

Readings Econ 563 (\* required)

### **1. Introduction—**

- a. The role of space in economics
- b. Defining regional economics and regions:
- c. Describing an economy

\*William A. Schaffer. 2010.

*Chapter 1: Place and Space*

*Chapter 2: What is a Region?*

Web Book of Regional Science:

<http://rri.wvu.edu/WebBook/Schaffer/Chapters%201&2%20S10%20for%20WVa.pdf>

\*Martin Shields. 2003. *Using Employment Data to Better Understand Your Local Economy* Penn State University

[http://cecd.aers.psu.edu/pubs/using\\_employment\\_data\\_to\\_better.htm](http://cecd.aers.psu.edu/pubs/using_employment_data_to_better.htm)

**2. Location—**What happens where and why? This section looks at various theories, empirical tests and policies related to location of firms and households.

### ***FIRMS***

What factors influence the location decisions of profit maximizing/cost minimizing firms?

### ***General Literature Reviews***

Josep-Maria Arauzo-Carod, Daniel Liviano-Solis and Miguel Manjón-Antolín. 2010. *Empirical Studies in Industrial Location: An Assessment of Their Methods and Results*. Journal of Regional Science 50(3):685-711

<http://onlinelibrary.wiley.com/doi/10.1111/j.1467-9787.2009.00625.x/abstract>

Timothy Bartik (1991). *Who Benefits from State and Local Economic Development Policies?* Kalamazoo: WE Upjohn

*Transportation and Infrastructure:* Early ideas of firm location center on transportation costs, with respect to either input or output markets.

\*Philip McCann. 2001. *Industrial Location: The Location of the Firm in Theory*. Chapter 1 in *Urban and Regional Economics*. Oxford University Press.

\*Chandra and Thompson (2000). *Does public infrastructure affect economic activity? Evidence from the rural interstate highway system*. Regional Science and Urban

Economics.

<http://www.sciencedirect.com/science/article/pii/S0166046200000405>

Strauss-Kahn, Vanessa and Xavier Vives (2009). *Why and where do Headquarters Move?* Regional Science and Urban Economics. 39(2):168-186.

[http://www.sciencedirect.com/science?\\_ob=ArticleURL&\\_udi=B6V89-4TNCG93-1&\\_user=5593168&\\_rdoc=1&\\_fmt=&\\_orig=search&\\_sort=d&\\_docanchor=&\\_view=c&\\_searchStrId=1005956854&\\_rerunOrigin=scholar.google&\\_acct=C000050221&\\_version=1&\\_urlVersion=0&\\_userid=5593168&md5=124105929a43dc9b8578860275d782d9](http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6V89-4TNCG93-1&_user=5593168&_rdoc=1&_fmt=&_orig=search&_sort=d&_docanchor=&_view=c&_searchStrId=1005956854&_rerunOrigin=scholar.google&_acct=C000050221&_version=1&_urlVersion=0&_userid=5593168&md5=124105929a43dc9b8578860275d782d9)

### **Regulation**

\*Levinson, Arik (1996). *Environmental regulations and manufacturers' location choices: Evidence from the Census of Manufactures.* Journal of Public Economics 62(1-2):5-29 <http://www.sciencedirect.com/science/article/pii/0047272796015721>

A. Jaffee et al. 1995. *Environmental Regulation and the Competitiveness of US Manufacturing: What Does the Evidence Tell Us?* Journal of Economic Literature XXXIII:132-163.

<http://www.cserge.ucl.ac.uk/Jeffe%20et%20al%201995.pdf>

### **Business Climate**

\*Thomas Holmes. 1998. *The Effects of State Policies on the Location of Industry: Evidence from State Borders* Journal of Political Economy 106:4 August  
(<http://www.mpls.frb.org/research/SR/SR205.pdf>)

**Taxes:** A huge literature, worthy of its own 6 week course.

### *Literature Reviews*

\*Michael Wasylenko. 1997. *Taxation and Economic Development: The State of the Economic Literature.* New England Economic Review March:37-52

<http://ideas.repec.org/a/fip/fedbne/y1997imarp37-52.html>

Terry Buss. 2001. *The Effect of State Tax Incentives on Economic Growth and Firm Location Decisions: An Overview of the Literature* Economic Development Quarterly. 15(1):90-105. <http://edq.sagepub.com/cgi/content/abstract/15/1/90>

### *Theoretical Papers*

\*Charles E. McLure, Jr. 1970. *Taxation, Substitution, and Industrial Location* Journal of Political Economy 78(1):112-132

<http://www.jstor.org/stable/1829626?seq=8>

## *Empirical Papers*

\*Robert J. Newman. 1983. *Industry Migration and Growth in the South*  
The Review of Economics and Statistics 65(1):76-86  
<http://www.jstor.org/pss/1924411>

\*Todd Gabe and Kathleen Bell. 2004. *Tradeoffs Between Local Taxes and Government Spending as Determinants of Business Location* Journal of Regional Science 44(1):21-41. <http://onlinelibrary.wiley.com/doi/10.1111/j.1085-9489.2004.00326.x/pdf>

\*Marlin Boarnet and William Bogart. 1996. *Enterprise Zones and Employment: Evidence from New Jersey* Journal of Urban Economics 40(2):198-215  
<http://www.sciencedirect.com/science/article/pii/S0094119096900297>

Leslie Papke. 1994. *Tax Policy and Urban Development: Evidence from the Indiana Enterprise Zone Program* Journal of Public Economics 54(1):37-49.  
<http://www.sciencedirect.com/science/article/pii/0047272794900698>

Leslie Papke. 1991. *Interstate Business Tax Differentials and New Firm Location: Evidence from Panel Data* Journal of Public Economics 45(1):47-68

## ***Incentives***

Yoonsoo Lee (2008). *Geographic Redistribution of US manufacturing and the Role of State Development Policy* Journal of Urban Economics 64:436-450  
<http://www.sciencedirect.com/science/article/pii/S0094119008000363>

## ***Policy Discussions***

Robert Greenbaum and Jim Landers. 2009. *Why Are State Policy Makers Still Proponents of Enterprise Zones? What Explains Their Action in the Face of a Preponderance of the Research?* International Regional Science Review 32(4):466-479.

*The Economic War Among the States*. A policy workshop sponsored by the Minneapolis Fed that looks at state economic competition for firms via incentives.  
[http://www.minneapolisfed.org/publications\\_papers/issue.cfm?id=196](http://www.minneapolisfed.org/publications_papers/issue.cfm?id=196)

Daria Burnes, David Neumark, Michelle J. White. 2011. *Fiscal Zoning and Sales Taxes: Do Higher Sales Taxes Lead to More Retailing and Less Manufacturing?* NBER Working Paper No. 16932 <http://papers.nber.org/papers/w16932>

## ***Agglomeration***

\*Duranton, Gilles and Puga, Diego. 2003. *Micro-Foundations of Urban Agglomeration Economies*. In Handbook in Urban and Regional Economics. Available at SSRN: <http://ssrn.com/abstract=468960>

\*Glaeser, Edward L., Hedi D. Kallal, Jose A. Scheinkman and Andrei Shleifer. 1992. *Growth in Cities* Journal of Political Economy

\*Stuart S. Rosenthal and William C. Strange. 2003. *Geography, Industrial Organization, and Agglomeration* Review of Economics and Statistics 85(2):377-393  
<http://www.mitpressjournals.org/doi/abs/10.1162/003465303765299882>

## **HOUSEHOLDS**

\*Larry A. Sjaastad. 1962. *The Costs and Returns of Human Migration* The Journal of Political Economy 70(5, Part 2): 80-93.

\*Jordan Rappaport . 2007. *Moving to Nice Weather* Regional Science and Urban Economics 37:375–398.

\*Naskoteen, R.A. and M. Zimmer. 1980. *Migration and income: the question of self-selection* Southern Economic Journal 46:840-851.

\*Jennifer Roback. 1982. *Wages, Rents, and the Quality of Life* The Journal of Political Economy 90(6):1257-1278.

### *School Choice*

\*Tiebout, Charles. 1956. *A pure theory of local expenditures*. Journal of Political Economy 64:416-424.

\*Sandra E. Black. 2007. *Do Better Schools Matter? Parental Valuation of Elementary Education* Quarterly Journal of Economics 114(2):577-599.

\*Randall Reback. 2005. *House prices and the provision of local public services: capitalization under school choice programs*. Journal of Urban Economics 57:275–301.

Sherwin Rosen. 1974. *Hedonic Prices and Implicit Markets: Product Differentiation in Pure Competition* Journal of Political Economy 82(1):34-55.

## **3. Regional Growth**

### **Export base**

Douglass C. North. 1955. *Location Theory and Regional Economic Growth* Journal of Political Economy (63)3:243-258.

## **Neoclassical Growth**

Robert M. Solow. 1956. *A Contribution to the Theory of Economic Growth*  
The Quarterly Journal of Economics 70(1):65-94.

\*George H. Borts. 1960. *The Equalization of Returns and Regional Economic Growth*  
The American Economic Review 50(3):319-347.

Smith, D. 1975. *Neoclassical Growth Models and Regional Growth in the US*. Journal of  
Regional Science 15(2):165-181.

## **Convergence**

\*Robert Barro and Xavier Sala-i-Martin. 1992. *Convergence* Journal of Political  
Economy 100(2):223-251. <http://links.jstor.org/sici?sici=0022-3808%28199204%29100%3A2%3C223%3AC%3E2.0.CO%3B2-L>

William J. Baumol . 1986. *Productivity Growth, Convergence, and Welfare: What the  
Long-Run Data Show* The American Economic Review 76(5):1072-1085.

\*N.G. Mankiw, D. Romer and D. Weil. 1992. *A Contribution to the Empirics of Growth*  
The Quarterly Journal of Economics CVII(2):407-437.  
<http://links.jstor.org/sici?sici=0033-533%28199205%29107%3A2%3C407%3AACTTEO%3E2.0.CO%3B2-5>

## **ENTREPRENEURSHIP**

\*Feldman, M. and J. Francis *Entrepreneurs and the Formation of Industrial Clusters*  
working paper Johns Hopkins <http://www.cs.jhu.edu/~mfeldman/Feldman%20-EFIC.pdf>.

\*Acs, Zoltan and Catherine Armington. 2004. *Employment Growth and  
Entrepreneurial Activity in Cities* Regional Studies 38(8):911-927  
[http://econpapers.repec.org/article/tafregstd/v\\_3A38\\_3Ay\\_3A2004\\_3Ai\\_3A8\\_3Ap\\_3A911-927.htm](http://econpapers.repec.org/article/tafregstd/v_3A38_3Ay_3A2004_3Ai_3A8_3Ap_3A911-927.htm)

\*Octávio Figueiredo, Paulo Guimarães, and Douglas Woodward. 2002. *Home-field  
advantage: location decisions of Portuguese entrepreneurs*. Journal of Urban  
Economics 52:341-361.

Kauffman Foundation. 2007. *On the Road to an Entrepreneurial Economy: A  
Research and Policy Guide* <http://www.kauffman.org/Details.aspx?id=200>.

## **NEIGHBORHOOD EFFECTS**

\*Benabou, R. 1993. *Workings of a City: Location, Education and Production* Quarterly Journal of Economics 108:619-652.

\*Keizer, K., Lindenberg, S., & Steg, L. 2008. *The Spreading of Disorder*. Science, 322, 1681-1685.

\*Kling, Jeffrey R., Jens Ludwig, and Lawrence F. Katz. 2005. *Neighborhood Effects on Crime for Female and Male Youth: Evidence from a Randomized Housing Voucher Experiment* Quarterly Journal of Economics 120(1):87-130.

## **LAND RENTS AND SPRAWL**

\*Edward L. Glaeser and Matthew E. Kahn. 2004. *Sprawl and Urban Growth* Harvard Institute of Economic Research Discussion Paper Number 2004

\*Matthew E. Kahn. 2000. *The Environmental Impact of Suburbanization* Journal of Policy Analysis and Management 19(4):569-586.

\*Nathaniel Baum-Snow. 2007. *Did Highways Cause Suburbanization?* Quarterly Journal of Economics 122(2).

\*Matthew Kahn. 2011. *Do liberal cities limit new housing development? Evidence from California* Journal of Urban Economics 69(2):223-228

\*Elisabeth R. Gerber, Justin H. Phillips. 2003. *Development Ballot Measures, Interest Group Endorsements, and the Political Geography of Growth Preferences* American Journal of Political Science 47(4):625-639.

## **SEGREGATION AND GHETTOS**

\*Kain, John F. 1968. *Housing segregation, Negro employment and metropolitan decentralization*. Quarterly Journal of Economics 82(2):175-197.

David M. Cutler; Edward L. Glaeser. 1997. *Are Ghettos Good or Bad?* The Quarterly Journal of Economics 112(3):827-872