

H-Net Reviews

in the Humanities & Social Sciences



Michele M. Hoyman. *Power Steering: Global Automakers and the Transformation of Rural Communities.* Lawrence: University Press of Kansas, 1997. x + 262 pp. \$17.95 (paper), ISBN 978-0-7006-0819-5; \$35.00 (cloth), ISBN 978-0-7006-0818-8.

Reviewed by Mark A. Grey (Anthropology Department, University of Northern Iowa)

Published on H-Rural (November, 1997)

One of the first lessons I learned about rural economic development came to me at a conference I attended years ago about the social and economic consequences of large meat plants. One of the other attendees was a high-level state official from a midwestern state. Although he was willing to critically examine economic development policy, he clearly was a state government “insider.” When the topic of economic incentive packages came up—as they inevitably do at these sorts of meetings—he seemed unimpressed by what he considered to be the relatively small amounts of money at stake reported at the conference. He countered by saying that when the proposed BMW plant was looking for a site in the United States, his state was willing to “mortgage” itself to lure the plant. At stake was not just new jobs, but the tremendous political capital the plant offered state officials who could claim credit for striking the deal. Never mind the potential social and economic consequences which the state effectively ignored when luring large packing plants. Subsequently, the plant was “sited” in South Carolina.

It is exactly scenarios like this that are examined in much greater detail in Michele Hoyman’s new book *Power Steering: Global Automakers and the Transformation of Rural Communities.* However, unlike the circumstance described above, Hoyman’s book looks at the *successful* attraction of large auto plants to four rural communities and the consequences. The individual plants and communities received a good deal of attention in the press and in some professional literature. But this is the first attempt of which I am aware to examine all four plants and communities in a single, comprehensive study. This book examines the political, social and economic processes which together explain how the noun “site” was transformed into a verb.

The four auto makes and their sites are Nissan in Smyrna, Tennessee; Toyota in Georgetown, Kentucky; Honda in Marysville, Ohio; and Saturn in Spring Hill, Tennessee. As Hoyman points out, similarities existed in the histories, politics and consequences of all four plants, but there were also significant differences. The thorough and thought-provoking analysis of these similarities and differences alone make the book worthwhile. One example concerns the participation or non-participation of state governments in attracting the plants. The Smyrna Nissan plant, for example, was the only plant recruited by local citizens rather than by the state and local officials responsible for negotiations. This stood in sharp contrast to siting the Toyota plant in Georgetown. Local officials had “nothing to do with pursuing the idea” and, indeed, locals did not even become involved in recruiting the plant until about thirty days before the announcement about the plant was made and after some sixteen months of negotiations between the governor and Toyota. In other words, the plant was imposed on the community.

Hoyman does a good job of outlining and explaining some of the central issues in rural economic development. For example, many of us have significant concerns about how states use economic incentives such as tax abatements and job training funds to bid against other states for large plants and big payrolls. For their own part, corporations are good at upping the ante by threatening to take their plants elsewhere. Political leaders defend incentives by arguing that they are necessary to attract jobs. But one of the great ironies pointed out by Hoyman is that leaders in Spring Hill were disappointed in the job situation created by the Saturn Plant because the first 3,000 jobs did not go to locals, but laid-off union

workers from other General Motors factories in Michigan and Ohio. Low-paying clerical jobs went to locals, but were sub-contracted through temporary employment firms and provided little job security and few benefits.

Hoyman examines physical and economic changes but claims that these changes were not as important as cultural and political changes. Using primarily telephone interviews, Hoyman surveyed samples of residents in all four communities. Residents in all four towns were generally positive about the changes associated with the plants; they believed that the economic incentive packages used to attract the plants were worthwhile. However, there were also concerns. Many of these were related to the fact that these rural communities lost much of their rural flavor. Indeed, many of the problems identified with the plants such as traffic and high housing costs contributed to these feelings. There were other concerns, many of which revolved around changes in the local population. As Hoyman put it, the communities' cultures changed when the urban culture associated with the plants met the rural culture of the towns. In three of the towns, the "urban" culture that came along was Japanese. In the fourth site, the urban culture came from northern cities. The result was social polarization and class distinctions. To her credit, Hoyman examined these issues from the perspective of both elites and the "masses" and did not lump all community members together.

This is a comprehensive study that does an awful lot in few pages. Covering four communities in one book, however, means that there can be little or no in-depth study of any one of them.

Although many short quotes are provided from telephone interviews, one never gets the same sense for the people as one might from an ethnography. This is not a criticism of the book, because it does not mean to be an ethnography. This is simply a note to those who may want deeper analysis of single communities that they will not find it here.

As a social scientist interested in economic development strategies, I found Hoyman's chapter on "Economic Development as a Policy Choice" most useful. As a result of her research, Hoyman makes several policy recommendations, all of which I find interesting and helpful. I personally plan to pass some of these along to economic development personnel and decision makers in Iowa. Of course, not all of these recommendations will fit every circumstance surrounding rural economic development, but it is a fine overview of the relevant issues.

This book is essential reading for any social scientist interested in economic change, economic development and job creation in rural areas. It is also an important contribution to our overall understanding of the interplay between economic development and politics. Not only will professional social scientists find this book interesting, but it would be appropriate for some upper-division undergraduate and graduate courses in rural communities and rural development.

Copyright (c) 1997 by H-Net, all rights reserved. This work may be copied for non-profit educational use if proper credit is given to the author and the list. For other permission, please contact H-Net@H-Net.MSU.EDU.

If there is additional discussion of this review, you may access it through the network, at:

<https://networks.h-net.org/h-rural>

Citation: Mark A. Grey. Review of Hoyman, Michele M., *Power Steering: Global Automakers and the Transformation of Rural Communities*. H-Rural, H-Net Reviews. November, 1997.

URL: <http://www.h-net.org/reviews/showrev.php?id=1504>

Copyright © 1997 by H-Net, all rights reserved. H-Net permits the redistribution and reprinting of this work for nonprofit, educational purposes, with full and accurate attribution to the author, web location, date of publication, originating list, and H-Net: Humanities & Social Sciences Online. For any other proposed use, contact the Reviews editorial staff at hbooks@mail.h-net.org.