

August 1980
Station Bulletin
No. 289

**NONMETROPOLITAN
INDUSTRIALIZATION AND PATTERNS
OF DOMINANCE: IS NONMETROPOLITAN
AMERICA A COLONY?**



Department of Agricultural Economics
Agricultural Experiment Station
Purdue University
West Lafayette, Indiana

NONMETROPOLITAN INDUSTRIALIZATION AND PATTERNS OF DOMINANCE:
IS NONMETROPOLITAN AMERICA A COLONY?¹

Stephen B. Lovejoy
Purdue University

and

Richard S. Krannich
Utah State University

¹The authors would like to extend their gratitude to Dr. Ronald L. Little for initial suggestions and insights into this colonization process as well as substantial support for our early investigations.

Nonmetropolitan Industrialization and Patterns of Dominance
Is Nonmetropolitan America a Colony?

Patterns of growth and decline in rural America represent a focus of sociological investigation which has received considerable attention over a number of decades. This area of inquiry has received renewed interest as a result of recent shifts of industry as well as population away from urban centers and toward nonmetropolitan areas. Nonmetropolitan economic growth, long a major policy goal at both national and local levels (Rosenblatt, 1974; Summers, et al., 1976; Wallace, 1969; Vlasin, 1969), has emerged within the past decade as a reversal of long-term trends of metropolitan concentration. Nonmetropolitan America, previously faced with a self-perpetuating downward spiral of economic stagnation and population decline (Brinkman, 1974), has experienced a turnaround such that both population and manufacturing growth rates now exceed those of metropolitan areas (Beale, 1975; Haren, 1974; Humphrey, et al., 1977). Between 1960 and 1970 metropolitan manufacturing employment grew by only 4 percent, as opposed to a 22 percent growth rate in nonmetropolitan areas (Summers, et al., 1976); this trend has continued into the decade of the 1970's (Council on Environmental Quality, 1976).

As a consequence of these changes, social scientific interest in the effects of nonmetropolitan industrial developments and in the relations between nonmetropolitan locales and metropolitan centers of government, industry and finance has increased considerably. Social scientists have increasingly been referring to the 'invasion' of nonmetropolitan areas in the United States, usually referring to the invasion or influx of industry and/or people. (See Summers, et al., 1976; Beale, 1974; Morrison and Wheeler, 1976). The quantity of empirical studies in this area has mushroomed in recent years, adding to a long tradition of rural industrialization research (cf. Black, et al., 1960; Andrews and Bauder, 1968; Whiting, 1974). However, theoretical development has not kept pace with the empirical evidence.

Several years ago, an extensive literature search concluded that there was no theory to explain the industrial invasion of nonmetropolitan America. Summers, et al. (1976) suggested that neither the classic industrialization perspectives of Marx, Weber, etc. nor the perspective offered by the modernization theorists was suitable. While providing no resolution of this problem, they suggest that the industrial invasion of nonmetropolitan areas represents a third type of industrialization and that some new theoretical perspective was necessary. Such a new theoretical perspective would assist social scientists in examining and explaining the causes and effects of both the industrial and population invasion of nonmetropolitan areas.

One promising theoretical avenue which has received increased attention is to look at the rural industrialization process in terms of power relations which may exist between metropolitan and nonmetropolitan sectors of society, utilizing theories of dominance. The most promising of these investigations seem to use theories under the various title of metropolitan dominance (Gras, 1922a,b; McKenzie, 1933; Bogue, 1949; DeFleur and Crosby, 1956; Vance and Smith, 1957; Goldsmith and Copp, 1964; Kruegel, 1971), neo-colonialism (Baran, 1957; Frank, 1966, 1967, 1969; Jorgensen, 1971, 1972,

in the United States are dominated by metropolitan areas and that these power structures or systems of dominance and subordination are the "natural products of economic competition" (1933: 159).

Further empirical specification of the metropolitan dominance perspective was provided by D. Bogue's (1949) comprehensive study of the interdependent relations between cities or metropolitan centers and their outlying areas. Bogue was interested in assessing the ways in which a city or metropolis controls the conditions of life for a broad geographic area through its domination of the social and economic organization of the area. In order to analyze this phenomenon, he developed a classification scheme for communities based upon their position in dominance relationships. Bogue's scheme grouped all areas into four broad categories: dominants, subdominants, influents, and subinfluents. This investigation gave the metropolitan dominance hypothesis considerably greater credence because of its broad scope and specificity of indicators.

Several other investigations have also substantiated the hypothesis of metropolitan dominance in various sections of the country and using varying data sources. For example, the dominating influence of Seattle, Washington on its outlying areas was investigated using wholesale activity as the major indicator of dominance relationships (DeFleur and Crosby, 1956). Wholesale trade was found to be significantly related to five factors, the most important being the distance between the outlying subordinate center and the metropolis. Distance was found to be inversely related to dominance; as distance between the subordinate community and the metropolis increases, wholesale trade decreases. While DeFleur and Crosby's study further specifies the metropolitan dominance perspective, their analysis was restricted to one metropolis and its outlying subordinate communities making it difficult to relate their findings into Bogue's perspective on a continuum of dominance.

An investigation of a number of metropolitan and hinterland communities in the southern United States lends considerable support to the idea that dominance must be considered as relative, with communities falling on a continuum. Vance and Smith (1957) were able to rank-order the study communities in terms of their relative dominance, thus bolstering the image of a metropolis's domination being extended, through subdominants, to the rural hinterland.

Goldsmith and Copp (1964) added to the metropolitan dominance perspective by focusing upon the effects of the metropolis upon agricultural activities in the Northeast. They suggest that land values and farm size vary in relationship to characteristics associated with metropolises and subdominants, thus providing support for their contention that the metropolitan centers' dominance even extends to the agricultural sector of society.

Although the above investigations use various indicators and data sources in different geographic and cultural areas of the United States, each substantiates the basic hypothesis of the metropolitan dominance perspective; metropolitan centers and hinterlands are interdependently organized in such a manner that the metropolises are dominant.

A more recent but related perspective which more fully develops this notion of systemic interconnection and functional interdependencies between

causation only tangentially. While Gras (1921, 1922b) and McKenzie (1927) allude to a causal factor at work which results in a net inflow of capital resources to dominant centers, the metropolitan dominance perspective has generally ignored the issue of WHY? and has chosen to concentrate on HOW? The neo-colonial perspective, on the other hand, incorporates the causal factor as a central part of the "theory." This perspective asserts that it is to the benefit of the metropolitan areas for satellite areas to remain "underdeveloped." Since economic and political power is concentrated in metropolitan areas, rural areas are maintained as dependent satellite areas. The neo-colonial perspective views this process as being instigated, encouraged and if necessary forced by the dominant metropolitan areas, e.g. the "metropolis." The mechanisms which allow this process, whether through direct coercion or institutional manipulation, are discussed below.

The neo-colonial perspective seeks to understand the rural industrial phenomena by viewing underdevelopment as a result of purposive action by the complex of regional, national and multi-national organizations which comprise the metropolis. This perspective characterizes the relationship between the metropolis and its satellites as exploitative. The metropolis directs certain industries into satellite areas, and pays workers low wages thereby generating large amounts of profit or surplus capital, which is quickly siphoned off back to the metropolis (Baran, 1957; Frank, 1966, 1967, 1969). This leads to underdevelopment of the local economy, to the benefit of the metropolitan economy and residents of the metropolis, but to the detriment of residents in colonized sectors.

That this colonial exploitation is the natural result of the capitalist system is a basic thesis in Baran's book (1957) and in Frank's articles (1966, 1967, 1969). Metropolises encourage the development of a mono-economy in the satellite sector and increasingly dominate the internal relations while siphoning off any and all profit generated in the production process. This profit, generated from production in the satellites, leads to greater economic development in the metropolis while leaving the satellite in a continual state of underdevelopment. A.G. Frank sees this pattern of metropolitan development and satellite underdevelopment as "the necessary result and contemporary manifestation of internal contradictions in the world capitalist system" (1967; 9). This analytical scheme of metropolis-satellite is not limited to relations between nations; each nation is also seen as being composed of metropolises and satellites whether that nation, in the international system, is a metropolis or satellite.

The concept of exploitation as used by Baran and Frank is primarily focused upon the economic sector. There can, however, be other types of exploitation or imperialism. Galtung (1977) distinguishes five types of imperialism: economic, political, military, communication, and cultural. Any one of these may be the basic form in a particular relationship although each would feedback and reinforce the others. For instance, vertical interactions in one sphere (economic, political, military, communication or cultural) have spin-off effects into what Galtung refers to as a spill-over. These spill-overs are consolidated into or strengthen dynamic process which is impossible to reduce to a simple causal chain, rather "it is the mutual reinforcement, the positive feedback between these types...that seems the dominant characteristic" (Galtung, 1977: 99).

In applying a colonial perspective to an analysis of British Honduras, Ashcraft (1973) suggested that rural people have never been excluded from national policies and events, but instead have been dominated by the upper levels of government.

Rural folk have never been isolated from events occurring at the national and international levels, but rather have had to adapt their activities, lifestyle and economic habits to the requirements of the dominant and therefore more pervasive ruling interests (Ashcraft, 1973: 93).

Ashcraft's analysis suggests that the present subservient or satellite status of British Honduras is the natural result of the capitalistic market forces originated and controlled by metropolitan sectors in the United Kingdom and the United States. This analysis also suggests that areas of underdevelopment are characterized by a mono-economy, a dependency upon imports, absentee landowners, satellite status in terms of power and authority and unequal market relations.

While Ashcraft and others have examined neo-colonialism in the context of international dominance and subordination leading to differential patterns of development and under-development, the neo-colonial perspective may readily be applied to relations between regions within a single nation. Although not explicitly set forth in a neo-colonial framework, research by Caudill (1962) clearly illustrates the historical process of colonization whereby the Cumberlands area of Appalachian America was invaded by absentee owned corporations which controlled and depleted natural resources, exploited the region's labor force, and generally contributed to the increasing decline of the area into an enduring state of underdevelopment. Similarly, Lewis, Johnson, and Askins (1978) have documented Appalachian underdevelopment as an example of "colonialism in modern America."

In this same vein, Lewis and Knipe (1978) observe that the "colonialism" model, alternatively referred to as the "exploitation" model, suggests that the Appalachians may be viewed as "a subsociety structurally alienated and lacking resources because of processes of the total economic and political system," and go on to note that "those who control the resources preserve their advantages by discrimination" (1978: 15), an observation consistent with earlier work by Woodward (1951), Moore (1970), Caudill (1962) and others.

Colonialism, however, may not be an unidimensional concept. Thomas (1966/67) suggests that there are two distinct types of colonialism: classic and hidden. Classic colonialism is evidenced by the legal bureaucracies set up to administer to the colonial people. The prime examples of classic colonialism are the British colonies established in Africa and Asia. Hidden colonialism is characterized not by a legal bureaucracy but by a system of institutional relationships whereby one community dominates and controls another. There is a vast difference between the communities in terms of power and authority and as a result, decisions are arrived at by and through the institutions of the powerful community. Thomas' distinction can be applied to the relationship between countries or between communities within the same country or society. Under a system of hidden colonialism,

available for re-investment in the periphery. Such re-investment would be a necessary, if not sufficient, condition for general economic growth and development. Even savings of locals in the periphery will not generate additional economic growth since those funds are invested in the metropolis rather than the periphery or satellite (see Rostow, 1965; Krannich, 1977; Shane, 1970).

- 2) The additional money in the local periphery economy from increased payrolls does not stay and re-circulate in the local economy. Local residents, both indigenous and immigrant, spend large portions of their income in metropolitan areas and even that income spent locally is quickly siphoned off to the metropolitan areas through absentee ownership of businesses and through wholesaling activities (Krannich, 1977; Polzin, 1975).
- 3) Often the industry locating in the rural area, especially in the West, is extracting or processing an abundant natural resource (e.g., coal, oil, oil shale). Unfortunately, these resources are rarely owned by local periphery individuals but rather by individuals (or firms) in the metropolis or by the federal government. Therefore, the direct sale of these resources yields no income for the local area. These monies are directed instead toward the metropolitan areas. As Albrecht (1976) noted regarding energy developments in the Western U.S., "We are now experiencing a form of domestic colonialism. Capitalist exploiters are developing vast energy resources in what are basically rural areas of the country. The profits from such exploitation are usually exported from the area while many of the problems are left behind." (1976: 21).
- 4) A negative spin-off of many, if not most, of these extractive or productive processes is increased levels of pollutants, especially of air and water. While the health effects of these pollutants are largely unknown or presently being debated, they certainly represent a real or potential cost that is being imposed upon the citizens in the periphery.
- 5) As Thomas (1966/67) suggested, the local community may lose its autonomy and control over its destiny. This may lead to the demise of the local lifestyle and internal decay of the community. This is obviously a cost of the development which is paid by those local citizens who value their lifestyle and their community.
- 6) As corollary to number five, social disruption and social disorganization will likely increase; with the increased population in such rapidly "developing" communities, rates of criminal activity, mental health problems, divorce, juvenile delinquency, etc. will increase. Added to this are shortages of both public and private goods and services.
- 7) For local rural people about to undergo industrialization, jobs seem to be the most important spin-off effect. They feel that they and their children will be able to capture high paying jobs which will allow them to continue their residence in the local community. The problem of providing employment opportunities, especially for

failure of four community development programs, suggesting that local mobilization efforts to achieve local development are often ineffective. Warren (1974) has suggested that "city government...actually has relatively little control over most of the important developments which take place within the city limits..." and further noted that "deliberate community-level change efforts...seldom exercise a decisive impact..." (Warren, 1974: 2).

At the base of these views of the potential ineffectiveness of local development efforts is the conception of the location of communities in the context of a 'mass society'. As Warren has noted, "the impact of the larger society on local communities is great and growing greater" (1975: 5). In Warren's (1978) terminology, local communities are increasingly enmeshed in vertical (extralocal) rather than horizontal (local) linkage patterns which increasingly integrate them into and create dependence upon non-local systems. As a result, they are "engulfed by forces which they cannot control" (Warren, 1975: 5), negating the effectiveness of local social action attempting to foster change (see Vidich and Bensman, 1958).

Extensive theoretical support exists for the notion that a phenomenon of 'mass society' has emerged which pre-empts the autonomy of local units. Durkheim's (1933) discussion of the emergence of organic solidarity under conditions of advanced divisions of labor suggested that interdependence of individuals leads to a decline in the viability of the localized social group. Shils (1975) expanded upon this perspective, stating that "the narrowing of scope of local autonomy is connected with the formation of a more integral society" (1975: 105). The development of mass society thus implies both the overall social integration characteristic of organic solidarity and the decline of autonomy among local communities or other localized social groups.

Community studies have developed and applied the theory of mass society more explicitly. Vidich and Bensman (1958) documented the dependence of a small community on external agencies and organizations and the inability of the local government to resolve problems effectively; in fact, they concluded that a local resident of Springdale would have found that almost all aspects of his town were controlled by external forces. Stein (1960) discussed the "eclipse of community" as an outcome of "increased interdependence and decreased local autonomy" (1960: 107), and Hunter (1953: Chapter 6), while focusing on community power distribution, nevertheless noted that local policies were inexorably bound up with state, national, and international policies and events, again suggesting that community events are to a large degree shaped by external forces over which local residents have little control.

In summary, the mass society literature outlined here suggests that "power is shifting from the locality to the great centers of government, industry and finance. If the small town survives at all it is not as an autonomous center of local life but as a semi-dependent agency of distant power centers" (Martindale and Hanson, 1969: XIV). While much of the literature in the mass society tradition may be viewed as biased by an evaluative preference for the "traditional" gemeinschaft-like community of a perhaps mythical past, evidence that local actions and changes depend very much on non-local forces seems substantial.

References Cited

- * Albrecht, Stan L. 1976 "Sociocultural factors and energy resource development in rural areas of the West." Presented at meetings of the Rural Sociological Society.
- Andrews, Wade H. and Ward W. Bauder. 1968 "The effects of industrialization on a rural county: a comparison of social change in Monroe and Noble Counties of Ohio." Wooster: Ohio Agricultural Research and Development Center, Department Series 407.
- Ashcraft, Norman. 1973 Colonialism and Underdevelopment: Processes of Political Economic Change in British Honduras. New York: Teachers College Press, Columbia University.
- * Baran, Paul A. 1957 The Political Economy of Growth. New York: Monthly Review Press.
- * Beale, Calvin L. 1975 "The revival of population growth in non-metropolitan America." Paper presented at the Conference on Population Distribution, January.
- Berry, Brian J.L. and John D. Kasarda. 1977 Contemporary Human Ecology. New York: Macmillan.
- * Black, Therel, Carmen Frederickson and Sheridan Matiland. 1960 "Rocket-age industrialization of Box Elder County." Logan, Utah: Utah Agricultural Experiment Station, Utah State University, Bulletin No. 420.
- Blauner, Robert. 1969 "Internal colonialism and ghetto revolt." Social Problems, Vol 16: 393-408.
- Bogue, Donald J. 1949 The Structure of the Metropolitan Community: A Study of Dominance and Subdominance. Ann Arbor: Horace H. Rackman School of Graduate Studies, University of Michigan.
- * Brinkman, George. 1974 "The conditions and problems of non-metropolitan America." Pp. 51-73 in G. Brinkman (ed.) The Development of Rural America. Wichita: The University Press of Kansas.
- Bruyn, Severyn T. 1963 Communities in Action. New Haven: College and University Press.
- Caudill, Harry. 1962 Night Comes to the Cumberland. Boston: Little, Brown and Co.
- Council on Environmental Quality. 1976 Environmental Quality. Washington: U.S. Government Printing Office.
- * Defleur, Melvin L. and John Crosby. 1956 "Analyzing metropolitan dominance." Social Forces, Vol. 35, 68-75.
- * Duncan, O.D., W.R. Scott, S. Lieberman, B. Duncan and H. Winsborough. 1960 Metropolis and Region. Baltimore: Johns Hopkins Press.

- _____. 1972 The Sun Dance Religion: Power for the Powerless.
Chicago: University of Chicago Press.
- _____, et al. 1978 Native Americans and Energy Development.
Cambridge, Massachusetts: Anthropology Resource Center.
- Krannich, Richard S. 1977 "An analysis of factors contributing to rural economic underdevelopment in the Lake Powell area." Logan: unpublished Master's thesis, Utah State University.
- Kruegel, David L. 1971 "Metropolitan dominance and the diffusion of human fertility patterns, Kentucky: 1939-1965." Rural Sociology 36: 140-156.
- Lamphere, Louise. 1976 "The internal colonization of the Navajo People." Southwest Economy and Society 1: 6-14.
- Lewis, Helen M., Linda Johnson and Don Askins (eds.) 1978 Colonialism in Modern America: The Appalachian Case. Boone, North Carolina: appalachian consortium Press. *
- _____ and Edward E. Knipe. 1978 "The colonialism model: the Appalachian case." Pp. 9-31 in H. Lewis, L. Johnson and D. Askins (eds.), Colonialism in Modern America: The Appalachian Case. Boone, North Carolina: Appalachian Consortium Press.
- Lincoln, James R. and Roger Friedland. 1978 "Metropolitan accessibility and socioeconomic differentiation in non-metropolitan areas." Social Forces 57 (December): 688-696. ***
- Little, Ronald L. 1976 "Colonialism and energy development: the Lake Powell region." Paper presented at annual meetings of Western Social Science Association, Tempe, Arizona, April.
- _____ and Stephen B. Lovejoy. 1979 "Energy development and local employment." The Social Science Journal, vol. 6(2), April: 27-49.
- Lovejoy, Stephen B. 1980 "Energy development and employment benefits: Who gets the jobs." Logan: unpublished Ph.D. dissertation, Utah State University.
- Lynd, Robert S. and Helen M. Lynd. 1937 Middletown in Transition. Harcourt Brace Jovanovich, Inc.
- McKenzie, R.D. 1927 "The concept of dominance in world organization." American Journal of Sociology, Vol. 33, pp. 28-42.
- _____. 1933 The Metropolitan Community. New York: McGraw-Hill.
- Martindale, Don and R. Galen Hanson. 1969 Small Town and the Nation. Westport, Connecticut: Greenwood Publishing.
- Moore, Joan W. 1970 "Colonialism: the case of the Mexican-Americans." Social Problems 71 (Spring): 463-472.

_____. 1975 "External forces affecting local communities: bad news and good news." Journal of the Community Development Society 6 (Fall): 1-13. ✱

_____. 1978 The Community in America. Chicago: Rand-McNally.

Whiting, Larry R. (ed.) 1974 Rural Industrialization: Problems and Potentials. Ames, Iowa: Iowa State University Press. ✱

Woodward, C. Vann. 1951 Origins of the New South. Baton Rouge, Louisiana: State University Press.

