

# **Rebuilding Greater Cleveland: An Honors Seminar In Urban Economic Development**

**Glickman/Miller Hall Room 335**

Tuesdays – 3 to 6 P.M.

**Fall 2005**

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Professor and Dean

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## **Introduction**

The goals of this seminar are to expand understandings of:

- (1) how wealth is created and generated relative to regional economic development
- (2) elements of regional economic development and why regions rise and fall in terms of their relative and absolute wealth and well-being
- (3) why wealth increases in some regions only to decline in later years, why other regions seem to consistently prosper, and why some regions never develop high levels of wealth
- (4) the role of markets in economic development patterns;
- (5) the role and effectiveness of interventions with regard to market forces to change economic development patterns;
- (6) the political and institutional issues that underpin growth coalitions that seek to support and secure economic development; and
- (7) how this knowledge can be applied to the challenges facing Greater Cleveland and its economic and social future.

No issue consumes more of the public and social agenda in Greater Cleveland than its growth and development. For decades the Greater Cleveland region was a leading national center for economic development. More recently development has slowed and Greater Cleveland's role in the national economy has been eclipsed. Regions in the Sunbelt and Far West now grow far faster and attract far more investment. In addition, other regions in the Northeast and Midwest are also growing more quickly and are attracting and retaining more wealth than is Greater Cleveland.

There was a time when people could say that weather or other amenities were simply realigning economic development in the nation when growth was concentrated from

Atlanta to San Diego and from Miami to Seattle. But when areas such as Boston, Chicago, Minneapolis/St. Paul and New York thrive and Greater Cleveland remains mired in growth rates far below the national level it is clear the answer to decline and reinvigoration involves far more than just “the weather” and the development of a handful of new civic assets.

To chart a course for Greater Cleveland’s future it is necessary to understand (1) what is known how wealth and its occurrence, (2) the role of markets and other variables in driving the location and concentration of wealth, and (3) how social systems and institutions can be utilized to influence the locations and “flow” of wealth and economic development. A series of readings as well as visits with economic leaders will be used to address these points to help you build your own understandings and ideas.

## **The Instructor**

I have been studying the relationships between local governments, economic development, and public finance since 1975. I have worked for many state and local governments in planning for particular projects or developing strategies. I have worked for the cities of Los Angeles, Philadelphia, New York, and Indianapolis and testified before committees of the US Congress and state legislatures in New York, Texas, and Indiana. I have published more than 35 papers and 2 books on my research into cities, economic development, and the role of sports and entertainment in development strategies. I have also been a consultant for Major League Baseball, the San Diego Padres, the Indianapolis Motor Speedway and Racing League, and The Children’s Museum of Indianapolis. I have worked with the City of Los Angeles on the development of the new Staples Center in Los Angeles and in an evaluation of the issues involved with that city’s pursuit of an NFL franchise.

## **Main Readings**

Five books and numerous reports and articles from academic journals will be used to help frame our discussions. Those other required readings are identified in the course calendar as are the readings assigned from the books listed below.

(1) Clarke, Susan E. and Gaile, Gary L. 1998. *The Work of Cities*. Minneapolis: University of Minnesota Press.

(2) Diamond, Jared. 1997. *Guns, Germs, and Steel: The Fate of Human Societies*. New York: W. W. Norton.

(3) Landes, David S. 1998. *The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor*. New York: W. W. Norton

(4) Pastor, Manuel, Jr., Dreier, Peter, Grigsby III, J. Eugene, and Lopez-Garza, Marta. 2000. *Regions That Work: How Cities and Suburbs Can Grow Together*. Minneapolis: University of Minnesota Press.

(5) Reich, Robert B. 1991. *The Work of Nations*. New York: Vintage Press.

## **Course Requirements**

There will be two major written and two major oral presentations for this seminar. First, there will be midterm examination (take home). This exam will consist of three essay questions (selected from among five that will be posed). Second, each seminar member will produce a paper or conduct a project on a topic related to the course and that fits with their intellectual curiosity and research interests. The paper can focus on a particular topic related to economic development or a specific project or initiative – e.g., sports facility, research center, downtown development, etc. The goal for this assignment is to permit seminar participants to expand or develop a greater depth of understanding or expertise on a particular issue related to economic development. It is also possible to focus on economic development theory and explore elements of capital formation and advancement.

The two oral presentations will be based on the extended readings and the written project. Each seminar member will be responsible for a presentation based on one set of the extended readings identified for a particular topic. Each seminar member will also make a presentation based on his or her project.

It is also expected, and needed, for every member of the seminar to read the assigned materials so that our discussions are lively exchanges containing many questions and debates. Learning takes place when there is disagreement and questioning; when there are more questions and disagreements there is more learning, and learning, not agreement, is the most critical goal for any class or seminar.

## **Course Calendar**

Listed below is the approximate schedule we will follow for this seminar. I use the word “approximate” as I am sure some of our discussions will take more time than one class meeting. In addition there will be sessions at which we will have guest speakers – leaders in economic development from the Greater Cleveland area – who will also be integral parts of the curriculum. We will adjust the course calendar as we move through the seminar. There are also 1-2 days when I will be out-of-town or when we must plan around the Jewish holidays of Rosh Hashana and Yom Kippur.

### **Session One: Introduction**

Seminar Overview and Organization; Requirements

Defining Wealth and Economic Development

Social Equity, Capitalism, and Economic Development

## **Session Two: Wealth, Nature, and Technology**

Landes, pp. 1-291.

## **Session Three: Winners and Losers**

Landes, pp. 292-531.

Feng, Yi. 1997. "Democracy, Political Stability, and Economic Growth." *British Journal of Political Science* 27 391-418 (distributed via email)

Ehrlich, Isacc and Lui, Francis T. 1999. "Bureaucratic Corruption and Endogenous Economic Growth." *Journal of Political Economy*. (distributed via email)

## **Session Four: Evolution, Geography, and Technology**

Diamond, pp. 9-292.

Aron, Janine. 1997. "*Political, Economic, and Social Institutions: A Review of Growth Evidence.*" Center for the Study of African Economies, University of Oxford. (distributed via email).

## **Session Five: Fates Today – Paper Outlines Due**

Diamond, pp. 293-471

Fogarty, M. S., Garogalo, G. S., and Hammock, David C. 2003. "*Cleveland from Startup to the Present: Innovation and Entrepreneurship in the 19<sup>th</sup> and Early 20<sup>th</sup> Centuries.*" Cleveland: Center for Regional Economic Issues, Weatherhead School of Management, Case Western Reserve University. (distributed via email)

*The Changing Dynamics of Urban America (PDF)*

*Back to Prosperity (PDF)*

*Weak Markets (PDF)*

## **Session Six: Roads Ahead**

Reich, 3-328.

Stern, Scott, Porter, Michael E., and Furman, Jeffrey L., 2000 “The National Determinants of National Innovative Capacity,” National Bureau of Economic Research, Cambridge, MA (distributed by email).

Griliches, Zvi 1990. “Patent Statistics as Economic Indicators: A Survey Part 1,” National Bureau of Economic Research, Cambridge, MA (distribute via email).

### **Session Seven: Midterm Review**

### **Session Eight: Midterm Due**

### **Sessions Nine and Ten: The Role for Collective Action**

Molotch, Harvey L., 1976, “The City As A Growth Machine: Towards A Political Economy of Place,” *American Journal of Sociology*, 82: 309-330.

Savitch and Kantor, pp. 223-360.

Lambooy, Jan G. 2002. “Knowledge and Urban Economic Development: An Evolutionary Perspective, *Urban Studies* 39 5/6 1019-103.  
<http://taylorandfrancis.metapress.com/media/H83AKMWVWM2VU6L7TPQ0/Contributions/T/0/A/L/TOAL0T5H8UP5ABGG.pdf>

Rosentraub, Mark S. and Paul Helmke, “Location Theory, A Growth Coalition, and A Regime In Medium-Sized City,” *Urban Affairs Review* (formerly, *Urban Affairs Quarterly*), 31: 4, 1996, pp. 482-507.

Kennedy, Sheila and Rosentraub, Mark S. 2000, “Public-Private Partnerships, Professional Sports Teams, and the Protection of the Public’s Interests,” *The American Review of Public Administration*, December 30: 4, 436-459.

“Commentary and Debate: Urban Regime Theory.” *Journal of Urban Affairs* 2004, 26: 1 pp. 1-42.

Rosentraub, Mark S., 2004, “Private Control of A Civic Asset: The Winners and Losers from North America’s Experience with Four Cartels for Professional Team Sports,” in *The Commercialisation of Sport*, T. Slack, editor, London: Routledge, pp. 101-118 (paper or electronic distribution).

### **Sessions Ten and Eleven: Cities and Economic Development**

Clarke, Susan E. and Gary L. Gaile, 1998, *The Work of Cities*, Minneapolis: University of Minnesota Press, pp. 1-54 (**on reserve**)

Savitch, H. V. and Kantor, Paul. 2002. *Cities in the International Marketplace*. New Jersey: Princeton University Press, pp. 1-54.

Kantor, Paul, 1995, *The Dependent City Revisited*, Boulder: Westview Press, pp.1-112 (on reserve).

Levine, Marc A., "A Third World City in the First World," pp. 123-156 in *The Social Sustainability of Cities*.

"Urban Policy Forum: Ideology and Leadership in Indianapolis," *Journal of Urban Affairs*, 25: 1 pp. 1-36.

## **Sessions Twelve and Thirteen: Regions, Cooperation and Economic Development**

Pastor, Jr., et. al., *Regions That Work*, pp. 1-230.

Savitch and Kantor, pp. 101-312.

Regional Reconsidered – Special Issue of the *Journal of Urban Affairs*  
2001 23: 5 all.

Clark, T. N., et. al. 2002. "Amenities Drive Urban Growth," *Journal of Urban Affairs* 24: 5 493-516.

Austin, J. and McCaffrey A. 2002. "Business Leadership Coalitions and Public-Private Partnerships in American Cities. *Journal of Urban Affairs* 24: 1 35-54.

Hamilton, David K. 2002, "Regimes and Regional Governance." *Journal of Urban Affairs* 24: 4 403-422.

## **Sessions Fourteen and Fifteen: Presentation of Research Papers**