

NOHAD A. TOULAN SCHOOL OF URBAN STUDIES & PLANNING
PORTLAND STATE UNIVERSITY

Regional Economic Development (USP 572)
Spring 2023

Prof. Greg Schrock
Office: 350A Urban Center
Phone: 503.725.8312
Email: gschrock@pdx.edu

Class Time: 1:00-3:40pm, Tuesdays, URBN 311

Office Hours: 4:00-5:00pm, Tuesdays and Thursdays, other times by appointment

How do regional economies grow and develop? What are the metrics and indicators by which we can analyze their development? What factors shape their development over time? Who are the important actors making decisions that shape regional fortunes? Over which factors do public-sector actors in general, and urban planners in particular, have influence?

This course introduces students to theories of regional economic development. We will survey theories on multiple analytical levels: *macro-level* theories, such as economic base theory, that understand regional economies in relation to broader capital and resource flows within open, market-based national and global economies; *micro-level* theories that model the economic decisions of individual actors (i.e., firms, workers) and how they shape - and are shaped by - regional outcomes; and *meso-level* theories that assess how technological dynamics and industrial change and restructuring generate shifts in the spatial configuration of economic activity. Each level of analysis gives us a different set of insights that help us understand the way in which regional economies grow and change over time.

Although we are fundamentally concerned about the “economic,” our review of the literature will expose us to multiple disciplinary perspectives – economics, geography, political science, and urban planning. Additionally, we will sample from both “mainstream” (neoclassical) and “heterodox” (institutionalist and Marxian) perspectives on regional economies, and call attention to how they offer differing diagnoses of similar processes and outcomes.

Much of the literature that we will be reviewing relates to the literature on regional economies in the United States and other advanced industrial nations; however, the underlying theories are intended to be relevant to a wide variety of contexts, including developing countries. Wherever possible, we will assess the comparative applications of these theories.

In addition to discussions about theories of regional development, we will discuss tools, methods, and data sources for analyzing regional economies. A companion course (USP 597, Regional Economic Analysis, 2 credits) will provide a venue for working with regional economic data sources and analytical tools that you may use as part of assignments for this

course; for students doing the professional track assignments, the course is strongly recommended.

This course is designed for multiple audiences with different learning goals. For MURP and other professional students, this course is intended to provide a basic theoretical framework for understanding regional economies, and exposure to tools, methods, and sources for applied regional analysis. For Urban Studies master's and doctoral students, the course is intended to provide an entry into the scholarly debates around the regional economic development field in recent decades and help build a foundation for advanced study in the Economic Development field area. Because of this, for each week I have assigned a set of required readings for all students to complete but have also identified a set of "supplemental" readings that may be of further interest, especially for Urban Studies students. For the purposes of our classroom discussions, however, we will focus on the readings assigned to all.

For both groups, the course is designed as a prerequisite for USP 517, Urban Economic Development Policy (taught in the fall term). Although our conversations will regularly discuss policy efforts around regional economic development, it will not be our primary focus.

COURSE LEARNING OBJECTIVES

By the end of the course, students should demonstrate the following learning objectives:

- 1) Compare and critically assess theories and current debates regarding urban and regional economic growth, development, and change;
- 2) Comprehend and critically assess the theoretical foundations of local and regional economic development practice; and
- 3) Apply theoretical concepts and models appropriately to assess place-specific economic development dynamics, challenges, and opportunities.

TEXTS

We will rely primarily on journal articles and book chapters for our readings in this course, which will be made available via Canvas. There are no required texts for you to obtain.

Additionally, the following text will be used extensively in the USP 597 Regional Economic Analysis section, with selections recommended in this portion of the course:

Quintero, John. 2014. *Running the Numbers: A Practical Guide to Regional Economic and Social Analysis*. Armonk, NY: M.E. Sharpe. (Available via the PSU Library site)

ASSIGNMENTS AND GRADING

The major assignments for the term, representing 70 percent of the course grade, will be broken down into two separate tracks: a professional track and an academic track. Each student must choose one of the two tracks within the first two weeks of class.

Professional track: The professional track is geared toward MURP and other professional degree students and is focused on the application of economic development theory to real-world places and planning practice. (Course Learning Objectives #2 and #3)

The “default” option for the professional track is to produce an economic development assessment for a metropolitan, micropolitan or rural region (outside of Portland), incorporating both regional economic data as well as qualitative information. This can build upon and utilize information gathered in USP 597 (Regional Economic Analysis) but must go substantially beyond it in terms of depth and focus. Typically, this means picking a substantive area upon which to focus – e.g., an industry cluster, or strategic issue facing the region – that addresses and applies theory to practice. In this case, the interim report would represent a data-focused “existing conditions” report about the place and its regional economy.

Alternatively, you may propose a project, or select a project that I have helped to develop. I am open to a range of ideas here, especially those that have community partners and potential for community impact. But for self-nominated projects, it is your responsibility to demonstrate how it aligns to the course learning objectives articulated above. Depending on the scope and scale of the project, I am open to multi-student team projects.

Proposal: Friday, April 28

Interim report (20% of grade): Friday, May 19

Final report: (50%): Friday, June 16

All assignments will be submitted via Canvas. Further guidance about each assignment will be posted on Canvas.

Academic track: The academic track is geared toward MUS and PhD students and intended to allow them to use the course to explore theoretical and empirical directions that reflect their scholarly interests. (Students in other degree programs may choose the academic track, but only after consultation with the instructor.)

- **Topical literature review** (20%, due date variable): Each student will identify one of the weekly topics and write a 2000-3000-word literature review on that topic, covering all of the assigned and supplemental readings for that week, plus any other relevant literature. The review is due no later than the date of the subject in class.
- **Final paper** (50%, due June 16, 11:59pm): The final paper may integrate material from the literature review but must go beyond it in a significant way. The paper must address a topic relevant to the course and reflect an original conceptual or empirical contribution on the student’s part. The length may vary, but ideally, papers will be about 4,000-6,000 words long. Students must submit a proposal by April 28, and a 1,000-1,500-word progress report by end of the day on Friday, May 19.

The remaining 30 percent of the course grade will be applicable to all students:

- **Discussion Drivers** (15%): Twice during the term, you will find a recent report or case study (either academic or media-based) and share it with the class, and lead a brief discussion in class about it.

- **Class Participation (15%):** I expect that each student will come to class prepared and ready to contribute to the conversation. I do not intend to take attendance, but repeated absences will be reflected in your participation grade. Participation can occur in a variety of ways, including through activity on the Canvas site, such as posting articles or media reports that are relevant to class discussions, or engaging in thoughtful debate with students on the discussion board.

There is no final exam in this course. On Tuesday, June 13 during the normally scheduled class time, students will give a brief (~10-15 minute) presentation of their final paper.

LATE SUBMISSION POLICY: Late submissions will be accepted with a *10%-per-day* penalty (based on 100-point scale). Students may request additional time without penalty to complete assignments, as long as the request is submitted at least 24 hours ahead of the deadline and accompanied by a reasonable justification (to be determined by the instructor). A good rule of thumb is: if the reason could not have anticipated more than a week away, then it is generally reasonable. Deadlines in other classes or at work generally do not meet this criterion. You will be given plenty of time to complete each assignment so plan ahead!

ACCESS AND INCLUSION FOR STUDENTS WITH DISABILITIES: PSU values diversity and inclusion; we are committed to fostering mutual respect and full participation for all students. My goal is to create a learning environment that is equitable, useable, inclusive, and welcoming. If any aspects of instruction or course design result in barriers to your inclusion or learning, please notify me. The Disability Resource Center (DRC) [<https://www.pdx.edu/drc>] provides reasonable accommodations for students who encounter barriers in the learning environment. If you have, or think you may have, a disability that may affect your work in this class and feel you need accommodations, contact the Disability Resource Center to schedule an appointment and initiate a conversation about reasonable accommodations. If you already have accommodations, please contact me to make sure that I have received a faculty notification letter and discuss your accommodations.

ACADEMIC DISHONESTY: It should go without saying that plagiarism and cheating will not be tolerated, but I will say it anyway. “Academic dishonesty,” according to Section 577-031-0136 of the PSU Student Code of Conduct, refers to as “the act of knowingly or intentionally seeking to claim credit for the work or effort of another person or participation in such acts.” [<http://www.pdx.edu/dos/codeofconduct>] This encompasses both egregious acts of cheating like copying the answer to someone else’s exam, but also more mundane acts like lifting reference material from websites without attribution. I generally use the “TurnItIn” function on Canvas, which compares submitted papers against published materials. Per university policy, instances of academic dishonesty may result in a zero grade for those assignment(s); significant instances of academic dishonesty will be reported to the school and/or program director or Office of the Dean of Student of Life.

SAFE AND INCLUSIVE LEARNING ENVIRONMENT: PSU is committed to providing an environment free of all forms of prohibited discrimination and sexual harassment (sexual

assault, domestic and dating violence, and gender or sex-based harassment and stalking). If you have experienced any form of gender or sex-based discrimination or sexual harassment, know that help and support are available. You may report any incident of discrimination or discriminatory harassment, including sexual harassment, to either the Office of Equity and Compliance or the Office of the Dean of Student Life.

Please be aware that as a faculty member, I have the responsibility to report any instances of sexual harassment, sexual violence and/or other forms of prohibited discrimination. This means that if you tell me about a situation of sexual harassment or sexual violence that may have violated university policy or student code of conduct, I am obligated to share the information with my supervisor, the University's Title IX Coordinator or the Office of the Dean of Student Life. However, the Title IX Coordinators will keep the information confidential and refer you to a confidential advocate.

The Belonging, Dignity, and Justice Committee for the Toulon School of Urban Studies and Planning has developed a [list of reporting resources](#) should you experience bias, harassment or misconduct-related issues in the class. In addition, I maintain a feedback form linked from Canvas for anonymous feedback that you wish to share with me only.

COURSE OUTLINE

NOTE: Required and supplemental readings are subject to change. Check Canvas for an updated list.

Week 1 (Apr 4): Intro: What is (regional) economic development?
<p><u>Readings:</u></p> <p>Feldman, Maryann, Theodora Hadjimichael, Lauren Lanahan, and Thomas Kemeny. 2016. "The Logic of Economic Development: A Definition and Model for Investment." <i>Environment and Planning C</i> 34: 5-21.</p> <p>Jacobs, Jane. 1969. <i>The Economy of Cities</i>, ch. 2, "How New Work Begins," pp. 49-84. New York: Vintage.</p> <p>Pike, Andy, Andrés Rodríguez-Pose, and John Tomaney. 2017. "Shifting Horizons in Local and Regional Development." <i>Regional Studies</i>, 51 (1): 46-57.</p> <p>Russell, Bertie, David Beel, Ian Rees Jones, and Martin Jones. 2022. "Placing the Foundational Economy: An Emerging Discourse for Post-Neoliberal Economic Development." <i>Environment and Planning A: Economy and Space</i> 54 (6): 1069-85.</p>
Week 2 (Apr 11): How regions grow (the macro view)
<p><u>Readings:</u></p> <p>Crevoisier, Olivier, and Delphine Rime. 2021. "Anchoring Urban Development: Globalisation, Attractiveness and Complexity." <i>Urban Studies</i> 58 (1): 36-52.</p>

Markusen, Ann, and Greg Schrock. 2009. "Consumption-Driven Urban Development." *Urban Geography* 30 (4): 344-367.

Thompson, Wilbur R. 1975. "Internal and External Factors in the Development of Urban Economies." In *Regional Policy: Readings in Theory and Applications*, edited by John Friedmann and William Alonso, 201-20. Cambridge, MA: MIT Press.

Week 3 (Apr 18): Firms, industrial location and regions (the micro view)

Readings:

Harrington, J.W., and Barney Warf. 1995. "How Companies Actually Make Location Decisions," in *Industrial Location: Principles, Practice and Policy*. New York: Routledge, 148-169 (ch. 8). (chs 2-3 optional)

McCann, Philip, and Stephen Sheppard. 2003. "The Rise, Fall and Rise Again of Industrial Location Theory." *Regional Studies* 37 (6-7): 649-63.

Mullins, Luke. 2019. "The Real Story of How Virginia Won Amazon's HQ2." *Washingtonian* (blog). June 16. <https://www.washingtonian.com/2019/06/16/the-real-story-of-how-virginia-won-amazon-hq2/>.

Media articles of business site location decisions (Canvas).

Week 4 (Apr 25): Regional growth, evolution and resilience

Readings:

Cortright, Joseph. 2001. "New Growth Theory, Technology and Learning: A Practitioner's Guide." Washington, D.C.: Economic Development Administration, U.S. Department of Commerce.

Moretti, Enrico. 2012. "The Great Divergence." In *The New Geography of Jobs*, 73-120. Boston: Mariner Books.

Simmie, James, and Ron Martin. 2010. "The Economic Resilience of Regions: Towards an Evolutionary Approach." *Cambridge Journal of Regions, Economy and Society* 3 (1): 27-43.

Thrush, Glenn. 2014. "The Robots That Saved Pittsburgh: How the Steel City Avoided Detroit's Fate," Politico.com, February 4.

Week 5 (May 2): Industrial restructuring and urban production economies

Readings:

Clark, Jennifer. 2014. "Manufacturing by design: the rise of regional intermediaries and the re-emergence of collective action," *Cambridge Journal of Regions, Economy and Society*, 7 (3): 433-448.

Doussard, Marc, and Greg Schrock. 2015. "Uneven Decline: Linking Historical Patterns and Processes of Industrial Restructuring to Future Growth Trajectories." *Cambridge Journal of Regions, Economy and Society* 8 (2): 149-65.

Reynolds, Elisabeth B. 2017. "Innovation and Production: Advanced Manufacturing Technologies, Trends and Implications for US Cities and Regions." *Built Environment*, 25-43.

Grodach, Carl, and Chris Gibson. 2019. "Advancing Manufacturing?: Blinkered Visions in U.S. and Australian Urban Policy." *Urban Policy and Research* 37 (3): 279–93.

Week 6 (May 9): Industrial districts and clusters

Readings:

Amin, Ash, and Nigel Thrift. 1992. "Neo-Marshallian Nodes in Global Networks." *International Journal of Urban and Regional Research* 16 (4): 571–87.

Markusen, Ann. 1996. "Sticky Places in Slippery Space: A Typology of Industrial Districts." *Economic Geography* 72 (3): 293-313.

Porter, Michael. 2000. "Location, Competition and Economic Development: Local Clusters in a Global Economy." *Economic Development Quarterly* 14 (1): 15-34.

Motoyama, Yasuyuki. 2008. "What Was New About the Cluster Theory? What Could It Answer and What Could It Not Answer?" *Economic Development Quarterly* 22 (4): 353–363.

Week 7 (May 16): Innovation and entrepreneurship

Readings:

Moulaert, Frank, and Farid Sekia. 2003. "Territorial Innovation Models: A Critical Survey." *Regional Studies* 37 (3): 289–302.

Mack, Elizabeth, and Heike Mayer. 2016. "The Evolutionary Dynamics of Entrepreneurial Ecosystems." *Urban Studies* 53 (10): 2118–33.

Motoyama, Yasuyuki, and Heike Mayer. 2017. "Revisiting the Roles of the University in Regional Economic Development: A Triangulation of Data." *Growth and Change* 48 (4): 787–804.

Schrock, Greg, and Nichola Lowe. 2021. "The Promise of Inclusive Innovation." *Local Economy* 36 (3): 181–86.

(* choose one) *Gines, Dell, and Rodney Sampson. 2019. "Building Entrepreneurial Ecosystems in Communities of Color." Kansas City, MO: Federal Reserve Bank of Kansas City.

*Motoyama, Yasuyuki, Susan Clark Muntean, Karren Knowlton, and Banu Ozkazanc-Pan. 2021. "Causes of the Gender Divide within Entrepreneurship Ecosystems." *Local Economy*.

Week 8 (May 23): Human capital and the "creative class" debate

Readings:

Mathur, Vijay. 1999. "Human Capital-Based Strategy for Regional Economic Development." *Economic Development Quarterly* 13 (3): 203-216.

Markusen, Ann. 2004. "Targeting Occupations in Regional and Community Economic Development." *Journal of the American Planning Association* 70 (3): 253-268.

Florida, Richard. 2014. "The Creative Class and Economic Development." *Economic Development Quarterly* 28 (3): 196–205.

Nelson, Marla, and Renia Ehrenfeucht. 2020. "Beyond the Jobs versus Amenities Debate: Understanding the Migration of Educated Workers and Implications for Planning." *Journal of Planning Education and Research* 40 (1): 16–30.

Week 9 (May 30): Arts and the “Cultural Economy”

Readings:

- Markusen, Ann, and Greg Schrock. 2006. “The Artistic Dividend: Urban Artistic Specialisation and Economic Development Implications.” *Urban Studies* 43 (10): 1661-1686.
- Scott, Allen J. 2010. “Cultural Economy and the Creative Field of the City.” *Geografiska Annaler: Series B, Human Geography* 92 (2): 115-30.
- Grodach, Carl. 2013. “Cultural Economy Planning in Creative Cities: Discourse and Practice.” *International Journal of Urban and Regional Research* 37 (5): 1747-65.
- Duxbury, Nancy. 2021. “Cultural and Creative Work in Rural and Remote Areas: An Emerging International Conversation.” *International Journal of Cultural Policy* 27 (6): 753-67.

Week 10 (June 6): “Just Transition” and Regional Development

Readings:

- Cha, J. Mijin, Manuel Pastor, Madeline Wander, James Sadd, and Rachel Morello-Frosch. 2019. “A Roadmap to an Equitable Low-Carbon Future: Four Pillars for a Just Transition.” Los Angeles: Program for Environmental and Regional Equity, University of Southern California
- Fitzgerald, Joan. 2020. “Cities and a Green New Deal.” In *Greenovation*, 166-96. New York: Oxford University Press.
- BMW Foundation RESPOND, Circle Economy, and SYSTEMIQ. 2022. “Regenerative Economy: Moving from Theory to Action.”
- Froy, Francesca, Samuel Heroy, Elvira Uyarra, and Neave O’Clery. 2023. “What Drives the Creation of Green Jobs, Products and Technologies in Cities and Regions? Insights from Recent Research on Green Industrial Transitions.” *Local Economy*

Finals week: Student Presentations