Inclusive Infrastructure: People versus Place *

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July 15, 2025

Preliminary version: please check with authors for most recent draft before circulating

Abstract

Roads, rail, and other public transport in a city are "place-based," in that they are built in specific neighborhoods. Do such investments benefit individuals living in targeted locations? If people are mobile within a city, then any such place-based investment can lead to neighborhood changes, such as rent increases, which change who can afford to live near these investments and hence who benefits from them. Using panel data tracked on locations and individuals, we provide a decomposition to separate the causal effects of transportation from the compositional effects of population resorting. We illustrate the method using data from the Bus Rapid Transit (BRT) system expansion in Dar es Salaam, Tanzania, where we find that such compositional effects can meaningfully alter assessments of the economic impacts of the new infrastructure.

Keywords: Transport, Urbanization, Gentrification, Tanzania, House Prices
JEL Classification:

*The findings, interpretations, and conclusions expressed in this paper are entirely those of the authors. They do not necessarily represent the views of the World Bank and its affiliated organizations, or those of the Executive Directors of the World Bank or the governments they represent. We thank Jessica Mahoney, Juliana Aguilar, Justus Mugango, Rachel Steinacher, and Rachel Jones at IPA Tanzania for coordinating our data collection efforts in Tanzania. We also thank EDI for assistance with initial fieldwork. We thank Yonas Mchomvu and Sveta Milusheva at the World Bank and Ronald Lwakatare at the Dar es Salaam Rapid Transit Agency for institutional support. We also thank Nancy Lozano Garcia for sharing the World Bank LSMS data for Dar es Salaam. The research has been funded with UK aid from the UK government through the DIME ieConnect for Impact program at the World Bank. Additional funding is gratefully acknowledged from IGC, 3ie, and Stanford. Devika Lakhote, Helen Gu, and Betsenat Gebrewold provided excellent research assistance. Any errors are our own.

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