Interorganizational relations: Poletown in the midst of power and exchange

Chizuko Marugame Shastri
Iowa State University

Follow this and additional works at: https://lib.dr.iastate.edu/rtd
Part of the Quantitative, Qualitative, Comparative, and Historical Methodologies Commons, Sociology of Culture Commons, and the Theory, Knowledge and Science Commons

Recommended Citation

This Dissertation is brought to you for free and open access by the Iowa State University Capstones, Theses and Dissertations at Iowa State University Digital Repository. It has been accepted for inclusion in Retrospective Theses and Dissertations by an authorized administrator of Iowa State University Digital Repository. For more information, please contact digirep@iastate.edu.
INFORMATION TO USERS

This manuscript has been reproduced from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps. Each original is also photographed in one exposure and is included in reduced form at the back of the book.

Photographs included in the original manuscript have been reproduced xerographically in this copy. Higher quality 6" x 9" black and white photographic prints are available for any photographs or illustrations appearing in this copy for an additional charge. Contact UMI directly to order.
Interorganizational relations:
Poletown in the midst of power and exchange

by

Chizuko Marugame Shastri

A Dissertation Submitted to the
Graduate Faculty in Partial Fulfillment of the
Requirements for the Degree of
DOCTOR OF PHILOSOPHY

Department: Sociology
Major: Sociology

Approved:
Signature was redacted for privacy.

In Charge of Major Work
Signature was redacted for privacy.

For the Major Department
Signature was redacted for privacy.

For the Graduate College

Iowa State University
Ames, Iowa
1995

Copyright © Chizuko Marugame Shastri, 1995. All rights reserved.
# TABLE OF CONTENTS

**LIST OF FIGURES**

iv

**LIST OF TABLES**

v

**CHAPTER 1. INTRODUCTION**

1

**CHAPTER 2. HISTORICAL BACKGROUND**

A. GM's situation 4
B. Situation of the city of Detroit 6
C. Situation of the city of Hamtramck 9
D. Poletown's situation 10
E. Review of census data 14
   1. Population and age 14
   2. Race 15
   3. Mean income 16
   4. Income below poverty level 16
   5. Educational background 18
   6. Labor force 18
   7. Polish ancestry 20
   8. Year householders settled in Poletown 21
   9. Year white householders settled in Poletown 22

**CHAPTER 3. METHODS TO BE USED**

24

**CHAPTER 4. POLETOWN AS A PROBLEM OF EXCHANGE**

A. Exchange theory 27
   1. Definition of exchange 28
   2. Society 30
   3. Differences between social exchange and economic exchange 32
   4. Elements of the exchange process 34
      a. Desire for an object that one does not have 35
      b. Identify an owner of the possession 41
      c. Offer an object in return for the desired object 44
      d. Value comparison 47
      e. Acceptance of the offer 57
      f. Recognition of higher value 62
      g. Satisfaction 65
   5. Principle of exchange 67
      a. Attraction 68
      b. Value 74
      i. Need 74
### Table of Contents

#### ii. Obstacles 75
  - Obstacles 75
  - Objectivity and subjectivity 76

#### c. Power 84
  - Power 84

#### 6. Differentiation of power 92

#### CHAPTER 5. POLETOWN AS A PROBLEM OF POWER ELITES 98
  - A. Power elite theory 98
    - Classic (aristocratic) elite theory vs. contemporary (radical) elite theory 98
    - Power structure 102
    - Definition of public and mass 104
    - Power elite vs. ruling class 106
    - Changes in the power structure 107
    - Justification of the theory 110
    - Definition of power elite 113
    - Cohesion of the power structure 123
    - Exercise of the structure of power 137
    - Consequences of the power structure 153
  - B. Community power 163
  - C. Power structure in Detroit 166

#### CHAPTER 6. SUMMARY AND CONCLUSIONS 170
  - A. Recommendations for further study 174

#### REFERENCES 177

#### APPENDIX A. CHRONOLOGY OF POLETOWN PROJECT 185

#### APPENDIX B. QUESTIONNAIRE 188
LIST OF FIGURES

Figure 1. Historical Poletown area 11
Figure 2. Age distribution of Poletown residents 14
Figure 3. Normalized age distribution of Poletown residents 15
Figure 4. Mean income 16
Figure 5. Percent of families with income below poverty level 17
Figure 6. Percent high school graduates 18
Figure 7. Percent of population in labor force 19
Figure 8. Polish ancestry 20
Figure 9. Process of exchange 35
Figure 10. Exchange in Poletown project 37
Figure 11 Value transfer in exchange 65
Figure 12 Pareto’s elite model 99
Figure 13 Mosca’s elite model 100
Figure 14 Mills’ elite model 101
Figure 15 The three pyramids of power 102
Figure 16 The interlocking directorship of General Motors and other firms 130
**LIST OF TABLES**

Table 1. Year householders moved into unit 21
Table 2. Year white householders moved into unit 22
Table 3. Research questions 26
Table 4. Differentiation of power in exchange 93
Table 5. Comparison of Mills' public and mass 105
Table 5. High-level politicians distribution according to previous occupation (in percentage) 111
CHAPTER 1. INTRODUCTION

This study presents an application of sociological theory to the events that occurred in an ethnically diverse community of Detroit known as Poletown. Significant results not previously explored in the literature will be presented. Firstly, there has been no comprehensive study applying Simmel's exchange theory to organizations at the community level. Simmel's exchange theory had been neglected until recently mainly because of its late translation. Although his name is not listed among the major exchange theorists, he laid much of the foundation of contemporary exchange theory. This study deals with economic exchange. Exchange theorists distinguish between social exchange and economic exchange, however, the study of economic exchange in organizational studies has been neglected.

Secondly, the Poletown case creates an opportunity to apply Mills' power elite theory to power structures of a community. Although there is a difference between the study of power at the national level and the community level, if one takes a community as an autonomous entity, we might find the same levels of power — power elite, middle level of power and masses — within the community. This study will not be testing whether Mills' theory is correct or incorrect, but rather examining how his description of the characteristics of the power elite is reflected in this case. Much of the debate regarding power in the United States has been concerned with the structure, and previous applications of Mills' power elite theory were studies of power on the national level. However, using Mills' theory to interpret a comprehensive newspaper content analysis of a community conflict is an area that has to date not been extensively explored. This positional analysis is appropriate since this study uses
printed public information available (Domhoff, 1987), mainly from two Detroit area newspapers.

Methodologically, the study was conducted not only through a newspaper content analysis but also examined through a questionnaire administered to several scholars of the Poletown conflict and individuals personally involved in the dispute in order to clarify points not clear from available sources.

This study deals with a neighborhood which was involved in an economic exchange between General Motors (GM) and the city of Detroit. In June of 1980, GM and the city of Detroit announced the GM plant redevelopment project (Central Industrial Park Project) which covered approximately 465 acres of inner city land, almost one square mile, and which extended into the city of Hamtramck (a city within the city of Detroit). It was the biggest industrial renewal project — the largest urban land assemblage and clearance project — in U.S. history (McGill, 1985). The project entailed relocating approximately 1,500 families and a major part of the project area lay in a neighborhood some residents referred to as Poletown. Some of the Poletown residents organized the Poletown Neighborhood Council (PNC) and confronted GM when they heard that a new $700 million Cadillac Plant would be built in the center of Detroit — on a site that included the northern one-third of Poletown. In order to secure the site, Detroit had to move 3,438 residents, 1,362 households, 143 institutions or businesses — including 16 churches, a hospital and 2 schools — and demolish 1,176 buildings. PNC's major goal was to fight the use by the city of the power of "eminent domain," a legal principle that permits the government to use private property for the public
benefit. At the time, GM and the city of Detroit were experiencing economic hardship. After a tremendous effort on the part of the PNC and other opposition groups, the community was thoroughly defeated and the GM plant was built.

In summary, the purpose of this study is to examine the nature of the exchange carried out among the three parties of the Poletown case from the viewpoint of both exchange and power elite theory. The Poletown event involved three parties — GM, the city of Detroit, and Poletown residents. Georg Simmel’s exchange theory and C. Wright Mills’ power elite theory are used to analyze and interpret the case.

This is a non-traditional dissertation in that there are no chapters exclusively dedicated to the literature review and findings of the study. Instead, convenience and ease of reading dictated merging the traditional literature review and findings into a single chapter for each theory applied to the interpretation of the Poletown case. Chapter 2 presents the historical background of the three parties prior to the event including Census data of Poletown. Chapter 3 presents the methods. Chapter 4 presents a review of Simmel’s exchange theory and includes the research questions posed during this investigation. The findings are then presented for each research question. Chapter 5 contains a literature review of Mills’ power elite theory as well as the related research questions. The research findings follow and reveal the nature of the power elite in the Poletown case. Chapter 6 includes the summary and conclusions.
CHAPTER 2. HISTORICAL BACKGROUND

This chapter examines the historical background of the Poletown events and its three parties — GM, the city of Detroit, and Poletown. It is important to understand what motivated each party involved: Why did GM want its new plant? Why did the city of Detroit/Hamtramck accept GM’s request? What kind of neighborhood was Poletown? In particular this chapter will attempt to focus on these questions by examining the economic statuses of GM and the city of Detroit and will present Census data to understand the demography of the city in general and the Poletown neighborhood in particular.

A. GM’s situation

By 1980, GM was experiencing the first financial loss, a net loss of $763 million that the company had experienced since 1921 (Wylie, 1989). Detroit, Flint, and Pontiac are known as the automobile cities of Michigan, and Detroit is a hometown of the Big Three — General Motors, Ford and Chrysler Corporation. Between 1979 and 1980, the car production of U.S. fell 31.7 percent and the truck production was down 54.8 percent. As one in every six workers in the nation was engaged in auto-related industries at that time, it was not an exaggeration that a collapse of Detroit’s Big Three could have crippled the country (Wylie, 1989). Therefore, the state of Michigan was depending on automotive manufacture. For example, in 1978 there were about 750,000 automotive-related manufacturing jobs in Michigan which was about 19 percent of the state’s total employment (excluding nonmanufacturing jobs which were dependent on the auto industry). According to a study of supplier firms in southeast Michigan, 82 percent were directly linked to the automotive
industry. In 1978, 64 percent of all manufacturing jobs in Michigan related to automotive or automotive-linked firms. Even in 1980, the percentage was still over 61 percent (Jones and Bachelor, 1993). At the time, the profile of GM as a multi-national corporation was described as follows:

One company, General Motors, had more revenue in 1978 than all television and radio broadcasters, newspaper, periodical and book publishers combined. In fact, three manufacturing companies had greater sales than the publishing and broadcasting industries. This includes such “giants” as NBC, CBS, Knight-Ridder, Times Mirror, Reader’s Digest, ABC and Time Inc. (Compaine, 1979:1).

However, in 1979 GM was facing a severe recession in the automotive industry. Previously, American auto makers could make profits from big-car sales, however, by 1980 nearly one out of three Americans was buying imported small and fuel-efficient cars. As Auerbach says:

In 1980 Chrysler, Ford, American Motors, and General Motors all reported the largest financial losses in their histories. Keeping costs down and competing effectively with foreign producers was vital to the future of these U.S. companies. They concluded that to be competitive they must redesign their products and manufacture lighter, more fuel-efficient automobiles. To do so meant making production design changes and constructing new manufacturing facilities (Auerbach, 1985:94).

Because of the collapse of big-car sales, the industry’s profit structure was devastated.

According to Business Week (March 24, 1980:79):

Industry observers estimate that GM, for example, makes as much as $1,000 on a large car and only $200 to $300 on a small car. In the last year the market share of big cars — so-called full-size and intermediate models — has plummeted from 42% to 33%. Unless there is a miraculous recovery of larger-car sales, Detroit’s profits will be wretched, to say the least. For example, even though GM is selling
a record 63% share of U.S.-built cars this year, it is expected to earn only $6.25 a share, half of 1978 earnings (emphasis added).

What GM needed was a smaller car with front-wheel-drive and more automated production lines. Responding to the 1979 crisis, GM announced a $40-billion five-year plan of capital spending through 1984, which would enable the company to produce more than six million front-wheel-drive cars world-wide by 1983 (Jones and Bachelor, 1993). Because this design change was necessary for staying competitive with foreign auto makers, the remodeling of old factories was judged by GM to be out of the question. One major reason for that was the front-wheel-drive cars employed integral body frames instead of the separate body-frame design used on previous cars. Therefore, GM had started to replace old plants with new plants.

B. Situation of the city of Detroit

Detroit experienced its greatest growth because of its automobile production, however, by the 1970s the city was facing a severe economic depression. With its auto-dependent economy, the unemployment rate in the city averaged around 10 percent in 1970s. During 1980, unemployment in Detroit soared to an all time high of 18.3 percent by June while the national average was 7.8 percent. This unemployment rate was accompanied by a steady decline in the number of employees who worked in Detroit. For example, in 1970, there were approximately 519,000 workers in the city while in 1977 the total was 460,000 (representing a 21% decrease). The decreased activity in manufacturing had a negative impact on the city's retail, wholesale and service sectors. Several factors — among them
aging and obsolete production facilities, a paucity of inexpensive land for expansion and
changing markets — were the cause of continued gradual reduction in industrial production
(City of Detroit Community & Economic Development Department, 1980). Between 1970
and 1980, the number of jobs held by Detroit residents dropped from 561,184 to 394,707 —
a 30 percent decrease (Bukowczyk, 1986), and the United Auto Workers (UAW) reported a
loss of 40,000 auto jobs since mid-1979 and a $100 million budget deficit (Moberg, 1981).
According to the city of Detroit:

Prior to World War II, manufacturing provided almost half of all jobs in the area
and much of the City’s tax base. This position of strength eroded over the years
but most dramatically during the past decade. The inefficiencies of aged plants at
first resulted in extended worker layoffs, then permanent terminations of portions
of a plant’s workforce as entire plants closed (City of Detroit Community &
Economic Development Department, 1980).

Along with the decline of manufacturing was the decline of the retail, wholesale,
service sector and the population. Between 1970 and 1980, the population of the city
dropped from 1,514,063 to 1,192,222 (21% decrease). At the same period, the percentage of
black population increased from 44 percent to 63 percent (Jones and Bachelor, 1993). The
people who left Detroit moved to the suburban fringe. The whites who left Detroit were
predominantly middle-income, educated, and taxpaying citizens. The population left in the
city was older, less well educated, and less able to generate either income or tax resources
than their suburban counterparts (Anton, 1981).

The lack of an industrial tax base and workforce led Detroit to a disastrous fiscal
position. City documents stated:
Detroit... has been forced to lay off essential police, fire and other service workers to the lowest level in fifty years, to cut back City services and to forgo much needed capital improvements in the aging infrastructure of the City. The seriousness of the City's fiscal position has captured the attention of Wall Street, where the two major bond rating firms, Standard and Poor's and Moody's, have lowered the City bond rating to a rate below investment grade (City of Detroit Community & Economic Development Department, 1980: II-3).

The median household income of Detroit had fallen below the national median, and was more than $5,000 below the median for the Standard Metropolitan Statistical Area (SMSA) by 1977. Furthermore, more than one-third of Detroit's residents had incomes of less than $7,000 which was no more than one-fifth for the SMSA and one-quarter for the nation as a whole (Anton, 1981). Anton argued:

Part of the explanation for high levels of poverty and welfare caseloads in Detroit, of course, is the city's dependence on a single industry, which is itself extraordinarily sensitive to fluctuations in the national economy. Only five firms — Chrysler, GM, Budd, Uniroyal, and Massey-Ferguson — provided nearly 24 percent of the city's 425,000 jobs in 1977. All five are engaged in auto or truck manufacturing or related industries. Historically, even a moderate economic decline or a slight drop in auto sales has had a severe impact in the city (emphasis added) (Anton, 1981:7).

The city's dependency on a single industry was severely affected by the car business — auto sales were in proportion to the city's employment rate. In 1977, Detroit mayor Coleman A. Young called the city's situation the worst budget crisis in Detroit since the 1930s and crafted a strategy to deal with this problem. On the one hand, he aggressively pursued aid from both the state and local government. On the other hand, he invested heavily in economic development (Jones and Bachelor, 1993). For instance, GM was looking for land for a
Cadillac transmission plant, and Detroit and other cities were bidding for it. Although Detroit wanted the plant in the city, and since the city could not move in time, the plant was built in Livonia, Michigan. After this incident Mayor Young received a promise from Thomas A. Murphy, chairman of GM, that “the next time GM planned to build a new plant, he would give me time to come up with a site” (Young and Wheeler, 1994: 239). The problem the city faced at this loss was that eminent domain was a very slow legal process and the automobile industry could not wait for years. Therefore, Mayor Young petitioned the state legislature to provide for the quick-taking of land by local government. The “quick-take” law, which enable municipalities to acquire the title to property and take possession of it under the eminent domain law before a purchase price is negotiated with the previous owner, passed in April 1980 and Michigan’s quick take law became the only one of its kind in the country at the time (Young and Wheeler, 1994). With this new law, Detroit was ready for the next time GM came around.

C. Situation of the city of Hamtramck

There were similar problems to Detroit’s in the city of Hamtramck. The city had been losing its population and manufacturing enterprises — which means loss of industrial tax base — since the 1960s. For instance, there were 34,137 people living in Hamtramck in 1960, however, by 1970 the population decreased to 26,783 (22% decrease) and by 1977 the population had dropped to 23,400 (68% of 1960). The population loss was largely attributed to the loss of jobs within the community. Chrysler Corporation’s Hamtramck Assembly Plant (Dodge Main), which lost its workers from 30,000 in 1950’s to less than 6,000 (80% loss) by
1980, was the largest industrial employer in the city. Not only additional unemployment but the annual loss of $175 million in payroll and $2.3 million in the local property tax contribution was created when Chrysler closed the Dodge Main in 1980. The Chrysler corporation paid taxes to the city which comprised 10 percent of the real estate taxes and 34 percent of the income taxes. Because of this revenue loss, the city’s net tax income was reduced approximately 25 percent. Also the closing of the Dodge Main plant affected the reduction of the commercial activity which flowed from the plant (City of Detroit Community & Economic Development Department, 1980).

D. Poletown’s situation

Before the announcement of the project, The Detroit Free Press had begun an occasional series of stories about neighborhoods in and around Detroit, and Poletown was the first neighborhood to be profiled in the paper. Poletown extends from E. Grand Boulevard on the north down to Mack, and from the Grand Trunk Railroad Tracks east of I-75 over to Mt. Elliott (Figure 1). In the paper, one of the Polish residents described the area as follows:

This area is very good to live in, very comfortable, but it needs a renaissance. I wouldn't want to live in the suburbs. There it's quiet, like village life. People live too much by themselves, separately. I think people who are living here have more communication (The Detroit Free Press, June 23, 1980:11A).

The Rev. Francis Skalski, pastor of St. Hyacinth, one of six Polish churches in the area, said that Poletown has strong homes and good homes, it is really a rallying point. He said we cannot build homes like these in suburbia, people are trying to make it so young people — not just Poles — will be attracted here. According to city figures, the 1978 average appraised
valuation for single family homes in the area was $9,000, among the lowest in the city (The Detroit Free Press, June 23, 1980).

An interesting portrait of the neighborhood was its ethnic diversity. St. Hyacinth school had 400 students — about 30 percent of the children were Polish Americans, 30 percent were Yugoslav and Albanian, 20 percent were black, and 20 percent were Spanish, Korean, Lebanese, Thai, Filipino and Nigerian immigrants. In comparison, Ferry Elementary School (within walking distance of St. Hyacinth's) had 900 students — 70 percent black and
30 percent white (most of them are children of Eastern European immigrants) (*The Detroit Free Press*, June 23, 1980). About the population of Poletown, it can be said that:

No precise population figures are available for Poletown. According to 1976 city figures, however, about 19,200 people live in the slightly larger area bounded by the railroad tracks, E. Grand Blvd., Mt. Elliott and Gratio (below Mack). Of those, 68 percent are black and 31 percent are white (*The Detroit Free Press*, June 23, 1980:11A).

"It is the Eastern European element residing within the shadows of the six churches — the parishes are contiguous — that has reclaimed the area as Poletown" said *The Detroit Free Press* (June 23, 1980:11A). According to *The Detroit Free Press*, while most Detroiter had heard of Hamtramck, few knew anything about Poletown. Poletown’s history could be traced back to the late 19th century, when thousands of Polish immigrants had flooded Detroit. Poletown, however, was not an affluent neighborhood. According to Wylie:

By 1980 Poletown’s homes were selling for an average of $9,000, among the cheapest in Detroit. Half the area’s residents were young, black families, the majority of whom were renters. Most of Poletown’s black families had incomes below $6,000 a year. Only one-half of the area’s white residents still owned their own homes. Poletown was being undermined by a lack of employment, an aging population, crime, the increasing poverty of people on fixed incomes, a decline in private and public services and deteriorating housing stock. Nearly two thirds of the people living in northern Poletown moved out during the 1970s (Wylie, 1989:23, 26).

Thomas Olechowski who grew up and lived in the area said of the area’s future:

We are the ones who have the roots to attract people back. We only started organizing Poletown as a redevelopment project in 1978, and we are not, I repeat, we are not, trying to displace anyone black. But this old neighborhood is still intact. It’s ours, and we have a viable base for restructuring.
This is Poletown, and there isn't anything that can change that (*The Detroit Free Press*, June 23, 1980:11A).

Prior to the announcement of the Poletown project, the area had shown healthy signs of community organization (Bukowczyk, 1984). For instance, the Poletown area was already under a revitalization plan. The six Polish Roman Catholic parishes in the area had formed the North Eastside Community Organization in the mid-1970’s, and the Poletown Inter-Parish Council had been formed in 1978. In 1977, the Poletown Area Revitalization Task Force (PARTF) had been organized, and when the GM plan was announced, the redevelopment was just getting off the ground. PARTF had secured grants from the Economic Growth Corporation and from neighborhood businesses, and had received the approval for a grant of $100,000 from the city of Detroit's Neighborhood Opportunity Fund (with the mayor’s approval), a program that steered Community Development Block Grant funds to community organizations. They also succeeded in persuading Detroit Renaissance (a private business roundtable of Detroit’s chief executives) to match up to $15,000 to analyze the potential of the nineteen-block Chane Street commercial strip (Wylie, 1989). Tom Olechowski, a resident of southern Poletown, and Richard Hodas, who was small landlord in northern Poletown, were working together for Poletown. By 1978, Olechowski managed to persuade the head of the city’s Community and Economic Development Department (CEDD), Emmett Moten, to take a tour of Poletown. Hodas and Olechowski had a meeting with Moten in March of 1980, after which Hodas related:

Moten told us that he would work with us all the way in revitalizing this neighborhood, that it had excellent potential, that neighborhoods like this, Detroit
needs. His attitude at the time seemed to be that this was the kind of thing that they were looking for, for neighborhoods in Detroit to initiate programs and to work with them and coordinate them with the city (Wylie, 1989:27).

In order to rehabilitate the community, the Poletown Development Corporation was formed in 1978. Therefore, at least in the eyes of some, there was a promising future for Poletown prior to the GM's plant announcement.

E. Review of census data

1. Population and age

Studying the demographic characteristics of population and age is often the first step in describing a community. The total population in Poletown has been decreasing since 1960 (Figure 2). In 1960, there were 13,966 people living in the project area. In 1970, the population decreased to 13,477 (15.6% decreased from 1960), and in 1980, the total population went down to 4,893 (64% decrease of 1970)—overall city's population decreased 21 percent between 1970 and 1980.

![Figure 2. Age distribution of Poletown](image)

**Figure 2. Age distribution of Poletown**

Source: 1960 and 1980 Census

---

1 Since the Census data was not specifically provided for the project area, figures were taken from the tracts which contain the project area.
Figure 3 shows percentage of the total Poletown population in different age groups taken from Census data. As for the component of the work-force (age 15 to 64), the population of aged 20 to 34 increased, however, the population of aged 35 to 54 decreased significantly. The population of aged over 75 increased over the decades.

![Figure 3. Normalized age distribution of Poletown
Source: 1960 and 1980 Census](image)

2. Race

As for the racial breakdown in 1980, in Poletown 1, 56.9 percent were white and 37.5 percent black. In Poletown 2, 39.2 percent were white and 57.0 percent black, while in Hamtramck, 70.1 percent were white and 25.3 percent black. In the total area, the percentage of white was 51.2 percent and the percent of black was 44.1 percent.

^ Geographically, tract 5527 was located in the city of Hamtramck and tracts 5110 and 5182 in Detroit, and these three tracts were in Wayne County. The terms "Hamtramck" for tract 5527, "Poletown 1" for tract 5110, and "Poletown 2" for tract 5182 were used.
3. Mean income

Figure 4 shows that the average family income over the entire project area was $12,457, a level of income 58 percent of that for Wayne County and 51 percent of that for the standard metropolitan statistical area (SMSA). The lowest income area, Poletown 2, had a mean income 53 percent of that for Wayne County and 47 percent of that for the SMSA. These figures clearly show that the project area was a low-income community.

![Figure 4 Mean income](source: 1980 Census)

4. Income below poverty level

Figure 5 shows the percentage of families below the poverty level for the three areas in project site. The number of families with incomes below poverty level in Poletown was higher than the figures of both the SMSA and Wayne County, and especially in Poletown 1 and 2,
Figure 5 Percent of families with income below poverty
Source: 1980 Census

poverty was noticeable. The percentage of income below the poverty level in Poletown 1 was 28.0 percent which was about three times higher than the figure of the SMSA and more than two times higher than the percentage of Wayne County. In Poletown 2, 42.5 percent of families were living with reported income below poverty level, which was about five times higher than the percentage of the SMSA and about four times higher than Wayne County's figure, showing that many families in the project area were poor, especially in the Detroit sites (Poletown 1 and 2). In Poletown 2, almost half of the families had income below the poverty level category. The percentage of families with income below poverty level for all tracts was 35.4 percent, which was four times higher than the percentages of both the SMSA and Wayne County. The data shows that Poletown was economically depressed.
5. Educational background

The rate of high school graduates was used to determine the level of educational attainment by people in Poletown. Figure 6 shows the percentage of high school graduates. The percentage of high school graduates in Poletown was low (around 30%). By comparing this figure with that of the SMSA and Wayne County, one finds the figures in Poletown to be lower by more than 50 percent of the figures of both the SMSA and Wayne County. The data shows that about two-thirds of Poletown population did not receive high school education suggesting a low level of educational achievement in the area.

6. Labor force

The size of a community’s labor force is often used as one measure of economic vitality. Figure 7 shows the fraction of a district’s population that was part of its labor force.
The proportion of the population in the labor force in Poletown was lower than that of both the SMSA and Wayne County, this being especially noticeable in Poletown 1 and 2 (in Detroit site), where the labor force was far lower than the corresponding figures for the SMSA and Wayne County. The total percentage of the labor force in all tracts decreased from 69.7 percent in 1960 to 40.4 percent in 1980. The percentage of employed workers decreased in each area, especially in Poletown 1 (36.8%) and Poletown 2 (40.4%). In Hamtramck, the labor force was down to 76 percent of that of 1960 while in Poletown 1 and 2, the figures were 53 percent and 58 percent, respectively.
Overall, the employed percent of labor force decreased drastically, especially in Poletown 1 and 2, where the labor force decreased by almost 50 percent within two decades. These figures show a marked lack of employment in the area and suggest a declining community.

7. Polish ancestry

Despite the name and whatever historical associations existed, "Poletown" was not, in fact, dominated by people of Polish ancestry by the time of the land dispute. From Figure 8, it is clear that though in 1960 nearly one person in four was of Polish origin, by 1980 only one in sixteen was of Polish ancestry.

Figure 8. Polish ancestry
Source: 1960, 1970 and 1980 Census
In Poletown 1, the percentage shows that the number of Polish stayed steady, though, this was not so in Hamtramck and Poletown 2, where the decrease was large. From these figures, excluding Poletown 1, one could say that "Poletown" was not a dominantly Polish community by the date on which GM announced the project and neighborhood charged that claimed GM was abolishing a Polish community.

8. Year householders settled in Poletown

Finding out how long residents have lived in an area is a good way to measure the continuity of the community, with Table 1 showing that about half of the householders in the project area had lived in their homes more than two decades.

In Poletown 1, 58.9 percent of the homeowner residents had been living there since 1959 or earlier (the highest percentage in Poletown). As far as renter-occupied housing units went, 23.6

<table>
<thead>
<tr>
<th>Table 1. Year householders moved into unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner-occupied Housing Units</td>
</tr>
<tr>
<td>1979 to March 1980</td>
</tr>
<tr>
<td>1975 to 1978</td>
</tr>
<tr>
<td>1970 to 1974</td>
</tr>
<tr>
<td>1960 to 1969</td>
</tr>
<tr>
<td>1959 or earlier</td>
</tr>
<tr>
<td>Renter-occupied Housing Units</td>
</tr>
<tr>
<td>1979 to March 1980</td>
</tr>
<tr>
<td>1975 to 1978</td>
</tr>
<tr>
<td>1969 or earlier</td>
</tr>
</tbody>
</table>

Source: 1980 Census
percent in Poletown 1 and 19.8 percent in Poletown 2 of people had been living there before 1969 or earlier. The data shows that in Poletown, over half of the people had been living in the area more than twenty years, indicating the high degree of continuity in the community, and helping to explain Poletown residents' attachment to the area.

9. Year white householders settled in Poletown

It is interesting to know the year in which white householders moved into Poletown, given that the area was perceived to be dominantly Polish, and while not all whites were of Polish extraction in Poletown—in fact in some tracts in Poletown, the percentage was less than 10 percent Polish—Table 2 shows that the percentage of white householders living in Poletown in 1959 or earlier was higher than the overall figure (Table 1).

<table>
<thead>
<tr>
<th></th>
<th>Poletown 1</th>
<th>Poletown 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner-occupied Housing Units</td>
<td>198</td>
<td>103</td>
</tr>
<tr>
<td>1979 to March 1980</td>
<td>25 (8.4)</td>
<td>0 (0.0)</td>
</tr>
<tr>
<td>1975 to 1978</td>
<td>29 (9.7)</td>
<td>0 (0.0)</td>
</tr>
<tr>
<td>1979 to 1974</td>
<td>17 (5.7)</td>
<td>7 (6.8)</td>
</tr>
<tr>
<td>1960 to 1969</td>
<td>38 (12.8)</td>
<td>33 (32.0)</td>
</tr>
<tr>
<td>1959 or earlier</td>
<td>189 (63.4)</td>
<td>63 (61.2)</td>
</tr>
<tr>
<td>Renter-occupied Housing Units</td>
<td>213</td>
<td>160</td>
</tr>
<tr>
<td>1979 to March 1980</td>
<td>50 (23.5)</td>
<td>33 (20.6)</td>
</tr>
<tr>
<td>1975 to 1978</td>
<td>51 (23.9)</td>
<td>46 (28.8)</td>
</tr>
<tr>
<td>1970 to 1974</td>
<td>55 (25.8)</td>
<td>20 (12.5)</td>
</tr>
<tr>
<td>1969 or earlier</td>
<td>57 (26.8)</td>
<td>61 (38.1)</td>
</tr>
</tbody>
</table>

Source: 1980 Census
Note: No information about Hamtramck
In overall figures, the percentage of home-owners who moved into units in Poletown 1 was 58.9 percent compared to 63.4 percent among whites, and in Poletown 2 the percentage was 54.8 percent compared to 61.2 percent of whites. The pattern of renters was consistent with that of home-owners. The percentage of white home-owner residents living in Poletown prior to 1959 was significantly high showing the continuity of the community. The data shows the people's attachment to Poletown.

In summary, Poletown was a multiethnic community, roughly half white and half black, with its total population clearly in a state of decline. In Poletown, the working age range (35 to 44) was also drastically decreasing, suggesting there was a smaller and younger work force than had existed in the past. The mean income of Poletown's residents was about half the mean income of the larger Detroit SMSA and Wayne County, and the number of families with income below poverty level was high. About two-thirds of the Poletown population did not receive a high school education indicating the lower educational achievement in the area. The total percentage of the labor force and the percentage of Polish ancestry in the area had decreased over the decades, though more than half of the population had been living in the area over twenty years. In short, it was a weakened but not a dying community, which may have made it ripe for external threat from the city and GM.
CHAPTER 3. METHODS TO BE USED

In this study, a content analysis was carried out, using data from two newspapers *The Detroit News* and *The Detroit Free Press*, both of which were major newspapers during the Poletown events. Other publications, including *Final Environmental Impact Statement: Central Industrial Park*, were also used to examine the case. In some areas, information available from the newspapers and the publications was limited and was not able to shed light on some aspects of the case, and therefore, questionnaires were sent to seven people who were involved in the Poletown case directly or indirectly to clarify some unanswered questions.

The information obtained was from the following samples. The informants were selected because of their knowledge of the case. Since additional information apart from the newspaper story was needed to answer some questions, a purposeful selection was made. Two of them were Catholic priests whose names appeared in the newspapers. The other five people published materials regarding the case. The data was collected by a mailed questionnaire. One of the informants was interviewed by phone. Five out of seven people responded to the questionnaire.

The data analyzed are mainly during the period from June 1, 1980, the month the project was announced, to May 2, 1981, the day after the site was sold to GM, however, some information was collected before or after this period. The data gathering focused on the way the Poletown neighborhood was sold to GM, and not on the process by which Immaculate Conception Roman Catholic Church was demolished. Some of the Poletown
residents fought with GM and the city of Detroit to save their neighborhood at the beginning but changed their focus to save their church after the area was sold out. 

All of the newspaper articles related to the Poletown project were collected — major headings sought were Poletown, GM plant, Cadillac, GM plans, GM, Nader, Young, court, Hamtramck, city council, and city. The unit of analysis was Poletown and the unit of observation was Poletown residents, the city of Detroit, and GM.

Georg Simmel’s exchange theory and C. Wright Mills’ power elite theory were used to interpret and analyze the data. The study examined whether the exchange in the Poletown case followed Simmel’s exchange elements and principles. Mills’ major ideas, especially the characteristics of the power elite were examined. To examine both Simmel’s and Mills’ theories, the following research questions were used. The term “research question” was used instead of “hypothesis” since this study’s focus was not to test whether or not the theories were correct, but to use these theories to help understand the case. Research questions ask whether a relationship exists between variables while hypotheses states predicted relationships (Sproull, 1988).

Research questions one through eighteen presented below relate the main points of Simmel’s exchange theory and Mills’ power elite theory to the Poletown case. They will be answered in the chapters 4 and 5 where both theorists’ concepts are introduced and analyzed, and are listed in Table 3.
Table 3. Research questions

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Did each of the three parties desire some object?</td>
</tr>
<tr>
<td>2</td>
<td>Could each of the three parties identify the possessor of the valued object?</td>
</tr>
<tr>
<td>3</td>
<td>Did each of the three parties have anything to offer which others valued?</td>
</tr>
<tr>
<td>4</td>
<td>Did each of the three parties compare the value of both objects?</td>
</tr>
<tr>
<td>5</td>
<td>Did each of the three parties obtain an acceptance of the offer by the other party?</td>
</tr>
<tr>
<td>6</td>
<td>Did each of the three parties recognize the higher value of the offered object over that of the value of the possessed object?</td>
</tr>
<tr>
<td>7</td>
<td>Did each of the three parties experience satisfaction for the exchange?</td>
</tr>
<tr>
<td>8</td>
<td>Was each of the three parties attracted by another’s resources?</td>
</tr>
<tr>
<td>9</td>
<td>Did each of the three parties value a desired object because of its high demand and scarcity?</td>
</tr>
<tr>
<td>10</td>
<td>Did each of the three parties perceive more value in an object belonging to another, have alternatives, and was there any differentiations regarding resources each party had?</td>
</tr>
<tr>
<td>11</td>
<td>Did the power elite in the Poletown case rest on institutions?</td>
</tr>
<tr>
<td>12</td>
<td>Did the power in the Poletown case rest on higher positions?</td>
</tr>
<tr>
<td>13</td>
<td>Did the power elite in the Poletown case share the same interest?</td>
</tr>
<tr>
<td>14</td>
<td>Did the power elite in the Poletown case have associations with other power elite?</td>
</tr>
<tr>
<td>15</td>
<td>Did the power elite manipulate other individuals?</td>
</tr>
<tr>
<td>16</td>
<td>Did the power elite in Poletown engage in secrecy?</td>
</tr>
<tr>
<td>17</td>
<td>Were the power elites in the Poletown reachable for the Poletown residents?</td>
</tr>
<tr>
<td>18</td>
<td>Did the Poletown residents see democracy through the case?</td>
</tr>
</tbody>
</table>
CHAPTER 4. POLETOWN AS A PROBLEM OF EXCHANGE

A. Exchange theory

One view which can be helpful in understanding the Poletown case is that of Georg Simmel's exchange theory. Simmel believed that "society" exists wherever a number of individuals enter into social interaction. Exchange theory became a prominent theoretical approach in the 1960s. Although Simmel's exchange theory has not been extensively used in the literature, he offered the first sociological exchange theory which still has relevance in The Philosophy of Money (Turner, 1991a, 1991b). As a result, there is recently much interest in Simmel's exchange theory (Aronowitz, 1994). Turner, Beeghley and Powers (1995) state:

Although Simmel's analysis of exchange processes is not often cited in this revival of exchange theory, German-speaking proponents of the exchange approach, such as Peter M. Blau, probably received some inspiration from his pioneering efforts. Other exchange approaches were inspired by Simmel's emphasis on "form" over "content." These approaches, best seen in the work of Richard Emerson, Karen Cook and various collaborators, and David Willer and John Skvoretz, emphasize that it is the nature of the exchange relation rather than the actor (whether an individual person or collective unit) that is important. Exchange is thus about the form of the relationship among actors, whatever their nature, rather than about the properties of actors. Such an approach clearly has its roots in Simmel's advocacy. Another approach that was inspired by Simmel's emphasis on form over content is network analysis, some of which overlaps with exchange theory (Turner, Beeghley and Powers, 1995: 280-281).

Simmel contributed to modern sociological theory in the area of exchange, and differentiation is his recognition that the user of money as a medium of exchange accelerates the process of social differentiation, while altering the basis of social integration (Turner, 1991a). According to Simmel, people are always engaging in reciprocal relationships. Thus, he focused on the
form which reciprocal relations between human beings take, with exchange being one important form of interaction. For Simmel, the fundamental economic phenomenon is exchange (Poggi, 1993), and Frisby states that “exchange is at the very heart of Simmel’s economic theory of value” (1992:90). Simmel distinguished social exchange from economic exchange which mainly involves the use of money, and one of his most characteristic and incredibly rich themes is how the money economy becomes a form of life — money as a source of cultural creation, and a new style of life. Simmel concluded that money is constitutive of the economy and itself becomes a form of life (Aronowitz, 1994).

In the section which follows, the terms used in Simmel’s theory will be defined, and the elements and principles relevant to this study will be explained in detail. Findings of the Poletown case will be presented with the research questions.

1. Definition of exchange

Exchange, for Simmel, can best be understood as a form of social interaction, for according to Simmel, “most relationships between people can be interpreted as forms of exchange. Exchange is the purest and most developed kind of interaction, which shapes human life when it seeks to acquire substance and content” (Simmel, 1991:82). For Simmel, every interaction has to be regarded as an exchange. For instance, every conversation, every affection — even if it is rejected — every game, every glance at another person is exchange (Simmel, 1991). Simmel described exchange in the following manner:

... exchange is a sociological phenomenon sui generis, an original form and function of social life. It is in no way a logical consequence of those qualitative and quantitative aspects of things that are called utility and scarcity which acquire their significance for the process of valuation only when exchange is presupposed.
If exchange, that is the willingness to sacrifice one thing in order to acquire another, is precluded, then no degree of scarcity of the desired object can produce an economic value. The significance of the object for the individual is always determined by the desire for it, and its utility depends upon the qualities that it has; if we already possess the object, then its significance is not affected at all by whether there exist many or few or no other specimens of its kind (Simmel, 1991:100).

For Simmel, exchange is one of those relations through which numbers of individuals become a social group and society is identical with the sum total of these relations. Simmel saw exchange as one of the functions that creates an inner bond between human beings. The concept of exchange helps to reveal relationships and economic values among social groups. In addition, Simmel explained how people who are engaged in an exchange are willing to sacrifice one thing in order to acquire another, and how valuable an exchange would be for them:

It is of no concern to the economic subject whether he invests his property or labour power in the land or transfers them to another person, if the result for him is the same. This subjective process of sacrifice and gain in the individual mind is in no way secondary to, or imitated from, exchange between individual; on the contrary, the interchange between sacrifice and acquisition within the individual is the basic presupposition and, as it were, the essential substance of exchange between two people. Exchange is only a sub-variety in which the sacrifice is brought about by the demand of another individual (Simmel, 1991:83).

Value in exchange is an internal matter. According to Simmel:

Exchange takes place not for the sake of an object previously possessed by another person, but rather for the sake of one’s own feeling about an object, a feeling which the other previously did not possess. The meaning of exchange, moreover, is that the sum of values is greater afterward than it was before, and this implies that each party gives the other more than he had himself possessed (Simmel, 1971:44).
In an exchange, each individual compares the values he/she attributes to two objects, of which each person controls one.

2. Society

Simmel saw exchange as one of the most basic forms of social existence (Frisby, 1984). He saw society everywhere, where a number of human beings enter into interaction and form a temporary or permanent unity. He acknowledged that one cannot start out from a more specific definition of society than that society exists wherever several individuals stand in reciprocal relationship to one another. In Simmel’s words:

... society is a structure that transcends the individual, but that is not abstract. Historical life thus escapes the alternative of taking place either in individuals or in abstract generalities. Society is the universal which, at the same time, is concretely alive. From this arises the unique significance that exchange, as the economic-historical realization of the relativity of things, has for society; exchange raises the specific object and its significance of the individual above its singularity, not into the sphere of abstraction, but into that of lively interaction which is the substance of economic value (Simmel, 1991:101).

Here Simmel explicitly pointed to the relevance of exchange for society, which is composed of interactions. For Simmel, the interaction between individuals is the starting point of all social formations, and he described the social interaction which constitutes society in the following manner:

Society is not an absolute entity which must first exist so that all the individual relations of its members... can develop within its framework or be represented by it: it is only the synthesis or the general term for the totality of these specific interactions. Any one of these interactions may, of course, be eliminated and
‘society’ still exist, but only if a sufficiently large number of others remain intact. If all interaction ceases there is no longer any society (Simmel, 1991:175).

Although Simmel stated that every interaction has to be regarded as an exchange, in his conception of society, both social interaction and exchange are also constitutive for society. Simmel laid emphasis on the individual action in society and said that what the individual does means exclusively to society (Atoji, 1984). Thus, for Simmel, society is functional:

Society strives to be a whole, an organic unit of which the individual must be mere members. Society asks of the individual that he employ all his strength in the service of the special function which he has to exercise as a member of it; that he so modify himself as to become the most suitable vehicle for this function. Yet the drive toward unity and wholeness that is characteristic of the individual himself rebels against this role. The individual strives to be rounded out in himself, not merely to help to round out society. He strives to develop his full capacities, irrespective of the shifts among them that the interest of society may ask of him. This conflict between the whole, which imposes the onesidedness of partial function upon its elements, and the part, which itself strives to be a whole, is insoluble (Simmel, 1950:59).

In Simmel’s view, there are two denotations in the concept of society:

The concept “society” has two denotations which scientific treatment must keep strictly distinct. The first designates society as the complex of socialized individuals, the societally formed human material as it has been shaped by the totality of historical reality. The second denotes society as the sum of those forms of relationship by virtue of which individuals are transformed into “society” in the first sense of the term. In a parallel way, we use the word “sphere,” first to designate material of a certain form, and second to designate (in mathematics) the shape or form by virtue of which material is transformed into a “sphere” in the first sense. When using “society” in the first sense, the social sciences indicate that their subject matter includes everything that occurs in and with society. But when using the term in the second sense, social science indicates that its subject matter is the forces, relations, and forms through which human beings become sociated (Simmel, 1959:318-319).
The first denotation of "society" implies socializations of individuals and the second denotation implies the sum of these socializations.

3. Differences between social exchange and economic exchange

Simmel saw exchange as the source of economic values. This is because exchange is the representative of the distance between subject and object which transforms subjective feelings into objective valuation. Therefore, exchange involves a change of ownership.

Money, according to Simmel, is the prototypical symbolic medium for economic exchange (Turner, 1991b). Simmel argued economic exchange can best be understood as a form of social interaction (Coser, 1977). Social exchange, for Simmel, does not sacrifice goods and does not reduce oneself in the exchange. Moreover, social exchange does not involve a balancing of gain and loss. Simmel argued that:

It is above all the exchange of economic values that involves the notion of sacrifice. When we exchange love for love, we have no other use for its inner energy and, leaving aside any later consequences, we do not sacrifice any good. When we share our intellectual resources in a discussion, they are not thereby reduced; when we display the image of our personality, and take in those of other people, our possession of ourselves is not at all reduced by this exchange. In all these cases of exchange the increase of value does not involve a balancing of gain and loss; either the contribution of each party lies beyond this antithesis or it is already a gain to be able to make it, and we accept the response as a gift which is made independently of our own offering. But economic exchange — whether it is of objects of labor or labor power invested in objects — always signifies the sacrifice of an otherwise useful goods, however much eudaemonistic gain is involved (Simmel, 1991:82-83).

According to Simmel, the value of economic exchange would never have developed if every desire could be satisfied completely without a struggle. Regarding economic value,
utility appears as the absolute part of economic values, and its degree has to be known so that the objects can enter into economic exchange. Simmel described an example of economic value in the following words:

Wild grain, which can be harvested without effort and immediately consumed without any exchange, is an economic good only if its consumption saves some other expenditure. But if all the necessities of life could be obtained in this way without any sacrifice there would be no economic system, any more than in the case of birds or fish or the inhabitants of the land of mild and honey. No matter how the two objects A and B have become values, A becomes an economic value only because I have to exchange it for B, and B only because I can acquire A in exchange for it (Simmel, 1991:88).

Simmel believed that economic objects have significance if the exchange occurs between two.

Turner, Beeghley and Powers (1995) summarize Simmel’s economic exchange as follows:

Economic exchange involving money is only a special case of this more general social form. But it is a very special case. For when money becomes the predominant means for establishing value in social relationships, the properties and dynamics of social relations are transformed. This process of displacing other criteria of value, such as logic, ethics, and aesthetics, with a monetary criterion is precisely the long-term evolutionary trend in societies. This trend is... both a cause and an effect of money as the medium of exchange. Money emerged to facilitate exchanges and to realize even more completely human’s basic needs (Turner, Beeghley and Powers, 1995:271).

In a social exchange, the increase of value does not occur through the calculation of profit and loss, while in contrast, economic exchange always entails the sacrifice of some good that has other potential uses (Simmel, 1971). Simmel believed that economic exchanges guarantee the reciprocal relationship. In The Sociology of Georg Simmel (1950), Simmel explained his view in the words that follow:
All contacts among men rest on the schema of giving and returning the equivalence. The equivalence of innumerable gifts and performances can be enforced. In all economic exchanges in legal form, in all fixed agreements concerning a given service, in all obligations of legalized relations, the legal constitution enforces and guarantees the reciprocity of service and return service — social equilibrium and cohesion do not exist without it. But there are also innumerable other relations to which the legal form does not apply, and in which the enforcement of the equivalence is out of the question. Here gratitude appears as a supplement. It establishes the bond of interaction, of the reciprocity of service and return service, even when they are not guaranteed by external coercion (Simmel, 1950:387).

Social exchange does not involve money directly, does not have a guaranteed future return, and does not entail the sacrifice of goods, whereas economic exchange does on all counts.

In the Poletown events, the exchanges were quantified by money; involved a balancing of gain and loss; guarantied a reciprocal relationship. Therefore, the exchanges in the Poletown case were economic exchanges.

4. Elements of the exchange process

According to Simmel, exchange is characterized by several steps. First, one has to desire a valued object which one does not have. Second, one has to identify the possessor of that object. Third, one has to offer an object which is desired by another person to receive the desired object. Fourth, one has to compare the value of both objects. Fifth, one has to obtain an acceptance of the offer by the other person. Sixth, one has to recognize the higher value of the offered object over that of the value of the possessed object. Lastly, one has to experience satisfaction for the exchange. Figure 9 shows a model of how an exchange develops. Person
A, who possesses object A, sacrifices to gain object B from person B, and subject B goes through the same process simultaneously with A.

**a. Desire for an object that one does not have**

According to Simmel, an actor has to desire valued objects which the actor does not possess in order to enter an exchange. In desiring what one does not yet own or enjoy, one places the content of desire outside oneself. In the quote below, Simmel explained his concept of desire:

We desire objects only if they are not immediately given to us for our use and enjoyment; that is, to the extent that they resist our desire. The content of our desire becomes an object as soon as it is opposed to us, not only in the sense of being impervious to us, but also in terms of its distance as something not-yet-enjoyed, the subjective aspect of this condition being desire (Simmel, 1991: 66).
Thus, according to Simmel, one has to have a desire to possess an object which one does not have and which one can see the value of. Simmel said of the first step of an exchange:

At first, the object exists only in our relationship to it and is completely absorbed in this relationship; it becomes something external and opposed to use only in the degree that it escapes from this connection. Even the desire for objects, which recognizes their autonomy while seeking to overcome it, develops only when want and satisfaction do not coincide. The possibility of enjoyment must be separated, as an image of the future, from our present condition in order for us to desire things that now stand at a distance from us (Simmel, 1991:71).

The significance of the object for the individual is always determined by the desire for it, and its utility depends upon the qualities that it has. If an object is remote from us we desire it more, and this desire is the first step in approaching the object. This evaluation stage is the first step toward an exchange. If one has a strong desire to have the object, one is likely to engage in an exchange. However, according to Simmel, desire by itself cannot bring value unless it encounters obstacles. If every desire is absolutely satisfied without any struggle, the economic exchange of values would never have developed, and the desire itself would never have reached a high level. Simmel argued:

Only the deferment of satisfaction through obstacles, the fear of never attaining the object, the tension of struggling for it, brings together the various elements of desire; the intense striving and continuous acquisition. But even if the strongest element of desire came only from within the individual, the object that satisfies it would still have no value if it were abundantly available (Simmel, 1991: 89).

Thus, desire requires obstacles and without those, there is no value.
In the Poletown case, three parties — GM, the city of Detroit and Poletown residents — were involved in the exchanges. The land of Poletown was transferred from the residents to the city and then to GM. The exchange was in two steps, occurring at different times — one was between Poletown residents and the city (exchange 1) and another was between GM and the city (exchange 2) (Figure 10). In each exchange the city played the role of mediator between GM and the residents.

In exchange 1, the city offered the relocation benefits to the Poletown residents, and in return they offered their homes and land. In exchange 2, GM offered the new plant, which brought jobs and tax revenues to the city, and the city offered the Poletown site to GM in return. Simmel's views lead us to ask:

**Research question 1: Did each of the three parties desire some object?**

In the Poletown case, GM was trying to solve its economic problems, and one of the strategies was to replace all inefficient assembly plants to upgrade products and plants. GM desired to build its new plant within the city limits. "General Motors Corp. says it wants to
replace its aged Cadillac Clark Avenue assembly plant and companion Fisher Body plant with a massive, modern facility within Detroit — if the city can find a suitable site” (*The Detroit Free Press*, June 24, 1980:1A). GM was looking for plant sites of about 500 acres in order to construct a mammoth, three-million-square-foot assembly plant. GM needed a site of proper size and shape — the size of about 465 acres and roughly square shape. According to a GM spokesman, “the site will have to be cleared, utilities will have to be available and transportation facilities would have to be at least under construction to make the site usable” (*The Detroit Free Press*, July 1, 1980:10A). According to *The Detroit Free Press* (June 24, 1980:4A).

GM described the new plant study as part of its massive capital spending program to modernize its facilities and offer more fuel-efficient, competitive cars. Cadillac is reported to be working on a subcompact model for introduction in 1982, but the firm won't confirm or deny that. “We're looking at all our assembly facilities to make sure that, among other things, they meet air quality standards, improve productivity and efficiency to better meet the growing competition from foreign manufacturers and provide the best facilities possible to meet our future product program needs in the '80's,” a GM spokesman said.

The proposed plant would be used to build a new generation of small, more economical Cadillacs and was likely to be highly automated. Since the rules and tax laws made it economically unreasonable to renovate and maintain the existing plant building, a new plant was less costly. According to GM, one of the reasons for building a new facility was the more stringent air pollution requirements made it cheaper to construct a new plant than to refit an old one. Also, a single-story plant would be more efficient than the existing multistory plants even though it would require a larger site. GM announced its desire on June 24, 1980,
and GM spokesmen said that "We do need a new assembly plant, and we want to use our existing work force here" (The Detroit Free Press, June 25, 1980:6A). According to GM's spokesman, GM wanted a new plant as close to existing plants as possible to use the existing work force. Therefore, GM's desire was land within Detroit to built a new update plant.

The city needed a redevelopment and reindustrialization program which brings jobs for the dying downtown, and new private investment was crucial to long-term recovery (Anton, 1981; Bukowczyk, 1986). Automobile industry was a vital part of the revenue for Detroit. The editorial of The Detroit News (February 1, 1981:7B) expressed the city's situation as follows:

... our city faces not only hard times but possible extinction as a corporate entity. Long lacking economic diversity, Detroit would be in jeopardy even if the domestic auto business were strong. Many plants have left for the suburbs and the seductions of the Sun Belt. Chrysler, our largest employer, is at death's door. And Michigan is having trouble enticing new industry because it is famous worldwide for high taxes and high pay scales — for being a very expensive place to do business.

Therefore, keeping existing corporations and retaining jobs and increasing tax revenues was the strong desire of the city (Jones, Bachelor and Wang, 1981).

Prior to the GM plant announcement, some of the Poletown residents were planning to redevelop the area. For instance, Tom Olechowski (became a president of PNC later), an administrative assistant to State Sen. David S. Holmers Jr., D-Detroit, begun forming Poletown community groups in an effort to revitalize the area. The city accepted "a $100,000 grant last spring for housing rehabilitation in the neighborhood and has invited Chane street merchants to join in a revitalization program, for which the merchants have already raised
$10,000" (The Detroit News, August 5, 1980:1A). Therefore, it is clear that some residents of Poletown had a desire to revitalize the area prior to the announcement of the GM plant.

On the other hand, some people were hoping to move from the area (City of Detroit Community & Economic Development Department, 1980). Mrs. Faur said:

“This has been a bad place to live for lot of years,” she said, “We had no money. That trapped us here or we’d have gone long ago.” She and her husband, Abe, live on Social Security benefits and his small disability pension from a factory accident years ago that left him permanently crippled. Mrs. Faur has lived in the neighborhood on and off all of her life. Her father also was raised there. She can remember when things were good there, when Dodge Main was employing 30,000, before the Hupp Co. and other smaller factories shut down, before money stopped coming to the workers in Poletown. She can’t place the exact year when things began going bad. She’s not good at remembering dates anymore. However, she knows that one day a long time ago she and her husband looked around, wanted to get out but knew they couldn’t. (The Detroit News, February 17, 1981:1B).

Some residents saw Poletown as a declining neighborhood. Mrs. Sliweska expressed that

“You used to be able to walk everywhere — to the store, the church, the kids’ activities, the movies. Now, I can’t even go to church as much as I want to” (The Detroit News. December 25, 1980:14A). Poletown had a number of urban community problems. They were, for instance, crime, boarded-up and abandoned structures, dogs running loose, run-down buildings, and poorly maintained yards, heavy traffic and street or highway noise (United States General Accounting Office, 1989).

In summary, it was easy to identify the desired objects among three parties in the Poletown events. GM had a desire to build a new plant to compete as an automaker, and since GM wanted to replace its two plants within the city, the company desired to stay close
to a supply of experienced workers. The city of Detroit had a desire to keep corporations from leaving the city since they could bring large amount of money to the city’s economy. Some of the Poletown residents had a desire to revitalize the area prior to the announcement of the GM plant project. At the same time, there were residents who wanted to leave Poletown for nicer areas.

b. Identify an owner of the possession

According to Simmel, after an actor desires valued objects, he/she has to identify the possessor of the valued object for the exchange. All economic transactions rest upon the fact that a person A wants something that someone else owns, and that the other person will transfer it to A if person A gives him something A owns that he/she wants. By being exchanged, each object acquires a practical realization and measure of its value through the other object. This is the most important consequence and expression of the distance established between the objects and the subjects. To exchange one object for another object, the object has to be identified as valuable not only by the owner, but also by the other party. This leads us to ask the next question.

Research question 2: Could each of the three parties identify the possessor of the valued object?

In the Poletown case, the idea formed when GM chairman Thomas A. Murphy told Detroit’s mayor Coleman A. Young that he would like to relocate a major auto plant within Detroit’s city limits (The Detroit Free Press, June 24, 1980). GM did not have specific land in mind, and Detroit did not own the Poletown site at the beginning, however, GM identified the city of Detroit as a holder of the potential land, and approached the mayor.
announced the plant project, the city had possible sites. The most likely location was an east-side site, north of I-94 and just south of the abandoned Dodge Main plant in Hamtramck (*The Detroit Free Press*, June 24, 1980). This area was the north end of Poletown, and the area was a mixture of vacant land and dilapidated buildings (*The Detroit Free Press*, June 24, 1980). The following day of the GM plant announcement, a source close to the city council disclosed that:

... the prime site being considered by the city is a parcel bounded by E. Grand Blvd. and Griffin on the north, Mt. Elliott on the east, the Ford Freeway on the south and St. Aubin on the west. The parcel is about 400 acres, and could be extended northward toward the now vacant Dodge Main plant in Hamtramck. According to the source, about 1,500 families would be displaced if GM builds on the site. The source said two other locations — one near Chrysler's Lynce Road Assembly Plant and another near City Airport — were rejected because even more families would be uprooted (*The Detroit Free Press*, June 25, 1980:6A).

In total, nine sites were compared. The site selection and review team consisted of representatives of the city of Detroit, Community and Economic Development Department (CEDD), and GM's Real Estate Division and Plant Engineering and Construction Division (City of Detroit Community & Economic Development Department, 1980). These nine sites were examined for their size, configuration, railroad access, freeway access, ready availability, and other related deficiencies. GM selected the Poletown site and said that it would build a massive auto assembly plant on 575 acres in Hamtramck and Detroit if city officials could have the site ready for construction by about July 1981 (*The Detroit Free Press*, July 1, 1980). Here, Hamtramck was also identified as a potential possessor of the land. According to the Hamtramck mayor:
"Hamtramck was losing the ball game 10-0. This ties the score. Hamtramck will see a new day because of this," said Hamtramck Mayor Robert Kozaren. Robert Wack, vice-president of the industrial division of the Detroit Economic Development Corp., said no plan has been devised to acquire the property for GM. He said there is a possibility that state or federal aid for the project might be available. "What this is, in effect, is official recognition of the project by both cities," he said. "It's a conceptual agreement to work together. But the game plan has yet to be articulated" (The Detroit Free Press, July 1, 1980:10A).

As Detroit was experiencing economic hardship, Hamtramck had the same problems.

The proposed site, encompassing about 200 acres in Hamtramck, included Chrysler Corp.'s abandoned Dodge Main plant, and the rest of the site was in Poletown in Detroit. For making room for GM’s plant project, “3,438 residents, 81 businesses, 33 existing industries or warehouses, a home for the aged, a home for the retarded, St. Joseph Mercy Hospital, and 16 churches, including Immaculate Conception, one of the six historic churches of Poletown” (The Detroit News, December 26, 1980:12A) would have to be removed. Therefore, two cities identified their residents in the proposed site as possessors of a valuable piece of land.

In summary, GM and the city of Detroit/Hamtramck identified the possessor of the valued object. GM identified the city of Detroit and Hamtramck as potential possessors of land while both cities identified GM as the provider of potential economic rejuvenation. The city of Detroit identified the Poletown residents as possessors of the land. At this point, the Poletown residents had not identified a possessor of a desired object, because the neighborhood as a whole was not interested in entering into an exchange. It is noteworthy to mention that although the city did not own Poletown, GM identified the city as a mediator of the land acquisition from Poletown residents. Therefore, at this point, the flow of exchange
was established between GM and the city and another between the city and the Poletown residents. Also, what the Poletown residents wanted did not unify them.

c. Offer an object in return for the desired object

At the third stage, an actor has to offer an object which is desired from another person to receive his/her desired object. "The fact that the object has to be exchanged against another object illustrates that it is not only valuable for me, but also valuable independently of me; that is to say, for another person" (Simmel, 1991: 81). Value, according to Simmel, depends on the cost of a sacrifice by giving up an object which appears as a valuable object for the other party. Economic value is seen through exchange. No matter how the two objects A and B have become values, A becomes an economic value only because I have to exchange it for B, and B only because I can acquire A in exchange for it (Simmel, 1991). According to Simmel:

Within the economic sphere, this process develops in such a way that the content of the sacrifice or renunciation that is interposed between man and the object of his demand is, at the same time, the object of someone else's demand. The one has to give up the possession or enjoyment that the other wants in order to persuade the latter to give up what he owns and what the former wants (Simmel, 1991:77-78).

Simmel believed that a value has to be offered in order to acquire a value. There is, therefore, a reciprocal determination of value by the object. This leads us to ask:

Research question 3: Did each of the three parties have anything to offer which others valued?

In the Poletown case, GM proposed a massive auto assembly plant straddling the Hamtramck-Detroit border, including the old Dodge Main site, on the condition that the city
come up with $126 million in grants to repay the federal loan and cover the demolition and work on railroads, highways and utilities (The Detroit News, August 21, 1980). The editorial of The Detroit News described GM’s offer as follows:

One can imagine the reaction in Iowa, or, for that matter, in New York or California, if a big corporation announced a five-year investment of $10 billion there. The state would be awash in euphoria. Roger B. Smith, chairman-elect of General Motors, announce last week the company will spend that sum over five years in Michigan for the construction of new plants and the renovation of older ones (The Detroit News, October 19, 1980:14A).

Certainly GM’s new plant offered a lot of economical gain to the city of Detroit and Hamtramck. GM planed to spend about $500 million to build the plant (The Detroit News, March 17, 1981), and pay the cities $6.47 million for 359.5 acres of land and a $600,000 deposit to insure the company will actually build the plant (The Detroit Free Press, April 15, 1981). GM said it would offer jobs (The Detroit Free Press, September 5, 1980) — expected to employ 6,000 people, 4,000 temporary construction jobs, over 20,000 jobs created by the multiplier effect of the plant (Bukowczyk, 1984).

The city of Detroit and Hamtramck had joined forces in urging GM to locate a new Cadillac assembly plant on a 500-acre site that includes the abandoned Dodge Main assembly plant (The Detroit News, July 1, 1980). This Poletown site was the only area which met GM’s requirement and the company wanted to have it. The GM plant project forced the relocation of about 150 businesses, 1,500 residents, several churches and St. Joseph Mercy Hospital. It also would close part of East Grand Boulevard and reroute Jos. Campau (The Detroit News, July 1, 1980). The city of Detroit was willing to make offers for the homes and the
institutions of the area (*The Detroit Free Press*, September 5, 1980). To provide the site for GM, the city planned to spend about $200 million to acquire the 456-acre site astride the Detroit-Hamtramck boundary, raze houses and other buildings, relocate about 3,500 residents and 150 businesses and prepare the site for new construction (*The Detroit News*, March 17, 1981). This site was planned to be transferred to GM in seven phases between May 1, 1981 and June 1, 1982 (*The Detroit Free Press*, April 15, 1981).

When the beginning of exchange 2 (Figure 10) was in process, exchange 1 had not even occurred. Exchange 2 started early summer of 1980 and exchange 1 began the end of October 1980. The city started sending out offers to the owners of homes and businesses in Poletown after the city councils of both cities decided on October 31, 1980 that the plant was a public necessity (*The Detroit News*, November 4, 1980). The residents in Poletown had 20 days to respond before city attorneys filed a case in Wayne County Circuit Court to acquire title to all the parcels in the plant site. Russell Chambers, real estate administrator for the Community and Economic Development Department, said:

... home owners, in addition to moving expenses and the price they receive for their homes, can be eligible for up to $15,000 in additional aid when they purchase replacement housing. Renters in the area can be eligible for up to $4,000 in aid over and above moving expenses, he said. The rationale for that additional aid, he said, is that state law takes into account the fact that housing in site-clearance areas is often substandard. The extra aid is intended to make it possible for people living in substandard housing to move to better quarters (*The Detroit Free Press*, July 2, 1980:3A).

Residents were eligible to receive the relocation benefits (up to $15,000 for replacement housing of homeowners, up to $4,000 for replacement rental housing of tenants,
and up to $300 in moving expenses and a $200 dislocation allowance, for total of up to $500) under the Uniform Act. Besides the relocation benefits, the city also offered the additional benefits to home-owners and tenants — $1,000 bonus for relocating within 90 days after notification to vacate and $1,500 to homeowners if taxes in the new house exceeded that of the old dwelling (the $1,500 was a one-time amount) (United States General Accounting Office, 1989). At this point, the Poletown residents did not have consensus to offer their houses and land to the city of Detroit in return. This fact can be explained that some of the residents did not desire to exchange their neighborhood for something else. Secondly, it is important to note that the city’s offer of relocation benefits was somewhat vague, and as such many residents did not find the offer compelling enough to consider relocating their homes.

In summary, GM and the city of Detroit had something to offer which the other party valued. GM offered a new plant which would provide jobs to the city, and Detroit and Hamtramck offered a potential plant site to GM. The city offered relocation benefits to the residents, however, there was no offer from the residents to the city at this stage. It is noteworthy that although the city did not own Poletown land, it offered the land to GM. Also the Poletown residents had not reached the stage of offering their land and homes in return.

d. Value comparison

According to Simmel, the value that is attached to any object, person, relationship or happening demands recognition. For Simmel, two things can only be of equal value if each of them has a value of its own. For instance, two lines can be equally long only if each of them has a definite length. A line gains its length only in comparison to others. Other lines also
gain their length by comparison with some other lines. Simmel called this “objective value judgment.” Like Simmel argued, Thibaut and Kelley’s proposition that people make comparisons between their present outcomes and other possible alternatives presents the same idea (Deaux, Dane, Wrightsman and Sigelman, 1993). According to Simmel:

... length is established only by the process of comparison and is not inherent in the individual object on which length depends, because we have abstracted from particular relative lengths the general concept of length — which excludes the definiteness without which specific length does not exist. In projecting this concept onto objects we assume that things must have length before it can be determined individually by comparison. Moreover, definite standards have grown out of the innumerable comparisons of length, and they form the basis for determining the length of all tangible objects (Simmel, 1991:86).

Simmel applied this to economic value as follows:

If we were to assume that there is only a single line in the whole world, it would not have any specific length since it lacks any relation to others. It is impossible to measure the world as a whole, because there is nothing outside the world in relation to which it could have a specific size. This is true of a line so long as it is considered without being compared with others, or without its own parts being compared with each other; it is neither short not long, but lines outside the whole category. This analogy makes clear the relativity of economic value rather than disproving it (Simmel, 1991:86).

Therefore, objects have existing objective value by themselves. In an exchange, one compares the value of the desired object and that of the given object. This leads us to ask the next question.
Research question 4: Did each of the three parties compare the value of both objects?

In the Poletown case, when GM compared the value of staying in Detroit and the value of moving out, the company had two crucial reasons to stay within Detroit: “GM wants to retain a trained work force and Mayor Coleman A. Young — under state law — could prevent the auto maker from getting a tax break anywhere else in Michigan” (The Detroit News, June 24, 1980:2A). The new plant was proposing 3,800 hourly workers which was about the same figure working at Fleetwood (2,000 workers) and in Clark Avenue’s assembly operations (1,800 workers) (The Detroit Free Press, June 24, 1980). GM could transfer those employees from the two existing GM plants to the new plant. Because of the strong relationship between Detroit and GM, it was more convenient for GM to deal with Detroit than with other cities.

Regarding Detroit, the city had alternatives: one was to let GM go somewhere else and the other was to accept GM’s offer with its conditions. If the city let GM move out of the city, the corporation would have taken its money and jobs elsewhere (Bachelor, 1982a). The city, however, because of its economic situation and high rate of unemployment, could not afford to lose the jobs that GM offered (Bachelor, 1982a; Auerbach, 1986). GM’s new assembly plant was needed to bolster the city’s economy and provide jobs (The Detroit News, February 22, 1981). According to the City Council President Erma Henderson:

... the 6,150 jobs that the city expects to be saved by the new plant made the project necessary. “We have to save an economic situation in their city,” she said. “We have to guarantee people will have jobs in the future.” She also said that the project could have positive effects on surrounding neighborhoods, and that she thinks “it’s a beginning of a renaissance for the east side” (The Detroit Free Press, November 1, 1980:3A).
Keeping GM’s new plant in Detroit meant millions of dollars of real estate and income tax revenues to the city and possibly the state (Auerbach, 1986). On the other hand, the loss of the GM plant meant not only the loss of jobs but also to be a possible end to the hope that the city could ever recover as a vital center of automobile industry and employment (Fasenfest, 1986). Therefore, Detroit offered the Poletown site with a 50 percent, twelve-year tax abatement.

The city also compared the value of Poletown with the value of GM’s offer. For Detroit, the value of having GM’s new plant in the city was extremely valuable as previously mentioned. For the city the interests of those living in the Poletown area were insignificant compared with the economic forces propelling the city into the deal. For instance the director of Economic Development Department saw the area in the following way:

“You’ve got to look at the area’s history,” Moten said. “I mean, you can’t put a value on any neighborhood, but when you take into account the vacant lots, the abandoned houses, out of the whole area, the viability of what is out there is only about 200 acres” (The Detroit Free Press, October 6, 1980: 21A).

According to the city’s study, Poletown was facing many problems. Employment opportunities had continued to decline. The population continued to age, and crime remained an ever present problem. Many of the residents who were on fixed income suffered from inflation. Availability of both public and private services to the residents continued to decline. The number of vacant lots, abandoned and dilapidated housed continued to grow. Regarding the demographics, there were 3,438 persons, 899 families (480 Blacks, 407 Whites, 11
Orientals, and 1 American Indian) and 463 individuals (206 Blacks, 250 Whites, 5 Orientals, and 2 American Indians) in the area. About 34 percent of the population were individual residents and another 44 percent were represented by a family size of two to three persons. Of the total population, 39 percent were homeowners and 61 percent were tenants. The tenancy rate was higher for blacks (75%) than for the white population (47%) compared to home ownership. In terms of the income, 72 percent of the population made less than $10,000 a year (City of Detroit Community & Economic Development Department, 1980).

Corinne Gilb, Detroit’s planning director put the case even more strongly:

“One after another, industries have been leaving this city,” she said. “We have more than 130,000 unemployed. If we didn’t move to keep General Motors in Detroit, we would have lost the anchor and magnet for all our major job providers. It would have been the height or irresponsibility to cater to a tiny handful of people when you realize what is at stake: the lifeblood of the city” (Gaines, 1981:20A).

Although the city of Detroit cared about existing industries in the city, businesses in Poletown were ignored. For instance, as early as December 1981, 49 out of 162 businesses in Poletown had discontinued operations (Bachelor, 1985). According to the Mayor Young, when he made a determination to take down houses, “it was not as if it was a neighborhood where people live cheek to jowl” (Alderman and Kennedy, 1991: 195). Mayor Young viewed the GM plant as a community project of grand and urgent proportions (Young and Wheeler, 1994). Therefore, for the city, Poletown was a declining neighborhood where there was no ‘use value’ but ‘exchange value’ as Domhoff (1986) pointed out.
Some of the Poletown residents valued the relocation benefits more highly than others. A major reason was that they saw themselves as able to relocate to better area or buildings and upgrade themselves (The Detroit News, July 1, 1980). According to the city’s study:

Some residents have been hoping to move from the area and welcome this opportunity to get economic assistance and (in the case of homeowners) to avoid abandoning their houses. (One resident said, “I am really not proud to be living here; I want to live in a better area.” Another said, “The [proposed] project is a blessing. Never again will homeowners get an opportunity like this to relocate from this deteriorating area.” A third viewed relocation as no more than inconvenience: “There will be some inconvenience to some people, but life is full of inconveniences and people have to adjust.” Some of the much-maligned renters eagerly look forward to receiving relocation grants; others simply want an opportunity to get out of what they perceive to be a high-crime area and into a relatively safe neighborhood (City of Detroit Community & Economic Development Department, 1980: V-57).

For the residents who longed to move out to a better area but did not have the money, this offer sounded like a great deal. According to the mayor, “To homeowners, many of whose houses were so deteriorated that they were worth only $2,500 to $5,000, we offered market value and moving expenses plus $15,000” (Young and Wheeler, 1994: 243). Most people valued the progress through GM’s new plant higher than no plant building in the city although giving up their neighborhood was a different issue.

On the other hand, some people did not want to move out since they knew a design change of the plant would save their neighborhood. According to The Detroit News, (July 1, 1980: 4A), “If a capsule survey holds true, project promoters can count on support from businessmen — even those 150 firms facing relocation — but the promoters can expect resentment, even hostility, from the 1,500 families who may face an unwanted move.” Some
people who had lived in the area a long time valued the area more than anything. The proposed GM plant would lie in the heart of an area called Poletown which was the cradle of Polish culture in the Detroit area (The Detroit News, July 22, 1980). Many of the original Poles settled here before there was even a Hamtramck (The Detroit News, July 22, 1980). The PNC fought to save their ethnic, cultural and historic preservation from destruction. It was hard for people who had lived in the area for so many years to move:

"Where will I go in my old age?" That's a question 92-year-old Josephine Krajewski worries about a lot lately. She might lose her home and her beloved church to make way for a proposed plant to build Cadillacs. That's not a small matter for Mrs. Krajewski, a native of Poland. She joined Detroit's Immaculate Conception Roman Catholic Church more than 57 years ago and has faithfully attended mass and devotions at the congregation, four blocks from her home. Her three children were baptized there and they attended Immaculate Conception to receive first communion and the sacrament of confirmation. Her husband was buried from the church in 1934. Razing such memories is difficult for Mrs. Krajewski. Leaving them behind is worse. "It's a tragedy," she said. "I don't know where I will go. The pastor doesn't know where I will go" (The Detroit News, July 7, 1980:3A).

According to a city survey, most of the 1,000 homes in the project area were small frame homes which were built between 1900 and 1919. Many were deteriorating faster than their owners could fix them, but a significant number was lovingly cared for by senior citizens who grew up in the neighborhood and did not care to move (The Detroit Free Press, October 6, 1980). Although the majority of Poletown residents were low-income and elderly, the area continued to exhibit a resiliency, reflected by a strong, sometimes fierce, attachment to it by some residents (City of Detroit Community & Economic Development Department, 1980). The Detroit Free Press described some of these people in the quote below:
Karen Appolonio, 34, said she does not want to live in any home other than the one on Mitchell, where she and her father have spent most of their lives. "The city is too eager for this," she said. "I hope we win it. I want to stay. I love the old neighborhood." Don Giannini, 48, said he, too, has spent his life in the same neighborhood, going to the same church and knowing the same streets and homes (The Detroit Free Press, September 29, 1980:10A).

Some people felt helpless since they wanted to support progress, but did not know what they could do for their homes. According to one of the residents:

Miss Londeck, 77, moved to Detroit from Pennsylvania in 1928. She still lives in the same home—a neat, white frame house on East Grand Boulevard—with her brothers, 76 and 79. She's proud of her modern kitchen, finished basement and attic and polished hardwood trim. And while she doesn't want to stand in the way of progress, Miss Londeck feels helpless. She sat on her front porch and discussed her prospects: "We have a big home—four bedrooms upstairs. We'll never get one like this again. Where do you go when you're up in age? What do you do? Start all over again?" (The Detroit News, July 7, 1980:3A).

Some residents thought GM's plant could be built without destroying their neighborhood.

One such resident expressed herself as follows:

One 77-year-old woman sat fumbling with a handkerchief while awaiting the start of yesterday's hearing. She said she has owned a home on East Grand Boulevard for 60 years, in the center of the proposed 465-acre plant site. "The church we belong to, the bingo, my friends, everything we know is in that neighborhood," she said. "I own that home free and clear, and they come along and tell you you've got to get out. I'm here to fight." Her friend, a 78-year-old widow, put a comforting arm around her. "It's nothing against General Motors," she said. "I'm all for progress, but there has to be another way around this. It's hard on the elderly people" (The Detroit News, March 4, 1981:6A).

Regarding the size of the plant site, one resident expressed his concern in the following words:
We are all in favor of building the plant, but not on top of 16 churches, 1,500 homes, 143 businesses, schools and a hospital. Building multi-deck parking garages rather than parking lots is one of several alternatives that would resolve the issue. We could save jobs and the neighborhood (The Detroit News, March 5, 1981:18A).

The Gray Panthers’ leader Maggie Kuhn, who was also a national advocate of rights for the elderly, came to Poletown’s support. She said that it is possible to build GM’s plant without wiping out the neighborhood. According to her, “designs by experts show that construction alternatives exist which would make massive clearance of Poletown property and relocation of its people unnecessary” (The Detroit News, March 9, 1981:2B).

Relocation benefits for residents included up to $15,000 per homeowner and $4,000 per tenant to enable them to move. Residents could also receive a $1,000 bonus per dwelling unit for moving up to 90 days after receiving an official Notice of Displacement (The Detroit Free Press, October 6, 1980). According to a questionnaire which was distributed to 1,500 of the area residents, 31 percent of 550 respondent said they would prefer to stay where they are, but 72 percent said they would move if the city pays them enough money for their homes” (The Detroit Free Press, October 6, 1980). However, some people thought the relocation money was insufficient since they valued their properties more than the city offered. One of the residents in the area said:

“Where will they go?” Mrs. Dockery asked. “What can they buy with the money they get? It won’t be a fraction of what they have here.” Her home has 11 rooms. Her mother’s has nine. “They get $14,000 to $21,000 for their homes, $1,000 bonus for leaving in 90 days and up to $15,000 adjustment allowance,” she said. “Sounds good, doesn’t it, $30,000? Well, it isn’t as good as it seems. You can’t buy a 10-room. That difference, $10,000 is the most they’ll get as an adjustment allowance (The Detroit News, February 17, 1981:2B).
Another resident named Kaczynski said the city offered him $11,500 for his home, however, with that money he did not think it would buy an equivalent house. Olechowski said a door-to-door survey showed at least 300 families who would be displaced by the plant have this attitude (The Detroit News, March 14, 1981). City officials refused to discuss the offers, but many residents said they were dissatisfied. Some took their complaint to the development department offices (The Detroit Free Press, November 9, 1980). The residents wanted full replacement value for their homes and subsidies for renters.

As for the businesses in the area, they received no relocation benefits, only whatever the city chose to pay them for their property (The Detroit Free Press, October 6, 1980). Like the homeowners, some of them received a fair deal while some of them did not. For instance, Edward Nedbala, who owned a small market in the area and was the state's biggest seller of lottery tickets, called the $34,000 offer he received for his business a 'joke.' According to Nedbala, he originally paid $50,000 for the Chane Trombly Market and $10,000 for another building next door (The Detroit Free Press, November 9, 1980).

In summary, each party compared the value of both objects. GM valued the existing experienced work force in Detroit and the attractive tax breaks offered by the city of Detroit. The city valued the possibility of bolstering the city's economy and providing jobs from GM's new plant. Some residents received a fair deal from the city and therefore did not mind moving out, while others valued their homes and neighborhood more and refused to move.
e. Acceptance of the offer

According to Simmel, after an actor compares the value of the desired object with that of the given object, he/she has to get an acceptance of any offer by another person. Exchange, according to Simmel, is the causally connected double event in which one subject now possesses something he did not have before and has given away something he did possess before. Exchange would materialize since the empty place of what we gave away is filled by an object of higher value. In Simmel’s theory:

... exchange brings about an increase in the absolute number of values experienced. Since everybody offers for exchange only what is relatively useless to him, and accepts in exchange what is relatively necessary, exchange effects a continuously growing utilization of the values wrested from nature of any given time (Simmel, 1991:292).

Every exchange becomes equally advantageous to both parties since one party receives the needed object while the other receives something that anyone in general desires, leading us to ask:

Research question 5: Did each of the three parties obtain an acceptance of the offer by the other party?

In the Poletown case, GM accepted the Poletown site among other options. GM signed an offer to buy a site for its new Cadillac assembly plant along the Detroit-Hamtramck border, and agreed to pay $6.8 million for the site and pegged the deal to a $120-million tax break over 12 years (The Detroit News, October 11, 1980). On the same day, GM chairman Thomas A. Murphy signed the commitment letter to formalize negotiations with cities. According to the commitment letter, GM planned to purchase 335 acres, at $18,000 an acre,
from Detroit for a total of $6,830,000. An additional 52 acres would be set aside for Conrail to build an extensive rail yard (The Detroit News, October 11, 1980). On May 1, 1981, GM purchased the first 75 acres of the project site from Detroit and Hamtramck for $1.35 million (The Detroit Free Press, May 2, 1981).

Preceding the site offer to GM, the Detroit City Council approved a plan to prepare a 465-acre site for a Cadillac assembly plant in Detroit and Hamtramck (The Detroit Free Press, November 1, 1980), and Wayne County Circuit judge gave the city full title to all 1,674 parcels (The Detroit Free Press, April 8, 1981). Also, a 12-year, 50-percent tax break for the proposed General Motors Cadillac assembly plant was granted by the Detroit City Council (The Detroit News, April 16, 1981). On May 1, 1981, the city of Detroit and Hamtramck accepted a $600,000 deposit, in addition to the money for the land from GM (The Detroit Free Press, May 2, 1981). Also Detroit, Hamtramck and GM officials all signed a development agreement explaining each party’s responsibilities for completing the project (The Detroit Free Press, May 2, 1981).

The city accepted GM’s offer and the process of exchange proceeded without GM’s binding commitment to build a plant (Bachelor, Jones and Wang, 1981; Fasenfest, 1989). According to Mayor Young, “in terms of GM’s commitment to the city, we had nothing more than Murphy’s word” (Young and Wheeler, 1994). He had no written guarantees from GM even after residents were being moved out and the site was being prepared (The Detroit News, May 31, 1981). This fact is unusual because economic exchanges usually require a deed. Also according to Simmel, economic exchange has a guaranteed future return, however, from
GM's new plant there would be no direct revenue to the city of Detroit between 15 and 20 years (*The Detroit News*, May 17, 1981).

Those people favorable to moving typically fell into two categories: renters, and people who had previously wanted to leave the area but did not have enough money.\(^3\)

Regarding the residents of the area, by November 14, 1980, the city's Community and Economic Development Department had received 400 acceptances to property offers. With the 200 parcels the city already owned, it had a third of the land needed to complete the project (*The Detroit Free Press*, November 16, 1980). By December 9, 1980, Detroit previously owned 200 of the 1,600 parcels in the project area and had tentative acceptance from an additional 802 owners since purchase offers were sent out (*The Detroit News*, December 9, 1980). By January 6, 1981, the city officials said the majority of some 1,300 families in the area had accepted offers to buy their homes (*The Detroit News*, January 6, 1981). By mid February, Moten said the city already had negotiated purchase agreements on 1,000 of the 1,400 Poletown homes that would have to be razed to make way for the GM plant. Half of the remaining homes were already owned by the city, leaving less than 200 holdouts (*The Detroit News*, February 12, 1981). By mid March, the city of Detroit had acquired all but 190 of 1,674 parcels of property on the site (*The Detroit Free Press*, March 14, 1981). The city controlled about 90 percent of the land by this time, and 1,028 sellers already had received their sale price, which had averaged $13,000 per parcel, although some were awaiting relocation money (*The Detroit News*, March 15, 1981). As of May 31, 1981,

\(^3\) Telephone interview with an informant who was involved in the Poletown event.
of the 647 individuals and 1,031 families (a total of 3,438 residents) in the project area, 633 households had moved and received relocation claim from the city (The Detroit Free Press, June 29, 1981). By October 6, 1981, of 1,733 residential dwellings in the project area, only 56 occupied units remain (The Detroit Free Press, October 6, 1981) and by November 22, 1981, more than 50 buildings and two dozen people remained (The Detroit Free Press, November 22, 1981).

Time was on the city's side since, except for small numbers of opposed residents, more and more residents were moving out (Bachelor, 1982a). One noteworthy point to be mentioned here is the contextual change throughout the exchange process. All of the residents did not accept the offer at the same time, and the number of the accepting residents grew over time. For instance, immediately after the announcement, the project promoters expected resentment, even hostility, from the 1,500 families who faced an unwanted move (The Detroit News, July 1, 1980). Still at the point of August 5, 1980, people were hostile, uncertain and afraid. About three months after the announcement, most of the Poletown residents were frustrated, angry and upset, and nobody wanted their home torn down (The Detroit Free Press, September 29, 1980). There were several events which made residents opposing the project changed their minds. There were generous relocation benefits, the physical difficulties of life in the area (e.g., crime, increased levels of arson and vandalism as people moved out), the demolition of the church, the loss of the state supreme court and
federal court cases—all of these contributed to a lowering of morale among opponents and a sense of the inevitability of the project.⁴

The generosity toward residents was designed to avoid neighborhood-based opposition to the project and actually the lucrative property settlements and relocation benefits appealed to many people (Jones and Bachelor, 1993). By October 1980, the arson rate in the area had doubled since the project was announced. One of the Poletown residents, Donald Ludwig said there were two factors which contributed to the dramatic change in his attitude toward relocation:

One was crime. After the city announced it would clear the plant site, the Ludwig noticed a marked increase in fires and vandalism. Mary Ludwig said she kept a rifle and a .38-caliber pistol loaded at all times. Then the city notified the Ludwig last fall that they would receive $16,250 for their 67-year-old house, a $15,000 relocation allowance, a $1,500 property tax adjustment and a $1,000 moving bonus. Said Donald Ludwig: “I opposed the project until I looked at it rationally and saw the cancer coming into the neighborhood once the project was announced” (The Detroit Free Press, June 29, 1981: 11A).

As the days went by, an increasing number of Poletown houses was being vandalized. Some residents gave up the idea of living in the area. (Wylie, 1989). The demolition of the church took the heart out of the Poletown resistance since the church was not only a cornerstone of the Polish community but also its pride and joy (Wylie, 1989; City of Detroit Community & Economic Development Department, 1980). When the court ruled the government was in the right, a lot of people lost hope and gave up (Wylie, 1989).

---

⁴ Information was obtained from the telephone interview and a questionnaire with people who involved the Poletown event.
In summary, each of the three parties obtained an acceptance of the offer by the other person. GM accepted the Poletown site and the city of Detroit accepted the GM plant along with the tax abatement agreement. Most of the Poletown residents accepted moving out after some struggles, while a small number of residents resisted up to the end.

f. Recognition of higher value

By being exchanged, according to Simmel, objects offered are thought less valuable than objects obtained. By offering an object which is valuable to the other party, one has to experience the pain of parting with it (Figure 9). It is worthy of note that the isolated individual who sacrifices something in order to produce certain products acts in exactly the same way as the subject who exchanges. According to Simmel, nobody wants to work for starvation wages if he/she was not in a situation in which he/she preferred such wages to not working at all. Therefore, it is clear that at the moment of exchange, of offering the sacrifice, the value of the object received sets a limit up to which the value of the object offered in exchange can rise. Exchange occurs not because one exchanges an object with the same value, but because of obtaining an object perceived to have much higher value. According to Simmel, the relationship between values and objects are as follows:

But this real relationship between values, which is executed and supported by exchange, evidently has its purpose in eventual subjective enjoyment, that is, in the fact that we receive a greater quantity and intensity of values than would be possible without exchange transactions (Simmel, 1991:78).
Simmel believed that exchange increases the sum total of value. Regarding the exchange of the value, the object of exchange increases the sum of value and each party offers to the other more than he/she possessed before. This leads us to ask:

Research question 6: Did each of the three parties recognize the higher value of the offered object over that of the value of the possessed object?

In the Poletown case, the Poletown site was valuable to GM since it provided enough land for the new plant and because it was close to the two other plants in the city. An editorial in *The Detroit News* stated that GM preferred building close to the old plant, to ease the movement from old to new, and to retain experienced employees because their work quality is better (*The Detroit News*, August 17, 1980). GM also had an established network of suppliers and an experienced work force “which you just can’t put a price on” (*The Detroit News*, September 2, 1980: 3A). The editorial of *The Detroit News* reasoned GM’s stay in Detroit as follows:

... of course, GM has many practical reasons for preferring Michigan. The company recognizes that this state, above all others, has the kind of workforce the company needs. Michiganders understand metal fabricating and production. There is no substitute — anywhere — for their experience and expertise (*The Detroit News*, October 19, 1980:14A).

Besides these values, GM could get tax abatement from the city. Therefore for GM, building a new plant in the city had higher value over moving out.

Regarding the city of Detroit, the mayor as well as Detroit City Council members thought that the public benefit of the project was that it could keep jobs in the city that would otherwise be lost if GM built its plant elsewhere (*The Detroit News*, November 4, 1980).
According to an editorial, "As much as it hurts to see the old destroyed — to see churches and businesses sold and torn down, to see a neighborhood uprooted — the project is a major success story at a time when the city is fighting desperately to keep from losing jobs" (The Detroit Free Press, March 17, 1981:6A). Governor Milliken thought it was essential that GM's plant stay in Detroit because of Michigan's economic problems and said that he will try to reconcile the desperate need for jobs with the desires of people who have lived in the community for years (The Detroit News, March 4, 1981). Therefore, keeping GM's new plant in the city had a higher value than letting the plant go somewhere else even though the city had to demolish Poletown.

Some of the residents in the area were happy to have the opportunity to move out since they thought the neighborhood was declining. The surveys conducted by the University of Michigan and Neighborhood Service Organization showed that most residents — over 80 percent of the residents in both surveys — said their new residences and neighborhoods were better and safer. While over 60 percent of the residents cited crime and boarded-up or abandoned structures as problems in the Poletown, less than 10 percent cited such problems in their new neighborhoods (United States General Accounting Office, 1989). Therefore, the Poletown residents recognized the higher value in their new neighborhood.

In summary, each of the three parties recognized the higher value of the offered object over that of the value of the possessed object. GM valued the Poletown site over other options because it was convenient for the company in terms of its location, available experienced working force and tax deal from the city. Detroit valued keeping the GM plant
more than letting it go somewhere else, since the plant could bring jobs which the city desperately needed. The city valued the Poletown site higher than other potential sites since it could keep GM from locating its new plant somewhere else. Some of the Poletown residents valued their new residences and neighborhood higher since they did not face many problems they identified in their old neighborhood. The residents who opposed to move out valued their neighborhood more than anything else.

g. Satisfaction

Figure 11 shows that after the exchange, each person values the obtained object higher than the object to give away. According to Simmel, by offering an object which is valuable to the other party, one has to suffer to part with it. However, once exchange is established, the received object becomes much more valuable than the object one parted with. For Simmel, "the final situation shows a surplus of satisfaction as compared with the situation before the action" (Simmel, 1991:84). This satisfaction is in proportion to sacrifice: if one sacrificed

Figure 11. Value transfer in exchange
more in obtaining the desired object, one's satisfaction is higher. Therefore, for Simmel, an exchange is not merely trading objects but recognizing higher value after the exchange.

Simmel's views lead us to ask:

**Research question 7: Did each of the three parties experience satisfaction for the exchange?**

In the Poletown case, GM and the city of Detroit and many of the residents in Poletown, except the members of PNC, were satisfied with the exchange. After the site was sold to GM on May 1, 1981, GM expressed its satisfaction in the following words:

GM Board Chairman Roger B. Smith, also pleased that the two cities could deliver the initial land parcel at the promised May 1 deadline, lauded Young and Kozaren for withstanding severe criticism for some quarters about the project. "You have had to take a lot of flak to help us," Smith said, during a press conference held at GM headquarters in Detroit. "But you stuck for what was right and what was best for the city — in spite of pressures generated by perennial out-of-town critics of General Motors" (*The Detroit News*, May 2, 1981:1A).

After he accepted checks from GM totaling $1.35 million in exchange for the Dodge Main property, Mayor Young stated "I have no doubt this will go down in modern history as one of most significant projects in urban history" (*The Detroit News*, May 2, 1981:1A), and called the plant as the most important redevelopment project in his seven-year tenure (*The Detroit Free Press*, May 2, 1981). Mayor Young stated that was a day of triumph for the whole city (*The Detroit Free Press*, May 2, 1981). As Simmel said, by offering an object, one has to suffer to part with it. Both GM and the city of Detroit, especially the mayor, had to go through much hardship to obtain the GM plant. The mayor said, GM could go to 10 other
places for less money and less headaches but the company had chosen to stay in the city which shows GM's sacrifice as well (*The Detroit Free Press*, May 2, 1981).

Regarding the residents of the area, many of them — younger and middle aged people (*The Detroit Free Press*, June 29, 1981) — said the effect of the move was positive and, over 80 percent of the residents in the surveys were satisfied with the notification of move (United States General Accounting Office, 1989). In his autobiography, Coleman Young stated that:

An overwhelming majority, eighty-four percent, reported that they were satisfied with their new accommodations, and the percentage was even higher among senior citizens, the group that had elicited the most sympathy. Furthermore, the poll showed that most of the residents felt they had benefited from the move and had been treated fairly by the city. Only eight percent believed that they had not received adequate compensation for their homes (Young and Wheeler, 1994: 249).

In summary, each of the three parties experienced satisfaction for the exchange. GM and the city of Detroit, and many of the residents in the area were satisfied with the exchange while a small number of the residents were dissatisfied about the relocation.

5. Principle of exchange

There are basic principles of exchange in Simmel’s exchange theory which are helpful in analyzing the Poletown case, specifically the attraction, value, and power principles. Research questions eight to ten will examine Simmel’s principles of exchange. These principles occur in the process of exchange with different degrees. Attraction and value principles were referred to broadly in the previous section. In this section those will be examined more in detail.
a. Attraction

The attraction principle states that an exchange occurs when an actor values another’s resources, or as Simmel put it:

For in the first place, it is always personal energy, the surrender of personal substance, that is involved in interaction; and conversely, exchange is not conducted for the sake of the object that the other person possesses, but to gratify one’s personal feelings which he does not possess (Simmel, 1991:82).

For Simmel, desires are the source of all human activity and the satisfaction of needs in which they culminate. On the other hand, the economic system is based on an abstraction, on the mutuality of exchange, the balance between sacrifice and gain. In the real process of its development it is inseparably merged with its bases and result, desire and need (Simmel, 1991), for Simmel argued that:

Desire by itself cannot bring about value unless it encounters obstacles; if every desire could be satisfied completely without a struggle, the economic exchange of values would never have developed, and the desire itself would never have reached a high level (Simmel, 1991:89).

Therefore, desire itself does not require value. If desire requires obstacles, and desire increases because of them, it brings value, as Simmel elaborated:

Objects are not difficult to acquire because they are valuable, but we call those objects valuable that resist our desire to possess them. Since the desire encounters resistance and frustration, the objects gain a significance that would never have been attributed to them by an unchecked will (Simmel, 1991:67).
The significance of the object for the individual is always determined by the desire for it, and its utility depends upon the qualities that it has. If we already possess the object, then its significance is not affected at all by whether there exist many or few or no other specimens of its kind. If one does not yet possess the object, the desire to own it has to be expressed before one can enter the exchange. Unless one expresses desire, one will not exert any influence upon the demand of the present owner and he/she will ask a price in accordance with his/her own or the average interest in the object (Simmel, 1991). Turner summarized Simmel's ideas about desire as an "attraction principle," saying that "the more actors perceive as valuable one another's respective resources, the more likely is an exchange relationship to develop among these actors" (Turner, 1991b:301). This leads us to ask the next question.

Research question 8: Was each of the three parties attracted by another's resources?

In the Poletown case, by building the plant as a public-private venture, GM was relying on the city to use its authority to condemn and acquire private property under the governmental concept of eminent domain (The Detroit News, September 2, 1980). Without Detroit's help, a GM spokesman said, an acquisition of the needed land was almost impossible (The Detroit News, September 2, 1980). Besides that, the city could make a financial package offer to GM on a site. For instance, the director of the Economic Development Department said that package might include a wide range of incentives, including tax abatements, federal Urban Development Action Grants and loans or grants from the U.S. Economic Development Administration (The Detroit Free Press, June 25, 1980). GM knew that there were financial incentives for the plant since cities and states offer a range of incentives to keep jobs,
including tax abatements, government bonds, and donating land for sites (*The Detroit News*, September 2, 1980). Regarding the tax abatement, if the proposed tax abatement was approved it would save GM $5.4 million a year for up to 12 years on its city, school and county property tax bill, and GM would save $2.3 million a year in city property taxes alone (*The Detroit Free Press*, April 2, 1981). For instance, GM’s vice president said that GM’s position was that tax abatement makes it more economically attractive to stay in Detroit, however, without a tax abatement, it is not as economically attractive (*Detroit News*, April 2, 1981). For corporate officials, the major influences on locational decisions include land availability and cost, access to markets, and availability of skilled workers (Mandell, 1975; Schmenner, 1980; Bachelor, 1982a).

The city of Detroit perceived the project as an opportunity for the city to retain jobs and tax revenues (Bachelor, 1982a). For Detroit, to provide the plant site for GM was a big challenge because other aging industrial cities in the Midwest and Northeast were watching to see if Detroit could pull off the project as a major new effort to combat the escalating unemployment, decrease in population and exodus of industry afflicting such cities (*The Detroit News*, December 2, 1980). The attraction of keeping GM plant in the city of Detroit was outlined in *The Detroit News*:

The primary benefits Detroit will gain from keeping the Cadillac plant in the city are economic — jobs and tax base. Construction of the plant would provide about 4,000 temporary jobs but, more important, says Moten, are the 25,000 jobs in supplier firms that would stay in Detroit if Cadillac does. “We’re not trying to fool anyone that this (new plant) represents more jobs,” Moten explains. “But if all those people stay employed, they’re not on public assistance, the city continues to collects taxes and the whole local economy enjoys a ripple effect. “Property taxes
will go up, too, even if there's (partial tax) abatement, because the new plant will be on the tax rolls" (The Detroit News, September 2, 1980:3A).

GM was not only offering the new plant which would bring jobs, but it was also planning to continue other operations at Clark Avenue including fabrication, engine building, casting, purchasing, engineering, sales and general administration (The Detroit Free Press, June 24, 1980). The new plant was assumed to employ up to 6,000 at peak production. According to Mayor Young, "Murphy had told me that the plant could create as many as six thousand jobs. He had said the magic word" (Young and Wheeler, 1994: 244). Besides the jobs, tax revenue was another attraction for the city. The new Cadillac plant was estimated to cost half a billion dollar. Adding such an expensive complex to the tax rolls would immediately increase city and school revenues (The Detroit News, August 17, 1980).

For the city, a major attraction of choosing Poletown site was that the site contained significant number of vacant parcels including a large vacant Dodge Main factory (Bachelor, 1981; City of Detroit Community & Economic Development Department, 1980). At the same time the city could maintain an industrial site at Dodge Main — 144 acres could be purchased from Chrysler for a dollar and nobody had to be relocated (Young and Wheeler, 1994).

Regarding the residents in Poletown, the relocation benefits from the city were attractive for some of them. For instance:

A 20-man relocation staff will help residents find new homes, with a minimum of two referrals to homes inspected by the city. Residents may find their own housing, but it must be inspected and approved before city will pay relocation benefits. The city will pay as much as $15,000 over its purchase offer toward a new home. Renters are entitled to as much as $4,000 for four years or they can receive up to $4,000 toward a new home. Businessmen may receive the cost of
their property, including immovable fixtures, plus all actual moving and relocation costs or a fixed relocation payment equal to average net income up to $10,000. In addition, the city will move residents, or give $500 toward moving expenses. The final moving deadline is mid-to-late March (The Detroit News, September 2, 1980:3A).

According to the mayor, those residents were receiving fair compensation a far cry from urban projects of the past which leveled neighborhoods without regard to public input (The Detroit News, February 1, 1981). Mayor Young felt that these generous sums for their homes would enable them to improve their standard of living (Alderman and Kennedy, 1991). Owners who accepted the city’s offer received their money in six to eight weeks. On top of that, residents could receive a $1,000 bonus per dwelling unit for moving up to 90 days after receiving an official Notice of Displacement (The Detroit Free Press, October 1, 1980), and also if the taxes on the new home were higher than what was paid on the Poletown property, an additional bonus of $1,500 would be awarded (The Detroit News, March 23, 1981). The following advertisement appeared in The Detroit News (March 4, 1981:1B).

GM RELOCATION RESIDENTS
Are You
A Tenant or Homeowner?
With Credit Problems?
Employed or Unemployed?
Low Income?
Frustrated From Looking for your
Next Home?
Detroit Home Buyers Council offers
9½% Financing Specially for You
This advertisement caught the eye of Mrs. Williams who was a working mother of two small children living in an apartment in Poletown. According to her:

"I just called and told them what I wanted," she said. "The real estate man showed me a bunch of houses. All of them, even the ones that weren't fixed up yet, were really nice and in nice neighborhoods." Within a month, she found a house she can afford and she will move in next week. "It’s a $28,000 colonial house and I got it for only $4,000 down — that’s what I got in relocation funds from the city," she said. "And at 9½ percent interest, I pay only $300 a month for the whole house (twice what she paid for her three-bedroom Poletown flat) — that’s probably what I would have had to pay for nice apartment somewhere" (The Detroit News, March 4, 1981: 1B & 3B).

Like this Mr. Williams, hundreds of Poletown residents who needed homes could not qualify for conventional bank loans or afford mortgage rates. The city wanted someone to help these people find new homes (The Detroit News, March 4, 1981).

In summary, each of the three parties was attracted by another’s resources. GM was attracted by the city’s authority to use the power of eminent domain, and the financial package provided by the city. The city of Detroit was attracted by GM’s plant which offered jobs and tax revenue. The city was also attracted by Poletown site since it contained significant number of vacant parcels. For some of the residents in Poletown, the generous relocation benefits were attractive.
b. Value

i. Need

According to Simmel, value is the correlate of demand. Simmel believed that in an exchange, high demand and scarcity make a desired object more valuable. This is expressed in the following formula: value = utility (demand) + scarcity (supply). In Simmel’s theory:

Only the repulsions that we experience, the difficulties of attaining an object, the waiting and the labour that stand between a wish and its fulfillment, drive the Ego and the object apart; otherwise they remain undeveloped and undifferentiated in the propinquity of need and satisfaction. Whether the effective definition of the object arises from its scarcity, in relation to demand, or from the positive effort to acquire it, there is no doubt that only in this way is distance established between the object and ourselves which enables us to accord it a value beyond that of being merely enjoyed (Simmel, 1991:71-72).

Therefore, the value of an object depends upon the demand for it. It is noteworthy that since value is expressed only through exchange, the intensity of demand by itself does not necessarily increase the economic value of objects. In exchange, value becomes supra-subjective, supra-individual, yet without becoming an objective quality and reality of the things themselves. The technical form of economic transactions produces a realm of values that is more or less completely detached from the subjective-personal substructure. Although the individual buys because he/she values and wants to consume an object, his/her demand is expressed effectively only by an object in exchange. Therefore, according to Simmel, there is a profound connection between value and exchange. Regarding economic value, no matter how the two objects A and B have acquired their values, object A obtains an economic value
only because person A had to exchange it for object B. Thus value acquires its characteristics only through an exchange.

ii. Obstacles

One of Simmel's concerns was the relationship between money and value. He believed that every value has to be acquired by the sacrifice of some other value. With obstacles, value will increase (Ritzer, 1992). According to Simmel:

Exchange is not the mere addition of two processes of giving and receiving, but a new third phenomenon, in which each of the two processes is simultaneously cause and effect. The value that the object gains through renunciation thereby becomes an economic value. In summary, value develops in the interval that obstacles, renunciation and sacrifice interpose between the will and its satisfaction. The process of exchange consists in the mutual determination of taking and giving, and it does not depend upon a particular object having previously acquired a value for a particular subject. All that is needed is accomplished in the act of exchange itself (Simmel, 1991:90).

Utility is the first requirement for an economic object to exist and scarcity is the second. If economic values are regarded as determined by supply and demand, supply would correspond with scarcity and demand with utility.

According to Simmel, value is determined by the degree of desire the subject has for the object and the difficulty encountered in acquiring the object. “The greater the difficulty of obtaining an object, the greater is value” (Ritzer, 1992:174). He called an object ‘scarce’ if the process is long and complicated, requiring sacrifices in the shape of deferment, disappointment, work, inconvenience and renunciations. He stated the relationship between scarcity and exchange in the following quote:
There are many things that are actually scarce, which are not scarce in the economic sense. Whether they are scarce in the latter sense is determined by the degree of strength, patience and sacrifice that is necessary to acquire them by exchange — and such sacrifice presupposes a demand for the object. The difficulty of acquisition, the sacrifice offered in exchange, is the unique constitutive element of value, of which scarcity is only the external manifestation, its objectification in the form of quantity (Simmel, 1991:100).

Obstacles in exchange make desired objects more valuable, and scarcity is the external manifestation of value.

iii. Objectivity and subjectivity

Simmel made a distinction between the “subjective” and “objective” aspects of value, describing subjectivity in the excerpt below:

The characteristic feature of value, as it appears in contrast to reality, is usually called its subjectivity. Since one and the same object can have the highest degree of value for one soul and the lowest for another, and vice versa, and since on the other hand the most extensive and extreme differences between objects and compatible with equality of value, there appears to remain only the subject with his customary or exceptional, permanent or changing, moods and responses as the ground for valuation (Simmel, 1991:62-63).

Simmel described this subjectivity and objectivity of value in economic exchange in the following manner:

... objectively, he has given an equivalent to B, the price (α) for the object (β), but subjectively the value of β is greater for him than the value of α. But the sense of value that A attaches to β is a unit, and the dividing line between the objective value and the subjective surplus is no longer perceptible. Only the fact that the object is exchanged, that it is a price and costs a price, draws this line and determines the quantum of subjective value with which the object enters the process of exchange as an objective value (Simmel, 1991:93-94).
In an exchange, one is exchanging not only objects, but also the value of the possession, since the exchanged object has higher value than the given object (Figure 11).

Turner summarized Simmel's approach to value, presented in the previous sections i-iii, as the "value principle." According to Turner, "the greater the intensity of an actor's needs for a resource of a given type, and the less available that resource, the greater the value of that resource to the actor" (Turner, 1991b:301). Simmel emphasized the value of exchange and stated that "in whatever empirical or transcendental sense the difference between objects and subjects is conceived, value is never a 'quality' of the object, but a judgment upon them which remains inherent in the subject" (Simmel, 1991:63). Thus, value is not attached to an object as a fixed thing but as a subjective assessment. We are lead to ask:

Research question 9: Did each of the three parties value a desired object because of its high demand and scarcity?

In the Poletown case, GM needed a new plant to replace two old plants and the move was part of what GM had described as the most extensive product and facility improvement programs ever undertaken by a corporation anywhere (The Detroit News, June 24, 1980). GM's construction of a new plant was crucial to compete with other automakers.

In terms of obstacles to value, GM sacrificed its site choice. According to Leonard R. Hostetetter, who helped plan the proposed GM plant:

GM has to make a number of sacrifices to build the plant in Detroit, because the site is smaller than those for other new plants GM has built. "It is the smallest of our new assembly plants," he said. "It does not provide us with as much flexibility and as much expansion possibilities." He said GM had to make a large compromise by planning the plant's rail marshaling yard for 40 acres instead of a preferable 90-to-120 acre site (The Detroit Free Press, April 4, 1981:3A).
The preparation costs of the Poletown site was expected to reach $190 million by the time clearance work was finished in 1983, and the city was supposed to pay a major share (The Detroit Free Press, May 1, 1981). The city of Detroit spent a large sum of money for GM’s site and used its municipal authority to clear the site for GM. Therefore, GM valued the new plant site.

Regarding the city of Detroit, GM’s plant was important to Detroit because it was one of the few assembly plants located in the nation’s automotive capital (The Detroit News, June 24, 1980). Keeping the GM plant in the city meant economic preservation for Detroit. It would have been a disaster if the city could not keep GM because the economic and job values represented by the project were uniquely high. Plant and payroll were in the city at the time and their loss would be grievous. Beyond that, if the proposed facility was built, there could well be a gain in jobs (The Detroit News, August 17, 1980). An editorial in The Detroit News asked the following questions:

What does this extraordinary project mean to Detroit? Obviously, moving a final-assembly plant from one place to another in the city doesn’t change the number of jobs — 6,000, including 5,400 hourly-rated production workers when the plant operates two shifts. Detroit’s first objective is to keep these jobs in the inner city. The old Cadillac plant will not be closed. GM will try to “backfill” its space with manufacturing operations (making parts). Thus, new jobs would be created (The Detroit News, August 17, 1980:18A).

Mayor Young said the GM plant was vital to the employment and fiscal well-being of the city (The Detroit News, February 1, 1981). According to an editorial in The Detroit News (October 17, 1980:8A):
The new GM facility is a must for Detroit. The $500 million investment would bolster city tax revenues and keep 6,000 jobs in the city. Further, an unknown number of new jobs might be created as GM attempts to locate parts-making activities in the old Clark Avenue and Fisher Fleetwood plants, where Cadillacs are now assembled.

Because of Detroit's high unemployment rate, GM's plant was public necessity rather than private necessity. *The Detroit Free Press*, stated this point as follows:

In any case, the argument over the project's "public necessity" is considered a dead issue, in light of Detroit's high unemployment rate, competition from foreign automakers, and what is perceived as a sincere attempt by the city to rebuild Detroit's tax base and secure jobs for its citizenry (*The Detroit Free Press*, October 6, 1980:21A).

Particularly, Mayor Young was emphasizing the project's potential impact on the city's serious unemployment problem (Bachelor, 1982b). As Dye (1986) pointed out, the city prepared land for capital investment in the community which raised land values, expanded the labor force and enhanced the local tax base by praising jobs as a result of new investment. A summary of the economic benefits the city expected from the GM plant is given below:

The proposed Central Industrial Park will:
1. Create 6,000 high income, auto assembly jobs for Hamtramck and Detroit;
2. Provide a relatively high multiplier effect (compared to other types of businesses) on the local economy creating and/or maintaining an additional 20,000 jobs in other businesses;
3. Raise and/or maintain the personal income of area residents by nearly $464 million annually (direct and indirect);
4. Permanently increase the property tax base of the local community and provide $9 million to $18.6 million in local property tax revenue annually;
5. Provide $27 million of individual property and city income tax revenue annually;
6. Provide $12.5 million of state tax revenue annually;
7. Subsidize, through property tax revenue, local services to area residents stabilizing local tax rates and revenues;
8. Reduce potential fire, security, and waste disposal costs to the local community by eliminating vacant, obsolete, and deteriorating properties;
9. Create long-term, high-income job opportunities for area residents;
10. Improve local land use and land use planning;
11. Result in improved resident housing;
12. Improve living and working security in the community;
13. Improve local aesthetics (City of Detroit Community & Economic Development Department, 1980: L-4 & L-6)

As Simmel argued, the greater the difficulty of obtaining an object, the greater is its value. For the city of Detroit, building the GM plant was difficult, therefore, the value of having it was high. The city of Detroit had to go through many obstacles. For instance, the commitment by Detroit and Hamtramck to assemble jointly the acreage needed for a new Cadillac assembly plant was an audacious undertaking, with more obstacles to success than reasons for assurance (The Detroit Free Press, July 2, 1980). An editorial in The Detroit Free Press pointed out the difficulties of the city in the following manner:

At this point the unanswered question abound:
• Is there a way to pull together the land-acquisition, demolition and relocation funds needed to assemble and clear the land within the one-year time frame suggested by General Motors?
• Is there acceptable alternative housing available for the people now living in the 1,500 homes now located in the Detroit portion of the site and can it conceivably be found in the tight time frame being projected?
• Are there historic sites or irreplaceable churches that will mean delay if not defeat for the effort?
• Can the assembly plant site be pieced together in a way that leaves the remainder of the two cites relatively well-shielded from the operations?
• Is it possible to protect the interest of those who now have homes or business within the area in a way that is satisfactory to them?

Every one of these questions presents issues that would ordinarily tie even a single city government up in knots for years. And Detroit and Hamtramck are going to
try to put together the site by July of 1981. No one needs to be reminded how difficult it will be to pull all the pieces together (*The Detroit Free Press*, July 2, 1980:8A).

First of all, preparation of the site was a difficult task. The city of Detroit had to find a 400- to 500-acre parcel for the GM plant and when the Poletown site was found, it included about 1,500 homes, 150 businesses, several churches, a hospital and some facilities still maintained at the Dodge Main plant (*The Detroit Free Press*, July 1, 1980). The relocation was hard financially and the deadlines inconvenient. The city did not have enough money to cover all of the costs of preparation.

The city had both physical and financial obstacles and a few legal snarls to deal with. Physically, the land acquisition was difficult. The attempt to assemble for industrial redevelopment so huge a block of land within a city was perhaps the most audacious effort at industrial renewal ever undertaken in the country (*The Detroit Free Press*, October 11, 1980). The city also had to follow GM's time schedule which was very tight — the major portion of the GM site had to be cleared by the summer of 1981. Financially, the city had to assemble a package of federal loans and grants to produce the $199 million officials had estimated it would cost to acquire 1,176 parcels of land, relocate 3,438 residents and demolish the entire 465-acre plant site (*The Detroit Free Press*, October 7, 1980). Legally, the city was challenged from the PNC and residents of the site to block the project. For instance, the proposed Cadillac assembly plant on Detroit's east side cleared a major hurdle on December 8 when a circuit judge refused to block the $700-million project (*The Detroit News*, December 9, 1980). However, Mayor Young said efforts to build the plant were still facing many
obstacles (The Detroit News, December 9, 1980). On March 1981, the city had to defend itself in the court:

The court, on a 5-to-2 vote, held that the project promises a “clear and significant” public benefit and that the city did not act illegally in condemning private property on behalf of General Motors. The city argued during the court hearing that the proposed Poletown plant would preserve 6,000 jobs that might be lost through the closing of the Clark Avenue and Fleetwood Body plants in Detroit (The Detroit Free Press, March 14, 1981:1A).

It is important to note that the PNC and residents of the project area were not the only ones to challenge the city. For instance, the National Advisory Council on Historic Preservation asked the federal department of Housing and Urban Development to withdraw federal funds from the GM project until the city complies with the agreement (The Detroit Free Press, April 16, 1981). Some residents in Poletown were defending their homes with guns rather than moving out to make room for the GM plant saying “when they come, we’re going to die on the steps of our houses” (The Detroit News, March 12, 1981:11A). Therefore, the value of GM’s new plant increased with the city’s high demand of economy and many obstacles Detroit went through.

There was no unified value among Poletown residents toward GM’s new plant project at the beginning. It is clearly stated that most of the people were upset about their move at the early stage — a survey conducted for the city showed two-thirds of the people wanting to stay (Moberg, 1981). However, their value toward the exchange changed over the period according to the elements of contextual change of the process. The important point here is that PNC supported the construction of the plant itself, however, it questioned the need to
destroy the neighborhood to build it (Bachelor, 1981; Jones and Bachelor, 1993). People thought progress was necessary. The Rev. V.W. Nelson, pastor of Temple Faith Missionary Baptist Church on East Grand Boulevard, told the parishioners that everyone must suffer for jobs together (The Detroit News, March 15, 1981). Detroit City Councilman Clyde Cleveland said that people had to think about employment and the future of their children, and this relocation effort was the best that had ever been done for them (The Detroit News, March 23, 1981). Thus, the residents were asked to sacrifice for the prospective economic gain which might not directly affect them. The sacrifice for the residents was not only psychological but also financial as well. For instance:

"The artwork of the walls of the church are worth more than $35,000 (marble-enclosed etchings and gold-flecked paintings)," said Mr. Nelson. "The city bought the contents of the church for $13,000, and we even have to buy back the organ, pulpit, piano and other things. Nobody wants to leave, but everybody has to. And we want the mayor to know we support him" (The Detroit News, March 23, 1981:2B).

Therefore, some residents sacrificed themselves for the progress.

Detroit assessed Poletown as a declining community. It was not true for some residents in the area. According to such a resident, a house can be replaced even though one cannot replace the memories, however a neighborhood is one's life (Ewald, 1980), therefore subjective values cannot be quantified. Another resident said that good will is something you build up over a long time, and the city can pay for your house and your fixtures, but they cannot pay for good will (The Detroit News, December 25, 1980). Objectively, Poletown's market value was not high. According to the city assessor's office, the average market value
of the area's homes was about $7,000, among the lowest in the city (The Detroit Free Press, October 6, 1980). This is what Domhoff (1986) pointed out in conflicts between the community elites and specific neighborhoods because of their different value toward the land. Simmel stated this refusal arises only when the objects of exchange in that particular situation cannot be replaced by another object.

In summary, each of the three parties valued a desired object because of its high demand and scarcity. GM sacrificed by accepting the Poletown site, since it was not as large as other plants, however, the company received valuable incentives for staying in Detroit. The city received economic value through keeping GM plant in the city. The attitudes of residents in Poletown was twofold. Some residents of Poletown saw the need of progress, and although they had to move out from the area, the relocation money was adequate compensation for their loss. Most of these residents changed their value of exchange over the contextual change in the process. For some residents, their houses and neighborhood were more valuable and not replaceable, therefore there was nothing they wanted to exchange.

c. Power

According to Simmel, when one perceives more value in an object belonging to another, the other person is seen to have more power. Therefore, the differentiation of need goes hand in hand with the reduction of its elemental power. In economic exchange, the buyer has more power than the seller since the seller is more interested and eager than the buyer. Also, if an object is more liquid, the owner of the object has more power in social
exchange since people want to possess the object. Money has this liquidity and thus has power.

Money can be both a cause and an effect of exchange, and has an enormous impact on social relations. According to Simmel, money represents pure interaction in its purest form; it makes comprehensible the most abstract concept; it is an individual thing whose essential significance is to reach beyond individualities. Money is the pure form of exchangeability in the developed economy (Frisby, 1984). Money mediates exchange and measures values. Simmel stated that money is totally indifferent to the objects since it is separated from them by the fact of exchange. Therefore, what money mediates is not the possession of an object but the exchange of objects. Since economic value is nothing but the relativity of exchangeable object, money becomes more and more a symbol of economic value. Simmel argued that:

Exchangeability is the prerequisite of economic values, through which the latter attain their objective mutual relation. It unites in one act the distance and the proximity of what is to be exchanged. It has acquired in money not only its technically perfect means, but also a separate, concrete existence which embraces all its various aspects (Simmel, 1991:128).

Simmel believed that money is valuable because it is the means for the acquisition of values. In the exchange relationship, money is the reified function of being exchanged (Frisby, 1981). Simmel described wealth in these terms:

... the rich man gains an advantage without recourse to an object and exclusively by virtue of the fact that other people cannot spend as much money as he can. Wealth, indeed, is often regarded as a kind of moral merit, as is indicated by the term ‘respectability’ and by popular references to the well-to-do as ‘upright citizens’ or ‘the better-class public.’ The same phenomenon is shown from the other side by the fact that the poor are treated as if they were guilty, that beggars
are angrily driven away, and that even good-natured people consider themselves naturally superior to the poor (Simmel, 1991:217-218).

Thus, according to Simmel, being wealthy is a merit since a rich man is seen as a good person while a poor is seen as a bad person. This sentiment creates an environment in which a wealthy person has influence not only by what he/she does but also by what he/she could do. Simmel believed wealth brings many opportunities, and stated:

A poor man has the fewest opportunities, because his money income is adequate only for the basic needs of life and allows almost no latitude in the choice of uses. This latitude increases with increasing income, and each unit of the growing income becomes more valuable to the extent that it differs from those units that are necessary for the satisfaction of basic and predetermined needs; that is, each additional unit of income includes a larger proportion of unearned increment, though of course this in only the case up to a relatively high level of income, beyond which each unit of income is equal in this respect (Simmel, 1991:218-219).

Opportunities for the usage of money to achieve goals, then, depend on income: the poorer the individual, the fewer the opportunities. A small amount of money allows no freedom of choice, while a large amount of money allows considerable freedom. At the individual level, Simmel, like Weber, saw money as a cause of individualization, giving people more freedom, autonomy, and options (Turner, 1991a). In a macro structure, Simmel believed that the relationship of the State to its citizens is determined by a monetary relationship, and the origin of this relationship was primarily in taxation. He explained this further:

If social strata are primarily differentiated by their money income, then a policy based on the various strata is very restricted because the most divergent objective interests are bound up with the same money income, and therefore any measure
taken in the interest of one stratum unavoidably harms many interests within that particular stratum (Simmel, 1991:316).

Here, Simmel pointed out if social stratification is based on income, policy making is also carried out based on income level. If the interests within a single stratum are diverse, one may interpret Simmel to say that therefore the interests between different strata must be at least as diverse.

In the preface of Simmel’s book *The Philosophy of Money* (1991), he described money as “simply a means, a material or an example for the presentation of relations that exist between the most superficial, ‘realistic’ and fortuitous phenomena and the most idealized powers of existence, the most profound currents of individual life and history” (Simmel, 1991:55). In *The Philosophy of Money*, Simmel said:

the whole vast range of commodities can only be exchanged for one value, namely money; but money can be exchanged for any one of the range of commodities. By contrast with labour, which can rarely change its application, and the less easily the more specialized it is, capital in the form of money can almost always be transferred from one use to another, at worst with a loss, but often with a gain. The worker can hardly ever extricate his art and skill from his trade and invest it somewhere else. By comparison with the owner of money he is at a disadvantage so far as free choice is concerned, just as the merchant is. Thus, the value of a given amount of money is equal to the value of any object for which it might be exchanged plus the value of free choice between innumerable other objects, and this is an asset that has no analogy in the area of commodities or labour (Simmel, 1991:213).

Thus, money can be powerful since it can be used for any economic purpose and does not have limitation of choice. Money’s opportunity of choice applies not only to the goods offered at any one time, but also to the date when it can be used. Simmel stated that:
Money as a pure instrument represents their highest possible synthesis because it has no specific quality for a specific use, but is only a tool for acquiring concrete values, and because the opportunities for using it are just as great at any point of time and for any object (Simmel, 1991:214).

Therefore, the owners of money have superiority over the owners of commodities. Turner, Beeghley and Powers (1995) described Simmel’s concept of money as follows:

But once established, the use of money has the power to transform the structure of social relations in society. It is in seeking to understand how money has this power to alter social relations that Simmel’s *The Philosophy of Money* becomes distinctly sociological (Turner, Beeghley and Powers, 1995:271).

Simmel thought that the one who is less involved has an advantage. Turner named this the "power principle." According to Turner, "the more an actor perceives as valuable the resources of another actor, the greater is the power of the latter over the former" (Turner, 1991b:301), adding that "the more liquid an actor’s resources, the greater will be the exchange options and alternative and, hence, the greater will be the power of that actor in social exchanges" (Turner, 1991b:301).

Simmel, however, stated that although the owner of money has superiority over the ownership of commodities, there were some exceptions. For instance “the refusal to sell on ideological grounds, boycotts and cartels, but these arise only when the objects of exchange in that particular situation cannot be replaced by other objects” (Simmel, 1991: 214). This leads us to ask:
Research question 10: Did each of the three parties perceive more value in an object belonging to another, have alternatives, and were there any differentiations regarding resources each party had?

In the Poletown case, GM was in a strong position since the city was economically desperate and did not want the company move out. This was true even before the Poletown case. For instance, in 1979 GM was allowed to begin preparations to shift Cadillac engine production to suburban Livonia because Detroit officials were afraid GM would move out of the state if the city council tried to block the move (The Detroit News, June 24, 1980).

According to an editorial in The Detroit News:

While it’s possible that the city of Detroit will come up with an industrial site large enough to support the proposed new Cadillac plant, it isn’t very likely. City property is just too difficult to assemble and clear to be competitive, for industrial purposes, with undeveloped rural and suburban land. This may be an exceptional case, since General Motors is obviously aware of the extraordinary pain Cadillac’s departure would cause Detroit. And city officials are likely to provide every possible incentive (The Detroit News, June 27, 1980:6A).

When GM announced the new plant project, the company did not say what would happen if Detroit failed to find suitable site, but city officials clearly feared GM would move those operations elsewhere (The Detroit Free Press, June 28, 1980). GM’s options are outlined by The Detroit News in the excerpt below:

The company has three choices. It says it will locate in Detroit if the site can be assembled. Failing that, it would seek a site in the far suburbs (bad news for inner-city workers). The last choice is somewhere else, outside metropolitan Detroit, perhaps even outside the state (The Detroit News, August 17, 1980:18A).
GM was in a strong position since the company had available alternative industrial locations, and since the city wanted the plant (Bachelor, Jones and Wang, 1981; Bachelor, 1982a; Jones and Bachelor, 1993). The Detroit Free Press stated GM's strong position in the words:

When and where will urban blackmail by large, multi-national corporations end? Here in Detroit, the General Motors Corp. demands from the city an area the size of downtown Detroit to build an assembly plant. Because of GM's threats to relocate outside the city limits, Detroit will lose one of the last remaining racially harmonious neighborhoods (The Detroit Free Press, September 5, 1980:8A).

GM's power was clearly rooted in its capital mobility (Jones and Bachelor, 1984; Fasenfest, 1986). This capital mobility was a great economic resource for GM which the company could have a control over. GM, therefore, had more power than the city of Detroit (Bachelor, Jones and Wang, 1981).

Compared to GM's economic resources, Detroit had political resources. The city could use the power of "eminent domain" and the "quick take" law, and GM was aware of that. Building the plant as a public-private venture, GM was relying on the city to use its authority to condemn and acquire private property under the governmental concept of eminent domain. According to GM's vice president, acquisition of the needed land would be almost impossible without Detroit's help (The Detroit News, September 2, 1980). The Detroit Free Press (October 7, 1980:11A) wrote concerning the quick take law:

Despite physical and financial impediments, the city has been able to proceed on a fast track with the project, thanks to a new "quick-take" state condemnation act. City official acknowledge that the law, Public Act 87, is what enabled the city to consider the previously impossible task of acquiring more than 1,700 parcels and relocating nearly 3,500 residents to meet GM's timetable.
The quick take law allowed municipalities to acquire title to property before reaching agreement with individual owners on a purchase price. This law was first used in the Poletown project and made possible city’s rapid acquisition of property under eminent domain procedures.

Regarding the Poletown residents — poor, aging and working class residents — they did not have great economic and political resources (Bachelor, Jones and Wang, 1981; Jones, Bachelor and Wand, 1981; Moberg, 1981; Bachelor, 1982a; Alderman and Kennedy, 1991). Therefore, the residents did not have any power against the world’s largest manufacturing company and the city of Detroit.

In summary, GM had alternatives and there was differentiation regarding resources each party had. GM had more power than the city of Detroit since it had economical resources — alternative sites for the plant and capital. In contrast, although Detroit had political resources — legal authority to use eminent domain — it had only small capital at hand. The residents of Poletown did not have any power to bare on GM and the city. Through the exchanges in this case, differentiation of power was clearly exhibited.

Overall, the two newspapers reported sympathetic stories about the neighborhood but their editorials supported the project (Jones and Bachelor, 1993). Therefore, Poletown stories introduced more of the victimized residents’ side than the satisfied residents.
6. Differentiation of power

Just as Simmel pointed out the power of money, Peter Blau also stated that the main characteristic of being powerful is being wealthy (Blau, 1964). Like Simmel did, in his *Exchange and Power in Social Life* (1964), Blau also distinguished social exchange from economic exchange — social exchange depends upon trust whereas economic exchange usually requires a binding contract (Blau, 1964, 1968). He proposed that the relative resources of the two partners also affect their relative power. Therefore, a resource is “anything that ‘can be used to satisfy or frustrate needs or move persons further from or closer to their goals’” (Sears, Peplau and Taylor, 1991: 229). When individuals are imbalanced in their resources, a person who has more resources will have more power. However, unlike Simmel, Blau elaborated the nature of power into the institutionalized power as well. In Blau’s theory:

Institutionalized power commands services which a superior can use to provide benefits to subordinates that fortify his power. Such power makes the services of subordinates insufficient for establishing equality with the superior. . . . once superior status is securely grounded in the social structure its occupant can demand unilateral services without endangering his superordinate position (Blau, 1964:110).

The concept of institutionalized power is similar in many ways to Mills’ ideas of power elite which will be discussed in the following chapter. Blau defined power as “the ability of persons or groups to impose their will on others despite resistance through deterrence either in the forms of withholding regularly supplied rewards or in the form of punishment” (Blau, 1964:117). Like Simmel, Blau stated that a person establishes power over others by
supplying services in demand to them. Blau, then elaborated the conditions of the
differentiation of power in social exchange from four alternatives and four types of issues in
the schema (Table 4).

According to Blau, a person A who needs a service a person B has to offer has the
following alternatives: (1) A can supply B with a service that B wants badly enough to induce

<table>
<thead>
<tr>
<th>Alternatives to Compliance</th>
<th>Conditions of Independence</th>
<th>Requirements of Power</th>
<th>Structural Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Supply inducements</td>
<td>Strategic resources</td>
<td>Indifference to what others offer</td>
<td>Exchange and distribution of resources</td>
</tr>
<tr>
<td>2. Obtain elsewhere</td>
<td>Available alternatives</td>
<td>Monopoly over what others need</td>
<td>Competition and exchange rates</td>
</tr>
<tr>
<td>3. Take by force</td>
<td>Coercive force</td>
<td>Law and order</td>
<td>Organization and differentiation</td>
</tr>
<tr>
<td>4. Do without</td>
<td>Ideals lessening needs</td>
<td>Materialistic and other relevant values</td>
<td>Ideology formation</td>
</tr>
</tbody>
</table>

Source: Blau, 1964: 124

B to offer B’s service in return, (2) A may obtain the needed service elsewhere, (3) A can
coerce B to furnish the service and, (4) A may learn to resign him/herself to do without B’s
service. However, if A is not able or willing to choose any of these four alternatives, A has no
other choice but to comply with B’s wishes (Blau, 1964). Therefore, if one can extract
compliance in an exchange relationship, he/she has power. In other words, if one wants to
have power over others, he/she must prevent them from choosing any of the first four alternatives.

We turn now to a discussion of Blau's conditions of independence, beginning with the idea that strategic resources promote independence. For instance, if individuals have sufficient resources that they may provide for their own needs, then they may exist without relying upon the support of others. Secondly, if individuals have many possible options available, they are more independent. An example is that if only one person has object A which others want, others are likely to become dependent on the person. Thirdly, the more methods an individual has to force his/her way on others, the more independent the individual is. For instance, if an individual has a high position in an organization, he/she can order subordinates to do something for them regardless of the will or desire of the subordinate. Fourthly, the less the individuals' need are, the less they are dependent on others.

The third column in Table 4 outlines the requirements for the holding of power. The first major factor is indifference to the offers of one's opponent. One is therefore above compromising one's own point of view. The ability to prevent one's opponents from seeking alternative suppliers of services is a second major factor of power. Not only this, one must be able to prevent one's opponents from using coercion to meet their needs. Finally, power requires one's need for the benefits those in power have to offer.

Blau's outline for the implications of power differentiation on social structure are summarized in the last column of Table 4. Societies structure themselves so as to allow reciprocal exchanges in order for individuals to obtain the benefits they desire. In addition,
there is competition among suppliers for individuals in need of services. Moreover the ability of an individual or group to coerce others creates, in Blau's view, the differentiation of power in social structures. Finally, changes in social ideas occur when society's values change.

Blau (1964) pointed out that in general, a powerful person has wealth, more resources, and high-status. Blau, like Simmel, stated that a person establishes power over others by supplying services in demand to them, and this was what happened in the Poletown case. There was power differentiation among the three parties. There were different demands, resources, and social status in their exchange process. Rather than stating a research question, we will apply Blau's alternatives to explain the power difference between GM and the city of Detroit, and between the city and Poletown residents.

In the exchange between GM and the city, GM was able to offer the plant to the city in exchange for the Poletown site (Blau's first alternative). GM had available alternative sites if the city could not offered the Poletown site, thus GM had power over the city in this exchange (Blau's second alternative). The coercive force (Blau's third alternative) was not used in the exchange between GM and the city other than the fact that GM hinted the possibility of moving out whenever the city opposed the company's plans. Neither GM nor the city was interested in changing their economic values, therefore Blau's fourth alternative did not apply.

In the exchange between the city and the Poletown residents, the city offered the relocation benefits which enabled the residents to move into nicer houses or neighborhoods. This offer was accepted by some residents (Blau's first alternative), but not by all residents. The city used coercive force to relocate those residents who refused to accept the "peaceful"
term of exchange (Blau's third alternative). Alternative offers for economic development were not available for the city other than that from GM, therefore the city had no choice but to negotiate with the residents of the Poletown. The residents did not have alternative parties to engage in exchange either. Therefore, the difference in power in this exchange was due to the city's ability to use legal coercion to force the residents to comply their relocation order.

According to Blau (1964), competition occurs thorough social integration, and it leads to differentiation of status in groups. When status starts to become differentiated, individuals who won others' respect continue to compete among themselves for positions of power and leadership while people who know they are inferior to those individuals are not able to continue the competition. Therefore, high-status members have more power than low-status members, however, without low-status members' compliance and support, the high-status members cannot maintain their power and leadership. Regarding the high-status members:

\[ \text{. . . the institutionalized authority in a hierarchical order gives officials some authority simply on the basis of occupying a given office, as illustrated by military rank. . . . In contrast to prestige and authority structures, power structures rest not primarily on social consensus concerning the privileges or rights that must be granted to the members of various strata but on the distribution of resources with which compliance with demands can be enforced (Blau, 1964: 130).} \]

Here Blau acknowledged the institutional power which implies positional power. He used the term "status" like capital, and stated that sociable intercourse tends to occur mainly among the same status members. Under political government and formal organizations, a principle — a person who has the highest position in a group can conduct group's activities by his/her order, is underlying. This superior status provide him/her many advantages. Differentiation of
power originates during competition for scarce goods (Blau, 1964). Blau talked about the
differentiation of power in imbalanced resources in exchange, and acknowledged
institutionalized power. In the following chapter, C. Wright Mills' institutional power will be
presented.
CHAPTER 5. POLETOWN AS A PROBLEM OF POWER ELITES

Another theory which is helpful in understanding the Poletown case is that of C. Wright Mills' power elite theory. In this chapter, the major concepts and theory of Mills' power elite are presented and applied to the findings of the events through the research questions. Then a brief literature review of community power and the power structure of Detroit prior to the Poletown events are presented.

A. Power elite theory

1. Classic (aristocratic) elite theory vs. contemporary (radical) elite theory

The key premise of the theory of elites is that societal power is concentrated in the hand of a few elite groups controlling the resources of key social institutions and that these elite groups are not accountable to the masses. This presumption — concentration of societal power in the hands of a few — overlaps with the class model. Classical elite theory assumes that all societies are ruled by elite and because of the masses' inherent incapability of governing themselves, society must be led by the elite (Berberoglu, 1990). The composition of the elites and the basis of their power may vary at different times and in different societies, however, the essence of elite rule remains unchanged. The idea of elites goes back to Italian scholars Vilfredo Pareto and Gaetano Mosca. Pareto's theory could be conceptualized using Figure 12.

On the one hand, Pareto thought of elites as the highest achievers in any area of human activity, adding that these elites govern the masses through force and fraud. Pareto broke down the elite into two components: the governing and nongoverning elite.
On the other hand, Mosca also saw a certain inevitability to the dominance of a ruling class in society, while Pareto relies almost exclusively on psychological variables in explaining elites (Marger, 1987). Mosca wrote:

In all societies — from societies that are very underdeveloped and have largely attained the dawnings of civilization, down to the most advanced and powerful societies — two classes of people appear — a class that rules and a class that is ruled. The first class, always the less numerous, performs all of the political functions, monopolizes power, and enjoys the advantages that power brings, whereas the second, the more numerous class, is directed and controlled by the first, in a manner that is now more or less legal, now more of less arbitrary and violent (Mosca, 1939: 50).

Below the elite, Mosca introduced a sub-elite which was made up of intellectuals, technocrats, civil servants, managers, and other organizational specialists who are today referred to as the 'technostructure.' Mosca's views are represented in Figure 13.
In contrast to the classical elite theory, contemporary elite theory also emphasizes the power of the few to make the major decisions for society as a whole, although both versions of the theory envision an inevitability of elite rule. Pareto and Mosca take a conservative view of the elite-mass relationship seeing the masses as unable to rule themselves therefore, elites are both necessary and desirable. The major difference in the two versions of elite theory is that on the one hand, while contemporary elite theory sees the masses as manipulated and exploited by elites who rule in their own interest, classical elite theory sees them as apathetic, incompetent, and unwilling or unable to govern themselves. At the present time, because of its centralized power at the national level, individuals are quite unimportant. The majority of people do not take part in politics and especially do not have control over decision-making. Almost no average person has dialogue in which he/she can feel that his/her point of view will be effectively heard (Swan, 1984). Perhaps the most significant of the contemporary (radical) elite theorists is C. Wright Mills (Figure 14).
Mills believed that American society is governed by a small but influential power elite consisting of the top layers of the three most important institutions of modern society — the economy, the state, and the military (Mills, 1956). Mills' power elite theory pointed out the relationship between sectors — not people. For this innate reason, he is given credit for identifying power as the organizational framework for the century as a whole (Horowitz, 1981). Mills' most influential work is his analysis of social stratification (Chasin, 1990).

Mills' thesis is a thought-provoking model of power in America, and in the past four decades much of the research on power in the United States has been promoted by his work and is seen as a response to his thesis (Olsen and Marger, 1993).

Mills went beyond Mosca and Pareto, and identified organizational structure as the source of elite capacities for rule (Lachmann, 1990). According to Mills, there are three basic
levels of power in the United State: the power elite, the middle levels of power, and mass society.

2. Power structure

Figure 15 shows Mills' structure of the power elite: political, economic and military power elite.

![Power Elite Diagram]

Figure 15. The three pyramids of power
Source: Persell, 1987:364

Mills described the emergence of the power elite in the quote below:

What I am asserting is that in this particular epoch a conjunction of historical circumstances has led to the rise of an elite of power; that the men of the circles composing this elite, severally and collectively, now make such key decisions as are made; and that, given the enlargement and the centralization of the mean of power now available, the decisions that they make and fail to make carry more consequences for more people than has ever been the case in the world history of mankind (Mills, 1956:28 - 29).

Mills summarized the composition of modern American society in the following words:
The top of modern American society is increasingly unified and often seems willfully coordinated: at the top there has emerged an elite of power. The middle levels are a drifting set of stalemated, balancing forces: the middle does not link the bottom with the top. The bottom of this society is politically fragmented, and even as a passive fact, increasingly powerless: at the bottom there is emerging a mass society (Mills, 1956:324).

This triangle of power is now a structural fact, and it is the key to any understanding of the higher circles in America today. For as each of these domains has coincided with the others, as decisions in each have become broader, the leading men of each—have tended to come together to form the power elite of America (Mills, 1963:27).

As each of these domains coincides with the other, the leading power elite in each of the three domains of power tend to come together and to form the power elite of America. And no matter what else they may be, the elite involved in a set of overlapping ‘clouds’ and intricately connected ‘cliques.’ Within each of the three institutions, the typical institutional unit has become enlarged, becomes administrative, and in the power of its decisions becomes centralized. According to Mills, the decisions made within the political domain determine both economic activities and military programs. The inner core of the power elite includes men of the higher legal and financial type from the great law factories and investment firms. Mills mentioned that the corporation lawyer is a key link between each domain. According to Mills, when one gets a lawyer who handles the legal work of investment bankers one gets a key member of the power elite.

The middle level of power is located between the power elite and masses. This middle level consists of organizations, local and state government, lower positions in bureaucracies, congress, organized labor, important state and local political official, and various pressure
groups. These middle levels of power are, Mills said, becoming ineffective as sources of power. The bottom level consists of the mass of unorganized citizens who have no influence on decisions at all. They are described as "politically fragmented," "passive" and "increasingly powerless" (Mills, 1956:324). Mills stated that almost in any community, there is a high and low, and most likely a big in-between. According to him, no matter what people believe, class structure as an economic arrangement influences their life chances depending on their positions in it.

3. Definition of public and mass

Mills believed that most Americans are quite powerless. The mass consists of the people in the total population, excluding the power elite, who are located at the bottom of the society. Mills saw the mass as a politically fragmented, passive, and increasingly powerless. In Mills' theory:

The idea of a mass society suggests the idea of an elite of power. The idea of the public, in contrast, suggests the liberal tradition of a society without any power elite, or at any rate with shifting elites of no sovereign consequences. For, if a genuine public is sovereign, it needs no master; but the masses, in their full development, are sovereign only in some plebiscitarian moment of adulation to an elite as authoritative celebrity. The political structure of a democratic state requires the public; and, the democratic man, in his rhetoric, must assert that this public is the very seat of sovereignty (Mills, 1956:323).

Mills believed the mass of people are passive in the face of the power exercised by the power elite, and argued that the United States today is not altogether a mass society, and it has never been altogether a community of publics. There are at least four dimensions we should
examine if we want to grasp the differences between public and mass. The differences between the public and mass are summarized on Table 5.

The public, according to Mills, lies at the root of the conception of authority by discussion. It is based on the hope that truth and justice will somehow come out of society as a great apparatus of free discussion. The primary publics are seen as either so small as to be swamped and hence give up, or so large as to be merely another feature of the generally distant structure of power, and hence inaccessible.

Table 5. Comparison of Mills' public and mass

<table>
<thead>
<tr>
<th>Community of publics</th>
<th>Society of masses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Opinion</strong></td>
<td></td>
</tr>
<tr>
<td>Virtually as many people express opinions as receive them.</td>
<td>Far fewer people express opinions than receive them. Individuals receive impressions from the mass media</td>
</tr>
<tr>
<td><strong>2. Communication</strong></td>
<td></td>
</tr>
<tr>
<td>Organized public communications provide the opportunity for immediate and effective reply to any opinion expressed in public.</td>
<td>It is difficult or impossible for individuals to answer back immediately or with any effect.</td>
</tr>
<tr>
<td><strong>3. Action</strong></td>
<td></td>
</tr>
<tr>
<td>Opinion can be mobilized into action even to prevailing system of authority.</td>
<td>The realization of opinion in action is controlled by authorities who organize and control the channels of such action.</td>
</tr>
<tr>
<td><strong>4. Autonomy</strong></td>
<td></td>
</tr>
<tr>
<td>Authoritative institutions do not penetrate the public which therefore has autonomy of operations.</td>
<td>The mass has no autonomy from institutions and this affects formation of opinion by discussion.</td>
</tr>
</tbody>
</table>

Source: Mills, 1956:303-304
4. Power elite vs. ruling class

Mills deliberately used the concept of “power elite” rather than “ruling class” since, in his view, there was no single ruling party at the time of his writing. However, Mills was well aware that the locus of power varies depending on the time period. Therefore, we must always be historically specific. Regarding power in society, Mills explicitly rejected both pluralist and class theories. He thought the term ‘ruling class’ confuses political power (“ruling”) with economic power (“class”) therefore, does not allow enough autonomy to the political or military orders (Alford and Friedland, 1985). Mills wrote:

The simple Marxian view makes the big economic man the real holder of power; the simple liberal view makes the big political man the chief of the power system; and there are some who would view the warlords as virtual dictators. Each of these is an oversimplified view. It is to avoid them that we use the term ‘power elite’ rather than, for example, ‘ruling class’ (Mills, 1956:277).

Mills argued that ‘class’ is an economic term and ‘rule’ is a political term. Therefore, ‘ruling class’ implies that an economic class rules politically. Mills saw American society as complex in the sense that there is no single ruling class controlling society. He believed the power elite involves the often uneasy coincidence of economic, military, and political power. Therefore, the ideas of a ‘ruling class,’ a simple monolithic rise of ‘bureaucratic politician’ and a ‘military clique’ was inadequate. For Mills, the source of power is found in the positions that the power elite hold in three major kinds of organizations’ economic positions rather than their financial status. He suggested that “those who hold command posts in each of these
institutional orders have a definite autonomy but that in intricate ways important decisions are made which involve a measure of coalescence” (Eldridge, 1983:83). Mills wrote that:

> It should be clear to the reader by now that we do not accept as adequate the simple view that high economic men unilaterally make all decisions of national consequence. We hold that such a simple view of ‘economic determinism’ must be elaborated by ‘political determinism’ and ‘military determinism’; that the higher agents of each of these three domains now often have a noticeable degree of autonomy; and that only in the often intricate ways of coalition do they make up and carry through the most important decisions. Those are the major reasons we prefer ‘power elite’ to ‘ruling class’ as a characterizing phrase for the higher circles when we consider them in terms of power (Mills, 1956:277).

Therefore, unlike Marx’s concept of ruling class which rests on class power, Mills said the changes in the American structure of power generally come about through institutional shifts in the relative positions of the political, the economic, and the military orders.

5. Changes in the power structure

According to Mills, through institutional shifts in the relative positions of the political, the economic, and the military orders, American power structure changes. Mills argued that American power relations have gone through four periods, and that we are now in a fifth period.

The first period lasted roughly from the Revolution through the John Adams Administration. In this period, the social, economic, political, and military institutions were unified in a transparent way. The individuals of each elite moved easily from one role to another at the top of each of the major institutional orders. Mills stated that political
institutions were powerful until the downfall of the Congressional Caucus of 1824. Mills described this first period by saying:

The important fact about these early days is that social life, economic institutions, military establishment, and political order coincided, and men who were high politicians also played key roles in the economy and, with their families, were among those of the reputable who made up local society (Mills, 1956:270).

Therefore, the elite of this period were political men who had administrative experience and 'largeness of view and dignity of character.'

The second period lasted from the early nineteenth century to the Civil War. During this period, the elite became a plurality of top groups. Although they overlapped at the same time they were quite loosely as well. During this period, therefore, it was difficult to identify a clearly defined power elite. Mills described this period when the elite was at most a loose coalition.

The third period began with the congressional elections of 1866 and lasted until the New Deal. During this period, power was concentrated, unlike the first period, in higher circles of economic institutions, and military power was subordinate to political power. According to Mills, political institutions in the United States have never formed a centralized and autonomous domain of power. Under the supremacy of corporate economic power, the power of both state and federal governments was scattered and unorganized, and the economic elite overshadowed the political elite.

The fourth period took place in the 1930s which did not reverse the political and economic relations of the third era, however, it created competing centers of power within the
political arena, as well as in the corporate world itself. Although economic power was not replaced by the political power, it was contested and supplemented. Around this time, the New Deal was a system of power which was essentially a balance of pressure groups and interest blocs. During this period, social legislation and lower-class issues became important features of the reform movement.

The fifth period began with the onset of World War II, the era with which Mills’ The Power Elite was primarily concerned. Mills felt that “in earlier periods of its history, American society did in fact show considerable flexibility and diversity at all levels, but that this has since changed” (Giddens, 1989:327). Mills described this fifth era saying:

> the long-term trends of the power structure have been greatly speeded up since World War II, and certain newer trends within and between the dominant institutions have also set the shape of the power elite and given historically specific meaning to its fifth epoch (Mills, 1956:274).

According to Mills, this was the era which a new power group composed of corporate, governmental, and military directors arose. The power elite of this new era was described by Mills as follows:

> By the middle of the twentieth century, the American elite have become an entirely different breed of men from those who could on any reasonable grounds be considered a cultural elite, or even for that matter cultivated men of sensibility. Knowledge and power are not truly united inside the ruling circles, and when men of knowledge do come to a point of contact with the circles of powerful men, they come not as peers but as hired men. The elite of power, wealth, and celebrity do not have even a passing acquaintance with the elite of culture, knowledge and sensibility they are not in touch with them — although the ostentatious fringes of the two worlds sometimes overlap in the world of the celebrity (Mills, 1956:351).
Mills stated that in a society of power and wealth, knowledge is no longer an ideal but is an instrument of power and wealth. He links "the evolving character and composition of elites with technoeconomic processes and major institutional trends" (Tilman, 1984:39).

Although Mills' fifth era was represented by three power elite institutions, it is not true now. For example, the military's influence today in governing circles is minuscule, and contemporary economic elites are distinctively powerful (Dye, 1995).

6. Justification of the theory

Mills was writing in the early 1950s when military prestige was high following the Allied victory in World War II. This historical background strongly affected his writing. In his book *The Power Elite* (1956), Mills identified the power elite among three institutions — the economy, the state, and the military. Mills described the relationship between government and corporations in the manner below:

The modern corporation is the prime source of wealth, but, in latter-day capitalism, the political apparatus also opens and closes many avenues to wealth. The amount as well as the source of income, the power over consumer's goods as well as over productive capital, are determined by position within the political economy (Mills, 1956:10).

Therefore, if there is government intervention in the corporate economy, it is likely corporate intervention occurs in the governmental process. According to Mills, more corporate executives were involved with government during the preceding three decades than in decades prior. Mills described this historical shift as follows:

During the last three decades, since the First World War in fact, the distinction between the political and the economic man has been diminishing; although the
corporation managers have, in the past, distrusted one of their own who stays too long in the political arena. They like to come and go, for then they are not responsible. Yet more and more of the corporate executives have entered government directly; and the result has been a virtually new political economy at the apex of which we find those who represent the corporate rich (Mills, 1956:169).

The economist Seymour E. Harris compared 200 high-level appointments of the Eisenhower and Kennedy administrations (Rose, 1967), and found the following percentage distribution according to previous occupation (Table 6).

Table 6. High-level politicians distribution according to previous occupation (in percentage)

<table>
<thead>
<tr>
<th>Previous Occupation</th>
<th>Eisenhower</th>
<th>Kennedy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>28</td>
<td>47</td>
</tr>
<tr>
<td>Academic and non-profit organization</td>
<td>26</td>
<td>18</td>
</tr>
<tr>
<td>Law</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Business, finance, and insurance</td>
<td>36</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>19</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: Rose, 1967:123

Mills showed that most of the key positions in the Eisenhower Administration were held by businessmen or corporation lawyers (Rose, 1967). In his *Power, Politics and People*, Mills stated that since World War II it is more explicit to see the long-term tendency of business and government (Mills, 1963). Mills wrote:

As each has assumed its modern shape, its effects upon the other two have become greater, and the traffic between the three has increased. There is no longer, on the one hand, an economy, and on the other, a political order, containing a military establishment unimportant to politics and to money-making. There is a political economy numerously linked with military order and decision. This triangle of
power is now a structural fact, and it is the key to any understanding of the higher circles in America today. For as each of these domains has coincided with the others, as decisions in each have become broader, the leading men of each — the high military, the corporation executives, the political directorate — have tended to come together to form the power elite of America (Mills, 1963:27).

Mills foresaw the evolution of Eisenhower Administration into a “military-industrial complex” in these words:

In so far as the structural clue to the power elite today lies in the enlarged and military state, that clue becomes evident in the military ascendency. The warlords have gained decisive political relevance, and the military structure of America is now in considerable part a political structure. The seemingly permanent military threat places a premium on the military and upon their control of men, materiel, money, and power; virtually all political and economic actions are now judged in terms of military definitions of reality (Mills, 1956:275).

The other warning about the military-industrial complex came from President Dwight D. Eisenhower, in his official farewell speech on January 17, 1961. In his speech, he pointed out the close association between the federal government and defense industries, saying:

This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence — economic, political, even spiritual — is felt in every city, every State House, every office of the Federal Government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society. In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist (Eisenhower, 1961:1935).
When Mills wrote *The Power Elite* (1956), the power elite was found in the economic, the political, and the military domains. Mills' description of the power elite, therefore, was cast in the realities of the 1950s.

7. **Definition of power elite**

Mills understood the concept of power as a chance which permits individuals to carry out their own will in a communal action even if there is opposition to the process (Wallimann, Tatsis and Zito, 1977). According to Mills:

> Power has to do with whatever decisions men make about the arrangements under which they live, and about the events which make up the history of their times. Events that are beyond human decision do happen; social arrangements do change without benefit of explicit decision. But in so far as such decisions are made, the problem of who is involved in making them is the basic problem of power (Mills, 1963:23).

Any consideration of power, according to Mills, must take into account three types of power. The first type of power is "authority," which comes about because the subordinate accepts the legitimacy of the superordinate. The second type of power is "manipulation," which is wielded by the superordinate without the knowledge of the subordinate. The third type of power is "coercion," which is imposed by the superordinate without the acceptance of the subordinate (Mills, 1963).

Mills stated that the history of modern society may be understood as the story of the enlargement and the centralization of the means of power in the economic, political and military domains (Mills, 1963). Mills explained the relationship of these three institutions with individuals in the words:
The life-fate of the modern individual depends not only upon the family into which he was born or which he enters by marriage, but increasingly upon the corporation in which he spends the most alert hours of his best years; not only upon the school where he is educated as a child and adolescent, but also upon the state which touches him throughout his life; not only upon the church in which on occasion he hears the word of God, but also upon the army in which he is disciplined (Mills, 1956:6).

These are major institutions of society which constitute the means of power within modern social organization. In each of the three, the typical institutional units become enlarged, become administrative, and, in the power of its decisions, become centralized. Within the institutions, the power elite possesses a great amount of resources, which are the primary source of the expansion of power within society. Mills argues that:

The economy — once a great scatter of small productive units in autonomous balance — has become dominated by two or three hundred giant corporations, administratively and politically interrelated, which together hold the keys to economic decisions.

The political order, once a decentralized set of several dozen states with a weak spinal cord, has become a centralized, executive establishment which has taken up into itself many powers previously scattered, and now enters into each and every cranny of the social structure.

The military order, once a slim establishment in a context of distrust fed by state militia, has become the largest and most expensive feature of government, and, although well versed in smiling public relations, now has all the grim and clumsy efficiency of a sprawling bureaucratic domain (Mills, 1956:7).

Great power in America is concentrated in a handful of people (Hunter, 1953, 1959; Domhoff, 1978, 1990; Olsen and Marger, 1993; Prewitt and Stone, 1993; Dye, 1995) and Mills thought that there is a gradation of power within each of the most powerful institutional orders of modern society. Power is an attribute of roles in a social system. Power adheres to
institutional roles and the roles give the people who occupy these roles to control over valued resources (Waste, 1986; Dye 1995). And in American society, money provides power which allows you what you want, when you want it, and how you want it, and it also provides freedom. Although not all power is institutionalized, great power is found only in institutional roles (Dye, 1976). Today most theorists acknowledge the existence of several sets of moderately powerful elites who represent various societal institutions and sectors of activity (Olsen and Marger, 1993). Mills’ views lead us to ask:

Research question 11: Did the power elite in the Poletown case rest on institutions?

In the Poletown case, the idea formed when GM told the city that the company would like to relocate a major auto plant within Detroit’s city limit. GM (corporation) and the city of Detroit (government) were the institutions played a major role together. The city needed its jobs and capital desperately, and GM had power because of its control over resources — capital mobility (Bachelor, Jones and Wang, 1981; Jones and Bachelor, 1984; Fasenfest, 1986). Therefore, GM was able to set its demands early in the process when the city was reviewing the potential sites. The company’s power could be seen in the way the process proceeded in the exchange. GM had something the city wanted and the corporation was not required to make the desired object available to Detroit, therefore the city had to pay to get it (Jones and Bachelor, 1984). It was GM “who conceived the project, determined its cost, selected the site, and imposed specific deadlines and conditions upon the city of Detroit regarding clearance of the property, the taking of title, and tax abatement” (Lewis, 1982: 115)

---

Informants identified GM and the city of Detroit as the power elite.
For instance, the entire process was constrained by two GM deadlines; one was October 1, 1980 to review the progress the city made in its search for a suitable site for a new plant, and another was May 1, 1981 to take possession of the site (Fasenfest, 1986). The time period from the announcement to the day the site was sold to GM was less than a year which was the shortest period of time in the history of the Unites States regarding the relocation of people under the eminent domain (Lewis, 1982). Ralph Nader, a consumer advocate who supported the PNC, remarked about GM’s power as follows:

“My principal concern is that General Motors Corp., the second richest corporation in the world, makes the decisions in Detroit, not the city government.” He charged that millions of dollars of public tax money are being spent in Poletown “so the second richest corporation in the world can build a highly automated, highly robotised Cadillac assembly plant” (The Detroit News, March 12, 1981:1A).

Therefore, when the court ruled that it was acceptable to condemn homes and businesses for private enterprise, Nader called the Michigan court “a GM court” (The Detroit News, March 14, 1981).

Compared to GM’s economic resources, the city of Detroit had political resources. One such governmental power was used to clear the Poletown area under eminent domain authority with a help of the quick take law, although this authority was challenged by the PNC. For example, when the Michigan Supreme Court ruled that the city of Detroit could proceed with acquiring their neighborhood for the GM plant, Ronald Reosti, attorney in the Michigan suit for the PNC said:

Today’s decision has an impact far broader than the city of Detroit and its residents. It jeopardizes the homes, churches and neighborhoods of every city where a large
corporation wants the property of private citizens. In essence, the public welfare has been subordinated to the dictates of major corporations (*The Detroit News*, March 14, 1981:3A).

Without Michigan’s new quick take law, the Poletown project could not have been undertaken (Moberg, 1981). Besides the Mayor’s Office, Detroit’s Community Economic Development Department (CEDD) also played key roles in relation to the project. The CEDD was primarily responsible for technical and financial planning, and for implementation of the project plant (Bachelor, Jones and Wang, 1981; Fasenfest, 1989).

Regarding another government power used in Poletown case, an interesting incident occurred in Hamtramck. A 12-year-old urban renewal lawsuit against the city of Hamtramck was settled on December 12, clearing the way for Hamtramck and Detroit to apply for a $35 million federal grant for site preparation for a proposed Cadillac plant. The cities’ urgent need for the grant to begin demolition was instrumental in getting the sides together to settle the suit (*The Detroit Free Press*, December 13, 1980). Originally, Hamtramck was not eligible for certain federal grants, which included a $35 million urban development action grant for site preparation for the GM plant because of the long-standing suit. This incident shows the power of the city to settle the court case quickly. Detroit and Hamtramck officials were working together in an effort to keep GM from leaving the Detroit area. Regarding the city of Detroit, when the city council was discussing the GM plant, one of the council members said, “the city will be using its ‘offices’ to provide welfare for GM, in the hopes of saving jobs, while at the same time we’re cutting back benefits to the unemployed... The economic policy of this country is being (dictated) by the big transnational companies and we’re trapped in it”
(The Detroit News, August 5, 1980:14A). The Detroit Free Press stated that it seemed as if the Michigan Constitution, the Michigan Legislature and the Detroit City Council said it is in the public interest to condemn land and sell it to GM for the purpose of preserving jobs, and even that court should not interfere. The Detroit Free Press, in an article printed in 1981 (November 22), took the view that the Poletown case was a story in which two large institutions and the people that ran them controlled events.

Regarding the residents in Poletown, the members of PNC and some other residents were fighting to save their neighborhood. According to one of them, Poletown was the only neighborhood in this district where everybody helped each other but GM did not care about black or white if they were poor (The Detroit Free Press, November 16, 1980). Residents in Poletown were powerless without any institutional power (Bachelor, Jones and Wang, 1981; Moberg, 1981; Bachelor, 1982; Bukowczyk, 1986; Alderman and Kennedy, 1991). For instance, regarding whether the Poletown residents had any impact on GM and city’s decision-making, there was no impact.\(^6\) Regarding their political resources, they lacked traditional resources of money, expertise, numbers of votes, and access to officials.\(^7\)

In summary, the power elite in the Poletown case rested on two institutions — corporation and government. GM and the city of Detroit were two key institutions. The residents of Poletown did not belong to the power elite institutions, therefore they were powerless.

\(^6\) Telephone interview and a questionnaire with people who involved the Poletown events.
\(^7\) Information gathered from an informant.
According to Mills, the power elite are composed of political, economic, and military men, and he defined the elite as people of superior character and energy. The elite are “a set of higher circles whose members are selected, trained and certified and permitted intimate access to those who command the impersonal institutional hierarchies of modern society” (Mills, 1956:15). Mills believed the elite are powerful in the society. In Mills’ theory:

The elite who occupy the command posts may be seen as the possessors of power and wealth and celebrity; they may be seen as members of the upper stratum of a capitalistic society. They may also be defined in terms of psychological and moral criteria, as certain kinds of selected individual (Mills, 1956:13).

If the elite do not have power, they cannot be held responsible. Elites occupy the top positions in three hierarchies.

... they are in positions to make decisions having major consequences. Whether they do or do not make such decisions is less important than the fact that they do occupy such pivotal positions: their failure to act, their failure to make a decision, is itself an act that is often of greater consequence than the decisions they do make” (Mills, 1956:4).

Therefore, the elite consist of people who occupy power roles in society. In a modern complex society, these roles are institutionalized. The elite are the individuals who occupy positions of authority — the expected and legitimate capacity to direct, manage, and guide programs, policies, and activities of the major institutions of society — in large institutions (Dye, 1976). According to Mills, the power elite are composed of men whose positions enable them to transcend the ordinary environments of ordinary people. They are in positions
to make decisions having major consequences. He described the powerful elite in the following passage:

By the powerful we mean, of course, those who are able to realize their will, even if others resist it. No one, accordingly, can be truly powerful unless he has access to the command of major institutions for it is over these institutional means of power that the truly powerful are, in the first instance, powerful. Higher politicians and key officials of government command such institutional power; so do admirals and generals, and so do the major owners and executives of the larger corporations. Not all power, it is true, is anchored in and exercised by means of such institutions, but only within and through them can power be more or less continuous and important (Mills, 1956:9).

To be powerful, for Mills, means to be able to realize one’s will even if one is in conflict with others. According to him, what makes individuals powerful is the position itself which gives an individual control over the activities of other individuals (Dye, 1976). Mills described this relationship between power and institutional authority in the following manner:

If we took the one hundred most powerful men in America, the one hundred wealthiest, and the one hundred most celebrated away from the institutional positions they now occupy, away from their resources of men and women and money, away from the media of mass communication... then they would be powerless and poor and uncelebrated. For power is not of a man. Wealth does not center in the person of the wealthy. Celebrity is not inherent in any personality. To be celebrated, to be wealthy, to have power, requires access to major institutions, for the institutional positions men occupy determine in large part their chances to have and to hold these valued experiences (Mills, 1956:9).

Therefore, power is an attribute of roles in a social institution (Waste, 1986). People are powerful when they are in positions which give them authority and control over institutions
Mills' primary interest was those structural positions within the major institutions of society and how power is distributed by them. We are lead to ask:

**Research question 12: Did the power in the Poletown case rest on higher positions?**

In the Poletown case, the idea formed when GM chairman Thomas A. Murphy (later Roger B. Smith) told Detroit's Mayor Coleman A. Young that he would like to relocate a major auto plant within Detroit's city limits *(The Detroit News, July 7, 1980)*. For example, in October 1980, the Detroit City Council received a warning from both the city and GM to get assurances in writing on federal loans and tax abatements on a new GM project before its vote. Besides the pressure from the mayor's office, GM's board chairman Thomas A. Murphy applied more pressure on the city council saying other communities are eager to have the plant if Detroit can't get its package together *(The Detroit News, October 22, 1980)*. This demonstrates the power GM's chairman had over the city council.

According to Mayor Young, most of the project's key decisions were basically his, including selection of the site, which included Chrysler Corp.'s abandoned Dodge Main plant in Hamtramck in addition to 1,342 households and 148 businesses in the Detroit portion *(The Detroit News, December 2, 1980)*. According to *The Detroit News* (September 2, 1980), there were two men behind the project who played important roles. One was David S. Potter, vice president of GM, who addressed the Detroit City Council on behalf of the proposed new Cadillac assembly plant, and the other key mover for Detroit was Emmett S. Moten Jr., director of Detroit's Community and Economic Development Department (CEDD). He was Mayor Young's man in charge of the clearing Poletown areas for GM's plant. Regarding
Moten, when a New York firm, Turner Construction Co., won a contract for preliminary work on GM plant, he was asked why the contract was going to Turner without competitive bids required by city charter. Moten elaborated on citing a personal judgment that Detroit officials would be comfortable working with Turner (The Detroit News, December 10, 1980) which shows his positional power. Regarding the mayor and a director of CEDD's power, state and federal legislation allowed them maximum discretion in combining multiple financing sources and enabling authority, and in judging the value and feasibility of the project (Jones, Bachelor and Wang, 1981; Bachelor, 1982a).

In summary, the power in the Poletown case rested on higher positions. The power rested on GM's executive members and Detroit's mayor and his top staff.

Mills acknowledged that although the power elite occupy the top institutions, they are not omnipotent: they do not make all decisions (Isaac, 1987). Mills wrote that not all power is anchored in and exercised by means of these institutions, but only within and through them power can be more or less continuous and important. According to him, there is another standard item in the roster of elite values:

**MONEY** is another standard item in the roster of elite values. But when we inquire seriously about money and how it is acquired we are again led to institutions and to the position persons occupy in them. For what does it mean to be wealthy? It means that one has a claim upon productive inceptions. For none of the truly "big money" comes from salaries. It is impossible to examine with any depth "the very rich" without also examining the modern corporation. Virtually all of the very rich families have been and still are closely connected, always legally and frequently managerially as well, with one or the other of the one or two hundred largest corporations. If our interest in the very rich goes beyond consumer economics, we must examine their intricate relations to such corporations. In brief, the relations of men to modern forms of property, to the
corporate institutions, determine their chances to secure big wealth and receive high income (Mills, 1957: 150).

The idea of the power elite, according to Mills, is "an interpretation." "It rests upon and it enables us to make sense of major institutional trends, the social similarities and psychological affinities of the men at the top. But the idea is also based upon what has been happening on the middle and lower levels of power" (Mills, 1956:30).

8. Cohesion of the power structure

The three groups of power elite are not only similar in terms of making important decision but also they interlock and overlap in four important respects (Prewitt and Stone, 1973; Rose, 1967). In Mills' view:

The conception of the power elite and of its unity rests upon the corresponding developments and the coincidence of interests among economic, political, and military organizations. It also rests upon the similarity of origin and outlook, and the social and personal intermingling of the top circles from each of these dominant hierarchies. This conjunction of institutional and psychological forces, in turn, is revealed by the heavy personnel traffic within and between the big three institutional orders, as well as by the rise of go-betweens as in the high-level lobbying. The conception of the power elite, accordingly, does not rest upon the assumption that American history since the origins of World War II must be understood as a secret plot, or as a great and co-ordinated conspiracy of the members of his elite. The conception rests upon quite impersonal grounds (Mills, 1956:292)

Firstly, there has been a coincidence of objective interest among the three groups of the power elite since the onset of World War II. Mills described this coincidence of interest between those power elite in the following manner:
The shape and meaning of the power elite today can be understood only when these three sets of structural trends [identified above—H.A.] are seen at their point of coincidence: the military capitalism of private corporations exists in a weakened and formal democratic system containing a military order already quite political in outlook and demeanor. Accordingly, at the top of this structure, the power elite has been shaped by the coincidence of interest between those who control the major means of production and those who control the newly enlarged means of violence; from the decline of the professional politician and the rise to explicit political command of the corporate chieftains and the professional warlords; from the absence of any genuine civil service of skill and integrity, independent of vested interests (Mills, 1956:276).

Mills stated that the internal discipline and the community of interests are a powerful means of binding the power elite together. This leads us to ask the next question:

**Research question 13: Did the power elite in the Poletown case share the same interest?**

In the Poletown case, GM’s and Detroit’s interests coincided. First of all, GM was interested in relocating a major auto plant within Detroit’s city limits — maintaining its projection options (Fasenfest, 1986). Throughout the Poletown project, GM showed its own institutional interests by maximizing profits (Bukowczyk, 1984). In an interview with *The Detroit News,* GM’s chairman Roger B. Smith said:

... he believed Mayor Coleman A. Young will keep his pledge to secure all the property in the 465-acre tract. “We feel that the mayor is going to come through,” Smith said. “You know somewhere along the line the best thing is going to happen. And what’s the best thing? To have the plant built here. There are a lot of jobs at stake” (*The Detroit News,* March 13, 1981:1A).

Regarding the Poletown demolition, Smith said that without new investment nothing would happen, and things had to be done that was in the best interest of everybody. He believed that the tax base should return to the city, and that was what the mayor was trying to do (*The
Detroit News, March 13, 1981). The city’s major interest was to promote industrial renewal (Jones, Bachelor and Wang, 1981). The Detroit Free Press attacked GM saying, “It is a vicious disregard of people for the sake of profit and power. All the rhetoric from General Motors about concern for Detroit is a smokescreen for its own dominating interest, increasing profit” (The Detroit Free Press, September 5, 1980:8A). However, the same newspaper’s editorial stated:

The interests of General Motors cannot and should not be allowed to override the interests of the people of the city. But there is a strong public interest in rebuilding our obsolescent industrial plant. There is a strong public interest in reusing the Dodge Main property. There is a strong public interest in retaining all the industrial jobs we can in a period when such jobs are perpetually in peril. There is a strong public interest in redeveloping the central city and avoiding urban sprawl (The Detroit Free Press, July 2, 1980:8A).

The same newspaper’s editorial also said that it is in the public interest to show that an aging industrial city can put together the land needed to replace its industrial plant and maintain as many industrial jobs as it possibly can in efficient and productive plants. Through the Poletown project, the interest of the city and the interest of GM simply coincided (Bachelor, Jones and Wang, 1981; Bachelor, 1982a). In terms of government and private joint venture, GM’s proposed plant was not the first plant built by GM with the help of a local government, nor was it Detroit’s first joint venture with private industry (The Detroit News, September 2, 1980). According to The Detroit News (September 2, 1980:3A):

City officials aren’t shy about the reasons behind their efforts to nail down the Cadillac plant for Detroit. Moten, head of the Community and Economic Development Department, says: “We’re fighting for our damned lives. It used to be that the private actor could do everything for themselves. But that’s changed in the last four or five
years and more cities are helping industry now by assembling land and providing 'gap' financing.

Prior to the Poletown project, Mayor Young was attempting to rebuild an industrial city within the boundaries and to accomplish that he requested Ford, GM and Chrysler if they had any plans to expand or build new plants, the city of Detroit be given the first opportunity (Alderman and Kennedy, 1991). David S. Potter, a vice president of GM, explained GM's situation:

With the U.S. auto industry retrenching to meet changing market demands and stiff foreign competition, the 55-year-old executive has no qualms about a proposed partnership in which the city of Detroit will help GM build a modern factory on a 500-acre site on the Detroit-Hamtramck border (The Detroit News, September 2, 1980:3A).

Potter said that there is no reason why industry, municipalities and the federal government cannot work together for good end result (The Detroit News, September 2, 1980).

The city of Detroit was attempting to raze Poletown for GM's new plant since the city wanted to keep GM from moving out of the city. According to the law of eminent domain, the court ruled as follows:

In its ruling, the court majority held that the city had exercised its power of eminent domain for "the essential public purposes of alleviating unemployment and revitalizing the economic base of the community," and that "if the public benefit was not so clear and significant, we would hesitate to sanction approval of such a project." "The benefit to a private interest is merely incidental," the court said (The Detroit Free Press, March 14, 1981:11A).
Therefore, the argument for the public-private co-operation was that it would save the jobs of approximately 6,000 auto workers, although technically the city was condemning and acquiring the property to provide the new plant site for GM (The Detroit News, January 6, 1981). To keep GM from leaving the Detroit area, Detroit and Hamtramck officials, who had the same interest as Detroit, worked together. According to Richard Simmons, Detroit’s deputy mayor, “We are attempting to accommodate the corporation and the cities of Hamtramck, and Detroit to revitalize this area” (The Detroit News, July 1, 1980:4A). Mayor Young as well as the Detroit City Council members said that the public benefit of the project is that it will keep jobs in the city that would otherwise be lost if GM builds its plant elsewhere (The Detroit News, November 4, 1980). Also a prominent Detroit attorney, Jason L. Honigman, made a rare lower-court appearance to argue that Detroit’s condemnation of land for the proposed new Cadillac plant would help relieve the unemployment problem, therefore it would be in the public interest (The Detroit News, November 18, 1980). In addition, according to a divided Michigan Supreme Court which upheld Wayne Circuit Judge George Martin’s ruling, the city’s condemnation of private property for a GM plant was proper because Detroit had a valid interest in preserving jobs and tax base (The Detroit News, April 23, 1981). According to an editorial in The Detroit News (September 11, 1980:18A), “What’s good for General Motors is definitely good for Detroit — and vice versa.” In the Michigan Supreme Court, dissenting Justice Ryan concluded that:

What has been done in this case can be explained by the overwhelming sense of inevitability that has attended this litigation from the beginning; a sense attributable to the combination and coincidence of the interests of a desperate city
administration and a giant corporation willing and able to take advantage of the opportunity that presented itself (Ryan, 1981:481).

In summary, the power elite in the Poletown case shared the same interest. GM and the city of Detroit shared almost identical interests. GM’s interest was to increase profits through the construction of a new plant, and Detroit’s interest was to boost its economy through GM’s plant.

Regarding the second important respect of cohesion of the power structure, the career pattern of the elite groups interlocks. There is an interlocking directorate of top-ranking military, political, governmental, and business leaders. For instance, “there are four more members of the corporate rich in the cabinet — two more men from General Motors; a leading financier and director of New England’s largest bank; and a millionaire publisher from Texas” (Mills, 1956:232). Mills stated the increase of the interchange of personnel and the unity of the power elite. For Mills, this interchangeability of top roles is mostly based on their coinciding interest. Mills wrote:

The unity revealed by the interchangeability of top roles rests upon the parallel development of the top jobs in each of the big three domains. The interchange occurs most frequently at the points of their coinciding interest, as between regulatory agency and the regulated industry; contracting agency and contractor. And, as we shall see, it leads to co-ordinations that are more explicit, and even formal (Mills, 1956:288).

There are numerous instances of the power elite who interchange commanding roles at the top of one dominant institution for another. A good example is as follows:
Alexander Haig, for example, has held top positions in private business, was secretary of state under Ronald Reagan as well as a 1988 presidential candidate, and is a retired army officer holding the rank of general. Haig is far from the only case of this kind: a majority of national political leaders enter public life from powerful and highly paid positions in business — and return to the corporate world later on (Macionis, 1993:516).

Mills described this as follows:

We refer to one man who moves in and between perhaps two circles — say the industrial and the military — and to another man who moves in the military and the political, and to a third who moves in the political as well as among opinion-makers. These in-between types most closely display our image of the power elite’s structure and operation, even of behind-the-scenes operations (Mills, 1956:289).

Mintz and Schwartz (1981) studied interlocking directorates and interest group formation, finding that highly placed corporate managers across the country tend to interact with one another regularly and exert real political power. Figure 16 shows the origins of individuals who sit on the board of General Motors (note that they also sit on the boards of 29 other corporations), by mean of which General Motors is linked to 690 other corporations. In Mills' view:

The top corporations are not a set of splendidly isolated giants. They have been knit together by explicit associations, within their respective industries and regions and in supra-associations such as the NAM. These associations organize a unity among the managerial elite and other members of the corporate rich. They translate narrow economic powers into industry-wide and class-wide powers; and they use these powers, first, on the economic front, for example with reference to labor and its organizations; and, second, on the political front, for example in their large role in the political sphere. And they infuse into the ranks of smaller businessmen the views of big business (Mills, 1956:122).
Figure 16. The interlocking directorship of General Motors and other firms
(The numbers next to firm names represent the total number of
 Corporations to which the organization is intermitted)
Source: Mintz and Schwartz, 1981:857
For Mills, it was important to pay attention to the elite group interlocking to study the power elite. Mills’ views lead us to ask:

**Research question 14: Did the power elite in the Poletown case have association with other power elite?**

In the Poletown case, GM had a good association with the city of Detroit. One editorial read:

> General Motors, as vast as its enterprises are, is our friend and neighbor. Its birthplace and headquarters are here. Its resources are enormous and its alternatives are many. Thus, the company’s dramatic reaffirmation of faith in our state and our people is, especially in these times, a cause for pride and confidence (*The Detroit News*, October 19, 1980:14A).

After GM’s announcement, both Detroit and Hamtramck’s Economic Development Corporation met together to approve resolutions pledging to co-operate in making the site available to GM (*The Detroit Free Press*, July 1, 1980). When Mayor Young asked for a 50% tax break for Poletown’s GM plant, Detroit’s Community and Economic Development Department director Emmett Moten said negotiations with GM resulted in an acquaintance of GM to the city’s position (*The Detroit Free Press*, March 17, 1981). GM, in fact, had a network which was tied to many public officials in Michigan. For instance, the board members of New Detroit, Inc., a private development corporation, were Detroit Mayor Coleman Young; Roger Smith, the chairman of General Motors; the president of the United Auto Workers (UAW); and the general manager of a local television news program (Wylie, 1981). UAW’s president Douglas Fraser praised GM for showing a degree of responsibility by remaining in Detroit (Gaines, 1981). Mayor Young was one of UAW Union’s former
organizers and had an easy alliance with them (Guzzardi, 1980), and he also had favorable relationships with the city's business leadership (Bachelor, Jones and Wang, 1981). Besides New Detroit, the Detroit Renaissance, the Detroit Economic Growth Corporation and the Economic Development Corporation, and the Chamber of Commerce also had overlapping membership and centralized power (Wylie, 1989). GM's vice president Potter represented an excellent example of the interlocking power elite: interrupting his 20-year career with the General Motors Corp., he served the Nixon and Ford Administrations for two and a half years, first as assistant secretary of the Navy for Research and Development and later as undersecretary of the Navy (The Detroit News, September 2, 1980).

In the Poletown project, Detroit officials had close relationships with state and federal agencies: the federal government provided the bulk of the loans and grants, and the state government provided essential enabling legislation and added financing (Bachelor, Jones and Wang, 1981; Jones, Bachelor and Wang, 1981). This heavy reliance of local officials on intergovernmental sources of financing and authority made the project possible. For instance, the fiscal year 1979, Detroit received about $620 million from Michigan and Washington. It means about two out of every five dollars of Detroit revenues came from them (Guzzardi, 1980).

Mayor Young’s relationship with federal government was its access to the Carter Administration (Stuart, 1979; Bachelor, Jones and Wang, 1981; Jones, Bachelor and Wang, 1981; Bachelor, 1982). This access enabled him to ensure that funds would be available to cover the $200 million public sector costs of the project. Mayor Young’s relationships with
Carter administration started when he supported Carter’s 1976 election campaign. Stuart wrote:

Young marshaled black votes for Carter and it was Young who spoke out on national television in defense of Carter’s controversial “ethnic purity” comments during the campaign, remarks that caused considerable trouble for the Democrats among civil-rights advocates. In the summer of 1978, he helped engineer a Carter statement reaffirming the responsibility of the Federal Government in the area of affirmative action, a statement that was released at a time when Carter’s rating among blacks was plunging. And Carter has named Young vice chairman of the Democratic National Committee (Stuart, 1979: 114).

Young’s connection to the federal government was not only the access to Carter, but also an access to Department of Housing and Urban Development’s (HUD) Secretary Moon Landrieu and Assistant Secretary Robert Embry. This access enabled the city to access HUD officials necessary in formulating and securing approval for the grants and loan guarantees (Jones, Bachelor and Wang, 1981; Bachelor, 1982). Regarding Young’s development director Emmett S. Moten, Jr., Young got Moten from his old pal, Moon Landrieu, former mayor of New Orleans, now President Carter’s secretary of Housing and Urban Development (The Detroit News, November 2, 1980). Without federal aid, the city of Detroit would not be able to prepare the site for GM.

Regarding Mayor Young’s relationship with the state, he also had close ties with the administration of Republican Governor William Milliken (Jones and Bachelor, 1993). Governor Milliken was very successful in lobbying Reagan (Young and Wheeler, 1994). For example, the Reagan administration approved a key $30-million grant for the proposed GM plant. According to an editorial in The Detroit News, Governor Milliken had cordial relations
with the White House, and the early indications were that he would have access to the
president and his advisers (The Detroit News, February 13, 1981). Regarding Governor
Milliken's new role, a news article described it in the excerpts below:

Besides coming as good news to Detroit, the announcement reflected Republican
Milliken’s new role as conduit for federal funds to Detroit, replacing Democratic
Mayor Coleman A. Young. Milliken’s success in Washington was in marked contrast
to last week’s White House snub of Young, third-ranking official of the U.S.
Conference of Mayors, who was not invited to a meeting between the president and a
group of mayors. Young was an ardent supporter of President Carter in the last
election and during the campaign referred to Mr. Reagan as “prune face” . . .
Said Milliken: “Last week my office initiated discussion of grant, informing the Reagan
administration of its extreme importance to the economic revitalization of Detroit and
its neighbors and urging its quick approval. “It is obvious that Secretary Pierce
recognizes that this development is essential to maintaining the industrial base in this
area and that the grant will permit the retention of the assembly operation in the two
cities, which now suffer from an unemployment rate of 18 percent” (The Detroit News,
February 12, 1981: 2B&5B).

It shows the importance of association since it changed the direction of politics. Previously,
Mayor Young had a cordial relationship with the Carter Administration. Thus, prior to the
presidential election, Councilman David Eberhard and Cockrel also suggested that the GM aid
plan might be jeopardized if President Carter is not reelected in November. Therefore,
Cockrel said the financing scheme presupposes the continued sweet relations with Moon
Landrieu (The Detroit News, August 5, 1980). According to an editorial in The Detroit News,
(October 17, 1980:8A):

If the political motive for HUD’s action, coming just weeks before the presidential
election, is hard to ignore, most Detroiters can set aside their partisan differences long
even enough to welcome a necessary and timely decision . . .
HUD threw red tape out the window and said it could get along without the usually
required environmental impact statement. Without this dispensation, months would
have been lost and Detroit would have missed General Motors' deadline for getting on with the project. Even now, the city has little time to spare in buying 1,362 homes and 143 businesses, relocating 3,438 residents, and demolishing 1,176 buildings.

According to another example of Mayor Young's association with local elites:

Jason L. Honigman, who guessed it had been "probably 20 years" since he last appeared in Wayne Circuit Court, said he appeared at the request of Mayor Coleman A. Young. Young has retained the firm of Honigman, Miller, Schwartz and Cohn to help defend the city's $200-million acquisition of 465 acres so that General Motors can build a $500-million plant on the Detroit-Hamtramck border (*The Detroit News*, November 18, 1980:2B).

Thus, the major power elite in Poletown were associated with various resourceful people in Detroit.

Regarding the residents of Poletown, they were awed by the impressive array of forces GM, the city, HUD, the Carter Administration, the UAW aligned against them (Bukowczyk, 1984). Nader said his staff was filing many requests under the federal Freedom of Information Law to determine the relationship between Detroit, GM and two federal funding agencies, the U.S. Department of Commerce and the U.S. Department of Housing and Urban Development (*The Detroit News*, February 1, 1981). The residents had no connection with the power elites.8

In summary, the power elite in the Poletown case had associations with other power elites. The power elite in the city of Detroit and GM had associations with other power elites, while Poletown residents had no such connections.

---

8 This information was obtained through a telephone interview and written correspondence with individuals involved in the Poletown incident.
Regarding the third important respect of cohesion of the power structure, in many instances, the origins, background, and educational patterns of the power elite coincide causing similar psychological orientations. According to Mills, to grasp the personal and social basis of the power elite's unity, we have to be aware of the origin, career, and style of life of each of the groups whose members compose the power elite. Mills described the origin of the power elite in the following words:

Their fathers were at least of the professional and business strata, and very frequently higher than that. They are native-born Americans of native parents, primarily from urban areas, and, with the exceptions of the politicians among them, overwhelmingly from the East. They are mainly Protestant, especially Episcopalian or Presbyterian. In summary, the higher the position, the greater the proportion of men within it who have derived from and who maintain connections with the upper classes. The generally similar origins of the members of the power elite are underlined and carried further by the fact of their increasingly common educational routine. Overwhelmingly college graduates, substantial proportions have attended Ivy League colleges (Mills, 1956:279).

In Mills' view, the power elite consist mainly of wealthy, white, Anglo-Saxon, Protestant males from old east coast families, and from the same prestigious universities.

Koistinen (1980) pointed out the similarity of backgrounds within the power elite as follows:

... the temporary civilian managers who come to Washington to run America's wars and preparations for war [holding down "the very top Jobs" as counselors to the president, secretaries of defense and state, secretaries of the three services, the chairman of the old Atomic Energy commission, and the director of the CIA, or advising those who hold those posts] were so alike one another in occupation, religion, style, and social status that, apart from a few Washington lawyers, Texans, and mavericks, it was possible to locate the offices of all of them within fifteen city blocks in New York, Boston, and Detroit. Most of their biographies in Who's Who read like minor variations on a single theme — wealthy parents, Ivy-League education, leading law firm or bank (or entrepreneur in a war industry), introduction to government in World War II (Koistinen, 1980:123).
Although Mills described the power elite as being mainly from the upper-class, the contemporary military officers are more likely from lower- and lower-middle-class backgrounds (Dye, 1995).

Lastly, the power elite intimately associate with each other socially and in their business lives. Moore's study (1979) demonstrated the extent of elite communication and discussion networks in the United States. He found out that almost one-third of the leaders he studied make up one enormous clique (Whitt, 1982). According to Mills:

The people of the higher circles may also be conceived as members of a top social stratum, as a set of groups whose members know one another, see one another socially and at business, and so, in making decisions, take one another into account. The elite, according to this conception, feel themselves to be, and are felt by others to be, the inner circle of "the upper social classes." They form a more or less compact social and psychological entity; they have become self-conscious members of a social class. People are either accepted into this class or they are not, and there is a qualitative split, rather than merely a numerical scale, separating them from those who are not elite. They are more or less aware of themselves as a social class and they behave toward one another differently from the way they do toward members of other classes. They accept one another, understand one another, marry one another, tend to work and to think if not together at least alike (Mills, 1956:11).

Thus, the social intermingling among the power elite is nothing out of the ordinary according to Mills. This is one characteristic of the power elite which allows one to identify this group.

9. Exercise of the structure of power

Mills claimed that the power elite make the important decisions, and in the process, they use manipulation to achieve their ends. Mills distinguished authority and manipulation —
authority as a power which is explicit and more or less voluntarily obeyed and manipulation is the power which secretly exercised and unknown to those who are influenced.

Mills stated that manipulation is the principle means of exercising power in present American society. In Mills' view:

Manipulation becomes a problem wherever men have power that is concentrated and willful but do not have authority, or when, for any reason, they do not wish to use their power openly. Then the powerful seek to rule without showing their powerfulness. They want to rule, as it was, secretly, without publicized legitimation. It is in this mixed case — as in the intermediate reality of the American today — that manipulation is a prime way of exercising power. Small circles of men are making decisions which they need to have at least authorized by indifferent or recalcitrant people over whom they do to exercise explicit authority. So the small circle tries to manipulate these people into willing acceptance or cheerful support of their decisions or opinions — or at least to the rejection of possible counter-opinions. Authority formally resides 'in the people,' but the power of initiation is in fact held by small circles of men. That is why the standard strategy of manipulation is to make it appear that the people, or at least a large group of them, 'really made the decision.' That is why even when the authority is available, men with access to it may still prefer the secret, quieter ways of manipulation (Mills, 1956:317).

Mills claimed that the power elite use public relations and manipulation for their success instead of their knowledge. Mills described American society in the words:

America — a conservative country without any conservative ideology — appears now before the world a naked and arbitrary power, as, in the name of realism, its men of decision enforce their often crackpot definitions upon world reality. The second-rate mind is in command of the ponderously spoken platitude. In the liberal rhetoric, vagueness, and in the conservative mood, irrationality, are raised to principle. Public relations and the official secret, the trivializing campaign and the terrible fact clumsily accomplished, are replacing the reasoned debate of political ideas in the privately incorporated economy, the military ascendancy, and the political vacuum of modern America (Mills, 1956:360-361).
In American society, Mills judged the mass media of communication to be powerful political instruments — important instruments of manipulation. In Mills’ theory:

But the media, as now organized and operated, are even more than a major cause of the transformation of America into a mass society. They are also among the most important of those increased means of power now at the disposal of elites of wealth and power; moreover, some of the higher agents of these media are themselves either among the elites or very important among their servants (Mills, 1956:315).

The media inform what is happening in the world. However, according to Mills, some of the higher agents of these media are either in the elites or very important among their followers. The power elite are more likely to use existing organizations to achieve their goals by working together with those organizations. However, if there are no such institutions, they will invent such machinery and use it. We are lead to ask:

Research question 15: Did the power elite manipulate other individuals?

In the Poletown case, there were several instances of manipulation by the power elite during the project. One example was the timetable the company imposed on the city. Through experience GM learned that if the company imposed an immediate deadline and threatened alternative plant possibility somewhere else, government leaders would bend over backwards to accommodate the corporation. Meanwhile, opposition groups would barely have time to form opposing arguments (Wylie, 1989). At the time Poletown project was announced, there were several other places GM was planning to build its plant, and one of

---

9 Telephone interview with an informant.
them was in Kansas City. According to a head of the neighborhood group of the plant site in Kansas City:

"The pattern is the same in every city," Rosenthal said. "GM holds a gun to the head of the city. It doesn’t give them time to consider sound plans, forcing them to act prematurely, to grant what GM demands. Then, GM stands aside, letting the city officials take all the heat, saying ‘the city needs us and we want to be good neighbors. GM puts politicians in an untenable position” (Wylie, 1989: 227).

GM not only dictated key elements of the project plant, but also determined the procedures for carrying out that plant by posting its deadlines. This GM’s deadline was also used by the city officials to urge them to cooperate saying these deadlines equate delay with failure (Jones, Bachelor and Wang, 1981; Bachelor, 1982b). According to the director of the City Planning Commission, his group was involved in project planning and site selection at the minimum, and did not conduct a thorough investigation because “it had no assurance that anything it did would affect GM’s conditions, and because the time involved in such a study could jeopardize project deadlines (set down by General Motors)” (Bachelor, Jones and Wang, 1981). GM’s deadlines prevented a careful study of the project by city officials and reduced the scale of citizen participation. GM’s timetable was used to force Detroit’s City Council members into compliance by threatening to cancel the project if GM’s deadlines were not met (Jones, Bachelor and Wang, 1981; Bachelor, 1982; Jones and Bachelor, 1984; Fasenfest, 1986) — no site meant no plant and presumably no jobs (Fasenfest, 1989).

The second example of manipulation concerned the site selection. At the beginning, GM insisted no Michigan site outside the city was being considered (The Detroit News, June
27, 1980). When the city council was discussing the tax abatement for the GM's new plant, GM's board chairman Thomas A. Murphy applied more pressure when he said in a speech that other communities were eager to have the plant if Detroit could not get its package together (The Detroit News, October 22, 1980). According to Ralph Nader, GM had totally intimidated the city government, and this was the rawest and most blatant demolition of a neighborhood ever demanded by a major corporation (The Detroit News, March 12, 1981).

The third example was the potential number of employees in the new plant. At city council, Councilman Cockrel asked about GM's automation when the city pointed out saving jobs (The Detroit News, August 5, 1980). Regarding this point, GM refused to speculate on exactly how many new jobs there would be because that depended on how well the backfilling operation was carried out (The Detroit News, August 17, 1980). Through the project, the absolute number of workers was not announced or even mentioned.

The fourth example concerned GM's written commitment. For instance, at the city council, Councilman Jack Kelley noted that plans were proceeding without a written commitment from GM, and asked the city whether they were confident the city could do that (The Detroit News, August 5, 1980). According to Moten, he did not expect the city to get a legally binding agreement from GM until May of 1981 (The Detroit News, December 9, 1980).

The last example was GM's claim that it acted as a good citizen. For instance several editorials in The Detroit News stated:

While it's possible that the city of Detroit will come up with an industrial site large enough to support the proposed new Cadillac plant, it isn't very likely. City property
is just too difficult to assemble and clear to be competitive, for industrial purposes, with undeveloped rural and suburban land. This may be an exceptional case, since General Motors is obviously aware of the extraordinary pain Cadillac’s departure would cause Detroit. And city officials are likely to provide every possible incentive (The Detroit News, June 27, 1980:6A).

GM’s efforts to upgrade the area north of the New Center and its attempt to locate a new Cadillac plant within the city attest to a strong commitment to Detroit’s future (The Detroit News, September 11, 1980:18A).

General Motors, we should remember, doesn’t have to go through a pile of horseradish to put up a new plant. There are jurisdictions in Michigan and elsewhere that would gladly do handstands to get the facility. But GM decided, knowing from the start it would be bucking ferocious headwinds, to press for the Detroit site to help its hurting hometown (The Detroit News, February 1, 1981:7B).

However, GM used this “good citizen” tactic against the city to bargain for its new plant’s tax abatement. According to GM spokesman, although the corporation had a responsibility to its stockholders, GM also recognized an obligation to the community, and thought the 50-percent abatement appeared to be the logical way to meet both of them (The Detroit News, March 17, 1981). Although the company had unilaterally planned to replace its older facilities, it maintained that the company was interested in, and even committed to remain in the Detroit (Fasenfest, 1989). Concerning the possibility if the city council voted no tax rebated, GM spokesman said that they might stay in Detroit although this is not completely accurate since there were other sites available. “That little ‘might not’ scares city official: there’s a big stack of lost jobs and taxes behind those soft words” (Moberg, 1981). If GM was so concerned about the city of Detroit, it could pay its full share of taxes, however, the company hinted to move out without the tax abatement. These manipulations were observed
in connection with the project process. GM posted the deadlines and hinted it would move out if the schedule was delayed and the tax abatements were not available.

The city of Detroit used manipulation in several ways. The first significant example was the announcement of the availability of the numbers of potential new jobs. According to the city's federal-fund request, the new GM plant would provide 6,150 new jobs. However, GM had said it intended only to keep 3,800 employees after its Clark Street and Fleetwood plants were shut down. The city insisted thousands of jobs with suppliers also would be saved (The Detroit News, October 22, 1980). Representing the city of Detroit, Attorney Jason Honigman declared that the plant would provide 6,000 jobs in the city (The Detroit Free Press, March 4, 1981). Moten and Young also claimed the new GM plant would provide 6,000 jobs when it replaced two aging Cadillac facilities in southwest Detroit, however, this number was not written anywhere. In Councilman Cockrel's view:

"The whole argument used all these years to support tax abatement — that it either creates new jobs or retains old ones — is something that has never been documented and is just kind of a game, a chicanery, as far as I can see," Cockrel declared. He recalled that a project planner admitted last fall that a city grant application erroneously claimed the project would create new jobs because Washington officials "like to hear that kind of thing." "The big figure initially thrown out (by city official) was 6,000 jobs, but now they're saying no fewer than 3,000," Cockrel said (The Detroit News, April 16, 1981:7B).

Mayor Young stressed the potential plant impact on the city's unemployment problem in every public forum; thereby raised the manipulation of the symbol of jobs to an art form (Jones and Bachelor, 1995).
The second point was the way the city pressured the city council. In April 3, 1981, the city council approved tax abatement for GM plant, although the staff of the council's City Planning Commission recommended rejecting it (*The Detroit Free Press*, April 3, 1981). It was because, it appeared that if the city council did not approve it, GM was not going to build it. However, behind the scene, Mayor Young and Moten told council members that, “GM would pull out of the project if the abatement were not granted, sources said. And Young bluntly threatened political retaliation against those who opposed him. ‘They [council members] came in Thursday looking like they had been shipped,’ said one council staffer” (Wylie, 1989: 139). Emmett Moten said GM had other offers — three very strong offers, and the corporation was backing off and if the council did not approve it, GM would pick another site (*The Detroit Free Press*, April 3, 1981). The city council was maneuvered into the position to approve the project plant (Fasenfest, 1989). For instance, even after Mayor Young conceded that the plant would not create new permanent jobs, and that claims of thousands of new jobs were not accurate (*The Detroit News*, October 22, 1980), the city council approved the site since they were under deadline pressure from GM. Councilman Cockrel accused GM and the mayor “of bringing ‘murderous pressure’ to bear on the council to obtain their approval, without even disclosing how and where the city would obtain the $200 million estimated needed for site preparation” (Rich, 1989).

The third point was the way Moten persuaded the council members. Moten received several complaints, and one of them was from the council members. Moten — a former teacher and coach who had become a rising star in the affairs of cities — seemed to ignore it
all. He kept moving like a bantam, back and forth, in and out, never stopping long enough for anyone to draw a bead on the GM project (The Detroit News, November 2, 1980). Regarding his tactic:

One tactic he employed when pressed for answers was deluge members with highly technical financial data or complicated explanations of the innovative schemes drafted by his staff. Sometimes during the many GM discussions with the council, depending on the toughness of council questions, he'd simply say those answers “haven't been worked out yet' and no one could contest him. Once, when particularly pressed, he promised answers “tomorrow.” But he didn't show the next day. Another time, instead of addressing the council as a body with another set of answers, as he had promised, he decided he and his staff would talk separately with each council member (The Detroit News, November 2, 1980:8A).

People who worked with Moten described him as “disarming” and said that unless one kept probing, one could lose sight of the original question. According to Moten’s former boss, Moon Landrieu:

“A master of obscurity. When he went before city council down here and didn’t have a rational explanation for something, he’d talk for a long time, and afterward, everyone would say, ‘what did he say?’” In the courtroom, as elsewhere, it was evident that Moten’s contributions to the success of the project involved not only what he knew and said but also how he said it (Jones and Bachelor, 1993:126).

Lastly, city officials gave inaccurate information to the public. For instance, in the GM discussions, Moten insisted GM wanted one sort of tax abatement while GM was telling everyone it wanted another, better kind, and he reported to the council a $26-million state commitment of cash that Lansing denied (The Detroit News, November 2, 1980). The city officials had raised the ominous suggestion in public hearings that other cities were courting
GM to get the Cadillac plant. But GM said the corporation was not actively seeking bids from other cities (The Detroit News, September 2, 1980). Another example of discrepancies of information was:

Linda Barnes, a senior aide to Governor Milliken, refuted Moten's testimony that the state had promised a $25.8 million contribution toward repayment of the $60 million Section 108 loan. The state had its own budget crunch and would be unable to help Detroit, and she said that the city already knew this. Nonetheless, before the month was out, the common council had approved diversion of some $60.5 million which had already been allocated to neighborhood projects for acquisition and clearance of land. It also authorized $51.5 million for future block grants to repay $130 million in federal loans, which the city had requested. Moten assured the council that the diversion would not affect previously approved projects (Rich, 1989: 188-189).

City officials also exaggerated the potential benefits of the project to funding agencies (Bachelor, 1982a). For instance, although, Mayor Young emphasized the permanent new jobs as the main advantage of keeping GM's plant in Detroit, a city aid, Ernest Zachary, revealed that there were no permanent new jobs and told city councilmen that the words were used only to make a plea for federal aid sound better. He called the maneuver a psychological grantsmanship statement. According to Zachary, the city said there are new jobs because that carries more weight with the people in Washington (The Detroit News, October 22, 1980).

Regarding the projections of city income tax revenues, it was based on 6,150 employees from the new plant although the project site was divided between Detroit and Hamtramck (Bachelor, 1982a).

Regarding the residents in Poletown, some of the businessmen thought the relocation offers were unfair. According to a businessman in the area:
Steinhardt called the residents' offers "really generous" but said the offers made to businessmen "range from very low to disgraceful." In addition, he said the city is violating traditional condemnation procedure by refusing to either buy the businessmen's "moveable fixtures" or pay to have them "detached and re-attached." Moveable fixtures include transportable assets such as machinery, tables and refrigerators, which are bolted to the floor and must be detached and then reinstalled at "great expense." Steinhardt estimated that if the city offered such an option it could add to the total cost of the project by as much as 30 percent. "It is a shabby and underhanded tactic and they know it," Steinhardt said. "They are changing the rules in a game that has operated with a consistent set of rules for years. This law is not on the books (in Michigan), but it's used by everyone across the country" (*The Detroit Free Press*, November 9, 1980:15A).

Some residents in Poletown had problems with their utility meters. According to the Detroit city attorney, the city will stop the wholesale removal of water meters from homes in the area designated for a GM plant, after the residents complaints that the meters' removal amounted to 'psychological warfare' to get the residents out of their homes (*The Detroit Free Press*, November 21, 1980). A resident in Poletown, Richard Hodas said that the water meter is normally one of the last things to go before a neighborhood is condemned, and this action psychologically denotes a moment of finality — that the house has been doomed (*The Detroit Free Press*, November 21, 1980). The next were electrical meters and garbage collections.

According to *The Detroit News* (February 21, 1981:10A):

... one resident complained yesterday that her electrical meter was removed by a Detroit Edison Co. worker and other residents charged that the city cut back on garbage collections. The actions, residents charged, are examples of continuing pressure on homeowners to sell their property to the city. Both charges were denied by Detroit Edison and a Detroit city maintenance department spokesman.
A resident in the area, Mrs. Kaczynski said, as long as they are intact, she does not think any meters should be taken out, and it is pure harassment which is very upsetting to the older persons who do not need to be constantly scared that the neighborhood is lost (The Detroit News, February 21, 1981). A city spokesman insisted that rubbish pickups are continuing normally in the neighborhood (The Detroit News, February 21, 1981). When house-strippers descended on Poletown and Detroit city officials announced they would bring in private guards in three or four weeks, Poletown residents laughed in their faces, and said everything would be gone by then. Arthur Parker, a Poletown businessman, said the neighborhood was like a mouth with one tooth (The Detroit News, March 15, 1981).

Regarding the PNC, Ralph Nader thought that Mayor Young planned to buy as much of Poletown as the city could, as quickly as possible. Nader said that instead of obeying the law the city and GM were out to achieve a fact accompli by doing the reverse. They're trying to bulldoze everything first, then say look what they had done — now you have to approve this (The Detroit News, March 15, 1981). Responding to him, Mayor Young said that Nader is under the misguided notion that preservation of a neighborhood where half the people had moved out is more important than jobs (The Detroit News, March 12, 1981). However, Young's property-buyers pressed ahead, and the great majority of Poletown's landowners sold, either because they wanted to or because they saw their neighbors selling and did not want to be left behind (The Detroit News, March 15, 1981). A veteran city hall reporter for The Detroit Free Press Ken Fireman noted at the outset that:

GM and the city had designed their project with the intent of moving it along as quickly as possible in order to prevent strong opposition from developing. The
formality of the documents presented and the speed with which things seemed to be being accomplished did serve to knock residents off balance (Wylie, 1989: 61).

The Rev. Victor W. Nelson, pastor of the church at 2386 E. Grand Boulevard, told about 150 residents that the jobs created by a new plant are more important than fighting to stay in a neighborhood that is no longer viable (The Detroit News, March 23, 1981). Tom Olechowski, president of the PNC said, “What’s happened is people have been tricked, forced and manipulated out of the community” (The Detroit News, March 15, 1981:12A).

In summary, the power elite in the Poletown used manipulation. There were numbers of manipulations in the case. GM manipulated the city of Detroit while acting as a “good citizen.” The city manipulated public information and the residents of Poletown felt psychologically manipulated by the city.

Mills believed manipulation is the power which secretly exercised, and emphasized the secrecy behind which important determination occurs, saying:

Many higher events that would reveal the working of the power elite can be withheld from public knowledge under the guise of secrecy. With the wide secrecy covering their operations and decisions, the power elite can mask their intentions, operations, and further consolidation. Any secrecy that is imposed upon those in positions to observe high decision-makers clearly works for and not against the operations of the power elite (Mill, 1956:294).

According to Mills, professional celebrities and middle-level politicians are the most visible figures of the system. In contrast to them, the power elite are opposite; not so noticeable and often does not want to be. Therefore, the power of the professional celebrity is the power of distraction for the power elite. This leads us to ask:
Research question 16: Did the power elite in Poletown engage in secrecy?

In the Poletown case, regarding the GM’s new plant, GM chairman Thomas A. Murphy and Young met to discuss the move — the third such action by GM this year and the second one in Michigan — Detroit and GM official said, although they disclosed no details of the meeting (The Detroit News, June 24, 1980), and no dollar amount had been announced by GM officials, but Moten estimated the total investment in property by GM and various governmental agencies at $750 million (The Detroit News, July 7, 1980).

Site visits of the project area and estimation of acquisition costs began in May 1980 by the CEDD’s acquisition staff and this was sealed from the public (Jones and Bachelor, 1993). When GM’s new plant project was announced, the city of Detroit already had several site locations, however, Mayor Young was in Washington and was not available for a comment. According to Deputy Mayor Richard Simmons, he had no knowledge of talks between the city and GM (The Detroit Free Press, June 24, 1980). Regarding the plant site, Moten said between eight and 10 sites were under considerations (The Detroit News, June 24, 1980), but he refused to discuss possible sites. Moten said the city would make a firm offer to GM on a site within two or three weeks and would prepare a financial package soon after (The Detroit Free Press, June 25, 1980). However, negotiations and arrangements, even those in writing between city hall and GM, were concealed (Bukowczyk, 1984; Wylie, 1989). Mayor Young’s style of implementing plans for the city was criticized as follows:

One member of the City Planning Department, who requested anonymity, complained that the department learned of Detroit’s major development projects only by reading the newspaper. “It’s not clear who runs the city,” the employee said. “It might be Detroit Renaissance. It might be Max Fisher. I don’t know, but
it sure isn't us." A Chamber of Commerce official referred to the planning department as the "eunuch of city hall." Many small business organizations and community groups in Detroit were infuriated by the mayor's closed-door decision making with his well-financed colleagues (emphasis added) (Wylie, 1989: 45-46).

At a city council meeting in August 1980, Councilman Cockrel said GM president Elliott M. Estes should have come before the Council in person since he did not want to hear Moten's filtered interpretations of the deals Moten cut with GM (The Detroit News, August 5, 1980). The city council was excluded from the process of closure of two operational GM plants and replaces them with new plant (Fasenfest, 1989). On October 11, 1980, GM signed an offer to buy the Poletown site for its new plant and agreed to pay $6.8 million for the site. GM also made a deal of a $120-million tax break over 12 years. Mayor Young was inspired with the agreement, however, city council members groused publicly about their role in the proceedings and charged that they have served as little more than a rubber stamp (The Detroit News, October 11, 1980). In the process of discussing the tax break for GM plant, council members said that they wanted to see information in the city’s development agreement with GM, a revenue sharing agreement with Hamtramck, and more detailed tax revenue projections before they vote on the matter (The Detroit Free Press, April 2, 1981). In the same month, Councilman Cockrel charged that Moten's failure to provide requested data does not allow the council to know what it was voting on (The Detroit News, April 16, 1981), and in April 29, 1981, the information that Detroit taxpayers will not benefit from the GM's new plant for 15 to 20 years surprised the city council members (The Detroit News, April 30, 1981).
Regarding the residents in Poletown, GM’s plant project was a bolt from the blue for them. Although some people were working with Community and Economic Development Department closely for a couple of years prior to the plant announcement, they did not know anything about the project. In fact when one of them, Tom Olechowski, went to meet Moten on June 24, 1980, Moten said that “Tom, I’m about to go into secret session to advise the council we’re building a General Motors plant in Poletown” (Wylie, 1989: 60). This was before the public announcement of the project. It is clear that before the announcement, the project proceeded secretly. Concerning Poletown residents, “No one was around to warn them — because no one else knew either — when this all began to happen, years before” (The Detroit Free Press, November 22, 1981: 13).

Some of them, especially the members of PNC, were fighting to save their neighborhood. They asked the court to halt land condemnation. At the court, Poletown lawyer Ronald J. Reosti warned that he would challenge the proposed financing for the city’s $200-million costs, including a gap of at least $60 million to be obtained from unidentified other grants (The Detroit News, November 18, 1980). Ralph Nader wrote a four-page letter to Roger Smith asking Smith to attend the Poletown Neighborhood Council meeting because a personal appearance by the GM chairman would help to humanize General Motors (The Detroit News, February 1, 1981), although GM spokesman could not say if Smith would ever appear at a public meeting on the plant. In his letter, Nader also claimed that GM officials assembled the project during a series of private meetings with city, state and federal officials (The Detroit News, February 1, 1981).
In summary, the power elite in the Poletown engaged in secrecy. The deals of the plant project were mainly discussed among people in charge, and other people were kept completely uninformed.

10. Consequences of the power structure

There are four consequences of the power structure for American society according to Mills. They are (1) the concerns about the impact of the power structure on the interests of certain groups or classes in America, (2) the concerns about the impact of the structure of power on the quality of politics in America, (3) the concerns about its impact on the quality of power relations themselves, and (4) the concerns about the impact of the power structure on democratic leadership (Kornhauser, 1968).

Regarding the first consequence of the power structure — the concerns about the impact of the power structure on the interests of certain groups or classes in America — Mills asserted that “the existing power arrangements enhance the interests of the major institutions whose directors constitute the power elite” (Kornhauser, 1968:47). For Mills, the shape and meaning of the power elite can be understood only when these three sets of structural trends are seen at their point of coincidence. From historical point of view, while the political power elite were ascendant during the 1930s, the military and the corporate power elite are in top positions now (1950s), according to Mills. Mills made several points concerning today’s power elite:

Today all three are involved in virtually all widely ramifying decisions. Which of the three types seems to lead depends upon ‘the tasks of the period’ as they, the elite, define them. Just now, these tasks center upon ‘defense’ and international
affairs. Accordingly, as we have seen, the military are ascendant in two senses: as personnel and as justifying ideology (Mills, 1956:277).

Mills described the ascendancy of the military in the passage below:

In so far as the structural clue to the power elite today lies in the economic order, that clue is the fact that the economy is at once a permanent-war economy and a private-corporation economy. American capitalism is now in considerable part a military capitalism, and the most important relation of the big corporation to the state rests on the coincidence of interests between military and corporate needs, as defined by warlords and corporate rich. Within the elite as a whole, this coincidence of interest between the high military and the corporate chieftains strengthens both of them and further subordinates the role of the merely political men. Not politicians, but corporate executives, sit with the military and plan the organization of war effort (Mills, 1956:276).

Regarding the second consequence of the power structure — the concerns about the impact of the structure of power on the quality of politics in America — “the idea that the power system is a balancing society leads us to assume that the state is a visible mask for autonomous powers, but in fact, the powers of decision are now firmly vested within the state” (Mills, 1956:267). According to Mills, most political decisions of consequence were moved from local to state to federal establishment. Mills described this historical transition below:

The issues of local politics, to which the individual might be supposed most alert, have become in some part a matter of deals between federal powers and local authorities. ‘During the ‘twenties,’ says a liberal organization’s leader, ‘you could get together local pressures to squeeze Congress. During the ‘thirties, you didn’t need it so much. It was there at the center, and we got dependent on it. Then the war stymied political efforts... Now, just a while ago, we wanted wide support for a bill, but we couldn’t find any. There just aren’t any local organizations or local fire any more. They’ve withered away.’
The distance between the individual and centers of power has become greater, and the individual has come to feel powerless... The issues of politics, it is often said, are now so technical and intricate that the individual cannot be expected to understand them or be alert to their consequences (Mills, 1951:347-348).

Mills asserted that when political power is centralized, impersonal manipulation replaces authority. As a result, "manipulation feeds upon and is fed by mass indifference" (Mills, 1951:349). Mills described the quality of politics in America in the following manner:

By virtue of their increased and centralized power, political institutions become more objectively important to the course of American history, but because of mass alienation, less and less of subjective interest to the population at large. On the one hand, politics is bureaucratized, and on the other, there is mass indifference. These are the decisive aspects of U.S. politics today (Mills, 1951:350).

Thus, Mills pointed out that there is a gap between the power elite and the masses, leading us to ask:

Research question 17: Were the power elite in the Poletown reachable for the Poletown residents?

In the Poletown case, although the residents of Poletown could legally appeal, it appeared as if no one heard them. This explanation will look at the Poletown case chronologically. Preparation of the project plant such as the site review was practiced with little public involvement by citizens (Bachelor, Jones and Wang, 1981). Two months after the GM plant's announcement, residents in Poletown anxiously awaited bulldozers, and their feelings were as follows:

Not everyone agrees the 200 acres can be painlessly erased. Many people are already suffering from what sociologists call the "anticipatory impacts" of redevelopment.
projects. "The anticipatory impacts are frequently the worst," one sociologist involved in the project said. "There is so much uncertainty and powerlessness among people who are used to looking out for themselves. Decisions are being made by outsiders who the locals feel aren't considering the locals" (The Detroit Free Press, October 6, 1980:21A).

Decisions were made by outsiders who did not hear residents' voices. There was no dialogue between the residents and GM or the city of Detroit. Consumer activist Ralph Nader urged GM to meet with the citizens of Detroit to discuss industrial design alternatives to the automaker's proposed new Cadillac assembly plant (The Detroit Free Press, February 1, 1981). According to the president of the PNC, Thomas Olechowski:

> We have assured them (GM) that such a meeting would be an amicable meeting of the minds. We've assured them we're not baiting them, that we want a genuine dialogue, that we think we can prove that the people can have their neighborhood and GM can have their plant within the same general site— if they would just use the site more efficiently (The Detroit Free Press, February 1, 1981:3A).

Poletown residents thought that it was too late to save their neighborhood because most residents had resigned themselves to the feeling that they can't fight city hall (The Detroit News, February 17, 1981). Concerning the alternative parking design for the new GM plant, letters to the editor in The Detroit News (March 5, 1981:18A) printed one reader's point of view:

> Building multi-deck parking garages rather than parking lots is one of several alternatives that would resolve the issue. We could save jobs and the neighborhood. But GM and the city of Detroit refuse to negotiate over this crucial point. And by failing to talk it over, the residents are forced to fight for their rights in court.

---

10 Information was obtained from the telephone interview and a questionnaire with people who involved the Poletown events.
The Gray Panthers' leader Maggie Kuhn, who came to help Poletown, also agreed with this point and said that to ignore these options would be a serious mistake (*The Detroit News*, March 9, 1981). She urged GM official to consider the options by saying "Nothing is ever lost by talking. A great deal could be lost by not talking" (*The Detroit News*, March 9, 1981:2B). However, Young officials ruled out any meeting with opponents to discuss alternative designs for the plant, saying all such options were considered long ago (*The Detroit Free Press*, March 12, 1981). Regarding the communication, Mayor Young admitted later that there was no communication between the city officials and the residents (Young and Wheeler, 1994). According to *The Detroit Free Press* (March 12, 1981:3A):

Later in the day, the city's director of community and economic development, Emmett Moten, said city officials will not meet with the Poletown council or Nader to discuss design changes for the plant because the alternatives already have been considered and rejected. "I don't think it's appropriate, I don't think it's necessary," Moten said in an interview with the Free Press. "It's unnecessary for us to sit down with any outside group that wants to make a name for itself. I don't see why we should give him (Nader) that glory."

Richard Hodas, a vice president of the PNC, stated that the city wasn't looking into the point that if GM would simply modify its plant, the plant could be built and jobs could be saved (*The Detroit Free Press*, March 15, 1981:6A).

Since there were no connections, the Poletown residents felt the distance between themselves and GM executives or city officials. There was a great distance between them and the power elites in Detroit — the distance between the power elite and the Poletown residents
was as far as that of heaven from hell — and even they could contact them, it was ignored.

No one showed the residents any type of concern and it became very disheartening for them.

People felt they were fighting a modern-day tank with a pitch fork.\footnote{Information was obtained from the telephone interview and a questionnaire with people who involved the Poletown events.}

In summary, the power elites in the Poletown were not reachable for the Poletown residents. There was a distance between the residents of Poletown, and top GM executives and the top city officials in Detroit. The concerns of the residents were not heard, and they felt hopeless.

Regarding the third consequence of the power structure — the concern about its impact on the quality of power relations themselves — Mills contended that the concentration of power took place without a corresponding shift in the bases of legitimacy of power (Kornhauser, 1968). Mills stated that:

Authority formally resides ‘in the people,’ but the power of initiation is in fact held by small circles of men. That is why the standard strategy of manipulation is to make it appear that the people, or at least a large group of them, ‘really made the decision.’ That is why even when the authority is available, men with access to it may still prefer the secret, quieter ways of manipulation (Mills, 1956:317).

As a consequence of the power concentration without its legitimacy of power, “men of power are neither responsible nor accountable for their power” (Kornhauser, 1968:48). The power concentrated among the power elite might benefit the power elite but not necessarily the rest of the nation. In Mills’ view:
Would it not be ridiculous, for example, to believe seriously that, in psychological fact, Charles Erwin Wilson represented anyone or any interest other than those of the corporate world? This is not because he is dishonest; on the contrary, it is because he is probably a man of solid integrity — as sound as a dollar. He is what he is and he cannot very well be anything else. He is a member of the professional corporation elite, just as are his colleagues, in the government and out of it; he represents the wealth of the higher corporate world; he represents its power; and he believes sincerely in his oft-quoted remark that "what is good for the United States is good for the General Motors Corporation and vice versa" (Mills, 1956:285).

Regarding the fourth consequence of the power structure — the concerns about the impact of the power structure on democratic leadership — Mills stated concentrated power in America is increasingly resembling that of the Soviet system, adding that:

Official commentators like to contrast the ascendency in totalitarian countries of a tightly organized clique with the American system of power. Such comments, however, are easier to sustain if one compares mid-twentieth-century Russia with mid-nineteenth-century America, which is what is often done by Tocqueville-quoting Americans making the contrast. But that was an America of a century ago, and in the century that has passed, the American elite have not remained as patrioteer essayists, have described them to us. The ‘loose cliques’ now head institutions of a scale and power not then existing and, especially since World War I, the loose cliques have tightened up (Mills, 1956:271).

Mills believed American society is dominated by the power elite and its concentration of power is similar to that of the Soviet Union. We are lead to ask:

Research question 18: Did the Poletown residents see democracy through the case?

In the Poletown case, the case was not handled democratically (Bukowczyk, 1986). The president of the PNC stated that they were talking about a working-class neighborhood that was about to be obliterated by a factory that would not employ any of the residents in the
community, and they cannot be anything but serious about the case (*The Detroit News*, July 22, 1980). In letters to the editor, a reader expressed himself in the words:

> Since The Detroit News favors this project so heavily, yet still believes in the democratic process, why don't they suggest that GM or the city of Detroit send each of the 800 homeowners in this area a questionnaire to get an honest vote? This area in Detroit is vastly different than the GM-Orion Township project area, but at least they had a vote. Are the Detroit and Hamtramck area people to be subjected to media bias and opinion without the benefit of a referendum? (*The Detroit News*, August 21, 1980:18A).

This letter showed that the residents in Poletown did not have a vote about the future of their neighborhood. At the second hearing, one of the attendants called upon the city officials to hold a referendum on the question saying “Give the people a chance to vote no and let the democratic process work” (*The Detroit News*, August 6, 1980). The GM plant project raised many questions. For instance, the financing methods and size of the plant alone were causing many to take a close look at Detroit’s role in a project that would uproot hundreds of poor, aging and working class residents of a 70-block site on the Detroit-Hamtramck border (*The Detroit News*, September 2, 1980).

Edward Nedbala owned a small market in Poletown and his market was the state’s biggest seller of lottery tickets. Nedbala thought the $34,000 offer from the city was a joke. According to him:

> “They can drop dead, too,” said Nedbala, whose friends are worried he might have a heart attack because he is so upset. “It’s just as bad as Russia. It’s confiscation. I’m going to move to Canada. I’m not being funny. They gave me half of what I paid for this place in 1947” (*The Detroit Free Press*, November 9, 1980:3A).
The only explanation why the project advanced as it was because GM had given it orders, and the devastation of democracy by GM was as blatant as the leveling of Poletown and Nedbala’s market (Moberg, 1981). Chuck Mistele owned a fuel and industrial cleaning firm which was founded in Poletown by his great-grandfather in 1895. He said that he felt duped after all the time he spent working for the Central Industrial Park Citizens District Council, a group of 22 area residents and businessmen selected by the city to help disseminate information about the project (The Detroit Free Press, November 9, 1980). A 64-year-old Elizabeth Marshall, lived on Trombly Street for 24 years, was frightened and said:

“They (the city) call your house a slum and shack, and they tell you that you have to take what they offer,” she said in a rush as her eyes filled with tears. “I don’t know the law. I don’t know what they are giving me. They tell you to sign; I don’t know what I am signing. I don’t know where I’m going to move” (The Detroit Free Press, December 8, 1980:11A).

Another resident said that “It’s like we’re living in a communist country, we’re told we can’t live where we want to, that’s impossible. That’s why I have the feeling that we’re not going to move, this is a free country” (Ewald, 1980: 7).

In December 8, 1980, Judge Martin rejected a bid to block GM plant. Poletown’ Attorney Ronald Reosti said, “Martin’s decision created a scary precedent for taking the homes of little people and giving them to a big corporation on grounds that it can do more for the community” (The Detroit News, December 9, 1980). When the residents of Poletown rallied in December 20, 1980, one marcher expressed passionate feelings saying, “The Soviet Union is ready to invade Poland, and GM is ready to invade us” (The Detroit Free Press,
December 21, 1980:3A). Gray Panthers' leader Maggie Kuhn said the Poletown residents were not receiving the kind of consideration from GM and government officials that civic responsibility in a democracy requires (The Detroit News, March 9, 1981). Father Joseph Karasiewicz in Immaculate Conception Roman Catholic Church viewed the Michigan's Supreme court rule in favor of GM's new plant in Poletown in the following way:

"We're fighting for a principle — the principle that 'eminent domain' does not apply for private business. This (the taking of privately held land for the GM plant) is not a public necessity. This is a diabolic precedent that makes no one safe." Father Karasiewicz said that if the project goes through, "any mayor, any corporation will be able to destroy anything they please. "When you are fighting for a principle, numbers don't count" (The Detroit Free Press, March 14, 1981:11A).

In April 22, 1981, U.S. District Judge John Feikens ruled that the city of Detroit adequately considered smaller site plans for the proposed GM plant. When Poletown residents lost their battle, one of the residents said, "'I want to know where justice is,' . . . 'I want to know how much (Feikens) got paid. The only time you get any justice in this place is if you have money like GM'" (The Detroit Free Press, April 23, 1981:3A).

In summary, the Poletown residents did not see democracy through the case. The residents of Poletown were excluded from the decision making process in the project plan, and they felt alienated from the holders of power. A few likened the means through which their neighborhood was forcefully acquired to methods used in totalitarian society where the public has limited access to power. These facts are consistent with Mills’ view that power in

---

12 Telephone interview with an informant.
America was increasingly finding its way into the hands of an elite group that were not elected or accountable to the public, as found in the old Soviet Union.

**B. Community power**

The major idea of theories of community power is that power reflects the dominant interests of all affected, or that power is applied in favor of one set of people (Fasenfest, 1986). According to Dye (1986), communities are governed by tiny groups like that of nations. Communities have limited resources and politics (Peterson 1981). Within their limited resources, land is controlled by local elite in communities. Community power structures are based on landed interest such as how land values increase. Elites share the same value toward its growth — they believe community economic growth by capital investment. Therefore, the community elite is actually a "growth machine" (Molotch, 1976).

In general, community residents also share a common interest with elites regarding the economic well-being of the city (Peterson, 1981). As an economic function of community elites, they prepare land for capital investment in the community. These investments "raise land values, expand the labor force, generate demand for housing as well as commercial services, and enhance the local tax base" (Dye, 1986: 32). To achieve its elites’ goals, community elites typically promise jobs as a result of new investment. The community power literature confirms that many communities are consensual, especially regarding to policies which affect the local economy (Dye, 1986).

Concerning community conflict and counterelites, the following people may combine to form counterelites:
People who already own their houses and do not intend to sell them, people whose jobs are secure in government bureaucracies or tenured professorships, people who may be displaced from their homes and neighborhoods by new facilities, people who see no direct benefit to themselves from growth, and business or industries who hear the new competition which growth may bring to the community (emphasis added) (Dye, 1986: 35).

Although not all of the opposition to growth is upper-middle-class in character, "growth machine" elite are more concerned about opposition from "educated, affluent, upper-middle-class, 'growth management' homeowners than they are about opposition from minority, low-income neighborhood groups" (Dye, 1986: 36-37). Interests of community elites are developmental policies which are mainly determined by private market forces because of their dominant position in areas (Dye, 1986). Sometimes, there are conflicts between the community elites and specific neighborhoods because of their different values toward the land. Domhoff argues:

Neighborhoods are something to be used and enjoyed in the eyes of those who live in them. However, they are possible sites of further development for the 'highest and best use' in the eyes of those who run the growth machine. This conflict between 'use value' and 'exchange value' is a basic one in most successful cities as the downtown interests try to expand (emphasis added) (Domhoff, 1986: 63). Therefore, interests and values of community sometimes differ between community elites and neighborhoods. In general, neighborhoods are stable and apolitical. Neighborhoods are likely to lose when they try to fight with community elites (Domhoff, 1986). According to Logan and Molotch:

Ordinarily there is relative peace. Community groups usually mobilize only when their own particular turf is threatened. Lacking overall interest in the use of the
metropolis as a whole, they are not a source of ongoing resistance. And because of relative weakness, urban community organizations are always vulnerable to cooptation by those with larger and more stable resources (Domhoff, 1986:64).

Weak citizens do not have extra resources to invest in politics when there is a conflict with community elites (Thomas, 1985; Domhoff, 1986). Other factors such as the openness or elitism of the local decision-making structure make neighborhood organizations fail (Thomas, 1985).

According to community power literature, communities have limited resources and politics. For instance, in the Poletown case, the city of Detroit could not have the GM plant without financial support from state and federal governments. Within their limited resources, land is controlled by local elites for capital investment and they usually promise jobs as a result of new investment. This is exactly what GM and the city emphasized for the new plant.

Concerning the community conflict and counterelites, people who already own their homes and do not have intention to sell them, and people who see no direct benefit to themselves from growth, are likely to be counterelites. The Poletown residents who did not want to move out might fit into this category. They were happy about their homes and neighborhood, and did not see any direct benefit from the GM plant. Regarding the community elites, they were more afraid of an opposition group from educated, affluent upper middle-class homeowners than an opposition group from a minority, low-income neighborhood group. In the Poletown case, the opposition group was not highly educated nor were its members part of affluent upper middle-class homeowners. In a conflict between community elites and a specific neighborhood, it is likely that the values of residents and that of community elites are
different. In the Poletown events, the opposition residents’ ‘use value’ of Poletown and that of the city’s ‘exchange value’ were different. Therefore, ideas of community power literature helped to interpret the case.

C. Power structure in Detroit

In 1978, The Detroit News with a consultation from a sociologist Charles Kadushin studied influential people, who use power in social, political and economic arenas, in Detroit. The paper defined power as the ability to make things happen or not happen, and some of the findings reflected the ideas of Mills very closely. For instance, they found two existing power circles in Detroit. One consisted of traditional leaders made up mostly of people with private wealth, education and position, consisting of people one would expect to run things: auto magnates, former board chairmen, bank presidents, top retail merchants, and heads of local utilities. The other was a newer group which included many blacks who derived power mainly from access to public funds and management of people. This group was composed of people from working-class backgrounds and they held resources of people — not things, and were politicians, labor leaders, lawyers, ministers and other professionals (Kadushin, 1978). While individual power was increasingly derived from organizational positions, power was also becoming rooted in organizations — corporate, government and community service. The second group was well and thoroughly connected to the first group. Detroit power was vested less in individuals and more in the positions they had, with many key decisions with broad impact decided by a handful of people in government and business. The traditional leaders who still held great power, were wealthy, usually Eastern-educated whites with clout.
seen as their birthright. The study identified the top 47 power holders and users in Detroit, among them were; Roger B. Smith, executive vice president of General Motors; Elliott M. Estes, president of General Motors (McGill and Young, 1978a) — who later played significant roles in Poletown case; and Coleman A. Young, mayor of Detroit (listed among the top seven men of the key power positions in 1978 Detroit). These seven men were powerful in their own right, however, when they united, they controlled the lion’s share of Detroit power. They knew “formal corporations and free-wheeling union halls, job-safe bureaucrats and pressured executives, black and whites, city and suburbs, the gilt-edged and the rough-trimmed, those who drive luxury cars and those who build them” (McGill and Young, 1978b). Naturally, these seven men had the strongest links between power circles in Detroit. They dealt regularly with people in the both circles and also they were respected in both circles (McGill and Young, 1978b). In Kadushin’s view:

Basically, almost all 47 persons who hold Detroit power have at least one-third of their partners in common, and the proportion of overlap for many at the very top of the power list is even greater. The Detroit power world is very small. When the pattern of partners in common in extended to include friends of friends, it is clearly evident that Detroit leadership regularly interacts with one another at an astounding rate (Kadushin, 1978).

These powerful people in Detroit shared similar backgrounds with the American national elite with one exception, race. They shared similar values — they saw economic issues, education and housing as major local problems — and had a consensus about Detroit’s problems (Kadushin, 1978).
The coalition building in Detroit began after the 1967 riots with the formation by the city's business leaders into New Detroit Inc. These leaders were from General Motors, Ford, Burroughs, Chrysler and Fisher (Stuart, 1979). Regarding Coleman Young, mayor of Detroit, *The New York Times Sunday Magazine* reported about him as the new black power in 1979. He believed that it was necessary to have political coalitions to improve blacks in particular and society as a whole. In the article Young stated that "What is good for the rich people of this city is good for the poor people of this city" (Stuart, 1979: 110). The article stated that the most repeated criticism of Young was that "he is too cozy with business, giving too much incentive to stay in the city through lucrative tax-abatement and joint-venture programs, and that he is not sensitive enough to neighborhood problems" (Stuart, 1979: 112). Young was able to win the trust and support of the city's business elite besides his supporters from blacks and liberal labor unions (Anton, 1981). Since Young had a close association with Carter Administration, federal money was pouring into Detroit for use in joint ventures with the private sector (Stuart, 1979). Regarding federal money, in 1970's mayors had authority to decide how federal money will be spent. Although many people sought federal aid, only the mayor could build and coordinate the coalitions which required to be successful in the search. This authority to the mayors took power from the hands of the staff of city department, private community groups, and federal officials (Anton, 1981).

According to Anton's study (1981), Detroit's institutional structure was concentrated and highly organized which produced a small number of elites who easily exchanged information and opinions among themselves. An informal structure of influence was apparent
in the city. Because the city’s economy was concentrated, it was rather easy for small numbers of economic elite to consult on matters of major public concern among themselves (Anton, 1981). Interlocking ownership structures and political leadership was presented in Detroit (Fasenfest, 1989). Mayor Young had not only strong alliance with the city’s economic elite but also had network of ties to city neighborhood groups and a bureaucracy which could pull together when necessary (Anton, 1981).

This study of power structure in Detroit found a power elite which is similar to Mills’ ideas of power elite — individual power is derived from organizational positions; power is rooted in organizations such as corporate and government; a handful of people in government and business make many key decisions with broad impact; the group has strong links with power circles in Detroit; the group members share backgrounds similar to the American national power elite. The study identified top executives of GM and the mayor of Detroit (Coleman A. Young) among the power elite in the city.
CHAPTER 6. SUMMARY AND CONCLUSIONS

This study presented an application of sociological theory to the events that occurred in an ethnically diverse community of Detroit known as Poletown, and focused on examining the nature of the exchange carried out among the three parties of the Poletown case from the viewpoints of both exchange and power elite theories. Significant results not previously explored in the literature were obtained by analyzing and interpreting the case in terms of Georg Simmel’s elements and principles of exchange, and C. Wright Mills’ characteristics of power elites. This dissertation presented a comprehensive application of Simmel’s exchange theory to organizations at the community level, and included a detailed study of community power structures from the standpoint of Mills’ power elite theory.

Throughout the Poletown events, Simmel’s elements and principles of exchange as well as Mills’ characteristics of the power elite were easy to recognize. In the Poletown case, GM’s desire to build a new plant was the first step for the exchange with the city of Detroit. GM wanted to replace its two existing plants in Detroit with a new plant. Easy access from the old plants and acquiring experienced workers were GM’s major desires. GM was attracted by the city’s authority to use the power of “eminent domain” and the “quick take” law to make room for GM’s plant site. GM was also attracted by the city’s financial package for the new plant. The city of Detroit was facing economic hardship at the time, and had a high unemployment rate. Therefore, when GM approached the city with the new plant project, the city jumped at GM’s offer because it could see the potential economic gain through GM’s new plant. The residents of Poletown were living peacefully until they heard of
GM's project announcement. Prior to the announcement, some of the residents were working
to revitalize the area with the cooperation of the city, and some residents desired to move to
better areas and the generous relocation benefits from the city were attractive for them.

GM identified the city of Detroit as a potential possessor of the site while the city
identified GM as a possessor of potential jobs. Therefore, GM offered a new plant to Detroit
and the city offered the plant site to GM although it did not own the area at the time. The city
offered the relocation benefits to the residents and in return the residents offered their homes.

Mills' analysis would point out that there were two power elites in the Poletown case: one
was GM (a corporation); and another was the city of Detroit (a government), and these
institutions held great amounts of resources. On the one hand GM had economic resources
— capital mobility — and on the other hand the city had political resources — legal
authorities. The power elite was to be found in the top positions of authority in large
institutions: within GM in the top tier of executives, and within the city in its mayor and his
executive staff. The idea of the project was formed by GM chairman Thomas A. Murphy, and
the mayor of Detroit, Coleman A. Young, and his right-hand man Emmett S. Moten, Jr., the
director of Detroit's Community and Economic Development Department, carried the GM
plant project through. GM and the city shared the same interests: GM to increase its profit
through the construction of a new plant in the city, and Detroit to reinvigorate its economy.

The power elite in both GM and Detroit were well connected with other power elites.
GM's executives were connected with the mayor through other organizations, and the mayor
had networks with other business leaders in Detroit. Mayor Young had a close association
with the federal government — Carter Administration and HUD executives, and close ties with the state government. On the other hand, Moten had a cozy association with the Secretary of HUD since Moten worked for him previously. The Poletowners had no such connections.

GM sacrificed the Poletown site in lieu of the incentives offered by Detroit. Though the Poletown site was not as large as other GM plant sites, the city's offers were very attractive. The city of Detroit compared the values of keeping GM's plant inside the city as opposed to letting GM go elsewhere. The city compared the value of using Poletown as a GM plant site to the value of keeping Poletown as a residential area, and decided that promoting the urban economy through GM plant construction was more valuable. The city encountered many obstacles in the process of preparing the site for GM, for example having to meet GM's tight timetable, seeking grants, and also facing legal challenges from the PNC and residents in Poletown. The Poletown residents compared the benefits of moving out from the area as opposed to staying, and while some residents valued the relocation benefits, others did not.

GM accepted the Poletown site, and the city of Detroit accepted GM's conditions such as the strict timetable and the tax abatement while some Poletown residents accepted the city's offer because it enabled them to move out to a nicer area. Other residents refused to sell as they valued their homes and neighborhood more than anything. After the exchange was established, GM was seen to value the Poletown site more than other options, while the city
valued keeping the GM plant in the city more than letting it go elsewhere. The residents who accepted the city's incentives to move valued their new neighborhood higher than Poletown.

The deals in the exchange were quantified by the money value in every aspect. GM had more money than the city, and as Simmel stated, money was the cause and the effect of exchange in the Poletown case. Also the negotiation process displayed clear power differentiations among the actors. For example, in the exchange between GM and the city, the company used the city's desperate economic situation as leverage to force its demands. On the other hand, in the exchange between the city and the residents, Detroit used its legal authority to demolish the Poletown area while the residents did not have any such power.

The power elite saw fit to exercise their power through secrecy and manipulation. For instance, GM was able to manipulate the city because it had other potential sites available. On the other hand, with its power the city controlled information to the public. The two power elites controlled the exchange process between themselves.

Throughout the Poletown events, the residents felt their voices were not heard and experienced distance since they had no dialogue with the power elite. Poletown residents were excluded from the decision making process and felt powerless, and — consistent with Mills' theory — many residents thought that the principles of democratic government were ignored.

Simmel's and Mills' theories approach the Poletown case from different perspectives and offer contrasting and complementary interpretations. The processes between the city and GM were an exchange, in Simmel's view, and follow specific rules. Alternatively, from Mills'
point of view, the Poletown case can be seen in terms of the power elite making important decisions among themselves, with the residents of Poletown being left out in the cold. Between the two power elites, an exchange relationship was much more successfully formulated than between the elite (the city) and non-elite (residents). From Simmel’s point of view, it can be explained that the exchange between two elite groups followed precisely his ideas of exchange. On the other hand, Mills would point out the similar characteristics of the power elite which helped to control the events of the case. The exchange between Detroit and the Poletown residents can be better explained by Mills’ power elite theory, for Detroit offered the Poletown site to GM when it did not own the land, while by Simmel’s logic one can offer only what one possesses. Mills covered this point by saying the elites in the city had power through legal authority of condemnation. According to both Simmel and Mills, the defeat of the PNC can be explained by its lack of resources. Therefore, Simmel’s exchange theory and Mills’ power elite theory complement each other in the analysis and interpretation of the Poletown case.

A. Recommendations for further study

In the Poletown events, there was contextual change that affected residents during the exchange process in ways which none of the exchange theorists pointed out. As Simmel stated, an exchange occurs when individuals compare the value of an offer and find it higher than what they have. In the Poletown events, the comparison factor changed over the time. The relocation benefits proposed by the city were the first offer the value of which the residents could compare with the value of their property. During the period for which certain
residents were rejecting the city’s offer, several physical contextual changes occurred. One big factor which made residents change their minds was the physical situation of the area. After the plant announcement, the area experienced arson and vandalism. It was physically hard for residents to stay in the area. Their neighborhood environment changed during this time. Psychologically, some residents changed their minds after realizing their neighbors had moved out already. This contextual change needs more study, since the comparison of value is made between what the other party offers and what one is going to give up, depending upon the context where the exchange takes place.

Throughout the events in and surrounding Poletown, power differentiation between GM and the city of Detroit was the central element of contention. GM and the city had huge resources: GM’s being economic, and the city’s being political. GM could not have built the Poletown plant without the city’s authority and there was even some power differentiation among the power elite. Mills’ theory and other elite theories deal with the different levels of power but the theory does not deal deeply with the power differentiation among the power elite. The power differentiation among the power elite is a subject that is open for further investigations.

Concerning the methodology used in this study, the major facts were collected from two newspapers, however, the study found that information obtained through the newspapers present an incomplete picture of the Poletown events. For instance, the information that the residents had no access to the power elites was obtained through other publications and a telephone/questionnaire inquiry. The depiction of the Poletown neighborhood by the
newspapers was one-sided, while the study from the city reported both positive and negative sides objectively. Also, although the editorials of both newspapers supported the GM project, the stories about Poletown were sympathetically reported by the reporters. The general stories were biased more in favor of victimized residents' stories, and therefore the information regarding the residents who accepted the city's offer without struggle was obtained through other sources. Newspaper content analysis might be applicable if the analysis is quantitative searching, for example, frequency of words. A study such as the Poletown case could not capture the whole picture through a reliance on newspapers sources. It is unreasonable to generalize, however, that case studies using newspaper content analysis method cannot yield accurate results. It can, however, be said that in order to obtain a complete picture of the case, newspapers should not be the exclusive source.
REFERENCES


Kadushin, Charles. “‘Small world’ — How many steps to the top?” *Detroit News.* September 17, 1978: 13A.


Molotch, Harvey, L.  "The city as a growth machine: Toward a political economy of place."  


Olsen, Marvin, E. and Martin N. Marger. 1993. _Power in Modern Societies_. Boulder, CO:  
Westview Press.

Persell, Caroline, Hodges. 1987. _Understanding Society: An Introduction to Sociology_. (2nd  


Poggi, Gianfranco. 1993. _Money and the Modern Mind: Georg Simmel's Philosophy of  

Prewitt, Kenneth and Alan Stone. 1973. _The Ruling Elite: Elite Theory, Power, and  


Rich, Wilbur, C. 1989. _Coleman Young and Detroit Politics: From Social Activist to Power  
Broker_. Detroit, MI: Wayne State University Press.


York, NY: Oxford University Press.

610, 304 N.W. 2d 455 (1981).


Simmel, Georg. 1950. _The Sociology of Georg Simmel_. Translated, edited, and introduction  


APPENDIX A. CHRONOLOGY OF POLETOWN PROJECT

March 18, 1980: Michigan's new condemnation law passed the legislature.
April 4, 1980: Republican Governor William Milliken signed into law the Uniform Condemnation Act.
Early part of 1980: GM approached the city of Detroit about the possibility of finding a site for a 3 million square foot plant which would be used to replace its aging Cadillac and Fisher Body Plants.
Late June, 1980: Mayor Coleman Young and GM chairman Thomas Murphy announced that a new $500 million Cadillac plant would be built in the center of Detroit — on a site including the northern third of Poletown.
June 30, 1980: The Poletown Neighborhood Council (PNC) was formed.
July 9, 1980: The first public meeting.
July, 1880: Boundaries of the project area, labeled the Central Industrial Park, were approved by the Detroit City Council.
August 4, 1980: Detroit City Council and the public hearing
October 1, 1980: GM's deadline for review of the progress.
October 7, 1980: GM was reported to want tax abatement guarantees before it was willing to undertake any project.
October 10, 1980: The long-awaited written offer was received from GM.
October 11, 1980: The city council, realizing the degree to which it was being ignored or bypassed, claimed they were being forced into a position in which they were threatened like a rubber stamp.
October 11, 1980: CEDD and GM signed an agreement calling for the terms and price under which GM would be granted the site.
October 15, 1980: The draft Environmental Impact Statement was released, indicating that the city had adequately considered other possible sites and recommending approval of the project.
October 20, 1980: The city council's planning commission approved the project, despite its concern about real risks to the city in terms of financing and human impact.
October 21, 1980: GM predicted future automation might mean the new plant's workforce would be significantly trimmed. Mayor Young conceded to the city council that (1) a new plant would not create new permanent jobs (2) claims of "thousands of jobs" were not accurate (3) an original payback estimate of 15 years presented to the city council did not take a tax abatement into consideration.
October 31, 1980: The city council approved the project. The U.S. Department of Housing and Urban Development authorized the city to draw on its $60.5 million in Section 108 loan guarantees. PNC immediately filed a suit in Wayne County Circuit Court charging that city officials had not adequately considered alternative sites or plans and that condemnation
of private property for the project violated the state constitution's definition of eminent domain because a private corporation would be the chief beneficiary of the project.

November 1, 1980: City council meeting
November 3, 1981: The mayor signed a resolution condemning Poletown and authorizing it to be turned over to GM.
November, 1980: PNC filed a suit in Wayne County Circuit Court charging that city officials had abused their authority by giving inadequate consideration to alternative sites or plans, and that their actions did not serve "public purpose" as required by state law, because a private corporation would be the primary beneficiary of the project.

November 17, 1980: Hearings began and continued for over 2 weeks.

December 8, 1980: Third Judicial Circuit Court of Michigan ruled that the use of the power of eminent domain for the Central Industrial Park Project served a public purpose. PNC immediately appealed the decision to the State Court for an appeals court bypass.

January 5, 1981: Consumer advocate Ralph Nader sent an attorney, Gene Stilp, to Detroit.

In early Feb. 1981: Residents began to receive ninety-day eviction notices.
February 20, 1981: The State supreme Court had issued an injunction preventing any demolition in Poletown prior to its ruling on the constitutionality of the GM project (the first institutional response to the neighborhood's crisis).

March 9, 1981: The Nader staff initiated a nation-wide postcard campaign asking sympathetic friends and others to send a card to GM chairman Roger Smith.

March 10, 1981: Nader announced to the press that a federal suit would be filed on behalf of Poletown resident under the National Environmental Protection Act.
March 11, 1981: PNC delegation met with William Lukens, the acting director of the Michigan Commerce Department.
March 13, 1981: The Michigan Supreme Court ruled that the city acted legally when it employed the power of eminent domain to take land for the GM Cadillac Plant.

March 15, 1981: PNC suffered a devastating defeat when the Michigan Supreme Court ruled against the PNC on every issue that had been brought before the court.
March 16, 1981: GM agreed to accept a 50%, 12-year reduction in their taxes.
March 27, 1981: PNC's vice president, Richard Hodas, filed an objection to the city's taking his property to the Circuit Court.

April 2, 1981: The city council voted for the Tax abatement.

April 10, 1981: Residents appealed to the Governor for protection from arson and vandalism.

April 13, 1981: The city council voted to rezone Poletown for industrial use.

April 15, 1981: The city council approved the second step required in order to grant GM a tax abatement.

April 17, 1981: GM slipped from second to third on the Fortune 500 list and Poletown residents returned to Judge Feikens's Court with a suit claiming violations of the Clean Air Act, the National Historic Preservation Act, and the Environmental Protection Act during demolition.

April 23, 1981: Judge Feikens ruled that the city had acted responsibly in choosing to clear the Poletown site for GM and that the federal government did nothing wrong in releasing funds prior to completion of the EIS.

April 30, 1981: The Michigan Supreme Court agreed to hear an appeal that charges Detroit officials misinformed Poletown residents and illegally deprived them of their right to challenge the city's condemnation of their homes.

May 1, 1981: The Poletown site was sold to GM.


May 7, 1981: The Supreme Court ruled in favor of Hodas, and the case was sent back to the lower court, but Judge David Yokes of the Wayne County Circuit Court ruled in favor of the city.

May 10, 1981: Over 1,600 people came to the Immaculate Conception Church to participate in its last mass.

May 11, 1981: Wayne Circuit Court ordered Immaculate Conception Church would stay of the wrecker's ball until June 17.

May 22, 1981: GM's annual stockholder's meeting — fifty Poletown residents picketed.

June 16, 1981: At the PNC meeting, city official informed PNC members that if they remained on the church premises after 16 of June, they would be trespassing and could be arrested.


July 13, 1981: Twelve protesters in the church were arrested.

July 14, 1981: Demolition of Immaculate Conception Church started
APPENDIX B. QUESTIONNAIRE

- Who opposed the Poletown project?
- Who were the members of PNC? (e.g., elderly, Polish, long lived residents in the area, etc.)
- How many people were willing to accept moving out when they heard the announcement of the project?
- What events made residents opposing the project change their minds (e.g., learn about the eminent domain and quick take law, Council's approval of the project, arson/vandalism/looting, church sold out, relocation benefits, Court decision, etc.)?
- Why did some people fight GM/city of Detroit? (What were their reasons? Why did they oppose?)
- Did the members of PNC consider their status of multi-ethnic working class as a disadvantage in this conflict?
- Did the residents of Poletown have any impact on GM & city's decision-making?
- Who were the power elite?
- Did the residents have any connection with the power elites?
- Did the residents feel the distance between themselves and GM executives/city officials?
- Did the residents feel alienated from the holders of power?
- Do you think the minutes of the PNC meetings might shed light on the intentions of the residents?
- Are there other people I might communicate with concerning these questions?
- Are there other resources I should make use of?
- How much has it worked out as GM expected? (e.g., are people in Detroit/area better off, more jobs, etc.)?
- If we could start all over, how should things have been done?