

**SMU McLane/Armentrout Scholars Reading Groups
Spring 2017 Syllabus
Cities, Local Government, and Local Governance**

Dean Stansel, Ph.D., Research Associate Professor
O'Neil Center for Global Markets & Freedom (www.oneilcenter.org)
Cox School of Business, Crow 282B, office: 214-768-3492, dstansel@smu.edu

Meeting Times. Our meetings will be held on Tuesdays (McLane) and Wednesdays (Armentrout) at 6-8 pm in the O'Neil Center conference room (Crow 282). Both groups have the same readings.

Attendance is required. Your attendance and active participation are required. We will have 10 on-campus meetings plus a joint reading group summit with the students from similar reading groups at Baylor, Texas Tech, and University of Central Arkansas. That will be held at SMU on the evening of Fri. Feb. 17 & the morning and early afternoon of Sat. Feb. 18. You are allowed up to 2 absences from the regular weekly meetings, but the summit is required as a part of the program.

Dinner. The formal discussion session will last about an hour, after which we will bring in food to continue our conversation informally. You should expect this to last until about 8 pm. This is considered an integral part of the program and you are expected to participate. Leaving early (or arriving late) will count as half an absence. Please notify me if you have food allergies or other issues so that we can be sure to accommodate you.

Facebook Group. You should all make at least one post or comment about the readings each week on the Facebook group that we have created jointly with the McLane Scholars groups at Baylor and Texas Tech. Please join the group and make a contribution before the first meeting.
<https://www.facebook.com/groups/733137316769255/>

Stipend. Upon successful completion of the program, you will receive a \$1,000 stipend. (Thanks to the McLane Company, Inc. and the Armentrout Foundation for their generous support for this program.) There is much paperwork involved and we will need to set you up as an SMU employee in order to process the payment. Taxes will be withheld. Please see Jill McGinniss (3rd Floor, Crow Building) to make sure all the required paperwork is in order (jmcginniss@smu.edu, 214-768-2513). You can't get paid otherwise.

General Advice

Read Ahead. There are about 50-75 pages of material assigned each week, and the material is not always easy. Please budget enough time in your schedule to do the readings ahead of time.

Come Prepared. You should have 3 or 4 specific questions or comments prepared in advance for each session – hopefully related directly to the texts. Your active participation is expected and planning ahead is the best way to make sure you are contributing to the group discussion. If there's a lull in the conversation, use that opportunity to ask one of your prepared questions.

Be Critical. Don't agree unthinkingly with the readings or each other. Reasonable people disagree, so be reasonable, but do so respectfully.

Be Humble. The writers we read did not know everything and neither do you. Be willing to listen to the writers and each other, and be willing to say, "I don't know".

Schedule

Books that will be provided:

Edward Glaeser. (2011) *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin Press. \$12

Jane Jacobs. (1961) *The Death and Life of Great American Cities*. \$17

David Beito, Peter Gordon, & Alex Tabarrok, eds. (2002) *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute. \$30

Edward Stringham. (2015) *Private Governance*. New York: Oxford University Press. \$45

*Note: Readings marked with asterisks are available in the DropBox link below. All others are found in the books that you will be given.

<https://www.dropbox.com/sh/4zsgmvzrq8yui3o/AADdmFS4IT0eqfWKUblYycLna?dl=0>

Week 1: The Importance of Cities (Jan. 31/Feb. 1) (57 pages)

Edward Glaeser. (2011) "Our Urban Species," Introduction in *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin Press, 1-15. (15 pages)

*Richard Florida. (2005) "Cities and the Creative Class," Chapter 2 in *Cities and the Creative Class*. New York: Routledge, 27-45. (19 pages)

Jane Jacobs. (1961) "Introduction" in *The Death and Life of Great American Cities*. 3-25. (23 pages)

Other resources (optional):

"The world goes to town," *The Economist*, May 3, 2007 (4 pages)

<http://www.economist.com/node/9070726>

Week 2: Urban Decline (Feb. 7/8) (54 pages)

Edward Glaeser. (2011) "Why Do Cities Decline?" Chapter 2 in *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin Press, 41-67. (27 pages)

*Downs, Anthony. (1994) "Why We Need a New Vision" Chapter 1 in *New Visions for Metropolitan America*. Washington, DC: Brookings Institution, 3-16. (13 pages)

*----- (1994) "Factors Affecting Growth" Chapter 2 in *New Visions for Metropolitan America*. Washington, DC: Brookings Institution, 17-30. (14 pages)

Other resources (optional):

Edward Glaeser. (2013) "Glaeser on Cities" (podcast on American cities, 63:47)

http://www.econtalk.org/archives/2013/04/glaeser_on_citi.html

*Dean Stansel. (2011) "Why Some Cities Are Growing and Others Shrinking" *Cato Journal*, 31 (2): 285-303.

*----- (2013) "An Economic Freedom Index for U.S. Metropolitan Areas" *Journal of Regional Analysis and Policy*, 43 (1): 3-20.

Drew Carey, "The Decline of a Once-Great City: Reason Saves Cleveland, Episode 1" (short video on Cleveland's decline, 5:11) <https://www.youtube.com/watch?v=096pjEOrdK4>

NO MEETINGS FEB. 14/15 DUE TO SUMMIT THIS WEEK

FRI. 2/17 & SAT. 2/18, JOINT SUMMIT MEETING AT SMU, Keynote speaker: Edward Glaeser (48 pages)

Edward Glaeser. (2011) "What Do They Make in Bangalore?" Chapter 1 in *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin Press, 17-40. (24 pages)

----- (2011) "How Do Cities Succeed" Chapter 9: 223-246. (24 pages)

Week 3: Sprawl and Local Economic Development (Feb. 21/22) (69 pages)

Edward Glaeser. (2011) "Why Has Sprawl Spread?" Chapter 7 in *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin Press, 165-197. (33 pages)

*Andres Duany, Elizabeth Plater-Zyberk, and Jeff Speck. (2000) "The Victims of Sprawl," Chapter 7 in *Suburban Nation: The Rise of Sprawl and the Decline of the American Dream*. New York: North Point Press, 115-133. (19 pages)

*Gert-Jan Hospers, Frederic Sautet, and Pierre Desrochers. (2008) "Silicon Somewhere: Is There a Need for Cluster Policy?" p. 430-446 in Charlie Karlsson, ed., *Handbook of Research on Innovation and Clusters: Cases and Policies*, Edward Elgar Publishing, 2008. (17 pages)

Other resources (optional):

Rybczynski, Witold. (2005) "Suburban Despair: Is urban sprawl really an American menace?" *Slate Magazine*, Nov. 7, 2005. (3 pages)

http://www.slate.com/articles/arts/architecture/2005/11/suburban_despair.single.html

Week 4: Zoning & Texas-Style Urbanism (Feb. 28/Mar. 1) (56 pages)

*William Fischel. (2015) "Land Use and Land Economics," Chapter 1 in *Zoning Rules!: The Economics of Land Use Regulation*. Cambridge, MA: Lincoln Institute of Land Policy. (18 pages)

*----- (2015) "The Structure and Administration of Zoning Laws," Chapter 2 in *Zoning Rules!: The Economics of Land Use Regulation*. Cambridge, MA: Lincoln Institute of Land Policy. (16 pages)

Edward Glaeser and Joseph Gyourko. (2002) "Zoning's Steep Price," *Regulation*, 25(3): 24-30. (6 pages)

<https://object.cato.org/sites/cato.org/files/serials/files/regulation/2002/10/v25n3-7.pdf>

James Saltzman. (1994) "Houston Says No to Zoning," *Foundation for Economic Education*. (4 pages) <https://fee.org/articles/houston-says-no-to-zoning/>

Joel Kotkin and Wendell Cox. (2016) "Urbanism, Texas-Style," *City Journal*. Special Issue: Texas Rising 2016, Issue #307. <http://www.city-journal.org/html/urbanism-texas-style-14728.html> (12 pages)

Other resources (optional):

*Stringham, Edward P., Jennifer K. Miller, and J.R. Clark. (2010) "Internalizing Externalities Through Private Zoning: The Case of Walt Disney Company's Celebration, Florida." *Journal of Regional Analysis and Policy*, 40 (2): 96-103.

*Benjamin Powell and Edward Stringham. (2009) "Inclusionary Zoning," Ch. 6 in *Housing America: Building Out of a Crisis*, Oakland: Independent Institute.

- *Bernard Siegan. (2009) "The Benefits of Nonzoning," Ch. 3 in *Housing America: Building Out of a Crisis*, Oakland: Independent Institute.
- Klaus Desmet and Cullum Clark. (2016) "The Dallas Way of Urban Growth," pp. 14-20 in *The Texas Way of Urbanism*. Houston: Center for Opportunity Urbanism.
<http://opportunityurbanism.org/2016/11/texas-way-of-urbanism-report/>
- Joel Kotkin and Tory Gattis. (2014) "America's Opportunity City: Lots of new jobs and a low cost of living make Houston a middle-class magnet," *City Journal*, Issue #105 (Summer).
<http://www.city-journal.org/html/america%E2%80%99s-opportunity-city-13662.html>
- Center for Opportunity Urbanism. (2016) *The Texas Way of Urbanism*.
<http://opportunityurbanism.org/2016/11/texas-way-of-urbanism-report/>
- Manhattan Institute, (2016) *City Journal*, Special Issue: Texas Rising 2016, Issue #307.
<http://www.city-journal.org/magazine?issue=307>
- Brian Anderson & Joel Kotkin. (2016) "Reimagining Urbanism for the 21st Century" (podcast with Joel Kotkin, 16:26) <http://www.city-journal.org/html/reimagining-urbanism-21st-century-14406.html>
- Scott Sumner. (2016) "Market urbanism in Houston." (Short blog post with link to a long slideshow of photos of Houston neighborhoods)
http://econlog.econlib.org/archives/2016/04/market_urbanism.html
- Ryan Avent. (2011) "Avent on Cities, Urban Regulations, and Growth" (podcast on his book on cities restricting access to land and housing, 65:33)
http://www.econtalk.org/archives/2011/10/avent_on_cities.html

Week 5: Local Government: What Is It Good For? (Mar. 7/8) (61 pages)

- *Wallace Oates. (1972) "An Economic Approach to Federalism," Chapter 1 in Wallace Oates, *Fiscal Federalism*. New York: Harcourt, Brace, Jovanovich, 3-20. (17 pages)
- *Tyler Cowen. (1992) "Public Goods and Externalities: Old and New Perspectives," Chapter 1 in Tyler Cowen, ed. *Public Goods and Market Failures: A Critical Examination*. New Brunswick, NJ: Transaction Publishers, 1-26. (23 pages)
- Paul Johnson. (2002) "Foreword," in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute, vii-xiii. (6 pages)
- *O'Toole, Randall. (2010) "Urban Transit." Cato Institute. (7 pages)
- *Puentes, Robert. (2008) "A Bridge to Somewhere: Rethinking American Transportation for the 21st Century." Brookings Institution. (8 pages)

Other resources (optional):

- "Public Goods," Tyler Cowen, from The Concise Encyclopedia of Economics. (3 pages)
<http://www.econlib.org/library/Enc/PublicGoods.html>
- "Externalities," Bryan Caplan, from The Concise Encyclopedia of Economics. (4 pages)
<http://www.econlib.org/library/Enc/Externalities.html>
- *George Stigler, (1962) "The Tenable Range of Functions of Local Government," in Edmund Phelps, ed., *Private Wants and Public Needs*, New York: W.W. Norton.
- Alex Tabarrok. (2002) "Market Challenges and Government Failure," Chapter 15 in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute, 405-433. (23 pages)
- Alex Tabarrok. (2015) "Private Cities" (podcast on Gurgaon, a city in India, 68:18)
http://www.econtalk.org/archives/2015/01/alex_tabarrok_o.html
- "Sandy Springs, Georgia: The City that Outsourced Everything" (short video on the privatization/outsourcing of city services, 7:53) <http://www.reason.tv/video/show/sandy-springs-georgia-the-city>

“Boondoggle in the Motor City: Detroit's Train to Nowhere” (short video on Detroit light rail project, 5:48) <http://reason.com/reasontv/2010/10/13/light-rail>
 Michael Munger, “The Political Economy of Public Transportation” (podcast on Chilean bus system, 56:07) http://www.econtalk.org/archives/2008/07/munger_on_the_p.html
 Drew Carey, “Privatize It: Reason Saves Cleveland, Episode 3” (short video on business over-regulation in Cleveland, 9:19) <https://www.youtube.com/watch?v=g9-ozphsuSk>

NO MEETINGS MAR. 14/15 DUE TO SPRING BREAK

Week 6: Alternatives to Traditional Local Government (Mar. 21/22) (53 pages)

Edward Stringham. (2015) “Rules from Voluntary Associations as an Alternative to Coercive Ones: Governance as a Club Good,” Chapter 3 in *Private Governance*. New York: Oxford University Press, 21-36. (16 pages)
 Fred Foldvary. (2002) “Proprietary Communities and Community Associations,” Chapter 11 in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute, 258-286. (28 pages)
 Robert H. Nelson. (2004) “The Private Neighborhood” *Regulation*, 27, 2: 40-46. (7 pages) <http://object.cato.org/sites/cato.org/files/serials/files/regulation/2004/7/v27n2-5.pdf>
 Donald Boudreaux. (2010) “The Private Provision of Public Goods” Foundation for Economic Education. (2 pages) http://www.fee.org/the_freeman/detail/the-private-provision-of-public-goods

Other resources (optional):

*Foldvary, Fred. (1994) “Utopia for Rent: Walt Disney World,” Ch. 9 in *Public Goods and Private Communities* (Cheltenham, UK: Edward Elgar). (20 pages)

Week 7: Polycentrism (Mar. 28/29) (59 pages)

Jane Jacobs. (1961) “Governing and Planning Districts” Chapter 21 in *The Death and Life of Great American Cities*. 405-427. (23 pages)
 *Ostrom, E. (1972). Metropolitan reform: propositions derived from two traditions. *Social Science Quarterly*, 53, 474-493. (20 pages)
 *Gordon Tullock. (1994) “A Bouquet of Governments,” Chapter 6 in *The New Federalist*. Vancouver: Fraser Institute, 61-76. (16 pages)

Other resources (optional):

Edward Stringham. (2015) “Applying Hayek’s Insights about Discovery and Spontaneous Order to Governance,” Chapter 13 in *Private Governance*. New York: Oxford University Press, 206-225. (21 pages)
 *Dean Stansel. (2012) “Competition, Knowledge, and Local Government,” *Review of Austrian Economics*, 25(3): 243-253.
 *----- (2005) “Local Decentralization and Local Economic Growth: A Cross-Sectional Examination of U.S. Metropolitan Areas,” *Journal of Urban Economics*, 57(1): 55-72.
 *Foldvary, Fred. (1994) “Urban Economics and Public Choice,” Ch. 14 in *Public Goods and Private Communities* (Cheltenham, UK: Edward Elgar). (9 pages)
 *Peter Boettke, Chris Coyne, and Peter Leeson, (2012) “Quasimarket failure,” *Public Choice*, 149(1-2): 209-224.

Week 8: Police and Fire Fighting Services (Apr. 4/5) (64 pages)

Edward Stringham. (2015) "Bundling Private Governance with Bricks and Mortar: Private Policing in California, North Carolina, and Beyond," Chapter 8 in *Private Governance*. New York: Oxford University Press, 113-133. (21 pages)

Stephen Davies. (2002) "The Private Provision of Police during the Eighteenth and Nineteenth Centuries," Chapter 7 in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute. 151-174. (24 pages)

*Robert W. Poole, Jr. (1980) "Fire Protection," Chapter in *Cutting Back City Hall*. New York: Universe Books, 62-78. (16 pages)

Fred McChesney (2002) "Smoke and Errors" Library of Economics and Liberty,
<http://www.econlib.org/library/Columns/Mcchesneyfire.html>. (3 pages)

Other resources (optional):

*Peter Boettke, Jayme Lemke, and Liya Palagashvili. (2016) "Re-evaluating Community Policing in a Polycentric System," *Journal of Institutional Economics*, 12 (2): 305-325.

"Can Volunteers Protect Communities?" (short video on the volunteer police force in Redlands, CA, 4:04) <http://www.youtube.com/watch?v=67XKF7CkHLQ>

NO MEETINGS APR. 11/12 DUE TO APEE CONFERENCE

Week 9: Social Services & Disaster Relief (Apr. 18/19) (57 pages)

David Beito. (2002) "This Enormous Army: The Mutual-Aid Tradition of American Fraternal Societies before the Twentieth Century," Chapter 8 in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute, 182-197. (16 pages)

Colonel David Crockett. "Not Yours to Give" Foundation for Economic Education (5 pages)
http://www.fee.org/files/docLib/20121116_NotYourstoGive.pdf

*Virgil Storr, Stefanie Haeffele-Balch, and Laura Grube. (2014) "How Entrepreneurs Promote Post-Disaster Community Rebound," Chapter 3 in *Community Revival in the Wake of Disaster: Lessons in Local Entrepreneurship*. New York: Palgrave Macmillan, 33-50. (18 pages)

*----- (2014) "Fostering Resilient Communities," Chapter 8 in *Community Revival in the Wake of Disaster: Lessons in Local Entrepreneurship*. New York: Palgrave Macmillan, 123-140. (18 pages)

Other resources (optional):

David G. Green. (2002) "Medical Care through Mutual-Aid: The Friendly Societies of Great Britain," Chapter 9 in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute, 204-220. (17 pages)

James Tooley. (2002) "Education in the Voluntary City," Chapter 10 in David Beito, Peter Gordon, & Alex Tabarrok, eds. *The Voluntary City: Choice, Community, and Civil Society*. Oakland, CA: The Independent Institute, 223-248. (23 pages)

John Stuart Mill. (1859) "On Education," paragraphs V.13 and V.14 in *On Liberty*. (2 pages)
<http://www.econlib.org/library/Mill/mlLbty5.html#V.13>

Week 10: Overview (Apr. 25/26) (56 pages)

Edward Glaeser. (2011) "Flat World, Tall City" Conclusion in *Triumph of the City: How Our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier, and Happier*. New York: Penguin Press, 247-270. (23 pages)

Jane Jacobs. (1961) "The Kind of Problem a City Is" Chapter 22 in *The Death and Life of Great American Cities*. 428-447. (20 pages)

Edward Stringham. (2015) "The Relationship between Public and Private Governance: Does the State Help or Crowd Out Good Governance?" Chapter 10 in *Private Governance*. New York: Oxford University Press, 193-205. (13 pages)

Other resources (optional):

Edward Stringham. (2015) "The Unseen Beauty that Underpins Markets" Chapter 14 in *Private Governance*. New York: Oxford University Press, 226-238. (12 pages)

*Richard Florida. (2005) "Open Questions," Chapter 9 in *Cities and the Creative Class*. New York: Routledge, 171-176 (6 pages)

*David Rusk. (2013) "Conclusion," Chapter 4 in *Cities without Suburbs, 4th ed.* Washington, DC: Woodrow Wilson Center Press, 167-176. (9 pages)