

**JPG2151H**  
**Urban and Regional Economic Development in Theory and Practice**  
**Fall 2018**

Time: 10 AM – 12 Noon, Mondays  
Class Location: Sidney Smith 5017A

**Instructor:**  
**Jason Spicer**

Office - Sidney Smith 5036  
Fall 2018 Office Hours: Monday 3 – 5 pm

**Course Description.** Some cities and regions have attained a seemingly high level of economic development. Other areas appear “left behind”, excluded from economic gains. How are we to make sense of this divergence? What tools can urban/regional planners, sub-national policymakers, and community advocates deploy in response? In this discussion-based graduate seminar, we will:

- (a) survey mainstream paradigms in urban and regional economic development, drawing on theories from multiple social sciences, including economics, political science, sociology, and geography.
- (b) examine the planning practices and public policies that reflect these various theories, grouped based on their focal logic: do they attempt to advance economic development by focusing on **people, places, or institutions/networks**? We will review these practices in action where possible, examining and discussing cases of planning and policy interventions, primarily in Canada, the US, and other high-income democratic countries. We will review **tax incentives, cluster/sector strategies, innovation districts, workforce development, creative class strategies, labour mobility vouchers, regional innovation ecosystems, and institutions/networks**.
- (c) consider heterodox alternatives, which construct a different model of economic development that centres equity and sustainability. These alternatives, too, are grouped by their logic, based on whether they deploy **an exactive, localist, or democratic** approach to economic development. Coverage will include **living wage campaigns, community benefit agreements, anchor institution strategies, local/social procurement, worker cooperatives, and municipal/community ownership**.

**Course Objectives.** This course has three main objectives, to provide students with:

1. **a broad and comprehensive overview** of the wide range of policy and planning tools and techniques deployed in economic development, particularly in the North American context.
2. **a sense of the different employment opportunities and career options** in economic development, broadly defined, via exposure to diverse case studies and guest speakers.
3. **a venue in which to further develop professional-level** oral and written communication and analytical skills, particularly through the final case study and associated paper/report.

**Grading Scheme.** Students will be marked based on a “contract grading” scheme, based on their completion of *\*full-credit\** assignments as specified in the schedule below. Students may not “mix and match” assignment types below to receive a desired grade. If a student completes all assignments for an A in most categories, but only completes the A-/B+ requirement in another category, they will receive an A-/B+ range grade.

To receive *\*full credit\** for any assignment, it must be *delivered on time and completed as per the instructions for each assignment type*, as follows. If a student is unsure whether their work will be marked as completed, they may submit an assignment 48+ hours early. The Instructor will review such early submissions and indicate if they require revision to receive full credit.

Course Grade	Weekly Reading Responses	Class Participation	Final Case Presentation and Report
A+/A	7+ Responses	9+ Classes	1 Group Case, 1 Full Individual Paper*
A-/B+	5-6 Responses	8 Classes	1 Group Case, 1 Short Individual Report
B/B-	3-4 Responses	8 Classes	1 Group Case
C/D	2 Responses	7 Classes	1 Group Case
F	<2	<7 Classes	None

\*Students may substitute two short individual reports in place of one full individual paper, see below.

### Course Requirements.

- 1. Weekly Reading Responses.** To receive full credit for a weekly reading response, students must submit a 400-750 word reading response on Quercus by Saturday at midnight (Toronto time) before class the following Monday. To receive full credit, responses must not merely summarize the required articles, but rather *synthesize and reflect* on the reading, analyzing how the assigned readings relate to professional concerns regarding economic development planning, policy and practice. (n.b. students who also attempt to incorporate some of the recommended readings into their responses are more likely to receive the higher grade of each range in the table above!)
- 2. Participation.** To receive full participation credit each week, students must be present for the entire scheduled class time. Students are also expected to complete the readings, and have read the posted reading responses, before class, and be prepared to discuss them in class. Students are also expected to complete in-class group exercises and engage with guest speakers.
- 3. Group Case Presentation.** Students will work in small groups (2-5 people) to present a 15-20-minute case study in the final class session. A primary goal of the case study is to provide students with a chance to hone and develop their professional oral presentation skills. Groups for the case study presentations must be set by the third week of class, with details on the presentation content expectations also provided by the Instructor at that time. To receive full credit for the group case presentation, students must: (a) complete all required elements of the presentation; (b) submit all required interim deliverables for the case as specified in the syllabus: determine team roster, finalize case selection, submit interim status/progress report, file dry run video report; and (c) receive a unanimous vote from their team-mates that they have fully participated in the case presentation. Suggested case topics are included as a supplement to the syllabus, and will be distributed in class and on Quercus by Week 2. We will also review what constitutes a “case study” in Week 2.
- 4. Individual Case Paper/Report.** Students may write either a short, professional memo-style report or a traditional, full-length academic-style paper, depending on the grade they are seeking to obtain. This paper must relate to some aspect of the case study they have presented. Students

are encouraged to use the paper as an opportunity to flesh out their thinking as pertains to other academic deliverables (e.g. current issues paper, dissertation proposal).

A full paper is 3,500 to 6,000 words in length, excluding references, appendixes/exhibits, and the cover page. The short memo/report is 1,500 to 2,500 words in length, excluding the introductory material/header, a one-page executive summary, and references. It should be formatted as a memo or professional report.

These are individual papers and are not group assignments. Students working on the same group case are expected to write their own paper or report, focusing on an aspect or theme in the case that is of interest to them. Students are strongly encouraged to meet with the Instructor in office hours to discuss their paper topic, **before Reading Week**. (n.b. If any student wishes to pursue the short professional memo option, but also wants to be considered for an A/A+ range mark, you may choose to write two memos. Students interested in this option should speak with the Instructor by Reading Week.)

**Lateness, Extensions and Accessibility Services:** No late assignments will be accepted, nor will any extensions be granted, except for documented medical/emergency situations, or for documented accessibility needs. If any student in the class anticipates that they might utilize Accessibility Services, please let the Instructor know as soon as possible so that reasonable accommodation can be made. Please consult <https://www.studentlife.utoronto.ca/as> for further information.

**Plagiarism.** Quoting or paraphrasing others' work without citation constitute plagiarism. This is an academic offense at the University of Toronto. Students should not submit academic work completed for other classes before consulting with the Instructor. Please see "Rules and Regulations", Arts and Science Calendar ([www.artsandscience.utoronto.ca/ofr/calendar/rules.htm](http://www.artsandscience.utoronto.ca/ofr/calendar/rules.htm)) and the 'How Not to Plagiarize' website (<http://www.writing.utoronto.ca/advice/using-sources/how-not-to-plagiarize>.)

### Course Schedule Outline

Week	Topic	Group Case Deliverables
9/10	Introduction/Overview	
9/17	Divergent Regions – Explanations	Find/Select Case Teammates
9/24	Trad'l Economic Development: Incentives, Exports	Finalize Case Team Roster
10/1	Places: Districts, Clusters/Sectors, Zones	Finalize Case Topic Idea
10/8	<i>Thanksgiving – No Class</i>	
10/15	People: Creative Class, Workforce Dev, Labour Mobility	Case Progress Report – 1 p.
10/22	Institutions: Networks and Innovation Systems	
10/29	Critical Approaches: Overview	
11/5	Reading Week – Lab Session, Group Case Meetings	
11/12	Exactive: Community Benefits, Living Wages	
11/19	Localist: Social/Local Procurement, Anchor Institutions	Submit Dry Run Schedule
11/26	Democratic: Solidarity Economy, Cooperatives, Municipal and Community Ownership	Dry Run Debrief – 1 p.
12/3	Wrap Up/Review/Group Case Presentations	Present Case to Class
12/10	Paper Due	

**Detailed Course Topics and Readings Schedule**  
(readings subject to change through second week of class)

**Part One: Core Theories, Concepts and Practices**

**9/10 Course Introduction**

**9/17 The Puzzle of Divergent Regional Economies – Theories and Explanations**

**Required:**

- Storper, M. et al., 2015. The Rise and Fall of Urban Economies. Stanford Press. Chs. 2, 9.
- Glaeser, E., 2011. Triumph of the City. Penguin. Chapters 1, 2, and 9.
- Moretti, E., 2012. The New Geography of Jobs. Houghton Mifflin Harcourt. Chapter 1.
- Acemoglu, D., Robinson, J., 2012. Why Nations Fail: The Origins of Power. Crown. Ch. 3.

**Recommended:**

- Iammarino, S., Rodriguez-Pose, A., Storper, M., 2017. [Why Regional Development Matters for Europe's Economic Future](#). Working Paper Series, E.U. Regional Policy Commission.

**9/24 Traditional Economic Development: Exports, Imports, and Base Theory; Incentives**

**Discussion Case: Amazon HQ2**

**Guest Speaker: Michael Henderson, Director, Pittsburgh Regional Alliance**

***\*Submit proposed case team rosters by start of class. Students lacking a team will be assigned one.\****

**Required:**

- Schaffer, W. 2010. Regional Impact Models. Web Book of Regional Science. Ch. 3 ([Regional Models of Income Determination: Simple Economic-Base Theory](#).)
- Currid-Halkett, E., Stolarick, K., 2011. The Great Divide: Economic Development Theory Versus Practice - A Survey of the Current Landscape. Economic Development Quarterly 25, 143–157.
- Peters, A., Fisher, P., 2004. The Failures of Economic Development Incentives. Journal of the American Planning Association 70, 27–37.
- Austin, I. 2018. [Why Toronto Made the Playoffs for Amazon's Headquarters](#). The New York Times.
- Raice, S., Stevens, L. 2018. ['Hi, It's Amazon Calling. Here's What We Don't Like in Your City.'](#) The Wall Street Journal.
- Conway, K. 2018. [Amazon HQ2: A Reset Button for Site Selection](#). CCIM/University of Alabama Center for Real Estate.

**Recommended:**

*Skim:* Jensen, N.M., Malesky, E.J., 2018. Incentives to Pander: How Politicians Use Corporate Welfare for Political Gain. Cambridge University Press. Chs. 1-5, 10.

Markusen, A.R., 2007. Reining in the Competition for Capital. W.E. Upjohn Institute for Employment Research, Kalamazoo, Mich. Chapter 1.

Dressler, A. 2013. [The Shifting Landscape of Business Incentives in Europe](#). Site Selection Magazine.

Dawkins, C.J., 2003. Regional Development Theory: Conceptual Foundations, Classic Works, and Recent Developments. *Journal of Planning Literature* 18, 131–172.

**10/1 Place-based Strategies: Industrial + Innovation Districts, Clusters, Opportunity Zones**

***\*Group final project case selections due by beginning of class\****

**Required:**

Leonard, T. 2009. "Redeemed by History: Review essay on Thomas K. McCraw, Prophet of Innovation: Joseph Schumpeter and Creative Destruction" *History of Economic Ideas* XVII (1): 189-195.

Michie, J., ed. 2001/2014. *Reader's Guide to the Social Sciences*, Routledge. "Clusters" by G. Swann, pp. 223-224; and "Industrial Districts", 793-794.

Delgado, M., Porter, M.E., Stern, S., 2014. Clusters, convergence, and economic performance. *Research Policy* 43, 1785–1799.

Tankersley, J., 2018. [Tucked Into the Tax Bill, a Plan to Help Distressed America](#). *The New York Times*.

Florida, R., 2016. [The Truth About Economic Mobility](#). CityLab.

Lemann, N., 1994. [The Myth of Community Development](#). *The New York Times*.

*Skim:* Brookings, 2017. [Innovation Districts](#)

**Recommended:**

Asheim, B.T., 1996. Industrial Districts As 'Learning Regions': A Condition For Prosperity. *European Planning Studies* 4, 379–400.

Porter, M. 1998. [Clusters and the New Economics of Competition](#), Harvard Business Review.

Baily, M.N., Montalbano, N., 2018. [Clusters and Innovation Districts: Lessons from the United States Experience](#). Brookings.

Markusen, A.R. Sticky Places in Slippery Space. *Economic Geography*. 72(3): p. 293-313

Gertler, M.S and Wolfe, D.A. 2006. "Spaces Of Knowledge Flows: Clusters In A Global Context," in B. Asheim, P. Cooke and R. Martin (eds) *Clusters in Regional Development*. London: Routledge, pp. 218-235.

**10/8 Thanksgiving – NO CLASS**

**10/15 People: The Creative Class, Workforce Development, Labour Mobility Vouchers**

*\*Group final case progress report due by start of class – one-page max\**

**Guest Speakers: Kelly Pasolli, Sr. Researcher; Kelly O'Connor, Researcher; Blueprint ADE  
Discuss Case/Presentation: Ontario's Workforce Development System**

**Required:**

**1. Creative Class? (Florida vs. Glaeser vs. 2018 Reality)**

Glaeser, E., 2005. Edward L. Glaeser, Review of Richard Florida's The Rise of the Creative Class. *Regional Science and Urban Economics* 35, 593–596.

Florida, R. 2004. [Response to Glaeser's Review](#).

CBC News, May 8, 2017. "[The Academic Who Coined "Creative Class" Now Says It's Causing More Problems Than He Thought.](#)"

Wetherell, S. 2017. "[Richard Florida is Sorry](#)", Jacobin.

**2. Human Capital and Workforce Development**

Schrock, G., 2013. Reworking Workforce Development: Chicago's Sectoral Workforce Centers. *Economic Development Quarterly* 27, 163–178.

Ontario Public Service Report, 2016. [Building the Workforce of Tomorrow](#). Read Executive Summary, *Skim* Remainder.

Employment and Social Development Canada, 2018. "[Governments of Canada and Ontario reach agreement to give more people the tools they need to find and keep good jobs](#)"

**3. Labour Mobility Vouchers**

Schulz, N. 2012. [Interview with Enrico Moretti](#). American Enterprise Institute.

Smith, N. 2018. [How Governments Can Move People to Jobs](#). Bloomberg News.

Caliendo, M., Künn, S., Mahlstedt, R., 2017. The Return To Labor Market Mobility: An Evaluation Of Relocation Assistance For The Unemployed. *Journal of Public Economics* 148, 136–151.

**10/22 Institutions: From Networks to Business/Innovation Ecosystems**

**Required:**

**1. Networks and Institutions**

Granovetter, M.S., 1973. The Strength of Weak Ties. *American Journal of Sociology* 78, 1360–1380.

The Economist, 2006. "[The Growth of Growth Theory: Review of 'Knowledge and the Wealth of Nations'](#)".

*Skim:* Hall, P. and D. Soskice. Varieties of Capitalism: The Institutional Foundations of Comparative Advantage. Oxford University Press. Chapter 1.

## 2. Business Ecosystems, Regional Innovation Systems, and Innovation Ecosystems

Moore, J.F., 1993. [Predators and Prey: A New Ecology of Competition](#). Harvard Business Review.

Cooke, P. 2008. "Regional Innovation Systems: Origin of the Species," International Journal of Technological Learning, Innovation and Development (1) 393-409.

Jackson, D. 2011. "[What is an Innovation Ecosystem?](#)" National Science Foundation, p. 1-12.

*Skim:* Gertler, M.S. and Wolfe, D.A. 2004. "Ontario's Regional Innovation System: The Evolution Of Knowledge-Based Institutional Assets", in Braczyk, H-J., Cooke, P. and Heidenreich, M. (eds) Regional Innovation Systems: The Role of Governance in a Globalized World. London: Routledge, pp. 91-124.

### Recommended:

Safford, S. 2009. Why the Garden Club Couldn't Save Youngstown. Harvard U. Press. Chapter 1.

Saxenian, A. 1994. Regional Advantage: Culture and Competition in Silicon Valley and Route 128. Harvard University Press. Introduction and Chapter 3.

### **Part Two: Critiques and Other Avenues**

#### **10/29 Is There No Alternative? Cities and Regions as Laboratories of Critical Experimentation**

**Guest Speaker: Catherine Cieply, City of Toronto - Economic Development and Culture, Discussion Case/Presentation: City of Toronto Economic Development Overview**

Savitch, H.V., Kantor, P. 2002. Cities In The International Marketplace: The Political Economy Of Urban Development In North America And Western Europe. Princeton U. Press. Chapters 1, 9.

Castells, M. et al., 2017. Another Economy Is Possible: Culture And Economy In A Time Of Crisis. John Wiley & Sons. Introduction (pp. 1-4) and Conclusion (pp. 205-214)

Marcuse, P., 2009. From Critical Urban Theory To The Right To The City. City 13, 185–197.

*Skim:* Liu, A., 2016. [Remaking Economic Development: The Markets And Civics Of Continuous Growth And Prosperity](#). Brookings.

*Skim:* Benner, C., Pastor, M. 2015. [Equity, Growth, and Community: What the Nation Can Learn From America's Metro Areas](#). University of California Press. Chs. 2 and 9.

### **11/5 READING WEEK – Lab Session: Group Case Meetings During Class**

Students will meet with their case group, either during class time or another pre-arranged 2-hour time period during the week, for a self-directed working session.

*\*Reminder: Students encouraged to meet with Instructor about their paper topic by this week!\**

### **11/12 Exactive Practices – Living Wage Campaigns and Community Benefit Agreements**

**Discussion Case: Community Benefit Agreements**

**Guest Speaker: TBA**

**Required:** Read at least two items from each subsection below.

**Recommended:** Read all items per subsection.

#### **1. From Living Wage Campaigns to Basic Income Experiments**

Hirsch, D., Valadez-Martinez, L., 2017. The Living Wage. Agenda Publishing. Ch. 2.

Martin, I., 2001. Dawn Of The Living Wage: The Diffusion Of A Redistributive Municipal Policy. Urban Affairs Review 36, 470–496.

Lester, T.W., 2012. Labor Standards and Local Economic Development: Do Living Wage Provisions Harm Economic Growth? Journal of Planning Education and Research 32, 331–348.

McGregor, J. 2014. [Ikea To Raise Workers' Pay To A 'Living Wage'](#). Washington Post.

Cooke, J. 2018. [Basic Income movement strong despite Ontario's actions](#). Toronto Star.

#### **2. Community Benefit Agreements**

Galley, A., 2015. [Community Benefits Agreements](#). The Mowat Centre (CA).

Keenan, E. 2015. "[Section 37 – What it is and Why Everybody's Fighting About It](#)", Toronto Star.

Marantz, N.J., 2015. What Do Community Benefits Agreements Deliver? Evidence From Los Angeles. Journal of the American Planning Association 81, 251–267.

DeBarbieri, E. 2017. "[Do Community Benefit Agreements Benefit Communities?](#)" Communities and Banking. Federal Reserve Bank of Boston. pp. 28-31.

LeRoy, G. 2018. [Will Amazon's HQ2 Auction be a Community Benefits Game-Changer, or a Monument to High-Tech Arrogance?](#) Site Selection Magazine.

### **11/19 Localism: Anchor Institutions and Local/Social Procurement**

*\*Case Dry Run Time and Place Submitted to Instructor\**

**Discussion Case: Bronx Cooperative Development Initiative/Bronx Xchange (New York)**

**Guest Speaker: Maggie Tishman, Program Director for Economic Innovation, Bronx Xchange**

**Required:**



Hess, D. 2009. Localist Movements in a Global Economy: Sustainability, Justice, and Urban Development in the United States. MIT Press. Chapter 1.

Porter, M. 2010. [Anchor Institutions and Urban Economic Development: From Community Benefit to Shared Value](#). Inner City Economic Forum Summit/Harvard Business School.

Dragigevic, N. 2015. [Anchor Institutions – The Prosperous Province: Strategies for Building Community Wealth](#). The Mowat Centre (CA).

What Works Centre for Local Economic Growth (UK), 2018. [“Local Procurement”](#).

[City of Toronto Social Procurement Program](#).

[Bronx Xchange – About Us](#).

**Recommended:**

DeFilippis, J., 2004. Unmaking Goliath: Community Control In The Face Of Global Capital. Routledge, Chapter 1.

Teitz, M.B., 1989. Neighborhood Economics: Local Communities and Regional Markets. Economic Development Quarterly 3, 111–122.

**11/26 Economic Democracy, Community Control, and Community Wealth**

**Guest Speaker: Rachel Meketon, Greater Dayton Union Coop Initiative (GDUCI - Ohio)**

**Discussion Case/Presentation: Worker Cooperatives in US Cities**

***\*Group Case Presentation - Dry Run Report one page max\****

**Required:**

Flanders, L., 2018. [In the Age of Disaster Capitalism, Is ‘Survival Socialism’ the Solution?](#) The Nation.

DeFilippis, J., 2004. Unmaking Goliath: Community Control In The Face Of Global Capital. Routledge, Chapter 2.

Dubb, S., 2016. Community Wealth Building Forms: What They Are and How to Use Them at the Local Level. The Academy of Management Perspectives 30, 141–152.

Camou, M. 2016. [Cities Developing Worker Coops: Efforts in Ten Cities](#). Imagined Economy Project.

*Skim:* Sengupta, U., 2015. Indigenous Cooperatives In Canada: The Complex Relationship Between Cooperatives, Community Economic Development, Colonization, And Culture. Journal of Entrepreneurial and Organizational Diversity 4 (1), 121-152.

**Recommended:**

Gordon Nembhard, J., 2014. Collective Courage: A History Of African American Cooperative Economic Thought And Practice. Penn State Press. Ch. 1.

Gibson-Graham, J.K., Cameron, J., Healy, S., 2013. Take Back The Economy: An Ethical Guide For Transforming Our Communities. University of Minnesota Press. Chapter 1.

Spicer, J. 2017 [The French Connection: Cooperatives at the Heart of the Social and Solidarity Economy](#). Community Innovators Lab Radio at MIT.

Schlachter, L.H., 2017. Stronger Together? The USW-Mondragon Union Co-op Model. Labor Studies Journal 42, 124–147.

Lingane, A., 2015. [Bay Area Blueprint: Worker Cooperatives as a Community Economic Development Strategy](#). Carolina Planning Journal 19–28.

Kelly, M. and Rattner, S. 2009. [Keeping Wealth Local: Shared Ownership and Wealth Control for Local Communities](#). Ford Foundation Wealth Creation in Rural America Project.

**12/3 Wrap Up: Course Review/Case Study Presentations**

**12/10 Final Paper Due**