ABSTRACT

**Jane Jacobs and the Knowledge Problem in Cities**

Sanford IKEDA

Any city that aspires to greatness will have something to offend everyone. That is a feature, not a bug. In the absence of perfect knowledge, people are attracted to a great city for the opportunities, imagined and unimaginable, that it offers them. But the absence of perfect knowledge means they have to experiment, and the accompanying trials and errors necessarily generate discord, confusion, and disappointment along with innovation, satisfaction, and success. Understanding how the institutions underlying successful cities – property rights, exchange, and the norms of trust and reciprocity – promote or hinder such a process is therefore essential for effective urban policy. The large-scale responses to these problems have historically misunderstood the nature and significance of cities and have ranged from Olmstead to Le Corbusier. The consequence of such “constructivist rationalist” approaches is to stifle the emergent creativity of a great city.