

**PAUS 8321: Economic Development Policy and Planning**  
**Graduate Course**  
**Spring 2007**  
(CRN # 12487)

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Andrew Young School of Policy Studies  
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**Class meetings:** Classes will meet Wednesday afternoons from 4:30 p.m. to 7:00 p.m. in Room 415 of the General Classroom Building.

**Contacting the instructor:** My office is on the ground floor (G49B) of the Andrew Young School building at 14 Marietta Street. Tentatively, I will have office hours on Thursdays from 3:00 p.m. to 4:15 p.m. and by appointment. Final office hours will be established after class discussion. I am easily reached via email or phone. E-mail and other correspondence for the course should be handled through WebCTVista. Students should regularly check their WebCTVista email. When necessary I can also be reached at my home office (404-875-5911).

**Class webpage:** Make a practice of checking our class website on WebCTVista. Only students registered for our class can access the website.

The goal of this course is to give students further insight into the policy dynamics of Economic Development (ED) from a planning perspective. The practice of ED is wide ranging, going from the private sector to the public sector, local to global and from community development to economic forecasting. Geared more toward practitioners, this course focuses on those elements involved in forging ED policy including analysis of the issues within the field, understanding of the dominant theoretical bases, utilization of the primary methods and techniques used to formulate or test ED policies, and development of a strategy, particularly at the local level.

**Required readings:**

- Malizia, Emil and Edward Feser. (1999) Understanding Local Economic Development. Center for Urban Policy Research, Rutgers University.
- Blakely, Edward and Ted Bradshaw. (2002) Planning Local Economic Development: Theory and Practice, 3<sup>rd</sup> edition, Sage Publications.
- Fitzgerald, Joan and Nancey Leigh. (2002) Economic Revitalization: Cases and Strategies for City and Suburbs, Sage Publications.

Other required readings will be made available via WebCT. The primary weekly readings (required) will be assigned from these three texts supplemented by additional

articles (scan OK) from the Economic Development Quarterly (EDQ) and the Economic Development Journal (EDJ).

**Course objectives:**

- Examine the theoretical foundations of economic growth and development;
- Be familiar with major theories of how ED occurs at the state and sub-state levels;
- Examine the economic, political and social context in which development policy occurs;
- Understand the roles of institutions involved in the development process;
- Common rationales offered for promoting ED at the state and sub-state level;
- Understand the history of ED efforts (public and private) in the U.S. and critical analyses of the success of those efforts;
- Understand the range of strategies used to promote state and sub-state ED, and their likely consequences;
- Demonstrate the ability to assess and formulate an ED strategy for a local area;
- Understand the financing instruments and mechanisms used by state and local officials.

**Evaluating Student Progress:** The course format will incorporate a combination of lectures, discussions and presentations as well as short quizzes and required readings. I will determine students' grades in the course as follows:

1. In-class Presentation: Industry Study (15%)
2. Mid-term Examination (30%)
3. In-class Presentation: Local ED Strategy (15%)
4. Final Examination (30%)
5. Attendance, promptness and class participation (10%).

The recent changes by the Board of Regents regarding the plus/minus grading scale and quality points in GPA calculation will be used.

**In-Class Presentations:** Each student will be required to sign up for two in-class presentations, one in the first half of the semester and one in the second half of the semester. These presentations will be team efforts, with no more than four students per team. Presentations will typically require an in-depth presentation and analysis of the class readings. While presentations must draw on the class readings, students are encouraged to look for other sources of information to supplement their presentations. Presentations should be no more than 20 minutes in length and use Powerpoint slides. All members of the team must be involved in researching and presenting the materials. Further detail on each class presentation will be discussed in class and posted on WebCT. Some questions on the midterm and final exam will be drawn from these class presentations, so all students need to be prepared to ask questions and raise points about the topics being presented and discussed. Presentation memos are due at the beginning of

class (paper copy and upload to WebCT) on the due date of the presentation. Computer/disk/printer failure is not a valid excuse for late work.

**In-class Presentation: Industry Study (15%)**

A short professional presentation is required on analysis of an industry. Groups of students will give a Powerpoint presentation that should:

- Provide an explanation of the chosen industry and chosen areas;
- A brief background of the chosen jurisdiction (with pictures);
- A summary of industry trends.

Each student should independently write me a (5-10 single-spaced pages) memo that explains the results of the work presented by the group. At the end of the memo, briefly explain your unique contribution to the group's work. Comment also on the contributions of the other members of your group. Further instructions will be provided in class.

**Midterm Examination (30%):** The midterm will have several short answer questions drawn from the lecture and readings plus two-three essay questions.

**In-class Presentation: Local ED Strategy (15%)**

A short professional presentation is required on a potential local economic development strategy. Groups of students will give a Powerpoint presentation that should:

- Devise an ED strategy for a specific jurisdiction (municipality, county, or region);
- Describe what your ED strategy is designed to achieve/overcome;
- A brief background of the chosen jurisdiction (with pictures);
- Describe where your ED approach fits in the literature and real-world ED strategies.

Each student should independently write me a (5-10 single-spaced pages) memo that explains the results of the work presented by the group. At the end of the memo, briefly explain how your unique contribution to the group's work. Comment also on the contributions of the other members of your group. Further instructions will be provided in class.

**Final Examination (30%):** The final exam will look much like the midterm with short answer and essay questions. Essay questions will draw on the class presentations and will ask "integrative" questions that require students to assimilate materials learned throughout the course.

**Attendance and Active Class Participation (10%)**

Class attendance is an important aspect of the course. Most classes, roll will be taken. Students are responsible for reading the assigned material and attending class sessions. I expect that you will come to class prepared. Participation in class discussions is essential. Students are also expected to log on to the course web site at least once per week; daily works best. During class, students are not to use personal laptops or other computer resources.

For many students, the level and kind of participation makes the difference between a higher and lower final grade at the end of the semester. This is an intensive reading course. Class sessions will consist primarily of discussion of the assigned readings. In order for that to happen, all students must come to class having completed the readings, having thought about them, and ready to discuss the ideas presented in the readings. In order to earn a high grade for participation, students should:

- Attend every class;
- Arrive at class on time and stay for the entire class;
- Read all the assigned readings and come to class with questions about and thoughts on the readings;
- Consistently take an active part in class discussions.

**Penalty for Late Work:** Missed examinations or in-class presentations will be made up only if a medical emergency exists and is validated by a doctor's note on the doctor's stationery. If you have any question about when examinations are scheduled or work is due, ask or e-mail me.

## **PAUS 8321 Course Outline and Schedule**

### **Week 1 (Jan. 10): Course Introduction and Overview; Introduction to Key ED Concepts**

#### **Week 2 (Jan. 17): Understanding the ED Landscape I: Growth vs. Development**

Blakely and Bradshaw: Chapter 1: A New Argument

Malizia and Feser: Chapter 1: The Practice of ED; Chapter 2: Definitions and Concepts of ED (pp. 12-31); Chapter 11: Economic Growth versus ED

#### **Week 3 (Jan. 24): Understanding the ED Landscape II: Key Players and Constraints**

Blakely and Bradshaw: Chapter 12: Institutional Approaches for Local ED; Chapter 14: The Local ED Profession and Professionals

Fitzgerald and Leigh: Chapter 1: Redefining the Field of ED; Chapter 8: Strategies and Progress for Local ED

Bradshaw and Blakeley "What Are 'Third Wave' State ED Efforts?" EDQ

Levin "Six Revolutions in ED Marketing" EDJ

Cortright and Mayer "Increasingly Rank: The Use and Misuse of Rankings in ED" EDQ

#### **Week 4 (Jan. 31): Theoretical Foundations of ED**

Blakely and Bradshaw: Chapter 3: Concepts and Theories of Local ED

Malizia and Feser: Chapter 6: Regional Growth Theory (pp. 123-140); Chapter 8: Product-Cycle Theory (pp. 123-140)

Molotch, Harvey "The City As A Growth Machine: Toward A Political Economy of Place" AJS

Reese and Rosenfeld "Yes, But...: Questioning the Conventional Wisdom About ED" EDQ

Bowman "Uncertainty in Local ED (Reply to Reese and Rosenfeld)" EDQ

**Week 5 (Feb. 7): Local ED Strategies I**

Blakely and Bradshaw: Chapter 6: Selecting a Local ED Strategy

Fitzgerald and Leigh: Chapter 3: The Brownfield Redevelopment Challenge; Chapter 4: Industrial Retention; Chapter 5: Commercial Revitalization in Central Cities and Older Suburbs; Chapter 6: The Reuse of Office and Industrial Property in City and Suburb; Houston "Business Improvement Districts" EDJ

Mitchell "Business Improvement Districts and the "New" Revitalization of Downtown" EDQ

Loukaitou-Sideris "Revisiting Inner City Strips" EDQ

Buss "The Case Against Industry Targeting Strategies" EDQ

Wiewel "Policy Research in an Imperfect World (reply to Buss)" EDQ

Bee "Small Business and Gazelles" EDJ

Hurley "Incubator Building" EDJ

**Week 6 (Feb. 14): Local ED Strategies II**

Malizia and Feser: Chapter 9: Entrepreneurship Theories; Chapter 10: Theories of Flexible Production

Blakely and Bradshaw: Chapter 8: Business Development

Disque "Seat at the Table: ED Strategy" EDJ

Rowe, Haynes, and Stafford "The Contribution of Home-Based Business Income to Rural and Urban Economies" EDQ

Youtie "Fields of Dreams Revisited: ED and Telecommunications in LaGrange, Georgia" EDQ

IN-CLASS PRESENTATIONS: INDUSTRY STUDY

**Week 7 (Feb. 21): Sectoral and Industry Cluster Strategies for Local ED I**

Malizia and Feser: Chapter 4: Extensions of Economic Base Theory (Sectors)

Fitzgerald and Leigh: Chapter 2: Sectoral Strategies for Local ED

Porter "Location, Competition, and ED" EDQ

Sawicki and Moody "Déjà vu All Over Again (reply to Porter)" JBPE

Austrian "Cluster Case Studies" EDQ

**Week 8 (Feb. 28): MID-TERM EXAMINATION****Sectoral and Industry Cluster Strategies for Local ED II**

Feldman and Francis "Homegrown Solutions: Fostering Cluster Formation" EDQ

Schoales "Alpha Clusters: Creative Innovation in Local Economies" EDQ

Waits "The Added Value of Industry Cluster Approach to Economic Analysis, Strategy Development, and Service Delivery" EDQ

**Week 9 (Mar. 7): SPRING BREAK****Week 10 (Mar. 14): The Local ED Planning Process**

Blakely and Bradshaw: Chapter 4: The Local ED Planning Process

Blakely and Bradshaw: Chapter 11: Preparing a Detailed Project Plan

Russell "Douglas, Georgia" EDJ

Kysiak "Anatomy of a Project" EDJ

**Week 11 (Mar. 21): Developing an ED Profile**

McLean and Voytek: Chapter 2: Structuring the Analysis; Chapter 3: Assessing Economic Performance and Condition; Chapter 4: Analyzing the Structure and Dynamics of a Local Economy; Chapter 6: Profiling Human Resources and Chapter 7: Evaluating Non-labor Resources

McGrath and Vickroy “A Research Approach for Tracking Local Economic Conditions in Small Town America” EDQ

Held “Distribution Center Site Selection” EDJ

Aistrup, Zollinger, and Walker “Defining the Available Labor Pool” EDQ

Colgan and Andrews “Workforce Profiles for ED” EDQ

**Week 12 (Mar. 28): Analytical Techniques for ED**

Malizia and Feser: Chapter 3: Economic Base Theory

Blakely and Bradshaw: Chapter 5: Analytical Techniques for Planning Local Development

Klosterman: Chapter 9: Economic Analysis Techniques; Chapter 10: Assumption and Location Quotient Approaches

Hill and Brennan “A Methodology for Identifying the Drivers of Industrial Clusters” EDQ

Mayer “A Cluster Monitor” EDJ

Koo “How to Analyze the Regional Economy with Occupation Data” EDQ

**Week 13 (Apr. 4): The New Economy**

Blakely and Bradshaw: Chapter 13: The High-Technology ED Strategy

Buss “Emerging High-Growth Firms and ED Policy” EDQ

Holzheimer “Creative Class at the Local Level” EDJ

Mayer “Fostering Emerging Technologies” EDJ

Hicks “The Walmart Effect” EDJ

Ward “Manufacturing Jobs” EDJ

Adams “Mexico vs. China” EDJ

Conley “Technology-Based ED” EDJ

**Week 14 (Apr. 11): Financing ED I**

Bingham, Hill and White: Chapter 1: An Overview of ED Finance; Chapter 3: Tax Incentives, Public Loans and Subsidies; and Chapter 6: Tax Increment Financing

Peters, Alan “The Failure of ED Incentives” JAPA

Buss “Effect of Local Tax Incentives on Economic Growth and Firm Location Decisions” EDQ

Ihlandfeldt and Sjoquist “Conducting an Analysis of Georgia’s ED Tax Incentive Program” EDQ

Hamilton “Hyundai Incentives” EDJ

Downing “Incentives for ED” and “Illinois Incentives” EDJ

**Week 15 (Apr. 18): Financing ED II**

Bingham, Hill and White: Chapter 10: Community Development Organizations as a Tool for ED Finance; Chapter 11: Revolving Funds for ED and Chapter 15: The Use of Bank Financing for ED

Spelman “Growth, Stability, and the Urban Portfolio” EDQ

IN-CLASS PRESENTATIONS: A LOCAL ED STRATEGY

**Week 16 (Apr. 25): Community-Based ED**

Blakely and Bradshaw: Chapter 7: Locality Development; Chapter 10: Community-Based Economic and Employment Development

Rhymer NYT Newsmagazine “Integration’s Casualties”

Bates, Timothy “The Urban Development Potential of Black-Owned Businesses” JAPA

Boothroyd, Peter and H. Craig Davis, “Community ED”

Nunn, Samuel “Planning for Inner-City Retail Development” JAPA

Miara “Back Streets” EDJ

Yarzebinski “Reconnecting Leadership within Development ” EDJ

Bates, “Financing the Development of Urban Minority Communities” EDQ

Shaffer, Deller, And Marcouiller “Rethinking Community ED” EDQ

**Week 17: FINAL EXAMINATION**

Note: This course syllabus provides a general plan for the course; deviations may be necessary.

**Policy on Joint Work and Citing Sources**

Any student who is expected to do individual work and utilizes the work of others without explicit acknowledgment is guilty of plagiarism or unauthorized collaboration. The following, from the Georgia State ‘Policy on Academic Honesty’ defines plagiarism:

“Plagiarism is presenting another person's work as one’s own. Furthermore, plagiarism includes any paraphrasing or summarizing of the works of another person without acknowledgment, including the submitting of another student's work as one's own....Failure to indicate the extent and nature of one’s reliance on other sources is also a form of plagiarism....”

The policy also defines unauthorized collaboration:

“Submission for academic credit of a work product, or a part thereof, represented as being one's own effort, which has been developed in substantial collaboration with or with assistance from another person or source, is a violation of academic honesty. It is also a violation of academic honesty knowingly to provide such assistance. Collaborative work specifically authorized by an instructor is allowed.”

**The following rules guide this class:**

1. Students may not plagiarize, or utilize materials prepared for other courses, or for this course in previous years.
2. Except for the in-class presentations, all students must complete graded work independently.
3. Always cite your sources, whether they are published or not. For example, unless the source is cited, it is plagiarism to use maps, tables, figures or text from an agency planning report, a brochure, a webpage, or a consultant's report. The primary purpose of a citation is to allow a reader to find the references you used, so that they too can consult them if they wish. Use this principle to help you prepare a reference list of adequate citations for all research papers and projects. The required texts are cited in this syllabus using the style you should use in work for our department. Additional detail on citation style can be found by searching the web using the keyword "Turabian," or by referring to the following book:

Turabian, Kate L. 1996. *A Manual for Writers of Term Papers, Theses and Dissertations*. 6th ed. Chicago: University of Chicago Press.

4. For this class, if you use material from the internet, be sure you give the name of the site or its sponsoring organization, the complete webpage URL, the title of any document, dataset, map, or other resource you used from the site, and the date you accessed the site. For example:

Texas Transportation Institute website, Urban Mobility Study homepage:  
<http://mobility.tamu.edu>. Accessed February 29, 2000 and October 24, 2000.