' Diverging Location Choices By Skill: 1980-2000," published in the *American Economic Review* in 2016, examines the divergence across American cities that has emerged since 1980. Since then, the increase in the college-high school wage gap has been accompanied by increased geographical sorting as college graduates have located in high wage, high rent cities. In the paper, she builds a structural spatial equilibrium model of labor demand, housing supply, labor supply and amenities to understand the causes and consequences of this sorting. She uses this framework to estimate levels of amenities in different metropolitan areas and the importance of various components of amenities. She shows that after accounting for amenities, the college-educated have much higher well-being relative to high-school educated, and that this gap in total well-being is greater than the gap in incomes. A key contribution of the paper is moving beyond the traditional urban frameworks, which typically assumed that individuals were homogeneous within skill groups. Instead, she develops a model around individual-specific place-specific tastes from the discrete choice literature, building a multi-skill type urban model that fits the data more compellingly than the previous frameworks. This approach has become the new standard for urban economists. This paper already has over 1,000 Google Scholar citations.

Professor Diamond has a series of papers focused on important housing policy issues that also provide deeper insights into the nature of spatial preferences. In "Who Wants Affordable Housing in Their Backyard? An Equilibrium Analysis of Low-Income Property Development," published in the *Journal of Political Economy* and coauthored Tim McQuade, she estimates the impact of Low-Income-Housing-Tax-Credit (LIHTC) units on local housing prices. Using a non-parametric approach to estimate the treatment effect on local prices, they show empirically that in some places LIHTC units are seen as an amenity that increases prices, while in other areas, these units depress

the prices of neighboring homes. Estimating spatial heterogeneity in the impact of spatial policies was a key contribution to the existing literature.

In another important paper, “The Effects of Rent Control Expansion on Tenants, Landlords and Inequality: Evidence from San Francisco” (joint with Tim McQuade and Franklin Qian and published in the *American Economic Review*), she estimates the impact of rent control expansion in San Francisco using quasi-experimental variation in the assignment of rent control resulting from a 1994 San Francisco law that imposed rent control on buildings with four or fewer units. Using novel data tracking individuals' migration, she finds that renters were more likely to stay in San Francisco if they were in one of the rent controlled buildings. But at the same time, landlords were more likely to convert rental units to condos, thus lowering the number of affordable rental units available. In the end, the regulation may have driven up rents overall by reducing the availability of affordable rental units.

Professor Diamond has several papers that exhibit her use of innovative datasets and modeling to examine important policy-relevant questions. In “Food Deserts and the Causes of Nutritional Inequality” (joint with Hunt Allcott, Jean-Pierre Dubé, Jessie Handbury, Ilya Rahkovsky, and Molly Schnell and published in the *Quarterly Journal of Economics*), she studies “food deserts,” geographic areas where low-income neighborhoods don't have access to supermarkets that offer nutritional food. She combines reduced-form analyses with a structural demand model to quantify the relative importance of local supply and demand factors in generating nutritional inequality. She draws on multiple datasets, including Nielsen data on the grocery purchases of 61,000 households and UPC-level sales data from 35,000 stores covering about 40 percent of all U.S. grocery purchases. They conclude that “food deserts” do not contribute meaningfully to nutritional inequality and find that evening all food supply differences over space would eliminate only 10 percent of existing nutritional differences.

Professor Diamond has also contributed to the labor economics literature on the sources of gender pay differentials. In “The Gender Earnings Gap in the Gig Economy: Evidence from Over a Million Rideshare Drivers,” published in the *Review of Economic Studies* (joint with Cody Cook, Jonathan Hall, John List, and Paul Oyer), she seeks to understand why earnings for women may be less than earnings for men when doing the same job, even in the “gig” economy, which some have suggested may offer more flexibility that would favor women. Using data from over a million rideshare drivers on Uber in the U.S., they estimate a 7% gender earnings gap. They show that this pay gap is not because customers are discriminating – customers accept female drivers as often as male drivers. Instead, the gap seems to be due to experience on the platform, preferences and constraints over where to work, and preferences for driving speed.

Professor Diamond received her PhD in Economics from Harvard University in 2013. Among her many honors are receiving an NSF Career Award and an Alfred Sloan Fellowship. She is currently an Associate Editor at *Econometrica* and *American Economic Journal: Applied Economics*. She was previously co-editor of the *Journal of Public Economics*. She is on the boards of the *Journal of Urban Economics* and of the Urban Economics Association. She is currently Director of the Stanford Cities, House, and Society Lab.

The Elaine Bennett Research Prize is given in memory of Elaine Bennett, who made significant contributions to economic theory and experimental economics during her short professional career, and who mentored many women economists at the start of their careers. The prize is given every other year to a woman economist not more than seven years beyond her PhD (with adjustments for family responsibilities and/or medical leaves). Previous winners of this prize are: Stefanie Stantcheva (Harvard), Melissa Dell (Harvard), Marina Halac (Yale), Emi Nakamura (UC Berkeley), Anna Mikusheva (MIT), Erica Field (Duke University), Amy Finkelstein (MIT), Monika Piazzesi (Stanford University), Marianne Bertrand (University of Chicago), Esther Duflo (MIT), Susan Athey (Stanford University), and Judith Chevalier (Yale University).