

Urban Economic Development:

Entertainment, Hospitality Businesses, and the Rebuilding of Downtown Areas

UST 693, Glickman/Miller Hall Room 351

Thursday, 6-9:50

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Introduction

The goals of this seminar are to:

- (1) explore the global interest in utilizing various elements of culture, entertainment, and the hospitality industry to revitalize downtown areas;
- (2) understand the fit between the tourism industry and theories of economic development;
- (3) understand the politics and institutional issues that underpin the growth coalitions that support and secure the building of infrastructure for tourism and the hospitality industry; and
- (4) review the limits, benefits, and outcomes from tourist development and economic policies that have been used to revitalize cities and downtown areas.

While it might seem that the emphasis on tourism and the hospitality industry for urban economic development is a particularly American or North American phenomenon the focus on the hospitality industry is a worldwide phenomenon. While North American cities from Toronto to Los Angeles and Miami to Vancouver have emphasized tourism to revive downtown areas, to varying degrees, tourism, retail consumption, and culture as a central component for urban development have guided policies and programs in Birmingham (England), Barcelona, Israel, Palestine, Egypt, Beijing, Sydney, and South Africa.

To further underscore the worldwide focus on entertainment and the hospitality industry for economic development, in 2000 governments in England and South Africa were locked in a battle to be the home for the World Cup 2006 and the Chinese government

worked for more than 6 years to host the Olympics. In 2006 the World Cup will be held for the first time on the African continent, and Beijing will host a future Olympic games.

In the short run the events of September 11th reduced the demand for tourism, but by 2003 demand levels had returned to previous levels and it is unlikely that the attacks will significantly change what has been an expanding interest in tourism.

Terrorist attacks, as should be expected, have a negative impact on tourism in certain areas. However, when more peaceful times return, the continued popularity of tourism will also increase. As evidence of this prediction, note that after the civil conflict in Palestine/Israel in the late 1980s and early 1990s was quieted and negotiations progressed towards the creation of an independent Palestine, tourism rates in Israel and Palestine soared in the 1990s and through August 2000.

Tourism as an industry first emerged in the 19th century, and with growing amounts of disposable income among the middle and upper class, recreation is an important and growing industry. As we will see, it is among the fastest growing industries in the world.

In achieving the goals for this seminar several critical objectives will also be achieved.

First, a clear understanding of the importance of sports, culture, and the entertainment industry for cities and a society will be explored.

Second, the ability of cities and their local leaders to control economic development will be discussed. This conversation will identify some degree of the attractiveness of entertainment as a development strategy.

Third, the process for evaluating the social and economic benefits of an “entertainment be considered.

Fourth, the limits of tourism as a tool for development and growth will also be identified as will the appropriate use of the wealth produced to further a society’s economic development.

Lastly, through a review of the experiences of different cities what can and cannot be accomplished by an “entertainment” focus for redevelopment will be explored.

The Instructor

I have been studying the relationships between local governments and the entertainment/sports industries 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 entertainment. 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.

My sports-related and economic development research has been published in *Public Administration Review*, *Economic Development Quarterly*, the *Journal of Sports and Social Issues*, the *Journal of Urban Affairs*, and other edited collections. I have also published research articles *Urban Affairs Review*, *the Journal of the American Planning Association*, *Public Administration Review*, *Public Finance Revenue*, *Economic Development Quarterly*, *Nonprofit and Voluntary Sector Quarterly*, *Social Science Journal*, *Policy Studies Review*, *Policy Studies Journal*, *Public Productivity Review*, *Journal of Environmental Systems*, *State and Local Government Review*, as well as, several other journals and numerous collections.

Main Readings

Five books (and several papers from academic journals) will be used to help frame our discussions.

Clark, Terry. Editor. 2003. *The City As An Entertainment Machine*. New York: Elsevier.

Foglesong, Richard E., 2001, *Married to the Mouse: Walt Disney World and Orlando*, New Haven: Yale University Press.

Judd, Dennis R. editor. 2003. *The Infrastructure of Play*. Armonk, New York: M. E. Sharpe.

Polese, Mario and Richard Stern, 2000, *The Social Sustainability of Cities: Diversity and the Management of Change*, Toronto: University of Toronto Press.

Savitch, Hank V. and Kantor, Paul. 2002. *Cities in the International Marketplace*. Princeton, New Jersey: Princeton University Press.

Course Requirements

There will be two major written requirements for this seminar. First, there will be midterm examination (take home). This exam will consist of three to five essay questions. There will be a choice of questions. Second, each seminar member will produce a paper or conduct a project on a topic related to the course and that fits with their professional and research interests. The paper can focus on a particular topic (gaming or gambling, arts and redevelopment, professional sports, growth machines,

capital formation in a society, tourism, etc.). The goal for this assignment is to permit seminar participants to expand or develop a greater depth of understanding or expertise on any component of the hospitality industry and its relationship to development. It is also possible to focus on economic development theory and explore elements of capital formation and the hospitality sector.

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 not sure if some of our conversations will take more time than I have planned. We will adjust the course calendar as we move through the seminar. Our discussions are MORE important than adhering to any established time sequence. In addition, there will be some class meeting dates for which I will not be available as a result of some travel commitments. This, however, will not impact accomplishment of the course objectives.

Session One: Introduction

Seminar Overview and Organization

Requirements

Defining Economic Activity, Economic Growth, and Economic Development

The Role of Equity in Economic Development

Session Two: Entertainment, Culture, and the City Center

Clark, pp. 1-102.

Judd, pp. 3-76.

Savitch and Kantor, 1-100.

Stren and Polense, pp. 3-38.

Session Three: 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**)

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*.

Savitch and Kantor, pp. 101-222.

Sessions Four: Economic Development and the Growth Machine

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

Savitch and Kantor, pp. 223-360.

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.

Session Five: Wealth Creation and Societies

Landes, David S., 1998, *The Wealth and Poverty of Nations*, pp. 1-112 (**on reserve**).

Reich, Robert B., 1992, *The Work of Nations*, pp. 1-118 (**on reserve**).

Polese and Stern, pp. 39-122.

Session Six: Consumption and Tourism

Clark, 19-140.

Judd, 77-214.

Session Seven: Presentation of Research Designs for Term Projects

Session Eight: Midterm Due

Journal of Urban Affairs, 1999, 21: 4, pp. 377-395.

Rosentraub, Mark S., 2002, "Private Control of A Civic Asset: The Winners and Losers from North America's Experience with Four Cartels for Professional Team
The Commercialisation of Sport, T. Slack, editor, London: Frank Cass & Co. (paper or electronic distribution).

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 (with Sheila Kennedy). (paper or electronic distribution).

Judd, 215-322.

Session Twelve: Tourism, Development, and Equity – Outcomes

Polese and Stern, all.

Rosentraub, Mark S., 2000, Sports Facilities, Redevelopment, and The Centrality of Downtown Areas: Observations and Lessons from Experiences in A Rustbelt and Sunbelt City, *Marquette University Sports Law Journal*, 2000, 10: 2, Spring, 219-236 (paper to be distributed).

Rosentraub, Mark S., et. al., 1994, "Sports and A Downtown Development Strategy: If You Build It Will Jobs Come?," *Journal of Urban Affairs*, 16: 3, 1994, pp. 221-239.

Sessions Thirteen and Fourteen: Presentation of Research Papers