Planning for Economic Development (URBG 740)
Fall Semester 2018

Wednesdays, 7:35-9:25 pm, West Building Room 1639

Laura Wolf-Powers (aw2416@hunter.cuny.edu)
West Building Rm. 1615; (ph) 212-650-3130

Office hours: by appointment

Urban economic development practice in the U.S. is the result of a decades-long evolution, with local and state governments and hybrid and nonprofit entities (redevelopment authorities, industry associations, community development financial institutions etc.) growing increasingly sophisticated in their approaches to making local places “sticky” -- i.e. capable of attracting and retaining capital investment, jobs, and residents. Yet the field is a constant source of empirical and political controversy. Frequently debated questions include: “Why is so much economic development practice centered on real estate?” “Are direct public subsidies to firms a wise investment, and how should they be structured?” “How can government foster innovation and job growth in the private sector?” “What strategies produce the greatest benefit for low-income people?” and even something as basic as “What is development and how do we know when it has occurred?” You will confront and discuss these questions in URBG 740, while also acquiring some practical skills that economic development analysts and practitioners find useful in their jobs. The semester is divided into three modules:

• **Big-picture issues in economic development theory and practice** (August 29-October 3) -- the practice and purpose of local economic development planning; competing definitions of development; theories and evidence about how regions and industries grow and decline; property-led vs. job-centered economic development.

• **Quantitative analysis to inform economic development planning** (October 10-October 31) - economic base and shift share analysis; understanding regional economic multipliers; using multiplier analysis and input-output technology to project the economic impact of projects, investments and disinvestment.

• **Implementing effective local economic development policies and strategies** (November 7-December 19) - subsidies the “right” way; innovation ecosystems; workforce development; arts and culture-based policies; organizing around wage and development fairness; support for alternative forms of enterprise).

Learning objectives

1) Students will become familiar with theories of local and regional economic growth and development and gain an understanding of how these theories inform on-the-ground interventions 2) Students will learn and practice common techniques of regional economic development analysis and forecasting 3) Students will learn about cutting-edge economic development policy strategies, with a focus on strategies aimed at valuing under-valued assets and reducing poverty.
Expectations and grading: The requirements of URBG740 are: 1. an industry sector summary (~1200 words) due on October 10th. This is worth 15% of the final grade. 2. a regional economic impact analysis assignment (based on an exercise with the economic forecasting software IMPLAN) due Friday, November 2nd. This is worth 25% of the final grade. 3. an in-class quiz on quantitative analysis methods administered in the first hour of class on Wednesday, November 7th, worth 25%; 4. a final project due Friday December 21, worth 35% of the grade. For the final project, students will have the choice of either expanding on the industry sector summary assignment or completing a more complex exercise with the IMPLAN model. Details on these options will be distributed a few weeks into the course.

Required and Recommended Readings. Each week there are required and recommended readings. Required readings are typically shorter and more likely to be drawn from “grey literature” or the news media. They are typical of material you would consume in a professional role as an economic development planner. Recommended readings explore theoretical questions more deeply or present evidence drawn from authors’ empirical investigations. If you are not able to get to the recommended material, reading the introduction and conclusion sections of those articles will enable you to get more out of the class sessions. There are a few exceptional weeks (such as Week 3) when the required reading is quite academic. All readings (+ links to a couple of podcasts) are accessible from the course Blackboard site.

Students should come to all class meetings ready to actively engage in discussion. I place serious value on both preparation and participation. High engagement in and contributions to class will bump you up a half a grade at the end of the semester; poor attendance (i.e. missing more than one course session) or disengagement will exert the opposite effect.

IMPLAN software: Students will be granted online access to the IMPLAN economic impact model at no charge. In the first class session there will be an opportunity to let me know what e-mail you would like to have linked to your account, and IMPLAN will send you an e-mail at that address with the opportunity

Course structure and outline

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<th>I. Big-picture issues in economic development theory and practice</th>
<th>1. AUGUST 29</th>
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<td>Introduction – Defining economic development and the planner’s role; economic development institutions</td>
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<th>2. SEPTEMBER 12</th>
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<tr>
<td>Property-centered vs. job-centered economic development</td>
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<td>Theories of regional economic growth and development</td>
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<th>3. SEPTEMBER 26</th>
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<td>How regions develop: Industries, firms, infrastructure, agglomeration and the multiplier effect</td>
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<th>4. OCTOBER 3</th>
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<td>Growth vs. development; the persistence of poverty in a wealthy world</td>
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II. **Quantitative analysis to inform economic development planning**

5. **OCTOBER 10**
   Assignment 1 due in class
   Location quotients, shift share analysis and the principles behind the multiplier effect

6. **OCTOBER 17**
   Review of LQ and shift share exercise; Introduction to IMPLAN (Meet in computer lab)

7. **OCTOBER 24**
   In-class work on Assignment 2 (Meet in computer lab)

8. **OCTOBER 31**
   Using IMPLAN to investigate the economic impact of a site-specific project
   The politics of economic impact analysis
   
   Assignment 2 due Friday, November 2, 5 p.m.

III. **Implementing effective local economic development policies and strategies**

9. **NOVEMBER 7**
   In-class quiz on quantitative analysis techniques
   Arts and culture as a local development asset

10. **NOVEMBER 14**
    Fiscal policy for equitable economic development
    GUEST: James Parrott, Center for New York City Affairs, New School

11. **NOVEMBER 28**
    Workforce development and human capital
    GUEST: Lisa Futterman, Workforce Development Institute

12. **DECEMBER 5**
    Understanding government’s role in the promotion of innovation

13. **DECEMBER 12**
    Building co-operatives and homegrown businesses
    GUEST (invited): Evan Casper-Futterman, Bronx Cooperative Development Inc.

14. **DECEMBER 19**
    Analyzing and organizing for better economic outcomes
    **Final project due Friday, December 21, 5 p.m.**
UNIVERSITY POLICIES: Hunter College regards acts of academic dishonesty (e.g., plagiarism, cheating on examinations, obtaining unfair advantage, and falsification of records and official documents) as serious offenses against the values of intellectual honesty. The college is committed to enforcing the CUNY Policy on Academic Integrity and will pursue cases of academic dishonesty according to the Hunter College Academic Integrity Procedures. I may conduct internet searches or use plagiarism detection services such as Turnitin.com to assess your work.

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DETAILED SCHEDULE AND READINGS

1. AUGUST 29 - Defining economic development and the planner’s role; the economic development infrastructure of places

   Recommended:


   Required:

   Dave Gershgorn, Alison Griswold, Mike Murphy, Michael J Coren & Sarah Kessler. What is Amazon, really ?: A guide to understanding the e-commerce giant (Quartz.com, August 20, 2017)

   Alana Semuels. What Amazon does to poor cities. (The Atlantic, February 1, 2018)

2. SEPTEMBER 12 - Property-centered vs. job-centered economic development

   Theories of regional economic growth and development (preview of September 26 class material)

   Recommended:


   Required:

   Robin Grearson. 3rd Ward: Community, Collapse and Cost. (Cultural Weekly, November 5, 2014)
September, 2018

Connect to Compete: How the University City-Center City Innovation District can help Philadelphia excel globally and serve locally (Brookings Institution, May 2017)

Mary Reynolds Babcock Foundation. 2009. When Any Job Isn’t Enough: Jobs-Centered Development in the American South. (focus on pp. 23-49)

3. **SEPTEMBER 26** - How regions develop economically: Industries, infrastructure, firms, agglomeration, and the multiplier effect

*Required:*


Domenic Vitiello. 2013. *Engineering Philadelphia: The Sellers Family and the Industrial Metropolis* – Ch. 1, Making Metropolitan Development


4. **OCTOBER 3** - Growth vs. development; the persistence of poverty in a wealthy world

*Recommended:*


*Required: Podcast: Ezra Klein interview with Bryan Stevenson, May 24, 2017*  
Stevenson’s concise statement about poverty (which is most relevant for this course) comes at the beginning of this podcast; you can stop listening around minute 7:21. I recommend the entire podcast.

5. **OCTOBER 10** – Location quotients, shift share analysis and the principles behind the multiplier effect


***Assignment 1 due in class***

6. **OCTOBER 17** - Review of LQ and shift share exercise; Introduction to IMPLAN (Meet in computer lab)

7. **OCTOBER 24** - In-class work on IMPLAN assignment (Meet in computer lab)

8. **OCTOBER 31** – Using IMPLAN to investigate the economic impact of a site-specific project; The politics of economic impact analysis

*Required:*


**** Assignment 2 due Friday, November 2, 5 p.m.****

9. **NOVEMBER 7** - Arts and culture as a local development asset

   QUIZ in first hour of class

*Recommended:*


10. **NOVEMBER 7** – Fiscal policy for equitable economic development – the politics and economics of location and development incentives

*Recommended:*


*Required:*


Greg LeRoy, Will Amazon’s HQ2 Auction be a Community Benefits Game-Changer, or a Monument to High-Tech Arrogance? [https://siteselection.com/trustbelt/will-amazons-hq2-auction-be-a-community-benefits-game-changer-or-a-monument-to-high-tech-arrogance.cfm](https://siteselection.com/trustbelt/will-amazons-hq2-auction-be-a-community-benefits-game-changer-or-a-monument-to-high-tech-arrogance.cfm)
11. NOVEMBER 28 - Workforce development and human capital

Recommended:


Required:


Rising to the Challenge: Brooklyn Workforce Innovations Annual Report https://bwiny.org/about/annual-reports/

12. DECEMBER 5 – Understanding government’s role in the promotion of innovation and entrepreneurship; the future of manufacturing

Recommended:


Required:


13. DECEMBER 12 - Building homegrown businesses and co-operatives

Recommended:


Required:


14. **DECEMBER 19 – Analyzing and Organizing for Better Economic Outcomes**

**Recommended:**


**Required:**

