

Branch Plants and Rural Development in the Age of Globalization

Amy Glasmeier, Amy Kays, and Jeffery Thompson, with Rob Gurwitt. Washington, DC: The Aspen Institute, 1995, 82 pages. ISBN 0-89843-180-8 (paper) \$10.00. To order, call 1-410-820-5326.

For rural America, manufacturing is an extremely important economic activity, accounting for more than one out of every five nonmetro jobs. These relatively high-paying jobs are most commonly found in “branch plants” (or multiunit firms), which usually have deep associations with the small towns in which they are located. Branch plants are often crucial to rural economic development and many small towns owe their very existence and continued vitality to their presence.

Since the 1980’s, many nonmetro communities, especially in the South and the Midwest, where rural branch plants are most prevalent, have been forced to adjust to new global economic forces. Cheap land, low wages, and a probusiness, antiregulatory environment are no longer sufficient in attracting and retaining manufacturing jobs. Many rural industries (such as textiles, wood products, furniture, and leather) also tend to be mature and slow-growing and face stiff foreign competition from low-wage countries.

Some of the difficulties facing rural America in competing for manufacturing jobs in the new global economy are identified in *Branch Plants and Rural Development in the Age of Globalization*. By describing in detail the nature of these problems, and then offering a number of specific prescriptions for the local development practitioner, this concise book contains much useful information relating to rural industrial development.

The authors open with a description of the importance of branch plants for rural economic development. The postwar period leading up to the mid-1980’s is sharply contrasted with the rural experience in the last 10 years, in which small communities have had to adjust to a rapidly changing environment where global economic forces have threatened the existence of local branch plants.

The book continues with several case studies, illustrating how rural manufacturers may follow either a “high road” approach, in which a branch plant’s work force and internal organization are upgraded, or a “low road” approach, where the firm competes by relying on low-skill, low-wage workers, most often in overseas locations. Most rural areas benefit when a firm takes the “high road,” because it indicates a commitment by the manufacturer to preserve the local plant. Usually this entails a significant amount of reorganization, both in the production line

and in the local work force, and workers often are given a greater degree of autonomy in the decisionmaking process.

The authors note that while economic globalization contains inherent dangers for many rural areas, it also presents opportunities. In particular, rural communities must learn how to become actively involved in making local firms more globally competitive and ensure that investment by local companies is geared towards the community and not simply a means to generate short-term profits. The authors suggest eight specific issues that local development officials should discuss with branch plant management. These deal with such things as employment stability, ownership of the establishment, degree of autonomy of local management, profitability and efficiency issues, capital investment in plant and equipment, and overall economic outlook for the industry. Working with management in addressing these issues may not always be straightforward, but, ultimately, unless they are given careful consideration, local development efforts are destined to be more reactive than proactive, and rural areas may be at risk of losing their branch plants.

The book concludes with a section highlighting the successful experiences of development strategies in Western New York and Michigan’s Upper Peninsula. By identifying what steps development officials took in retaining local branch plants, the authors strive to show that even in economically depressed areas promising results can be achieved.

Reviewed by Dennis M. Brown, a regional economist in ERS-FRED.

Any Way You Cut It: Meat Processing and Small-Town America

Edited by Donald D. Stull, Michael J. Broadway, and David Griffith. Lawrence, KS: University Press of Kansas, 1995, 269 pages. ISBN 0-7006-0721-8 (paper) \$17.95. To order, call 1-913-864-4155.

Some rural communities have attracted meat processing plants since the early 1980’s as a means of enhancing local economic development. Lured by the potential of increased employment and income, local officials often view the red-meat, poultry, and fish processing industries as appealing targets for economic development. Attracting meat processing jobs, however, can also bring about unintended negative consequences, such as increased crime, school overcrowding, housing shortages, poverty, and social disorder, as some of these small communities have discovered.

Any Way You Cut It is a collection of essays describing how meat processing has affected the economic, social, and cultural fabric

of these “host” communities. Through an interdisciplinary perspective that combines the viewpoints of various academic disciplines, including anthropology, geography, sociology, and journalism, but not economics (which may help to explain the inappropriate use of various economic statistics throughout the text), the book attempts to answer the question, “Does the pursuit of meat processing jobs by rural communities represent a good development strategy?”

The book opens with a general overview of recent trends in the red-meat, poultry, and fish processing industries. It notes that since the early 1980’s these three industries have been among the very few food processing industries to experience employment growth in rural areas. In the case of red-meat packing, beef and pork processing shifted from urban to rural areas as processors sought to hold down costs by locating closer to the supply of raw materials, the fed cattle and hogs, and also to take advantage of the cost savings associated with a nonunionized labor force. In the poultry and fish processing industries, rural employment gains derived from the rapid, nationwide growth of these industries, as consumers sought lower fat alternatives to red meat products.

Many small communities have been ill-prepared to adequately deal with the significant changes brought about by this rapid employment growth. Because many of these towns did not have an adequate supply of labor, processing firms recruited many workers from outside the region. Meat processing is not only difficult and dangerous work, but also is generally low-paying, and therefore recruitment efforts have been targeted to those individuals with few employment alternatives—primarily, immigrants, minorities, and women. The influx of these newcomers has dramatically altered the social and economic fabric of many of the host communities, as illustrated by the experience of Garden City, Kansas. Home to the world’s largest red-meat packing plant, this small town in western Kansas experienced a sharp influx of Mexican and Southeast Asian workers in the early 1980’s when the plant was opened. Garden City had an inadequate resource base to deal with many of the problems that resulted from absorbing a large number of low-wage, non-English-speaking, frequently transient workers. The town experienced sharply increasing school enrollments, greater demand for housing and health care, and increased criminal activity (including both violent and property crimes). Exacerbating these problems were the local government revenue losses that resulted from overly generous tax breaks and other financial incentives the plant received in return for locating there.

Any Way You Cut It describes these trends of the last 1½ decades through a series of case studies and attempts to place many of these issues in a larger context. A common theme throughout the book is the issue of workers’ rights. The final chapter asserts that recent trends in meat processing provide evidence that contemporary American society is increasingly becoming characterized by a two-tiered wage structure in which those lacking higher skills are forced to toil under difficult working conditions for extremely low wages. To support this, it is noted that meat processing is still the most dangerous occupation in America (something which has changed little since the early part of this century when Upton Sinclair wrote *The Jungle*) and that industry restructuring has resulted in the elimination of many high-paying union jobs.

This book is an important contribution to the rural development literature. By providing a timely, easy-to-read, and comprehensive overview of the most important contemporary trends in

red-meat, poultry, and fish processing, the discussion provides for interesting reading and offers the reader a framework for better understanding these three, often overlooked, industries in the context of rural America.

Reviewed by Dennis M. Brown, a regional economist in ERS-FRED, and author of “Poultry Processing Created More Rural Jobs than Red-Meat Packing During the 1980’s,” in RDP, vol. 9, no. 2.

Ripples in the Zambezi: Passion, Unpredictability, and Economic Development

Ernesto Sirolli. Murdoch, Australia: Institute for Science and Technology Policy, 1995, 184 pages. ISBN 0 86905 400 7 (paper). Available from the author at 1215 S. 5th Avenue, Sioux Falls, SD 57105, for \$16.75 including shipping and handling.

New ideas in rural development seem few and far between. When they do come, they tend to be of the marginal improvement variety: combine this with that to get efficiency if not synergy, target here or there to increase effectiveness if not fairness. Enter Sirolli, whose stuff is radical—at least for the “dismal science.”

This eclectic work draws on everything from theology to psychology, from chaos theory to management theory. The liberal helping of quotes come from an “interdisciplinary group” including Shakespeare, Goethe, Christ, and Pink Floyd (?!). From this odd mixture, Sirolli weaves an elegant philosophy that applies to economic development as well as education and—with a bit of stretching—governance. The elegance is a function of both its simplicity and its verisimilitude.

In a nutshell, the concept (as applied to economic development) is this: The key to rural development lies in facilitating the success of entrepreneurs—thus, the name of the model: “enterprise facilitation.” Enterprise facilitation, begun by Sirolli somewhat serendipitously in Australia, works like this: A facilitator goes into a community and makes it known that she is available to meet (one-on-one and in confidence) with anyone who has an idea about starting a new business or expanding an existing one. The approach is passive and responsive. She does not pursue, cajole, motivate, or strategize. She waits. When someone does come to her, she responds. The objective of her response is to ascertain the would-be entrepreneur’s passion for pursuing the idea. Passion is all important. For as Sirolli states “...economic development is the result of hundreds and thousands of people doing beautifully what they love doing ...” p. 77. Absent passion—the kind of passion that calls the entrepreneur to pursue the dream—the conversation is over. No motivational talks. No brainstorming of other ideas. Ideas are cheap; it’s passion that counts. But, if passion burns, the facilitator goes to work.

The next step is to assess the idea. If the idea makes sense, go with it. If not, say so and save the entrepreneur time, money, and possibly heartbreak.

The third step is skills assessment. “A grasp of the fundamentals of management is required before we engage in successful facilitation. No matter how big or small a business is, three areas of activities need to be taken care of: 1) the technical skills necessary to produce the goods or services one wishes to sell, 2) the ability to market one’s goods or services, 3) the ability to financially manage one’s affairs” (p. 99). Rarely can one indivi-

dual do all three. Therefore, the facilitator helps to find the missing team members. In fact, Sirolli asserts that the most likely to succeed are those who are most capable of enlisting the support of others.

The final step—facilitation—involves helping the entrepreneur assemble the team and remove the obstacles that stand between them and the fulfillment of the dream. For example, in Esperance, Australia, where the model was born, this meant helping a would-be fish processor obtain the necessary loan, permits, and equipment to set up shop.

This is a simple, perhaps radical, approach, considering the dominant model of rural development in the United States. The Federal Government offers a wide array (some 800 programs) of assistance that affects rural areas. Most of those programs provide infrastructure, credit, or technical assistance of some kind. Current emphasis on “bottom-up” approaches and program flexibility notwithstanding, these programs are still very standardized. The role of government, according to Sirolli, “needs to be both pro-active (top-down) and responsive (bottom-up). It will have to encourage a change in attitudes towards work and success, and will have to provide infrastructures to facilitate this development. It will also need to be responsive to requests for assistance and provide the entrepreneurs with the information, advice and resources appropriate to the individuals’ needs” (pp. 126-127).

In the United States, government is very good at providing the infrastructures. It is, in fact, at the heart of the bulk of those 800 some programs. Responding with customized assistance “appropriate to individuals’ needs,” is another story.

The book’s claims are bold and the numbers impressive. According to Sirolli, in a community of 10,000, in 1 year 150-200 clients will see the local facilitator. Of those, 25-35 will open a new business or expand an existing one, creating 25-60 new jobs.

Will Sirolli’s approach work? Some people in Minnesota and South Dakota think so. They have hired Mr. Sirolli to facilitate enterprises in their communities and train others to do so. On a national scale, however, at least two obstacles come to mind. First, even in an era of “reinventing government” and “empowering people” this concept may not sit well with those who currently benefit (in votes, administrative power, etc.) from delivering programs to rural people. Second, providing enterprise facilitators in every rural community in the United States is an enormously labor-intensive proposition.

Whether or not enterprise facilitation takes hold in the United States, the book is a well-written, almost light-hearted, easy-to-read alternative to most books on rural development. And I recommend it if for no other reason than to expose the reader to a different way of thinking about the subject.

Reviewed by Thomas Rowley, a social science analyst with ERS-FRED.

Transforming Rural Life: Dairying Families and Agricultural Change, 1820-1885

Sally McMurry. Baltimore, MD: The Johns Hopkins University Press, 1995, 291 pages. ISBN 0-8018-4889-X (cloth) \$39.95. To order, call 1-800-537-5487.

Transforming Rural Life is the second in a series entitled *Revisiting Rural America*. The titles of both books reflect a focus on the family and the changing roles of women in agriculture during selected historical periods. Central New York, Oneida County in particular, serves as the example of changes that were happening in several other areas of the Nation dominated by dairy farming during 1820-1885.

Cheesemaking is the primary “production” activity described. Cheese production was essentially a home-based activity prior to and during much of the period identified in the book. However, in 1851, a fundamental change took place, and Oneida County was the place where it took hold. Jesse Williams, a well-to-do farmer in Rome, NY, is generally credited with establishing the first modern-style cheese “factory” as a viable alternative to home cheese production. By 1895, factories had pretty much replaced home cheese production in central New York.

The book’s 10 chapters split rather neatly into two distinct (yet ultimately linked) emphases: Chapters 1-5 describe the “pre-factory” dairy farming and cheesemaking activities in quite a bit of detail. The author makes use of much local history to paint a picture of cheesemaking as a production activity expected to contribute to the economic functioning of the farm and as an activity involving the dairy family and others (hired laborers and nonwage-earning outside family workers) in a dynamic social relationship. Chapters 6-10 relate the rise of the cheese factory, the initial effects of the more commercialized business aspects of cheesemaking, and the social adjustments of the populace to this new institution.

Woven into the story of the changing production methods for cheesemaking is the role of gender issues on the dairy farm. Dairying, due to the European backgrounds of most American settlers at the time, carried along the traditions of women’s involvement in it. Clearly the traditions were not as strong but they were still present. Cheesemaking was clearly seen as within the purview of the dairy farm wife and daughters (men did participate also but not to the extent of women). The same is true, at least early on, of milking. By the end of the book, the factory system of cheese production essentially redirected dairy farm women’s activities in other directions, on the farm to poultry and eggs and off the farm to local community activities. The farm women both welcomed and rued the changes taking place.

That “duality” permeates much of the story of dairying and cheesemaking related in the book. While cheese was still made in the homes, it was viewed as both a subsistence activity and a commercial activity to obtain either other goods and services or, to a more limited extent, cash payments. Marketing was also a face-to-face activity since cheese factors traveled the dairy areas making deals for cheese to deliver to buyers and there was a personal touch. Terms such as “mutuality” and “competence” are used to define the nature of cheesemaking so that both the noncommercial and commercial sides of the coin are accommodated. It is argued that these connections made the transition to the factory system, seen as a profit-driven, competitive activity where local social relationships among the dairy farmers were strained, much easier than in other agricultural products.

As the transition toward factory production was taking place, significant changes were also occurring on the farm. Improved animal care and a switch from native to more pure-bred cows, use of better feeds and shelter, and general technological developments greatly changed the labor burdens of the farm family.

In one area, the development of the dairy barn as a more specialized structure devoted to the production of milk augured the role of the factory. In some cases, the barn itself was even described in terms that alluded to a factory. The barn was, according to the author, also the realm of the men, a change from previous times when women were significant contributors to the milking of cows.

The factory system moved cheesemaking to the status of a competitive business venture operating in the public eye. The factory system created tensions which eventually helped establish class distinctions in the farming community by clearly identifying owners (managers) of the factory and the patrons (those who brought milk to the central site for manufacture into cheese). These tensions were highlighted in questions of milk quality (adulteration) and Sunday cheese production. Factories, the author argues, also brought cheesemaking more into the position of “men’s work” since factory owners were usually men and, after an initial period where women did outnumber men as factory workers, so too were the factory employees. Dairy farm women applauded the development of the factories, since they tended to ease their labor burdens, while at the same time being saddened by the effects on the dynamics of the family and rural communities.

Once the cheese factory became entrenched in the dairy economy, dairy farm women redirected their attentions toward other farm activities and both on- and off-farm cultural and community issues. One of the major issues faced by farming families during this period was advanced education for women and girls. It was feared that education would ultimately drive farm women to off-farm activities and jobs or greatly change how they viewed farm work if they remained. Education did alter women’s views but so too did war, as it has during other periods in the history of the United States. The Civil War took men away from farms in large numbers and women were left to carry on. That they did, but they also became more involved in non-farm activities such as support groups for soldiers and returning veterans which may have helped them switch to activities other than cheesemaking after the rise of the factories.

There are many more examples of changes in the dairy economy and how dairy families responded to those changes. I would recommend that anyone interested in both the historical development of dairying as a farm enterprise and the changing roles of gender in agriculture read this book. In the conclusion, the author sounds the alarm that dairy farming and rural communities are now in “crisis.” This theme has been at the forefront of numerous debates related to agriculture for many years. This book clearly describes the events of more than 100 years ago that have led to a much different dairy industry today. It also suggests that dairy farmers themselves were prime movers in this evolutionary process, and, I believe it is safe to say, still are. This book offers a look into the evolutionary process and debunks the rhetoric of some who would suggest that rural change is something that rural residents do not want and have had forced upon them.

Reviewed by Donald Blayney, an economist with ERS-MTED.

The Political Economy of the American West

Terry L. Anderson and Peter J. Hill (editors). Lanham, MD: Rowman & Littlefield Publishers, Inc., 1994, 178 pp. ISBN 0-8476-7911-X (cloth) \$44.50. To order call 1-301-306-0400.

The Political Economy of the American West is a collection of essays on the economic history of the region. Terry Anderson and Peter Hill have put together this collection to establish economic history as the most accurate, cutting-edge tool for describing the history of the American West. Anderson and Hill believe that their emphasis on rent-seeking behaviors and the competition for resources presents a more accurate picture of the American West than the sentimentalism of traditionalists or the liberalism of revisionists.

The book begins with three essays on property rights. Anderson and Hill set the antithetical tone of the book with their essay arguing for the economic efficiency of speculation. Douglas Allen contradicts Anderson and Hill in “Homesteading and Property Rights.” Allen argues that the costs of government protection made homesteading an economically rational system for distributing land to settlers and securing U.S. claims to the West. Sanchez and Nugent, in “When Common Property Rights Can Be Optimal,” argue that common property was the most efficient use of land for animal husbandry activities in arid and semi-arid regions. Sanchez and Nugent portray the cattle frontier as an idealistic (and almost socialistic) place where ranchers worked together to subvert the unpleasantness of capitalism and government regulation.

Stewart Mayhew and B. Delworth Gardener (“The Political Economy of Early Federal Reclamation in the West”) and Randy Simmons (“The Progressive Ideal and the Columbia Basin Project”) present well-argued criticisms of Federal reclamation projects in the West. Mayhew and Gardener base their research on a model of a market for political favors that is accurate but typical of economic frameworks that do little more than explain the obvious. Despite the limitations of their model, Mayhew and Gardener effectively demonstrate that most Western water projects did not produce positive economic returns and only served to redistribute wealth from the rest of the country to Western farmers. Simmons vents his rage against Progressivism with a well-argued, multi-layered attack on the Columbia Basin Project and the shortcomings of centrally planned economic projects that it exemplifies.

Anderson and Hill must not have had a plethora of essays to choose from for this volume. The last three essays wind out the book in very unresounding fashion; they are irrelevant at best and unmanageable at worst. In stark contrast to their opening essay on property rights, Anderson and Hill’s case study of Yellowstone National Park (“Rents from Amenity Resources: A Case Study of Yellowstone National Park”) is incomplete and unconvincing. Anderson and Hill effectively demonstrate that Northern Pacific Railroad and other parties attempted to preserve Yellowstone for economic gain but they fail to prove that the altruism of conservationists was unnecessary.

David W. Brady and Roger G. Noll (“Public Policy and the Admission of the Western States”) do an excellent job in presenting their research on the effect of Western expansion on the

political climate of the country. Unfortunately, their conclusions that a majority of Western senators were Republican and that western Republican Senators voted in favor of western issues provide little insight on the political climate of 19th-century America.

Examining history with the tools of economics is helpful in reconstructing the past, but it is no more comprehensive than revisionism or traditionalism. Historical actors do not always behave in economically rational ways; the authors adherence to strict economic models limits their understanding of history.

Life exists outside of markets and all behaviors are not driven by rent-seeking. The social and cultural past is missing from Anderson and Hill's vision of the West. Likewise, Anderson and Hill's focus on economic activity ignores the roles women and minorities played in shaping the American West. *The Political Economy of the American West* is a solid collection of essays; it is not an effective manifesto for the cause of economic history.

Reviewed by Margaret Missiaen, an agricultural economist, ERS-MTED, and Christopher Missiaen, a historian.

This article describes the Remote Desktop Protocol (RDP) that's used for communication between the Terminal Server and the Terminal Server Client. RDP is encapsulated and encrypted within TCP. Applies to: Windows Server 2012 R2 Original KB number: 186607.

Summary. RDP is based on, and is an extension of, the T-120 family of protocol standards. A multichannel capable protocol allows for separate virtual channels for carrying the following information: presentation data.

1. How to discover computers with Remote Desktop Protocol (RDP).
 - 1.1 Search of RDP open ports.
 - 1.2 Connection with standard utilities.
2. Brute Force RDP.
 - 2.1 crowbar (levye).
 - 2.2 patator.
 - 2.3 rdesktop-brute.
3. Collection of information about RDP and through RDP.
 - 3.1 rdp-sec-check to get RDP service security settings.
 - 3.2 Nmap scripts for gathering information and auditing RDP.
4. Man-in-the-middle attack on RDP.
 - 4.1 Responder.
 - 4.2 pyrdp.

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Since Chrome Remote Desktop is available as a browser extension, it can be used on any device that supports the Chrome browser. It is a little limited on mobile devices, but it's easy to set up and is certainly worth considering. Read our full Chrome Remote Desktop review here.

Chrome Remote Desktop. According to Vinod Jeyachandra, CTO of Anunta Tech, in Microsoft Windows, Remote Desktop Services is a platform that lets users share desktop environments between one Windows computer and another over the Internet.