

PLAN 261 Economic Development Policy

Spring 2006
Time: T/TH 2:00 - 3:15
Room: New East 301

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COURSE DESCRIPTION

This course will introduce students to a range of ideas and perspectives on economic development, as well as some of the common tools and strategies that development planners use to achieve a stated policy objective. Throughout the course, students will be encouraged to think critically about the underlying theoretical assumptions that are used to justify specific policy interventions. They will also be asked to consider how these underlying assumptions influence the types of economic and social problems that are given special consideration and treatment during the policy making process. Related to this, we will discuss the barriers and opportunities to sustained economic performance that vary widely by state, region, city, and community. Global economic trends, federal policies, state and local politics, local civic culture and community activism, growing environmental pressures, and social issues of race, class and ethnicity constitute the context in which economic development policies are designed, implemented, evaluated and even contested. Awareness of these multiple influences and “pulls” will better prepare future development planners and practitioners for place-based challenges to policy design and implementation.

This course is designed for students with academic and career interests in national *and* international economic development planning and policy making. Although required readings for this class draw primarily on the U.S. experience, international case comparisons, especially from within the NAFTA region, will be incorporated into class discussions and select assignments.

OBJECTIVES

The objectives of the course are 1) to provide an introduction to the concepts, ideas, and strategies employed in the pursuit of economic development; 2) to clarify distinctions and similarities between related perspectives; 3) to develop basic principles for critically assessing alternative development policies and programs; 4) to reflect on the goals and objectives of economic development efforts; and 5) to examine the economic, political, social and institutional context in which development policy making occurs.

COURSE FORMAT

The course operates in a combination lecture and seminar format. The first half the course will consist of lectures and in-class discussions of assigned readings. The second half, which covers a set of economic development strategies commonly pursued in the field, will combine student presentations with a short follow up discussion of assigned readings. A maximum level of participation by students is **required**. Please read the assigned material and come prepared to contribute to the class discussion.

READING

Readings for the course consist of a set of required (noted by an asterisks) and optional readings from a wide range of books, journals, newspaper articles and professional reports.

A copy of the *required* readings is on reserve in Chapin Planning Library. The required readings for the first half of the course are in a binder marked Volume 1. The readings for the second half of the course are in the second binder, Volume 2. Optional readings are not on reserve. *If you have trouble locating an optional reading, please see me.*

HONOR CODE

The UNC Honor Code states: “It shall be the responsibility of every student at The University of North Carolina at Chapel Hill to obey and to support the enforcement of the honor code, which prohibits lying, cheating, or stealing when these actions involve academic processes or University, student or academic personnel acting in an official capacity.”

To meet this standard in this course, note the following. First, although you are required to submit your own assignments, you are permitted and even encouraged to seek out advice and assistance from other class members. Second, in your memo and presentation, all ideas (as well as data or other information) that are not your own must be cited (this includes on your slides). Note that ideas that require citation may not have been published or written down anywhere. Exchange of drafts of all work for proofreading and comment is strongly encouraged. Third, you are to accept *no help of any kind* on the midterm essay.

ASSIGNMENTS AND GRADING

Students will complete a short mid-term essay, deliver a short professional presentation, prepare a policy memo, and participate in class discussions.

Take Home Mid-Term Essay (30 percent)

This take-home essay will cover roughly the first one-half of the course; specifically, the **Introduction, Theoretical Foundations and Challenges for Development Planning** sections of the reading list. You will receive the essay question on Thursday, February 16th in class. I will collect the essays the following class period. The essay should be approximately 5 pages, double-spaced in length.

Presentation (20 percent)

In a 20 minute (30 min max.) presentation, students will provide a summary of a pre-approved topic (either a type of strategy or an issue or legislation of concern to economic developers). I will provide the class with a list of possible topics. Presentations should address the following areas:

- a. What is the policy or strategy (or class of strategies/policies) in broad outline?
- b. What are the key issues surrounding the policy/strategy in question? Are there any major controversies involved (e.g., bidding wars among states using location incentives)? What is the rationale for the policy or strategy?
- c. Who are the key players in implementing the policy or strategy (local, state, federal, private, public, nonprofit)? How is the policy or strategy typically implemented (top-down, bottom-up, with citizen input, without citizen input, etc.)?
- d. What are the goals of the policy/strategy? What are the specific outcomes it is trying to achieve? Are the outcomes measurable?
- e. How have those enacting policy/strategy justified their intervention? (market-failure, social justice, knowledge creation etc.)
- f. What are the specific policy mechanisms/program supports involved (tax incentives,

- in-kind and cash grants, information provision, technical assistance etc.)?
- g. What are the challenges to successful policy/strategy implementation? Can you formulate any hypotheses regarding why the policy/strategy is likely to work or not? Is it likely to work only under some circumstances? If so, what are they?
 - h. What are the difficulties associated with properly evaluating the policy or strategy?
 - i. Who is likely to benefit from the policy or strategy? What are its probable distributional impacts (intended or otherwise)?

It is strongly encouraged that you prepare and deliver your presentation using Microsoft PowerPoint. Imagine that you are giving a briefing to a group of economic and community developers that is not familiar with the given strategy or issue. If it is a strategy (e.g., business incubators), you are the expert brought in to tell the group what the strategy is, how, when, and whether it should be used, whether it will work, and whom it will benefit. The most effective way to do this may differ from the order established in the above sequence of points. Additional (or fewer or different) ideas may be appropriate. If it is an issue (e.g., “the implications of the Telecommunications Act of 1996 for economic development”), you must provide an up-to-date synopsis and assessment.

You will be graded both on content (evidence of solid preparation, a clear logic in the flow of ideas of your talk, inclusion of the latest research and literature, etc.) and delivery (preparedness, coherence, etc.). Two students will also prepare a written evaluation of your presentation.

Policy Memo (40 percent)

Prepare a maximum 10 page memo (double spaced) describing and briefly assessing the major economic development policies currently being pursued in a chosen community (city or county). The memo should be based on data collection, site visits (where appropriate) and interviews with key officials in the area (in-person or by phone). The memo should include 1) a brief “inventory” of major policies/strategies, 2) a more detailed description of one or two dominant programs (those receiving most attention or funding), and 3) your assessment of suitability of these **dominant** policies given economic and political conditions in the community. I have included a more detailed description of the assignment at the end of the syllabus. *An outline of your term paper will be due in late March (date still to be determined). The final draft is due in class on April 27th.*

Class Participation (10 percent)

Each session is more effective as a dialogue rather than lecture. Please complete all assigned readings before class and be prepared to contribute!

POLICY FOR LATE ASSIGNMENTS: Please note that I will downgrade assignments a half letter grade for each late day. Exceptions will be made in the case of a medical or family emergency.

SUMMARY SCHEDULE OF SESSIONS
(Spring 2006)

<u>No.</u>	<u>Date</u>	<u>Day</u>	<u>Lecture/Topic</u>	<u>Course Section</u>
1	12 -Jan	TH	Introduction to the Field of Economic Development	Introduction
2	17 -Jan	TU	History of Economic Development Policy (the U.S. Case)	
3	19 -Jan	TH	Post-Keynesian and Economic Base Theory	Theoretical Foundations
4	24 -Jan	TU	Neoclassical Growth Theory I	
5	26 -Jan	TH	Neoclassical Growth Theory II	
6	31-Jan	TU	Institutional Growth Theory I	
7	2 -Feb	TH	Institutional Growth Theory II	
8	7 -Feb	TU	Social Justice and Capability Formation	
9	9 -Feb	TH	Globalization	Planning Challenges
10	14 -Feb	TU	Politics and Place	
11	16 -Feb	TH	Styles of Practice	
12	21 -Feb	TU	Incentives* (Mid-term Essay Due)	Strategies: Business Investment
13	23 -Feb	TH	Guest Speaker: Bill Schweke (?)*	
14	28 -Feb	TU	Entertaining for Dollars*	
15	2 -Mar	TH	Empowerment Zones and Inner-City Investment*	
16	7 -Mar	TU	Film: Industrial Systems of Tomorrow	
17	9 -Mar	TH	Research Day	
18	21 -Mar	TU	Retraining and Workforce Development*	Strategies: Workforce Development
19	23 -Mar	M	Chasing Talent (or the “Creative Class”)*	
20	28 -Mar	W	Immigration and Informal Work*	
21	30 -Apr	M	Living Wage Campaigns and Job Security*	
22	4 -Apr	W	Innovative Infrastructure*	Strategies: Innovation and Upgrading
23	6 -Apr	M	High Tech Industries*	
24	11 -Apr	W	Traditional Industry Upgrading and Modernization*	
25	13 -Apr	M	Arts and Design*	

26	18-Apr	W	TBA*
27	20 -Apr	M	Cluster Strategies*
28	25 -Apr	W	Commodity and Value Chains*
29	27-Apr	TH	Course Wrap-up and Evaluation

* Student presentation days

PLAN 261 COURSE TOPICS AND REQUIRED READING

PART 1. INTRODUCTION

1 Introduction to the Field of Economic Development

*Meir, Robert and Richard D. Bingham. 1993. "Metaphors of Economic Development." In *Theories of Local Economic Development: Perspectives from Across the Disciplines*, edited by Robert D. Bingham and Robert Meir. London: Sage Publications.

2 History of Economic Development Policy (the U.S. Case)

*Glasmeier, A. K. 2000. "Economic geography in practice: Local economic development policy." In *The Oxford Handbook of Economic Geography*, edited by G. L. Clark, M. P. Feldman, and M. S. Gertler, pp. 559-79. Oxford, UK: Oxford University Press.

*Ross, Doug and Robert E. Friedman. 1990. "The Emerging Third Wave: New Economic Development Strategies in the '90s." *The Entrepreneurial Economy Review*. Vol. 9. No. 1. Pp. 3-10.

Haughton, G. 1999. Community economic development: Challenges of theory, method and practice. In *Community Economic Development*, edited by G. Haughton. UK, Stationary Office, Ltd.

Isserman, A. M. 1994. "State economic development policy and practice in the United States: A survey article." *International Regional Science Review* 16: 49-100.

PART 2. THEORETICAL BASIS FOR POLICY INTERVENTION

3 Post-Keynesian and the Economic Base Model

*Krikelas, A. C. 1992. "Why regions grow: A review of research on the economic base model." Federal Reserve Bank of Atlanta *Economic Review*, 77 (4), 16-29.

*Malizia, E.M., and E. J. Feser. 1999. *Understanding Local Economic Development*. New Jersey: CUPR Press. Chapter 3: Economic base theory, pp. 51-80.

4/5 Neoclassical Theories and Market Failure

* (I) Malizia, E. M., and E. J. Feser. 1999. *Understanding Local Economic Development*. New Jersey: CUPR Press. Chapter 6: Regional growth theory, pp. 123-149.

* (I) Courant, P. N. 1994. "How would you know a good economic development policy if you tripped over one? Hint: Don't just count jobs." *National Tax Journal* 117: 863-81.

* (II) Malizia, E. E. 1994. "A redefinition of economic development." *Economic Development Review*, Spring, pp. 83-4.

* (II) Bartik, T. J. 1990. "The market failure approach to regional economic development policy." *Economic Development Quarterly* 4: 361-70.

Beauregard, Robert A. 1999. "The Employment Fulcrum: Evaluating Local Economic Performance." *Economic Development Quarterly*. Vol. 13. No. 1. Pp. 8-14.

Flammang, R. A. 1979. "Economic growth and economic development: Counterparts or competitors?" *Economic Development and Cultural Change* 28, 47-62.

6 Institutional Theories I

*Bardhan, Pranab. 1989. "The New Institutional Economics and Development Theory: A Brief Critical Assessment." *World Development*, Vol. 17, No. 9 Pp. 1390-94.

*North, Douglass. 1987. "Institutions, Transaction Costs and Economic Growth." *Economic Inquiry*. Vol. 25. No. 3. Pp. 419-28.

Stiglitz, Joseph. 1989. "Markets, Market Failures, and Development." *American Economic Review*, Vol. 79, No. 2. Pp. 197-203.

Hodgson, Geoffrey. 1994. "The Return of Institutional Economics." In *The Handbook of Economic Sociology*. Edited by N. Smelser and R. Swedberg. New Jersey: Russell Sage.

7 Institutional Theories of Growth II

*Amsden, Alice H. 1997. "Editorial: Bringing Production Back In—Understanding Government's Economic Role in Late Industrialization." *World Development*, Vol. 25, No. 4. Pp. 469-480.

*Sabel, Charles F. and Sanjay G. Reddy. "Learning to Learn: Undoing the Gordian Knot of Development Today." Mimeo.
<http://www2.law.columbia.edu/sabel/papers.htm>

*Lester, Richard and Michael J. Piore. 2004. "Learning the Right Lessons about Competitiveness." In *Innovation—The Missing Dimension*. Cambridge: Harvard University Press.

Sabel, Charles. 1993. "Learning by Monitoring: The Institutions of Economic Development," in N. Smelser and R. Swedberg, eds., *The Handbook of Economic Sociology*. Princeton: Princeton University Press

8 Social Justice and Capability Formation

*Fitzgerald, Joan and Nancey Green Leigh. 2002. "Introduction" and "Redefining the Field of Local Economic Development." In *Economic Revitalization: Cases and Strategies for City and Suburb*. London: Sage Publications.

*Sen, A. 1999. *Development as Freedom*. New York: Alfred A. Knopf. Chapter 1: The Perspective of Freedom, pp. 13-34.

*Well, Miriam. 1981. "Success in Whose Terms? Evaluations of a Cooperative Farm." *Human Organization*, 40 (3).

Evans, Peter. 2003. "Collective Capabilities, Culture and Amartya Sen's Development as Freedom," *Studies in Comparative International Development*. Vol. 37. No. 2. Pp. 54-60.

http://sociology.berkeley.edu/faculty/evans/evans_pdf/Collective_Capabilities.pdf

Campbell, S. 1996. "Green Cities, Growth Cities, Just Cities? Urban Planning and the Contradictions of Sustainable Development." *Journal of the American Planning Association*. Vol. 62. No. 3. Pp. 296-312.

Beauregard, Robert A. 1993. "Constituting Economic Development: A Theoretical Perspective." In *Theories of Local Economic Development: Perspectives from Across the Disciplines*, edited by Robert D. Bingham and Robert Meir. London: Sage Publications.

PART 3. CONTEMPORARY CHALLENGES FOR DEVELOPMENT PLANNING

9 Globalization

*Collins, Jane. 2003. *Threads: Gender, Labor and Power in the Global Apparel Industry*. Chapters 3 & 4. Chicago: University of Chicago Press.

*Tewari, Meenu. 1999. "Successful Adjustment in Indian Industry: The Case of Ludhiana's Woolen Knitwear Cluster." *World Development*. Vol. 27, No. 9.

Scott, Robert E and David Rather. 2005. NAFTA's Cautionary Tale. Economic Policy Institute. <http://www.epi.org/content.cfm/ib214>

Will, R., and A. MacPherson. 2001. The impact of the North American Free Trade Agreement on the economy of Western New York. *Economic Development Quarterly* 15: 340-49.

Evans, Peter. 2000. "Fighting Marginalization with Transnational Networks: Counter-Hegemonic Globalization." *Contemporary Sociology*. Vol. 29. No. 1. Pp. 230-241.

10 Politics and Place

*Dewar, Margaret. 1998. "Why State and Local Economic Development Programs

Cause So Little Economic Development.” *Economic Development Quarterly*. Vol. 2. No. 1. Pp. 68-87.

*Gertler, Meric. 2004. Chapter 4. Manufacturing Culture: The Institutional Geography of Industrial Practice. Oxford: Oxford University Press.

*Frank, Robert. 2005. “Economic Scene: The Theory that Self-Interest is the Sole Motivator is Self-Fulfilling.” *New York Times*. February 17.

Hirschman, Albert O. 1963. “Problem-Solving and Policy-Making: A Latin American Style.” *Journeys Towards Progress: Studies of Economic Policy-Making in Latin America*. New York: The 20th Century Fund. [Also see section on Institution and Capacity Building]

11 Styles of Practice

*Tendler, Judith. 1997. “Civil Servants and Civil Society, Governments Central and Local.” In *Good Governments in the Tropics*. Baltimore: Johns Hopkins University Press.

*Schön, Donald A. 1993. “Generative Metaphor: A Perspective on Problem-Setting in Social Policy.” In *Metaphor and Thought*, edited by Andrew Ortony. Cambridge: Cambridge University Press.

*Behn, Robert D. 1988. “Management by Groping Along.” *Journal of Policy Analysis and Management*. Vol. 7. No. 4. Pp. 643-663.

Rubin, H. 1988. “Shoot anything that flies, claim anything that falls: Conversations with economic development practitioners.” *Economic Development Quarterly* 2: 263-277

PART 4A. DEVELOPMENT STRATEGIES: BUSINESS INVESTMENT

12 Location Incentives

*Bartik, Timothy J. 2005. “Solving the Problems of Economic Development Incentives.” *Growth and Change* 36 (2) 139-166.

*Buss, T, F. 2001. “The effect of state tax incentives on economic growth and firm location decisions: An overview of the literature.” *Economic Development Quarterly* 15: 90-105.

*Tendler, Judith. 2002. “Lessons from the U.S. Southern Experience” and “What to Ask For.” In *Economic Wars Between the States*. Paper presented to the OECD Meeting on Foreign Direct Investment and Regional Development. Fortaleza, Brazil.

Peters, Alan and Peter Fisher. 2004. “The Failures of Economic Development

Incentives.” *Journal of the American Planning Association*, vol. 70, no. 1: Winter 2004, pp. 27-38.

Blair, J. P., and R. Kumar. 1997. “Is local economic development a zero-sum game?” In *Dilemmas of Urban Economic Development*, edited by R. D. Bingham and R. Mier, pp. 1-20. Thousand Oaks, CA: Sage. See also commentary pp. 21-27.

Sullivan, D. M. 2002. “Local governments as risk takers and risk reducers: An examination of business subsidies and subsidy controls.” *Economic Development Quarterly* 16: 115-126.

13 Guest Speaker: TBA

Readings: TBA

14 Entertaining for Dollars

*Fenich, George G. 1994. “An Assessment of Whether the Convention Center in New York is Successful as a Tool for Economic Development.” *Economic Development Quarterly*. Vol. 8. 3. Pp. 245-255.

*Rosentraub, M. S. 1999. *Major League Losers: The Real Cost of Sports and Who’s Paying for It*. Revised edition. New York: Basic Books. Chapter 4. Pp. 129-70.

*Matsumoto, Rick. 2004. “It’s a Wonderful Day for Argos, Owner Says, Team Set to Return to U of T Stadium.” *Toronto Star*, May 22. Pp. C1.

Eadington, W. R. 1998. “Contributions of casino-style gambling to local economies.” *Annals of the American Academy of Social Sciences* 556: 53-65.

Surowiecki, James. 2004. “Come One, Come All.” *The New Yorker*. Sept. 6.

15 Empowerment Zones and Inner City Investment

*Porter, M. E. 1997. “New strategies for inner-city economic development.” *Economic Development Quarterly* 11: 11-27.

*Harrison, B. and A. Glasmeier. 1997. Why Business Alone Won’t Redevelop the Inner City. *Economic Development Quarterly*.

*Bates, T. 1997. Michael Porter’s Conservative Agenda Will Not Revitalize America’s Inner Cities: What Will? *Economic Development Quarterly*.

Wilder, M. G., and B. M. Rubin. 1996. “Rhetoric versus reality: A review of studies on state enterprise zone programs.” *Journal of the American Planning Association* 62: 473-91.

Bates, T. 2002. “Government as venture capital catalyst: Pitfalls and promising approaches.” *Economic Development Quarterly* 16: 49-59.

Zielenbach, S. 2000. *The Art of Revitalization: Improving Conditions in Distressed Inner-City Neighborhoods*. New York: Garland. Chapter 2: Conceptualizing and operationalizing revitalization, pp. 23-54.

16 **Film: Industrial Systems of Tomorrow**

17 **Research Day**

PART 4B. DEVELOPMENT STRATEGIES: WORK FORCE DEVELOPMENT

18 **Retraining and Workforce Development**

*Mathur, V. K. 1999. "Human capital-based strategy for regional economic development." *Economic Development Quarterly* 13: 203-216

*Osterman, Paul and Rosemary Batt (1993). "Employer Centered Training for International Competitiveness: Lessons from State Programs." *Journal of Policy Analysis and Management*. Vo1. 12, No. 3, pp 456-477.

Giloth, Robert P. 2003. "Workforce Intermediaries: Partnerships for the Future." *Economic Development Quarterly*. Vol. 17. No. 3. Pp. 215-219.

19 **Chasing Talent (or the "Creative Class")**

*Florida, Richard. 2002. "Building the Creative Community." In *The Rise of the Creative Class*. New York: Basic Books.

*Peck, Jamie. Forthcoming. "Struggling with the Creative Class." *International Journal for Urban and Regional Research*.
<http://www.geography.wisc.edu/faculty/peck/Peckstrugglingwiththecreativeclass.pdf>

*Kotkin, Joel. 2004. "Sewer Socialism." *Los Angeles Times*. Sept. 12. Op-ed.

Gertler, Meric. 2004. *Creative Cities: What Are They For, How Do They Work, and How Do We Build Them?* Ottawa: Canadian Policy Research Networks.

20 **Immigration and Informal Work**

*Sassen, Saskia , 1989. "New York City's Informal Economy." In, *The Informal Economy: Studies in Advanced and Less Developed Countries*, edited by A. Portes, M. Castells, and L.A. Benton. Baltimore, Md.: The Johns Hopkins University Press.

*Valenzuela, Abel. 2001. "Day labourers as entrepreneurs?" *Journal of Ethnic and Migration Studies*, 27 (2), 335 - 352

21 **Living Wage Campaigns and Job Security**

*Bernstein, Jared. 2004. "The Living Wage Movement: What Is It, Why Is It and What's Known about Its Impact?" *Emerging Labor Market Institutions for the*

Twenty-First Century. Ed. Richard B. Freeman, Joni Hersch and Lawrence Mishel. Chicago: University of Chicago Press.

*Schweke, Bill. 1999. "Linking Incentives and Employment Programs." *Accountability: The Newsletter of the Business Incentives Clearinghouse*. Vol. 1. No. 3. Pp. 1-8.
<http://www.cfed.org/publications/accountability/Accountability%20Mar%201999.pdf>

Broadway, Bill. 2003. "Churches Back Boycotts Over Migrant Workers; Labor Unions Decry Treatment by Taco Bell, Mt. Olive Suppliers." *The Washington Post*. Nov 22. Pp. B09.

Greenhouse, Steven. 2004. "North Carolina Growers' Group Signs Union Contract for Mexican Workers." *The New York Times*. Sept. 17. Pp. A16.

PART 4C. DEVELOPMENT STRATEGIES: INNOVATION AND UPGRADING

22 Innovative Infrastructure (Guest Lecturer?)

*Parker, E. B. 2000. "Closing the digital divide in rural America." *Telecommunications Policy* 24: 281-90. Cambridge, MA: MIT Press.

*Gulyani, Sumila. 2001. "Effects of Poor Transportation on Lean Production and Industrial Clustering: Evidence from the Indian Auto Industry." *World Development*. Vol. 29, pp. 1157-77.

Hall, Peter. 1999. "Changing geographies: Technology and income." In *High Technology and Low-Income Communities*, edited by D. A Schön, B. Sanyal, and W. J. Mitchell, pp. 43-68. Cambridge, MA: MIT Press.

Chandra, A., and E. Thompson. 2000. "Does public infrastructure affect economic activity? Evidence from the rural interstate highway system." *Regional Science and Urban Economics* 30: 457-490

23 High-Tech Industry and Learning Regions

*Morgan, Kevin. 1997. "The Learning Region: Institutions, Innovation and Regional Renewal." *Regional Studies*. Vol. 31. No. 5. Pp. 491-503.

*Grant, J. 1996. "Designing industrial parks for the future." *Plan Canada* 36: 17-22.

*Luger, M. I., and H. A. Goldstein. 1997. "What is the role of public universities in regional economic development?" In *Dilemmas of Urban Economic Development*, edited by R. D. Bingham and R. Mier, pp. 104-34. Thousand Oaks, CA: Sage. Also commentary, pp. 135-9.

Feldman, M. P. 1994. "The university and economic development: The case of Johns Hopkins University and Baltimore." *Economic Development Quarterly* 8: 67-76.

Lester, Richard and Michael J. Piore. 2004. "Universities as Public Spaces." In *Innovation—The Missing Dimension*. Cambridge: Harvard University Press.

24 Traditional Industry Upgrading

*Shapira, Philip, J. David Roessner and Richard Barke . 1995. "New Public Infrastructures for Small Firm Industrial Modernization in the USA." *Entrepreneurship and Regional Development*. Vol. 7. Pp. 63-84.

*Sabel, Charles F. 1996. "A Measure of Federalism: Assessing Manufacturing Technology Centers." *Research Policy*. Vol. 25. Pp. 281-307.

25 Arts and Design

*Rantisi, Norma and M. Jason Blackman. 2005. A Cultural Policy for Montreal : Arts or the Neoliberal Agenda? *Progressive Planner*. Fall.
http://www.plannersnetwork.org/publications/2005_Fall/rantisiblackman.htm

*Aaron McKethan and Meenu Tewari. 2005. Prospering From Within: Identifying and Nurturing Local Assets. November 7.
http://www.ncsu.edu/iei/io/2005/11/prospering_from_within_identif.html

*Markusen, Ann. 2003. "Reaping the Hidden Artistic Dividend." *Minneapolis-St. Paul Star Tribune*, August 3rd, pp. AA1-AA2.
<http://www.creativefortwayne.net/archives/000081.php>

Rosenfeld, Stuart. 2003. A Design for Saving Industry. *News and Observer*. December 30.
<http://www.rtsinc.org/publications/Design.pdf>

26 TBA

27 Cluster Strategies

*Barzelay, Michael. 1991. "Managing Local Development: Lessons from Spain." *Policy Sciences*. Vol. 24. Pp. 271-90.

*Feser, E. J., and M. I. Luger. 2003. "Cluster analysis as a mode of inquiry: Its use in science and technology policymaking in North Carolina." Vol. 11. *European Planning Studies*.

Doeringer, P. B., and D. G. Terkla. 1995. Business strategy and cross-industry clusters. *Economic Development Quarterly* 9: 225-37.

28 Value Chains and Supplier Relations

*Humphrey, John and Hubert Schmitz. 2003. "Governance in Global Value Chains." In *Local Enterprises in the Global Economy: Issues of Governance and*

Upgrading. Edited by Hubert Schmitz. Cheltenham: Edgar.

*Tandler, Judith. 1997. "Small Firms and Large Buyers: Demand-Driven Public Procurement." *Good Government in the Tropics*. Baltimore: Johns Hopkins University Press. Pp. 102-134.

Nadvi, Khalid. 2004. "Globalization and Poverty: How can Global Value Chain Research Inform the Policy Debate?" *IDS Bulletin*. Vol. 35. No. 1 Pp. 20-30.

Policy Memo Assignment

Write a concise critical assessment of the dominant economic development policies and initiatives of a chosen city or county. You are strongly encouraged to select a city or county that is in close proximity to Chapel Hill so that your analysis can draw on one or more site visits and in-person interviews.

Your policy memo should include the following: 1) a short overview of the specific development challenge/s facing the area (e.g., high unemployment, low income, underemployment, racial disparities in income or employment, insufficient tax base, severe income inequality; 2) a brief (one-two page) descriptive inventory of the major programs and policies explicitly (or implicitly) designed to promote economic development or deal with a central development challenge in the study area; and 3) a more detailed description of one or two dominant programs (those receiving most attention or funding), and 4) an assessment of suitability (i.e., the “match” or “fit”) between the dominant strategies the community is using to pursue economic development and the economic challenges it faces.

Information for your memo should come primarily from telephone and in-person interviews with development officials and practitioners. Email exchanges are also acceptable. Note that “development officials” should be interpreted broadly. In most cities and counties, numerous agencies and officials are involved in economic development, including city and county managers, local elected officials, planners, social services personnel, employment security officials, etc. Even if an official does not work directly on economic development issues, he or she may be an excellent source of information on the area’s principal development challenges and needs. Similarly, development practitioners (those involved in either the policy making, policy enactment or policy evaluation process) can include actors from outside government, such as directors or staff at local chambers of commerce, sectoral business associations, non-profit community development agencies, labor-market intermediaries (e.g., unions, churches) and specialized consulting firms. To ensure high quality and consistent interviews, draft an interview protocol (a core set of questions to guide the interview) to use as a guide. ***You are expected to conduct a minimum of five interviews.***

To supplement information derived from interviews, collect relevant technical reports and studies conducted by local agencies. Do a search for newspaper coverage of economic development issues (you can find electronic search engines for various national and many local newspapers in the graduate and undergraduate libraries. Lexis-Nexis and Proquest are two examples). You can also assemble a limited set of indicators for the area using the Bureau of Economic Analysis’ *Regional Economic Information System* (available on the [Bureau of Economic Analysis web site](#) or on compact disc in Davis Library; BEA’s [BEARFACTS](#) system is handy). But ***do not*** spend inordinate effort and time on quantitative data collection. A major goal of this assignment is to get out and talk to development officials and apply principles discussed in class to a general evaluation of development strategies in a specific place; you are not expected to produce an exhaustive quantitative assessment of the study area’s economy.

Format. The memo should run no more than 10 double spaced pages, **not including** any tables and references. It should include a cover page, introduction, main text, summary/conclusion, references, and a technical appendix containing any necessary ancillary information. Your technical appendix should also include the list of interviewees, interview date, and means of communication (telephone, email, in-person).

Deadlines. *February 2nd: Community Selection (please send me a brief email describing your selection).* *End of March: Outline of the memo.* *April 27th: Final draft due in class.*