To Elected Officials and Community Leaders of Amazon HQ2 Finalist Cities:

We, the undersigned, represent a broad range of urbanists, urban economists, policymakers, and experts on cities. Some of us are more liberal and others are more conservative. Some of us take a stronger position against the use of incentives; others believe incentives can be used within some reasonable bounds and limits. All of us believe that business activity and private sector competition help to drive vibrant urban economies by providing jobs, spurring innovation, and generating demand.

But, we share a concern about the level of incentives and the looming competition between cities over incentives for Amazon’s new headquarters.
Tax giveaways and business location incentives offered by local governments are often wasteful and counterproductive, according to a broad body of research. Such incentives do not alter business location decisions as much as is often claimed, and are less important than more fundamental location factors. Worse, they divert funds that could be put to better use underwriting public services such as schools, housing programs, job training, and transportation, which are more effective ways to spur economic development.

While we are supportive of Amazon’s quest to build a new headquarters, we fear that the contest among jurisdictions—cities, metro regions, states, and provinces—for this facility threatens to spiral out of control. Already, at least four jurisdictions have proposed multi-billion-dollar incentive packages. This use of Amazon’s market power to extract incentives from local and state governments is rent-seeking and anticompetitive. It is in the public interest to resist such behavior and not play into or enable it.

We urge you the mayors, governors, and other elected officials, as well as economic developers and community leaders, of Amazon HQ2 finalist cities, to put an end to such an imprudent policy.

To do so, we call upon you to forge and sign a mutual non-aggression pact that rejects such egregious tax giveaways and direct monetary incentives for the Amazon headquarters.

States, cities, and metropolitan regions should compete on the underlying strength of their communities—not on public handouts to private business.

Sincerely,

• Richard Florida, University of Toronto
• Edward Glaeser, Harvard University
• Robert Putnam, Harvard University
• Bruce Katz, Brookings Institution
• Vernon Henderson, London School of Economics
• Enrico Moretti, University of California, Berkeley
• Jeff Sachs, Columbia University
• Jason Furman, Harvard Kennedy School, Former Chair of the President’s Council of Economic Advisers
• Robert Reich, University of California-Berkeley, Former U.S. Secretary of Labor
• Alan B. Krueger, Princeton University, Former Chair of the President’s Council of Economic Advisers
• Laura Tyson, University of California, Berkeley, Former Chair of the President’s Council of Economic Advisers
• Timothy Bartik, Upjohn Institute
• Kathryn Shaw, Stanford University
• Dani Rodrik, Harvard University
• Robert Sampson, Harvard University
• Ryan Enos, Harvard University
• Glenn Loury, Brown University
• Geoffrey West, Santa Fe Institute
• Michael Storper, UCLA and London School of Economics
• Saskia Sassen, Columbia University
• Joel Kotkin, Chapman University
• Stephanie Kelton, StonyBrook University, Former Chief Economist for Bernie Sanders
• Thea Lee, Economic Policy Institute
• Amy Glasmeier, MIT
• Erik Brynjolfsson MIT
• Scott Stern, MIT
• Zeynep Ton, MIT
• William Easterly, New York University
• Patrick Sharkey, New York University
• Mitchell Moss, New York University
• Mark Kleiman, New York University
• Ingrid Gould Ellen, New York University
• Jonathan Haidt, New York University
• Scott Galloway, New York University
• Emily Talen, University of Chicago
• Luc Anselin, University of Chicago
• Justin Wolfers, University of Michigan
• Myron Orfield Jr., University of Minnesota
• Dean Baker, Center for Economic Policy and Research
• Brink Lindsey, Niskanen Center
• Will Wilkinson, Niskanen Center
• Adam Grant, University of Pennsylvania
• Eugenie Birch, University of Pennsylvania
• Gilles Duranton, University of Pennsylvania
• Moshe Adler, Columbia University
• Allen Scott, UCLA
• Steven Durlauf, University of Chicago
• David Audretsch, Indiana University
• Zoltan Acs, George Mason University
• David Aloum, University of Illinois
• Chris Tilly, UCLA
• Roger Martin, University of Toronto
• Will Strange, University of Toronto
• Nate Baum-Snow, University of Toronto
• Joshua Gans, University of Toronto
• David Wolfe, University of Toronto
• Jennifer Keesmaat, University of Toronto, Former Chief Planner, City of Toronto
• Steven Teles, Johns Hopkins University and Niskanen Center
• Gregory D. Squires, George Washington University
• Andres Duany, University of Miami
• Elizabeth Plater-Zyberk, University of Miami
• Alan Berger, MIT
• Nathan Jensen, University of Texas at Austin
• Richard Green, USC
• Edward J. Malecki, The Ohio State University
• Ellen Dunham-Jones, Georgia Institute of Technology
• Chris Leinberger, George Washington University
• Arthur C. Nelson, University of Arizona
• Joan Fitzgerald, Northeastern University
• William Riggs, University of California, San Francisco
• Kenneth Thomas, University of Missouri-St. Louis
• John Gildebrock, University of Louisville
• Gerald Carlino, Federal Reserve Bank of Philadelphia
• Jose Lobo, Arizona State University
• Ben Hecht, Living Cities
• Jennifer Bradley, Aspen Institute
• Joe Cortright, City Observatory
• Lynn Richards, Congress for New Urbanism
• Patrice Frey, National Main Street Center
• Jeremy Nowak, Lindy Institute for Urban Innovation, Drexel University
• Jonathan Bowles, Center for an Urban Future
• Greg LeRoy, Good Jobs First
• Nicholas Johnson, Center on Budget and Policy Priorities
• Michael Mazerov, Center on Budget and Policy Priorities
• Alan Essig, Institute on Taxation and Economic Policy
• Stacy Mitchell, Institute for Local Self-Reliance
• Ian Hathaway, Brookings Institution
• Gabriel Metcalfe, SPUR
• Teresa Lynch, Mass Economics
• Charles Marohn, Strong Towns
• Lenny Mendonca, New America
• Ken Greenberg, Urbanist, Former Director of Architecture and Urban Design for the City of Toronto
• Brent Toderian, Council for Canadian Urbanism, Former Chief Planner, City of Vancouver
• Kirsten Wyatt, Engaging Local Government Leaders
• Aaron Renn, Urbanist
• Kaid Benfield, Urbanist
• Alan Pisarski, Transportation Specialist