

Urban & Regional Economics (ECON 4500)
Spring 2009
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BAS S337; 6:00PM-9:00PM Mondays
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Welcome to Urban and Regional Economics. This course focuses on the spatial aspect of economics. We study *local* economies, usually consisting of cities and their hinterlands, though sometimes we will consider larger areas, such as states or multi-state regions (e.g., the southern United States). This way of looking at an economy is applicable to any country, and can help us understand why some regions grow and others do not. We can apply what we learn to public policy, as well as use some of our knowledge to guide investments in real estate markets.

This course contains some lectures, but is primarily a lab/paper course. It provides numerous opportunities for working in teams and requires students to present their findings to the class. Success of the class depends upon every student contributing what they know. Frequent attendance is important, but even more important is the willingness to think, listen, and speak up when you have something to say.

You will be asked to use *Microsoft Excel* to analyze economic data and *ArcGIS* to create maps. It is not necessary that you begin this course proficient in spreadsheet use, and certainly no one is expected to know anything about *ArcGIS* or any other Geographical Information System (GIS) software. It is expected, however, that you be able to perform any of the class exercises by semester's end.

Grading: Consists of the following:

A final exam accounting for 20% of the course grade. The exam consists of essay questions, and will be given *early*, on Monday, April 27, from 6:00-9:00 in the regular classroom. The exam covers everything discussed in class over the entire semester. On April 20, I will provide a set of essay questions, from which I will select the questions for the final (see last page of syllabus).

One book report worth 25% of your total grade. This should be from 8 to 15 pages in length (double-spaced, 11 point scalable font), and should contain your synthesis of the material, **not** a simple summary. Book reports will be presented to the class on March 30. These reports give you a chance to choose a topic that interests you; try to find a book that would also make an interesting presentation to the rest of the class. You must show me a book, and receive my approval, by Monday, February 23.

One term paper worth 25% of your total grade. Term papers should be on a topic having to do with urban or regional economics. A list of sample topics is appended, though the list is far from exhaustive. You must clear your topic with me by Monday, March 23. Typical length for these papers is 12 to 20 pages (double-spaced, 11 point scalable font). Selected papers will be presented to the class on May 4.

Presentations, computer assignments, and class participation jointly make up 30% of your grade. Computer assignments require that you use *Excel* and *ArcGIS*. Many of the presentations and all computer assignments will be done by groups. A peer evaluation, conducted on May 4 (see next to last page of syllabus), as well as my own evaluation of your performance, will establish your class participation grade.

Plagiarism warning: It's become temptingly easy to copy material off the web, paste it into a paper, and turn it in as one's own work. Beware. The web has made it equally easy for faculty to check a suspicious paper for plagiarism. The penalties for plagiarism are harsh. Protect yourself by learning what constitutes plagiarism (see the course webpage). Avoid paraphrasing, cite all sources, and enclose all verbatim passages in quotes.

Schedule of Topics

week	Date	Tentative topic
1	Jan. 26	Population I
2	Feb. 2	Population II
3	Feb. 9	Housing I
4	Feb. 16	Housing II
5	Feb. 23	Spatial Division of Labor I
6	Mar. 2	Spatial Division of Labor II
7	Mar. 9	---Spring Break-----
8	Mar. 16	Spatial Division of Labor III
9	Mar. 23	Business Location
10	Mar. 30	Book Report Presentations
11	Apr. 6	Economic Growth
12	Apr. 13	Urban Underclass
13	Apr. 20	Sprawl
14	Apr. 27	-----Final Exam-----
15	May. 4	Paper Presentations & Peer Evaluation

- The first seven classes involve analysis of data using *ArcGIS* and *Excel*. All work, including presentations, is done in groups.
- Three classes (9, 10, and 15) are entirely centered on topics chosen by students.
- Classes 11-13 will focus on three policy areas.
- Attendance matters! Students with poor attendance typically receive the lowest grades from the peer evaluation. If you think you will miss two or more classes, please drop the course.

MTSU requires that the following text appear on all syllabi:

Required Tennessee Education Lottery Scholarship Criteria and Expectations: To retain Tennessee Education Lottery Scholarship eligibility, you must earn a cumulative TELS GPA of 2.75 after 24 and 48 attempted hours and a cumulative TELS GPA of 3.0 thereafter. You may qualify with a 2.75 cumulative GPA after 72 attempted hours (and subsequent semesters), if you are enrolled full-time and maintain a semester GPA of at least 3.0. A grade of C, D, F, or I in this class may negatively impact TELS eligibility. Dropping a class after 14 days may also impact eligibility; if you withdraw from this class and it results in an enrollment status of less than full time, you may lose eligibility for your lottery scholarship. Lottery recipients are eligible to receive the scholarship for a maximum of five years from the date of initial enrollment, or until a bachelor degree is earned. For additional Lottery rules, please refer to your Lottery Statement of Understanding form, review lottery requirements on the web at <http://scholarships.web.mtsu.edu/telsconteligibility.htm>, or contact the Financial Aid Office at 898-2830.

Books for Book Report. Pick a book you would really like to read, either because it might help you in your chosen career, or because it interests you. A very wide range of books are suitable for this assignment. Here are a few examples. Many, many more are possible. It would be a good idea to spend an hour examining the library's selection. Any book not available in the library can be purchased online.

Books on Planning, the Built Environment, and Urban Design.

Alexander, Christopher. 1977. *A Pattern Language: Towns, Buildings, Construction*. Oxford University Press, USA.

Garreau, Joel. 1992. *Edge City: Life on the New Frontier*.

Gratz, Roberta Brandes. 1989. *The Living City*.

Jackson, Kenneth T. 1985. *Crabgrass Frontier: The Suburbanization of the United States*.

Jacobs, Jane. 1961. *The Death and Life of Great American Cities*.

Kunstler, James Howard. 1997. *Home from Nowhere*.

Kunstler, James Howard. 1993. *The Geography of Nowhere*.

Books on the History of a Specific Place.

Miller, Donald L. 1996. *City of the Century: The Epic of Chicago and the Making of America*.

Wallace, Anthony F. C. 1978. *Rockdale: The Growth of an American Village in the Early Industrial Revolution*

Warner, Sam Bass, Jr. 1968. *The Private City: Philadelphia in Three Periods of Its Growth*.

Books on the Political Economy of Places.

Davis, Mike. 1990. *City of Quartz: Excavating the Future in Los Angeles*.

Roberts, Bryan. 1978. *Cities of Peasants: The Political Economy of Urbanization in the Third World*.

Wright, Gavin. 1986. *Old South, New South: Revolutions in the Southern Economy since the Civil War*.

Books with General Theoretical Insights into Local Economies.

Hoover, Edgar M. and Raymond Vernon. 1959. *Anatomy of a Metropolis*.

Jacobs, Jane. 1984. *Cities and the Wealth of Nations: Principles of Economic Life*.

Jacobs, Jane. 1969. *The Economy of Cities*.

Books Providing a Glimpse into Economic Life in a Past Local Economy.

Fite, Gilbert C. 1966. *The Farmers' Frontier 1865-1900*.

Hohenberg, Paul M. and Lynn Hollen Lees. 1985. *The Making of Urban Europe 1000-1950*.

Linklater, Andro. 2002. *Measuring America: How the United States Was Shaped by the Greatest Land Sale in History*.

Olmsted, Frederick Law. 1861. *The Cotton Kingdom: A Traveler's Observations on Cotton and Slavery in the American Slave States*.

Smith, Duane A. 1967. *Rocky Mountain Mining Camps: The Urban Frontier*.

Twain, Mark. 1884. *Life on the Mississippi*.

Books Analyzing Local Economies to Guide Real Estate Investment.

Lessinger, Jack. 1986. *Regions of Opportunity: A Bold New Strategy for Real Estate Investment—with Forecasts to the Year 2010*.

Guidelines for Term Paper: You should keep in mind several important considerations as you write.

- 1) The topic should have something to do with the *spatial* aspect of economic activity. Perhaps the easiest way to ensure this is to center the discussion on a *sub-national* region (such as a city); another way is to discuss why certain economic activities occur in a certain *location* or how they differ in one location from activities in another location.
- 2) Any material quoted, paraphrased, or ultimately derived from another author must be referenced. I prefer the following format: (author, date: page number). I expect about 10 references, and at least two should be journal articles. Paraphrasing of extensive passages is [plagiarism](#), and must be avoided at all costs.
- 3) A good paper is accurate, interesting, and easy to read.

Term Paper Topics: This list of potential topics is only suggestive, not exhaustive:

- 1) The nursery business (the winery business) in middle Tennessee.
- 2) The spatial distribution of auto manufacturing.
- 3) Retail trade in middle Tennessee (e.g., who shops at Cool Springs?).
- 4) Hub economies—their spatial effects.
- 5) Overbuilding in commercial real estate: cause and effect.
- 6) Campus neighborhoods—MTSU versus Vanderbilt. Why different?
- 7) How Tennessee recruits industry: county and state activities.
- 8) The underclass in Tennessee: urban and rural.
- 9) Regions facing environmental collapse (e.g. the Aral Sea).
- 10) The Kurdish- (Somali-, Mexican-, etc.) Americans of Nashville: location and elements of community.
- 11) Urban renewal: good idea or bad?
- 12) The rise and decline of Los Angeles (Detroit, Schenectady, etc.).
- 13) Where retirees like to live: how retirement stimulates some local economies.
- 14) Technological spin-offs from universities to local economies.
- 15) Old industrial regions in Europe (the U.S.).
- 16) The U.S.-Mexican (German-Polish, Polish-Belarus, etc.) border.
- 17) The former DDR as a region of Germany.
- 18) The influence of changes in transportation on urban structure.
- 19) The influence of changes in energy sources and energy prices on location patterns.
- 20) Planned communities (e.g., Brazilia): good idea or bad?
- 21) The Scotch-Irish and the American frontier.
- 22) The Mormon settlement of the Great Basin.
- 23) The rise and fall of the Natchez Trace.
- 24) Land banks and development rights—market solutions to loss of greenspace.
- 25) Edge cities: how important?
- 26) The impact of the global economy on middle Tennessee.
- 27) The new urbanism: Seaside, Florida; Celebration, Florida; etc. (pick one).
- 28) Real estate investment opportunities: picking cities, picking neighborhoods.
- 29) Stadiums, arenas, and convention centers: who benefits?
- 30) Drug wars and their effect (on central cities, on the rural US, on rural Colombia, etc.).
- 31) Comparing City Structure: North America, Latin America, Europe, Africa, East Asia, South Asia, the Middle East (pick any two).
- 32) Impact fees: a good idea?
- 33) Current trends in urban planning.
- 34) The decline of the streetcar era in American cities: causes and consequences.
- 35) The spatial aspect of the electric power (cable television, telephone, water, sewerage, etc.) industry (pick one).
- 36) The economy of the Medieval Italian (Renaissance German, Ancient Mesopotamian, Ancient Mesoamerican, etc.) city (pick one).
- 37) Mixed-use neighborhoods: their advantages, disadvantages, and prospects in US cities.
- 38) Outlet mall centers (e.g., Pigeon Forge, Boaz)—how they started, and prospects for continued success.
- 39) The spatial structure of the returned goods industry.
- 40) The effects of subprime mortgages (both their availability and the eventual crisis) on residential neighborhoods.
- 41) The spatial structure of the software industry (call centers, other services).
- 42) The spatial structure of tourism (eco-tourism, sex tourism, time-share resort tourism, cruise tourism, backpacker tourism, etc.). (pick one).

The peer evaluation, given on May 4, will look like this:

Your name: _____

Please rank yourself and your fellow students. Ranks run from 1 to 29: 1 would be the appropriate rank for the student that helped you learn the most in this class; 29 would be appropriate for the student whose presentations, assistance as group member, or discussion were least helpful. No ties are allowed. Please also put a letter grade next to the rank (pluses and minuses allowed). For details on the methodology, please refer to <http://www.jeandfe.org/econ/Effpaper.pdf> .

Name	Rank	Letter Grade	Comments (optional)
Allison, Janna Lee			
Christiansen, Brad Alan			
Christiansen, Bryan Charles			
Doughty, Christopher John			
Elkins, Christian Michelle			
Giles, Steven W			
Gomez, David Gabriel			
Gosnell, Joshua Wayne			
Head, Kathryn L			
Jones, Aneesha Dee			
Kachel, John			
Kim, Stephen Guet			
Lester, Lani Danielle			
Lewis, Christopher Scott			
Lunsford, Alec Channing			
McJunkins, Tiffany Marie			
Metcalf, Jesse Read			
Mikrut, Bradley Edward			
Nichols, Justin-Claud Carmicha			
Njoroge, Phil Kamau			
Patterson, Nathan William			
Poteete, Ronald Phillip			
Scott, Aaron Matthew			
Sears, Angela Michelle			
Seaton, John M			
Stanton, Jennifer Michelle			
Tolbert, Tara Michelle			
Wooten, Johnny Calvin			
Zurita, Gabriel Esteban			

On April 20, a week before the final, I will give you a set of questions, similar to these that I used in a previous year.

Candidate Final Exam Questions. ECON 4500 *Urban and Regional Economics*

I will ask two of these questions on your final. The questions allow a great deal of latitude in their answers. I expect thoughtful, relatively comprehensive, and comprehensible responses. You will be expected to answer two essay questions and ten short answer questions (one point each) within 180 minutes, so plan the length of your answers accordingly.

- 1) Suppose that you have been hired as a consultant for IKEA (<http://en.wikipedia.org/wiki/IKEA>), in order to help them find an appropriate location for their first store in the Nashville Economic Area. Discuss some of the considerations you would employ in selecting a site; where in the Economic Area do you think you would probably eventually locate?
- 2) Imagine that you are a real estate consultant; you have been asked to write a three-page summary of the most important factors affecting home prices. Include in your summary an explanation of why homes in Green Hills are—for their size and age—unusually expensive, and homes in Thompson Station are unusually cheap.
- 3) What is the “underclass”? Why is the underclass a problem? How did the underclass come into being? What can we do about the problem?
- 4) You are a staff researcher at an economic development organization. You have been asked to write a policy paper that recommends the types of businesses the economic development concern should try to attract to Rutherford County. What do you recommend? How would your recommendations change if you were recommending types of businesses for Williamson County? For Cannon County?
- 5) Discuss the theories of Gunnar Myrdal and Bertil Ohlin on the convergence and divergence of per capita income across regions. Do the data show convergence or divergence for U.S. per capita income between 1969 and 1995? What accounts for the observed pattern of convergence or divergence?
- 6) Discuss the general distribution of economic activity in the U.S. Include everything we’ve talked about this semester: areas of chronic poverty, inter-regional productivity and innovation differences, inter-regional political and cultural differences, regional specialization and trade, manufacturing plant location decisions, migration, and the national hierarchy of central places. Weave all of this together into a coherent essay describing the economic geography of the U.S.