Planning & Financing the Social Economy [JPG 1615]  
Fall 2004

Department of Geography and Program in Planning, University of Toronto

Professor: Katharine N. Rankin  
Office Hours: By appointment [Rm: 5041; phone: 978-1592];  
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Place & Time: Physical Geography Building, Room 107, Thurs. 12-3 pm

Overview:

What would it take to build a ‘social economy’, an economy rooted in the principles of social justice, democratic governance and local self-reliance? JPG 1615 will explore this question both theoretically and practically. Theoretically, with recourse to some canonical and more recent writings about the interface between ‘society’ and ‘economy’. We will look at foundational arguments for and against the idea of a self-regulating market, unfettered by social and political constraints. We will explore the recent literature defending a role for the social economy, in the context of economic globalization and post-socialism. And we will examine some critiques of the idea of the ‘social economy’ as it has been deployed in mainstream political discourse—namely that it has served as an instrument of neoliberalism rather than as a challenge to it.

Practically, the course will do three things to consider the question, what would it take to build a social economy guided by the principles outlined above. First, we will look at the opportunities and constraints faced by municipal governments to play a role in constructing such an economic space at the scale of the city; here we’ll consider both the U.S. and Canadian context, in order to put the latter in some regional perspective. Second, the case of social housing in the GTA serves as a context for examining one sector in which the City could be said to be contributing to the social economy—as well as a context for learning how to use a key tool in local economic development, financial pro formas. A 4-week unit on capital budgeting will lead up to the final project for the course: developing a financial proposal for an affordable housing project on the Railway Lands in downtown Toronto. The political stakes are high: the Railway Lands will be the City’s best opportunity to demonstrate how capital subsidies can leverage affordable housing that is sustainable, densely-built, well-functioning, family-oriented and aesthetically pleasing in the City’s downtown core. For this project, students in JPG 1615 will collaborate with students in the Introductory Studio in Design and Planning taught by Professor Kanishka Goonewardena; PLA 1652 students will be working on a design project for the same site.

Third, we will look at examples of experiments building social economies from the grassroots. We consider how communities and neighborhoods across North America are growing increasingly active in developing alternative economic institutions to respond to local needs and conditions. Here we will look at cooperatives, participatory budgets and community development financial institutions as efforts to institutionalize the social economy at the local (and, in one instance, the municipal) scale.
Course Readings:

A packet of readings will be available in the Geography office, 5th floor Sidney Smith. Please make your own copies of the readings from this original set.

Evaluation:

Classes will be held as seminars. I have organized for practitioners with expertise in several of the financing models covered in the course to visit the class. In order to do justice to their generosity—and in order that discussions hold our interest—it is crucial that you read the required materials and come prepared to debate them. Written work for the course will consist of a one-page ‘critical question’ about the readings, submitted 6 out of 8 weeks readings are assigned. There will be a module on capital budgeting mid-way through the course; the module will involve two take-home problem sets and will form the basis for a final (group) project requiring you to propose a financing scenario for an affordable housing development in Toronto. Each group will present its project in class to a panel of external reviewers (week 13). In order to do the problem sets and final project, you should be familiar with Excel spreadsheets.

The final grade will be based on the following criteria:

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<tr>
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<th>Weight</th>
<th>Due</th>
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<tbody>
<tr>
<td>Problem Set 1</td>
<td>10%</td>
<td>Due 28 Oct.</td>
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<tr>
<td>Problem Set 2</td>
<td>20%</td>
<td>Due 4 Nov.</td>
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<tr>
<td>Class participation and critical questions</td>
<td>35%</td>
<td>CQs due Wednesdays, by 4pm</td>
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<tr>
<td>Final project (oral &amp; written)</td>
<td>35%</td>
<td>Due 9 Dec.</td>
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SCHEDULE

Week One (16 Sept.) – Introduction

Week Two (23 Sept.) – Economy and Society


Week Three (30 Sept.) – Defining the Social Economy


Week Four (7 Oct.) – Critiquing the Social Economy


Week Five (14 Oct.) – Municipal Context in Canada and the U.S.


Guest: Thelma Gee and Marcia Wallace, Senior Planners, Ontario Ministry of Municipal Affairs and Housing … pending
Week Six (21 Oct.) – Capital Budgeting I
Time value of Money, evaluating investment decisions, debt servicing

“Present Value and Discounting”
“Introduction to Accumulated Value, Present Value and Internal Rate of Return,” Harvard Business School.

Week Seven (28 Oct.) – Capital Budgeting II
Financial pro formas

“Financial Pro Formas”

*Problem set 1 due*

Week Eight (4 Nov.) – Capital Budgeting III
Introduction of Railway Lands case ["Financing affordable housing"]

*Problem set 2 due*

Guest:
Colin Kelleher, Helyar & Associates

Week Nine (11 Nov.) – Social Housing


[http://www.urbancentre.utoronto.ca/pdfs/home/debates/TDAfdHousing.pdf](http://www.urbancentre.utoronto.ca/pdfs/home/debates/TDAfdHousing.pdf)

Guest: Peter Zimmerman, Let’s Build, City of Toronto – possible evening session with PLA 1652. Visit to Railway Lands site.
Week Ten (18 Nov.) Cooperative Economics


Guest: Sally Miller, Ontario Sustainable Energy Association

Week Eleven (25 Nov.) – Participatory Budgeting
[reschedule class to 23rd or 24th]

http://www.planningaction.org/library/building_a_democratic_city.pdf

Guest: Chris Cavanagh, The Catalyst Centre

Week Twelve (2 Dec.) – Community reinvestment and community development financial institutions


Week Thirteen (9 Dec.) – Final Presentations

Final project due