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Coronavirus Pandemic Refugees and the Future of American Cities

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History informs us that some people, especially the wealthy, flee cities in response to pandemics and other major catastrophes.¹ Media accounts and preliminary empirical research suggest the response to the COVID-19 pandemic is no exception. Nearly half a million people reportedly fled hard-hit New York City within two months of the World Health Organization declaring the coronavirus disease a global pandemic.² Many of those leaving the state were residents of some of New York City's wealthiest neighborhoods,^{4,6} while others were renters who lost their jobs in the economic shutdown.³

Studies of earlier crises suggest this exodus from New York City may be temporary. In past pandemics and crises, refugees have typically returned, remaining attracted to the social and cultural dynamism cities like New York offer.⁷ This was certainly the case following the 9/11 terrorist attacks, when a strong sense of patriotism supplanted fears of subsequent attacks.⁸ However, the circumstances surrounding the COVID-19 pandemic raise questions about the future attractiveness of large cities as places to live and do business.

Mitigating Factors

It's important to note a major exodus of both people and jobs was underway prior to the pandemic. Corporations were relocating headquarters and transferring jobs from large cities to smaller, more affordable cities – often in the South.^{9,10} New York City residents followed — and, in some instances, led — the departure of businesses and jobs, at an average rate of 227 per day in 2018.^{9,11}

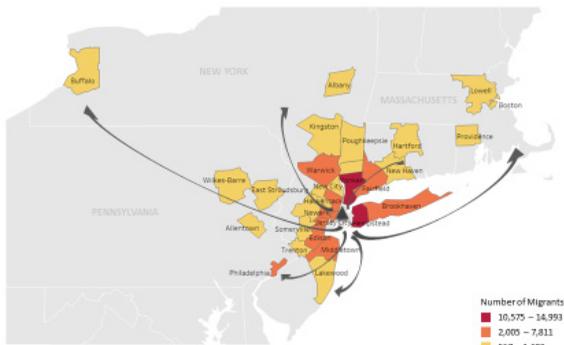
Many of those who left moved to nearby suburbs and other more affordable communities in the Northeast (Figure 1). Others made long-distance moves to small, medium and large cities and towns in other regions of the country (see Figure 2).^{9,12-13}

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POLICY & BUSINESS TAKEAWAYS

- Only time will tell if the pandemic-induced flight from New York City and other U.S. urban centers is temporary, or if the pandemic will accelerate an out-migration trend previously underway. However, our lives and mobility behaviors, as well as the way we sort ourselves out residentially, will likely be radically different in the future.
- The rebound of New York City and other large urban centers, including Miami, Los Angeles, San Francisco and San Diego, will hinge on our nation's willingness to reverse the current federal anti-immigration orientation. It will further depend on whether such a policy shift will renew aspiring immigrants' perceptions that the U.S. remains a great place to visit, live, work and launch business enterprises.
- Our individual response to the pandemic likely will be rooted in our stage in the life cycle, family composition, living arrangements, economic circumstance and ability to work remotely, as well as our residential zip code, which largely determines our personal and community experiences with the virus. Efforts to develop predictive models of post-pandemic migration behavior must take all of these factors into consider-

Figure 1: New York City, NY - Out Migration Fields in the Northeast, 2017-2018



Source: IRS Migration File

Figure 2: New York City, NY - Out Migration Fields in Other Regions, 2017-2018



Source: IRS Migration File

Prior to the pandemic, large U.S. cities – especially immigrant gateways – were already beginning to experience a slowdown in the influx of international migrants due to the Trump Administration’s anti-immigration rhetoric and policymaking.¹⁴⁻¹⁹ The situation worsened during the pandemic, with travelers from a host of countries banned, and restrictions imposed on just about everyone seeking entry into the U.S., including temporary workers (agricultural and high tech), family members of legal permanent residents, asylum seekers and international students.

The economic impact of these policies on the tax base of large U.S. cities could be devastating. It is conceivable that both international tourists and aspiring migrants offended by the Trump Administration’s scapegoating of immigrants in the pandemic might choose cities in other countries as places to visit, study and take up future residence.²⁰

It is difficult to predict future migration behavior given the evolving spatio-temporal pattern of coronavirus infections and deaths. Some New York City coronavirus refugees fled to destinations perceived to be safe havens from the pandemic that subsequently turned out to be hotspots for community spread of the virus.²¹ Given that the flashpoint of the pandemic shifted from the Northeast to the South — the nation’s most rapidly growing region for the past several decades²² — this raises serious questions about future regional population shifts. Will Florida, North Carolina, and other Southern magnet states remain highly desirable destinations for migrants?

Some urban experts forecast a major move away from dense urban living and a renewed preference for suburban and ex-urban living, where it is easier to practice social distancing. For example, Kotkin asserts that “...dense cities particularly have a lot going against them ... People will continue to move more into the periphery and into smaller cities, where basically you can get around without getting on (public) transit.”²³

Citing a Harris Poll, Menton reports, “... nearly a third of Americans are considering moving to less densely populated areas in the wake of the pandemic.” She goes on to note that “[p]eople want to stay away from public elevators and sharing of common laundry areas ... People are expressing concern about living in high rises with common amenities.”

And while only time will tell if these and other prognoses of a continued — and perhaps accelerated — urban exodus will fully materialize, the extent to which remote work will become the new norm in the aftermath of the COVID-19 pandemic also will likely influence future migration and residential settlement patterns. Several major corporations, including Twitter, Facebook and Spotify, have already decided to allow certain segments of their workforce to work remotely on a permanent basis.² Other corporations, as well as some government and nonprofit organizations, may do the same. Such decisions will have enormous implications for whether pandemic refugees will return to expensive urban markets or seek out less dense suburban, exurban and rural destinations in the South and other regions of the country.

A recent survey of 4,000 employees in major tech companies found that 69 percent of New Yorkers in the tech and finance fields would consider relocating if they knew they could work from home permanently. Eighteen percent would leave the metro area, 36 percent would move out of state and 15 per-

cent would leave the country.²⁵⁻²⁷ The shift to virtual work has led one group to forecast that 25-30 percent of the U.S. workforce will work from home multiple days a week by the end of 2021, up from 3.6 percent prior to the pandemic.²⁸

Reflecting on the implications, one writer said, “That means employees may not need to live in the city where their company is headquartered.” Another posed the question: Is this the end of the tech hub?²⁹ Does it also mean the demand for coworking spaces in cities will decline sharply or perhaps end?²⁹⁻³⁰

An increasing number of communities with slow-growing or declining populations are offering migration incentives to en-

courage remote workers and others to leave high-cost urban centers and relocate to their communities.³¹⁻³⁸ The incentives, which include relocation expenses, tax credits, forgivable mortgages, student loan repayment, cash and land, could potentially influence workers’ decisions of whether and where to move in future.

Finally, a critical question: Will the way states and cities respond to the Black Lives Matter protest movement influence future migration trends? The movement has extended to nearly every city in America, with violent confrontations in some instances, while at the same time the country is battling a pandemic. The impact of these twin crises on the human

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