

Kentaro Tomoeda's title+abstract:

title: "School Choice, Housing, and Inequality"

abstract:

We study how school choice mechanisms affect inequality in a model with an endogenous location choice. We show that neighborhood inequality increases from neighborhood (N) to deferred acceptance (DA) to top trading cycles (TTC) assignments. School inequality weakly increases from N to DA, but there is a wide range of parameters when there is no increase. School inequality is highest under TTC. The housing price (of a competitive neighborhood) -- a variable that affects residents with or without interest in schools -- weakly increases from N to DA to TTC, but, similar to inequality, is the same between N and DA for a wide range of parameters. We also show that the total student welfare is higher under DA than under N.