

Regional Economics
Economics 563
Fall 2017

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Economic development is one of today's most pressing policy concerns. Federal, state and local decision-makers are keenly interested in job and income creation; goals that are particularly important in rural and poor places. However, there are competing beliefs about what, if anything, government can do to foster local economic growth. Furthermore, there are often concerns that some "pro-growth policies" can have substantial negative effects on a region. In this course we will study regional development, looking at both its causes and consequences.

Theoretical and empirical regional development models will serve as the course's base. We will examine how a region's growth is affected by local characteristics, such as its endowment of natural resources and human and physical capital. We will also look at how regional growth is affected by technological change, the spatial concentration of economic activity, and national trends. Recognizing that non-economic factors can influence growth, we will carefully study the effect of public policy, institutions, law, geography, and culture.

Because growth invariably has "winners" and "losers," special attention will be given to its distributional impacts. In this context, we will examine growth's relationship with migration, unemployment, poverty, and other measures of well-being. Additionally, growth's inter-relationship with the environment will be an important subject.

While the course will have a rich theoretical foundation, the course is really about policy. Accordingly, extensive time will be devoted to problem formulation and analytical methods. To this end, one of the primary objectives is for students to strengthen their ability to frame, analyze, discuss and argue "real world" issues, using both quantitative and qualitative methods. To further ground the class in reality, outside speakers will address current issues and challenges in economic development policy-making.

Due to the material, some classes will be primarily a "lecture," while other classes will be discussion oriented. Regardless of topic or format, you are expected to be prepared! You will be evaluated based on two in-course team presentations, and take home mid-term and final exams. Pre-requisites include a good understanding of micro-economic theory and statistics, especially regression models.

Office Hours

Tuesday and Thursday: 11:00-12:00.

Attendance

Expected and encouraged.

Readings

Readings will be posted on Canvas one week before class.

Academic Integrity

We will adhere fully to the University's policies. This is from Greg Dickinson.

"We take academic integrity seriously. At minimum, academic integrity means that no one will use another's work as their own. The CSU writing center defines plagiarism this way: Plagiarism is the unauthorized or unacknowledged use of another person's academic or scholarly work. Done on purpose, it is cheating. Done accidentally, it is no less serious. Regardless of how it occurs, plagiarism is a theft of intellectual property and a violation of an ironclad rule demanding "credit be given where credit is due. (Writing Guides: Understanding Plagiarism. <http://writing.colostate.edu/guides/researchsources/understandingplagiarism/plagiarismoverview.cfm>. Accessed, January 15, 2009)

"If you plagiarize in your work you could lose credit for the plagiarized work, fail the assignment, or fail the course. Plagiarism could result in expulsion from the university. Each instance of plagiarism, classroom cheating, and other types of academic dishonesty will be addressed according to the principles published in the CSU General Catalog (see page seven, column two: <http://www.catalog.colostate.edu/front/policies.aspx>). Of course, academic integrity means more than just avoiding plagiarism. It also involves doing your own reading and studying. It includes regular class attendance, careful consideration of all class materials, and engagement with the class and your fellow students. Academic integrity lies at the core of our common goal: to create an intellectually honest and rigorous community."

Student Evaluation

Take home mid-term and final exams: 30 percent apiece. You will have one week to complete each. Mid-term will be distributed October 17th.

In class presentations: 40 percent. You are expected to participate in two in-class paper presentations. Details will be provided in class.

Outline (subject to change)

- I. Why we care about space in economics?
- II. Why do firms and people locate where they do?
 - Firms

- Theory
 - Transportation and location
 - Agglomeration and location
 - Marshall's externalities
 - Knowledge spillovers
- Empirics and Policy
 - Regulations and firm location
 - Minimum wage and firm location
- People
 - Theory
 - Inter-regional Migration
 - Labor market
 - Affects of immigration on native-workers
 - Amenities and location
 - Human capital
 - Intra-regional sorting
 - Tiebout
 - Ghettos

III. Urban form

- Monocentric and polycentric city models
- Land use and sprawl
- Congestion

IV. Spatial issues in policy

- Housing
- Health