

Graduate School of Public and International Affairs  
University of Pittsburgh  
Spring 2009

Professor Sabina Deitrick  
3808 Posvar Hall  
412 648-7614

---

## **PIA 2188 Economic Development Strategies and Practice**

Wednesday, 6:00 – 9:00 p.m.

Class # 21298

Email contact: [sabinad@pitt.edu](mailto:sabinad@pitt.edu)

Room 3800

Office hours: M 9-11; W 3-5, and by appointment

This course is an introductory course on local economic development. This course will encompass theory, policy, process and practice in state and local economic development.

Our focus will be largely in the North American urban context over the post World War II period, with international comparisons. We will also use examples from Pittsburgh in furthering our understanding of local economic development practice. We will find that there are different interpretations and meanings to economic development, both in theory and as practiced. The purpose of the course is to provide the student with a basic knowledge of the approaches to economic development in theory and practice, techniques and methods of analysis, and debates ongoing in the field.

Students are expected to have completed a basic economics course. (If you haven't, please see the instructor.) Students are required to attend class, complete all readings, and complete all required assignments.

### **Requirements:**

1. Readings: Students are expected to complete required readings *before* class meeting. This is not an option.
2. Class participation: This includes being prepared for class, completing the readings, and discussing readings and issues each week. In addition, each week, students will email the instructor one question related to the readings or topic for the week. These should be thoughtful and contribute to the class discussion. Please email the instructor your question by noon each Wednesday. We will also use these for group discussions in class.
3. Economic development policy assignments 1, 2, and 3 + class presentation (see below).
4. Final exam.

## **Learning Objectives:**

1. To understand the theoretical underpinnings of local and regional economic development.
2. To develop some appropriate skills and techniques in economic development practice.
3. To be able to link policy and practice.
4. To evaluate economic development policies and/or practice.
5. To become conversant and a skilled writer about local and regional economic development.
6. To incorporate equity orientation in economic development practice.

**Economic policy assignments:** Students will study one economic development policy in depth during the term. You should choose a policy or set of policies that have been implemented long enough to have some understanding of its impacts. You will work on this throughout the term and prepare three assignments.

### ***Your economic policy assignment will be structured as follows:***

1. ***First assignment:*** Select and describe an economic development policy to study. You will produce an approximately 5-6 page paper (double spaced) about the economic development policy, its origins, its roots in theory, and why it was developed or passed. Who are the main supporters of the policy and why? What are its intended consequences? If it was an explicit federal or other local, state, regional or national government policy, please discuss the legislation as well. You are not limited to U.S. or North American policies. You may select a topic that we won't get to until later in the term, e.g., TIFs, brownfields, clusters, gambling, etc. ***Due February 18 in class.***
2. ***Second assignment:*** Describe, discuss and analyze the technical aspects of the policy. You may use specific examples to analyze how it is supposed to work. What are the equity implications of your policy? How has the policy been implemented and by whom? What have been the effects of the policy? Can you develop a timeline for the policy? If so, please do. Again, your paper should be about 5-6 pages. ***Due March 18 in class.***
3. ***Third assignment:*** This brings together the first two assignments plus an evaluation of the policy. You may think of this as the "final paper" on your policy and should be 15-20 pages long. How has the policy been evaluated? What are the results? What are the differences? You will need to use the academic and practitioner literature to produce this evaluation. How would you evaluate it? Develop and present an evaluation framework for the policy, as well, using techniques from the class and from your policy analysis courses. ***Due April 15 in class.***
4. ***Class presentation:*** Plan to present your work to the class on April 15<sup>th</sup> and 22<sup>nd</sup>.

**Grading:** Grades will be determined by the following:

1. Class participation (includes attendance, preparation for each class, contributions to discussions, evidence of completing readings, weekly questions): 20% of grade.
2. Economic policy assignment 1: 10% of grade
3. Economic policy assignment 2: 10% of grade
4. Economic policy assignment 3 and class presentation: 30% of grade
5. Final exam: 30% of grade

Grading will be based on the following: A level grades represent exceptional and outstanding work. B level grades represent satisfactory performance. Below B represents unsatisfactory achievement.

### **Readings:**

Required:

Edward J. Blakely and Ted K. Bradshaw, *Planning Local Economic Development: Theory and Practice, 3rd edition* (Thousand Oaks, Calif.: Sage, 2002). This book presents chapters on main topics in economic development and can serve as baseline reading in many areas. The book is available for sale in the Pitt bookstore and area booksellers. (BLAKELY)

Most articles are from journals and can be found on Courseweb or through the Pitt library system (both electronically and in paper form in Hillman or Posvar libraries). Other articles will be available in pdf form in Courseweb.

*The amount of reading can be heavy, especially in the beginning of the course. Please note as you read through the syllabus to plan your time accordingly.*

### **Journals of interest:**

*Cityscape*

*Economic Development Quarterly*

*Housing Policy Debate*

*Journal of Urban Affairs*

*Policy Studies Journal*

*Urban Studies*

*Economic Development and Cultural Change*

*Economic Development Review*

*Journal of the American Planning Association*

*Journal of Regional Science*

*Urban Affairs Review*

### **Web Pages on Pittsburgh Economic Development and others:**

Brookings Institution: [www.brook.edu/dybdocroot/](http://www.brook.edu/dybdocroot/)

National Council for Community and Economic Development: [www.ncced.org](http://www.ncced.org)

Economic Development Directory: [www.ecodevdirectory.com/](http://www.ecodevdirectory.com/)

Carnegie Mellon Center for Economic Development: [www.smartpolicy.org/](http://www.smartpolicy.org/)

International Economic Development Council: [www.iedconline.org/](http://www.iedconline.org/)

Allegheny Conference for Community Development: [www.accdpel.org/](http://www.accdpel.org/)

City of Pittsburgh Urban Redevelopment Authority: [www.ura.org/](http://www.ura.org/)

Pennsylvania Department of Community and Economic Development: [www.inventpa.com/](http://www.inventpa.com/)

***For students with disabilities***, please contact me (see above) and the Office of Disability Resources and Services (DRS), 216 William Pitt Union, (412) 648-7890 or (412) 383-7355 (TTY) as early as possible. We will make reasonable accommodations for this course.

***For all students:*** *I acknowledge that I have read the syllabus and understand the requirements for this course. If I have any question about these, I will ask them.*

Please email the instructor at [sabinad@pitt.edu](mailto:sabinad@pitt.edu) to confirm that you have read the statements above. Thank you in advance.

**PIA 2188: ECONOMIC DEVELOPMENT STRATEGIES AND PRACTICE**  
**Weekly Schedule, Spring Term 2008**

7 January	Class introduction
14 January	What is economic development?
21 January	Theories of economic development
28 January	Economic development planning, policy, process and practice I

*Guest speaker: Carl Kurlander Visiting Distinguished Senior Lecturer at Pitt, co-founder of Steeltown Entertainment, and documentary filmmaker – My Tale of My Tale of Two Cities.*

4 February	Planning, policy, process and practice II
------------	---

*Discuss economic development project and select case studies.*

11 February	Economic development planning, policy, process, and practice III
-------------	--

18 February	Economic development tools
-------------	----------------------------

*First assignment due in class.*

25 February	Economic base, clusters, networks and linkages
-------------	--

*Guest speaker: Ron Gaydos, Heritage Health Foundation, Inc., Braddock*

4 March	Brownfields and revitalization
---------	--------------------------------

*No class this week, Spring break 10-14 March*

18 March	Beyond industry studies
----------	-------------------------

*Second assignment due in class.*

25 March	Gambling on economic development
----------	----------------------------------

1 April	Evaluation research and practice
---------	----------------------------------

8 April	Regional governance and economic development and course wrap up.
---------	--

15 April	Final presentations
----------	---------------------

*Third assignment: Economic development project due in class.*  
*Final exam distributed in class.*

22 April

*Final exam due.*

Final presentations and final class

## WEEKLY READINGS, PIA 2188, SPRING 2008

### 14 January: What is economic development?

BLAKELY & BRADSHAW, Chapters 1 and 2.

Norman Krumholtz, "Equitable approaches to local economic development," *Policy Studies Journal*, vol. 27, no. 1 (Spring 1999): 83+.

Jon Pierre, "Comparative Urban Governance: Uncovering Complex Causalities," *Urban Affairs Review*, 40, 4 (2005): 446-462.

Herbert J. Rubin, "Shoot Anything That Flies; Claim Anything That Falls: Conversations with Economic Development Practitioners," *Economic Development Quarterly*, 2, no. 3, (1988).

### 21 January: Theories of economic development

BLAKELY & BRADSHAW, Chapter 3.

Timothy R. Bartik, "The Market Failure Approach to Regional Economic Development Policy," *Economic Development Quarterly*, Vol. 4, no. 4 (1990).

Philip Boland, "Unpacking the Theory-Policy Interface of Local Economic Development: An Analysis of Cardiff and Liverpool," *Urban Studies*, Vol. 44: 1019.

Kenneth Thomas, "Geographic Scales and the Competition for Economic Growth: States, Subnational Governments, and Cities," *American Behavioral Scientist*, Vol. 46, No. 8 (April 2003): 987-1001.

### 28 January: Economic development planning, policy, process and practice I

BLAKELY & BRADSHAW, Chapters 4, 6

Donald Schunk and Douglas P. Woodward, "Incentives and Economic Development: The Case of BMW in South Carolina," Chapter 8 in Sammis White, Richard D. Bingham, and Edward W. Hill, *Financing Economic Development in the 21st Century*. (Thousand Oaks: Sage, 2003).

Michael D. Oden and Elizabeth J. Mueller. 1999. "Distinguishing development incentives from developer give-aways: a critical guide for development practitioners and citizens," *Policy Studies Journal*, Vol. 27, No. 1 (Spring 1999): 147+.

Alan Peters and Peter Fisher, "The failure of economic development incentives," *Journal of the American Planning Association*, 2004, Winter.

### 4 February: Economic development planning, policy, process and practice II

Peter Eisinger, "The Politics of Bread and Circuses," *Urban Affairs Review* 35, no. 3 (January 2000); 316-334.

Jeffrey G. Owen, "Estimating the Cost and Benefit of Hosting the Olympic Games: What Can Beijing Expect from Its 2008 Games?" *The Industrial Geographer*, Vol. 3, No. 1 (Fall 2005): 1-18.

John McCarthy, "Entertainment-led Regeneration: the Case of Detroit," *Cities*, Vol. 19, No. 2 (2002): 105-111.

Ziona Austrian and Mark S. Rosentraub, "Urban Tourism and Financing Professional Sports Facilities," Chapter 11 in Sammis White, Richard D. Bingham, and Edward W. Hill, *Financing Economic Development in the 21st Century*. (Thousand Oaks: Sage, 2003).

### **11 February: Economic development planning, policy, process and practice III**

Mon Valley Strategy Report. 2007. [www.monvalleystrategy.com](http://www.monvalleystrategy.com)

Frank Giarrantani and David B. Houston, "Structural Change and Economic Policy in a Declining Metropolitan Region: Implications of the Pittsburgh Experience," *Urban Studies*, Vol. 26 (1989): 549-558.

Recommended: Andrew Isserman, "State economic development policy and practice in the United States," *International Regional Science Review*, 1994, 49-100.

### **18 February: Economic development tools**

BLAKELY & BRADSHAW, Chapters 5, 11.

Rachel Weber, "Tax Increment Financing in Theory and Practice, Chapter 3 in Sammis White, Richard D. Bingham, and Edward W. Hill, *Financing Economic Development in the 21st Century*. (Thousand Oaks: Sage, 2003).

John Levy, "What Do Economic Development Practitioners Do," *Journal of the American Planning Association* Vol. 56, No. 2 (Spring 1990).

### **25 February: Economic base, clusters, networks, and linkages**

BLAKELY, Chapters 8, 13

Michael Porter, "Location, competition, and economic development: Local clusters in the global economy," *Economic Development Quarterly*, Vol. 14, No. 1 (February 2000): 15-34. See the articles in this issue for more on clusters.

John Shoales, "Alpha Clusters: Creative Innovation in Local Clusters," *Economic Development Quarterly* 20/2 (May 2006).

Carey Durkin Treado and Frank Giarrantani, "Intermediate Steel-Industry Suppliers in the Pittsburgh Region: A Cluster-Based Analysis of Regional Economic Resilience," *Economic Development Quarterly*, Vol. 22, No. 1 (February 2008): 63-75.

### **4 March: Brownfields revitalization and industrial development**

Hunter Bacot and Cindy O'Dell, "Establishing Indicators to Evaluate Brownfield Redevelopment," *Economic Development Quarterly* 20/2 (May 2006).

Timothy Dixon, "The Property Development Industry and Sustainable Urban Brownfield Regeneration in England: An Analysis of Case Studies in Thames Gateway and Greater Manchester," *Urban Studies* 44, 12 (December 2007): 2379-2400.

Margaret Dewar and Sabina Deitrick, "The Role of CDCs in Brownfield Redevelopment," Chapter 8 in *Recycling the City: The Use and Reuse of Industrial Land*. Cambridge, Mass.: Lincoln Institute of Land Policy.

### **18 March: Beyond industry studies**

Carolyn Adams, "The Meds and Eds in Urban Economic Development," *Journal of Urban Affairs* 25, no. 5 (2003): 571-588.

Ann Markusen, "Targeting Occupations in Regional and Community Economic Development," *Journal of the American Planning Association*, 70/3 (Summer 2004). For related papers, see <http://www.hhh.umn.edu/projects/prie/pub.htm>

Joseph Cortright, "The Economic Importance of Being Different: Regional Variation in Tastes, Increasing Returns, and the Dynamics of Development," *Economic Development Quarterly* 16, 1 (February 2002).

William M. Bowen et al, "Financing Public Investment in Retail Development," Chapter 13 in Sammis White, Richard D. Bingham, and Edward W. Hill, *Financing Economic Development in the 21st Century*. (Thousand Oaks: Sage, 2003).

### **25 March: Gambling on economic development – the gambling industry**

R. Fred Wacker, "Michigan Gambling: The Interactions of Native American, Detroit and Canadian Casinos," *American Behavioral Scientist*, 50/3 (November 2006): 373-380.

Robert Goodman, "Grand Illusions," *Wilson Quarterly*, 19/4 (Autumn 1995).

Thomas A. Garrett, "Casino Gambling in America," Federal Reserve Bank of St. Louis, August 2003. <http://stlouisfed.org/community/assets/pdf/CasinoGambling.pdf>

Recommended:

"Special Reports: PA Slots," *Philadelphia Inquirer*, various dates.

[http://www.philly.com/mld/inquirer/news/special\\_packages/slots/](http://www.philly.com/mld/inquirer/news/special_packages/slots/)

BLAKELY & BRADSHAW, Chapters 9-12.

Ian Pulsipher, "Counting on Gambling," *State Legislatures*, February 2005.

### **1 April: Evaluation research and practice**

Robert A. Beauregard, "The Employment Fulcrum: Evaluation Local Economic Performance," *EDQ* 13, no. 1 (February 1999): 8-14.

Terry F. Buss and Laura C. Yancer, "Cost-Benefit Analysis: A Normative Perspective," *EDQ* 13, no. 1 (February 1999): 29-37.

Rod Hissong, "The Efficacy of Local Economic Development Incentives," Chapter 7 Sammis White, Richard D. Bingham, and Edward W. Hill, *Financing Economic Development in the 21st Century*. (Thousand Oaks: Sage, 2003).

**8 April: Regional governance and economic development**

BLAKELY & BRADSHAW, Chapters 13-14

Paul Kantor, "Can Regionalism Save Poor Cities? Politics, Institutions, and Interests in Glasgow," *Urban Affairs Review* 35, no. 6 (July 2000): 794-820.

Stephen M. Wheeler, "The New Regionalism: Key Characteristics of an Emerging Movement," *Journal of the American Planning Association* 68, no. 3 (Summer 2002): 267-278.

**15 April: Course wrap up – student presentations**

**22 April: Last class – Final exams due.**