

The Kemmy Business School empowers, enlightens and enriches through education, research and public engagement in order to sustainably transform the lives of individuals, communities and society.

Named after Jim Kemmy, former parliamentarian and Mayor of the City of Limerick, the School draws inspiration from his lifetime commitment to the common good, to widening education access, and to building a society characterised by fairness and dignity.

Today, as a triple accredited research led business school with a global mandate, we champion action-oriented interdisciplinary research which gives expression to our mission and values. We place a premium on tackling the challenges of our time and addressing key UN Sustainable Development Goals through conducting excellent research that has impact within and beyond academia.



Manhattan Transfer: Heterogeneous productivity effects of agglomeration in American authorship

Lukas Kuld, Sara Mitchell, Christiane Hellmanzik

Synopsis

The paper investigates the quantity and quality effects of industry concentration and agglomeration economies on the careers of 471 American authors from 1850 to 2000. We find a positive overall effect of living in New York City on the publication frequency, and then focus on the heterogeneity of the effect along three axes: decade, age, and length of residency in NYC. First, less experienced authors benefit more: 10-15 years after relocating and aged 20-40. Second, the effect correlates with the state of the publishing industry and author concentration. Third, works published in NYC achieve more critical acclaim and present-day popularity.

Introduction and Background

The paper investigates the existence and magnitude of agglomeration economies in 150 years of American literary production, observing both the rise and relative decline of New York City as a literary cluster. We show, first, how residence there offered significant productivity benefits to authors, most pronounced during the early stages of the industry's professionalisation path, and second, how authors responded to these benefits by relocating there.

Crucially, New York City developed as the centre of the American publishing industry in the mid-19th century while the literary

market was dominated by copyright-free reprints of British texts. Therefore, the concentration of book and magazine publishers there predates authorship as an economically viable activity in US. A new appetite for American literature from an ever-larger readership, falling costs due to new printing technologies, and copyright changes transformed the literary market from the end of the 19th century. It is only then that New York City became the dominant location choice of authors.

Documenting these industry dynamics, their effect on author location, and the heterogenous impact on literary publications adds to studies that show agglomeration benefits in the arts, as well as findings of long-term agglomeration effects and their dependence on market structure more generally.

Issues and Questions Considered

A major literary agglomeration such as New York City offers aspiring and established writers the proximity to other creatives and gatekeepers, including publishers and literary critics. The literature on creative clusters documents how this facilitates access to innovations and changing tastes, improving the chance of (critical) success. However, the major hurdle, even for mildly successful authors, was to be published at all.

Authors



Dr Lukas Kuld,
Kemmy Business School,
University of Limerick
Limerick
Ireland



Dr Sara Mitchell,
Research Economist
Department of Economics,
University of Southern Denmark,
Denmark



Prof Christiane Hellmanzik,
Department of Business and Economics
and Spatial Planning,
TU Dortmund,
Germany

Before the rise of intermediaries, the author-publisher relationship was effectively a two-sided matching market. For example, Upton Sinclair returned to New York City in April 1900 to approach four different publishers before using the city's printing and bookbinding infrastructure to self-publish. Publishing a book was a considerable financial risk, and the pooling of authorship-related industries significantly reduced the search costs of both sides. Helping to mitigate the financial risk for authors, New York City offered further advantages such as secondary employment opportunities, for example, writing for magazines.

The role of agglomeration economies in the arts has been documented before, including for composers and painters. However, the rapid transformation of the literary market in the United States between 1850 and 1950 offers the opportunity to empirically link these agglomeration economies to changing industry conditions, and the full-count US census allows a comprehensive picture of these changes using the location choice and socio-demographics of authors, artists, and related occupations.

Our setting also allows us to estimate the heterogeneity of the effect, for example by age and length of residency in New York City. Going beyond the quantity effect shown previously, we can demonstrate how books are received by the contemporaneous and modern-day readerships, as well as art critics. The improved matching with publishers and editors, and in particular the co-location with other writers, artists, and art critics should enhance the commercial and critical success of publications written in New York City, at least before the adoption of modern communication technologies and mass transport.

Methodology

The identification of agglomeration effects uses a difference-in-differences setting around an author's move to New York City. We compare an author's quantity and quality of publications after they relocate to New York City to before the move and to publications of their peers. We then differentiate the effect along three dimensions: decade, age, and length of residency in NYC.

This analysis is based on yearly data of publications and location choice of the 471 American authors listed in the Encyclopaedia Britannica and born between 1800 and 1949. The data were collected by a Trinity College Dublin research group led by John O'Hagan, and include information on a publication's commercial success (Publishers Weekly), success with literary critics (Kindler encyclopaedia of literary works), and lasting success with a modern readership (Goodreads).

The bibliographical data is supplemented with decennial US census data to illustrate the dynamics of the wider author publication and publishing industry in the United States since 1850.

Outcomes and Findings

Conditional on author, age, and time, we find that, on aggregate, an author has a five-percentage point higher probability of publishing during the periods of her life when she lives in New York City than when she lives elsewhere. This finding, a 15 to 20 percent increase relative to publication averages, aligns with the literature. However, we find significant heterogeneity in this quantity effect.

First, inexperienced authors benefit more. The effect on publication propensity is strongest in the first 10-15 years after relocating to New York City, and authors in their twenties and thirties benefit more than older authors. The immediate increase in publications after relocating to New York City suggests a significant role of factors lowering publication barriers, such as matching with publishers or learning about the publication process.

Second, the publication differential between New York City and other locations rises with the establishment of a large commercial publishing market in the city around 1900. For long-term New Yorkers, however, the effect then declines with the city's industry share and the advanced professionalisation of the industry. Therefore, the importance of being located in New York City diverges between potentially more and less connected authors.

Third, works published while an author lived in New York City were more likely to achieve critical acclaim at time of publication and are more likely to have lasting influence in terms of present-day popularity. Localised benefits for contemporaneous commercial success, however, are less clear. Thus, co-location with other writers might be more important for success within literary circles and peers than with the wider public.

Given the strong growth of the publishing industry all over the United States and widely decreased costs of publication after World War II, we attribute the decreasing publication quantity differential between New York and the rest of the country primarily to a catch-up by the periphery, the professionalisation of the publishing industry, and technological progress, rather than an absolute decline of literary circles and the publishing industry in New York City. This might have also allowed more productive and established authors to move away without a significant productivity cost, lowering the output differential between the city and the rest of the country.

The underlying paper was published in the *Regional Science and Urban Economics*, Volume 111, 2025, 104061, ISSN 0166-0462, and a full copy can be obtained at: <https://doi.org/10.1016/j.regsciurbeco.2024.104061>

Authors:

Kuld, L., Mitchell, S., Hellmanzik, C.

For further information and comments, please contact:

Prof Michael Morley

Assistant Dean, Research

Kemmy Business School

University of Limerick, Ireland

T: +353 61 212273

E: Michael.Morley@ul.ie

Forthcoming Research Bulletin

Title: Voice and the Tax Practitioner: The Rhetoric and the reality of Employee Voice Mechanisms in Big 4 Accounting Firms

Author:

Brendan McCarthy, Elaine Doyle,

Joan Ballantine and Michelle

O'Sullivan

About the KBS Research Bulletin

The purpose of the KBS Research Bulletin series is to make our research more readily accessible to a wide range of interested stakeholders, and so to allow our work to have a useful impact on the society in which we operate. We regard this as an important part of our stakeholder engagement. The dissemination of these bulletins aligns with both the UL focus on excellence and impact in research, and on the KBS strategic goals of cultivating excellence in research while contributing to our community of stakeholders in a responsible and sustainable manner.



UNIVERSITY OF
LIMERICK
OLLSCOIL LUIMNIGH

**Kemmy
Business
School**