

## BOOK REVIEWS

be (better labeling of the central diagram might have helped), and the chapter on urban structure suffers from trying to cover too much ground in so small a space. It is an understatement to say that it is difficult to do justice to the monocentric model and introduce much more complicated polycentric models (plus discuss sprawl!) in 24 pages. I also found the author's figures in the urban structure chapter less useful than simpler and more traditional graphical devices would have been. Two chapters that are based on prior published work retain the flavor of journal articles and thus do not quite fit into the flow of the book.

Such problems are relatively minor, however, in comparison to what the book achieves. *The Economics of Planning* will serve as a handy reference for professionals and a useful supplement for a wide variety of planning courses. And, of course, it will make an excellent core text for one-semester courses in economics targeted to planning students, particularly if augmented with additional issue papers and the occasional chapter from a traditional economics text. The book is a very welcome addition to both the academic and professional planning literatures.

Edward Feser

Feser is an assistant professor of city and regional planning at the University of North Carolina at Chapel Hill, where he teaches courses in urban spatial structure and economic development. His research interests include economic development policy and technology planning. He is co-author of *Understanding Local Economic Development* (1999, Center for Urban Policy Research, Rutgers University Press).

***Neighborhood Recovery: Reinvestment Policy for the New Hometown***

John Kromer. Rutgers University Press, New Brunswick, NJ, 2000. 262 pages. \$55, \$22 (paperback).

John Kromer's *Neighborhood Recovery: Reinvestment Policy for the New Hometown* is a book on urban decay and how to reverse it. Appointed by Philadelphia's Mayor Ed Rendell at the start of his 8-year term, Kromer has been Director of Housing for the city since the early 1990s. His

book is part "war story" and part a "how to" manual. Each chapter is peppered with historic and present-day public policy decisions, their physical and social impacts on neighborhoods, and an acute analysis of local community development strategies.

Unlike most of his counterparts across the country, Kromer's ability to have an impact on his city's residential landscape was unique for two reasons. First, he was bestowed early on with full political support and the freedom to develop housing policies independent of outside pressures. Second, the Rendell administration won huge amounts of state and federal government funding to improve housing and neighborhood conditions.

Kromer tells us that good policy is neither top down nor bottom up—it's a blend of strong government and community direction. Maintaining that delicate balance so that both sides can win is a constant struggle. Kromer gives a detailed account of two local post-World War II urban renewal achievements—Society Hill and Yorktown neighborhoods. He finds these to be very simplified approaches that would not work today because of steep decreases in federal funding and the local tax base, and an increase in public participation. While the public participation is mostly beneficial, it also makes the planning process more complex. Kromer's economic analysis and sense of history are themselves sometimes simplistic. He longs for more money as a solution to urban problems, but seems to have little grasp of market dynamics and the need to create improvements that can be sustained and leveraged over the long run. For example, Yorktown's success was bought at a \$5.5 million dollar price tag—worth about \$30 million dollars today—through Title I funds of the National Housing Act, a hefty figure that excludes matching state funds. Government dollars *should* be invested in urban neighborhoods, but what is missing from Kromer's book is an empirical discussion about how and why this pays off. Whether resources are found or not, redevelopment projects should be preceded by an opportunity cost analysis that demonstrates the highest economic and social return for constituents.

Kromer is not shy about tackling the other big issues—race, gentrification,

home ownership counseling, the impact of community development corporations (CDCs), and resource allocation through strict underwriting standards. He recommends that city agencies discontinue charitable contributions to social services and membership groups that could otherwise generate dues and grant monies. City government should also increase low-interest borrowing to five times its Community Development Block Grant allocation as allowed by HUD. Finally, development subsidies should never be awarded until underwriting is complete. This last point underscores the need to have control over design changes and the ability to re-allocate funds when deals fall apart.

Looking to the future, Kromer points to multiple projects under his leadership that resulted from tested policy and the willingness to work out the details with neighborhood groups. The first step is to develop a strategic plan and commit it to writing. The plan should be ambitious but realistic, multiyear, and conservative in assessing resources. Success in implementation is greatly affected by the ability to adapt and make mid-course changes, some of which could vary dramatically from the printed document. To the extent that these plans incorporate non-subsidized uses (such as shopping centers, CDC-run businesses, or middle-income housing), a shift in market forces or reliance on a deficient market study can quickly shatter good intentions.

Kromer only briefly addresses workforce issues and the need to tie strategies to a regional and global economy. With technology transforming the workplace at a rapid pace, it is critical that poorer populations receive the proper job training, such as basic computer skills, that will make them competitive. The greatest method of impact is through federal technology grants to local schools, whose new on-line computer labs and training are also made available to community residents.

*Neighborhood Recovery* presents a public policy approach based on hard-core experience and some self-reported mistakes. One of its strengths is its rich detail of present-day projects and strategies, useful to other housing czars and students of community development planning. A decade ago, many would have considered

Kromer's city beyond redemption. Today there are still buildings collapsing and over 30,000 properties vacant, so there is still room to debate his upbeat story of turnaround. But whatever your conclusion on Philadelphia's success as an urban center, *Neighborhood Recovery* is an excellent read for the sheer opportunity to see the city's complex economic development challenges through the eyes of a neighborhood activist turned bureaucrat. Kromer is clearly capable and sincere, and his war stories are believable. Now with a new mayor on the scene, it will be interesting to watch how he carries the banner forward.

Mari Gallagher

Gallagher is president of Interface Computer Communications, a minority-owned technology firm in Chicago. She is the former director of the Emerging Markets Initiative, a Social Compact project, and the former executive director of a Chicago community development corporation.

### ***Small Town and Rural Economic Development: A Case Studies Approach***

Peter V. Schaeffer and Scott Loveridge, editors. Praeger Publishers, Westport, CT, 2000. 293 pages. \$62.50.

In the first sentence of their introduction, the editors describe the purpose of *Small Town and Rural Economic Development* as providing "examples of what others have done in small town and rural development, and the opportunity to reflect on how strategies they have pursued might be adapted for use elsewhere" (p. xiii). And the book certainly provides examples. It collects 28 case studies pertaining to small town and rural development, most from the mainland United States, but also from Belgium, France, Hawaii, and several Nordic countries.

A case study approach is a valuable tool in understanding community development, since the development process depends on the local context and a multitude of unpredictable occurrences. Events have many complex causes. Case studies explore those complexities in a way that aggregate studies cannot. Furthermore, case studies take the reader into the setting with vividness and detail not typically present in quantitative formats.

The book organizes the case studies into four broad sections: (1) Community Capacity, (2) Maintaining and Enhancing the Community's Economic Base, (3) Public vs. Private Sector Roles, and (4) Successful Retail Businesses. Discussion questions found at the end of each case study invite further analysis by readers, which should be particularly useful when cases are presented in a course or workshop.

The range of cases is impressive. The authors relate stories of grassroots community efforts, stories of programs/projects developed by technical assistance providers, examples and analyses of industries and businesses in rural settings, and even an interview with an entrepreneur in New York who started a natural soap company in her kitchen. With such a range of stories to choose from, it is likely that anyone interested in rural economic development, whether a community leader, technical assistance provider, planning practitioner, or planning academician, will find something of interest. My favorite cases include Community Collaborative, Inc., which describes how organizations in West Virginia cooperate in the delivery of services to rural communities (chapter 4), and the local issues forums in Pennsylvania, which engage citizens in deliberation about community issues (chapter 5).

I also found several stories based on grassroots efforts to be inspiring: small business development in Blue Mound, Illinois (chapter 12); the establishment of a furniture-building college in Connemara, Ireland (chapter 16); and a community-based approach to moving people from welfare to micro-enterprises in Pendleton County, West Virginia (chapter 27). From my standpoint, the editors succeed in their goal of "celebrat[ing] success and demonstrat[ing] that the creativity and vision of rural residents make a difference" (p. xiv).

However, both academicians and planners are likely to encounter some frustrations with the book. One problem for academics is that the editors are not clear about how these case studies contribute to the body of knowledge on the theory and/or practice of rural economic development. Certainly there is intrinsic value in these case studies. The editors, however, do not provide any guidance as to whether the findings of any particular

case can be generalized to other contexts. So the question is are there findings here that might form hypotheses to be tested in a more analytical research approach? Simply put, the editors do not provide a clear explanation of how the case studies enrich our understanding of rural economic development.

If a planner or practitioner is searching for guidance on a particular issue, such as small business development, they are likely to be hampered by the time it takes to search through the cases. The book would have benefited from a summary table that organizes the case studies by specific strategies or issues. Furthermore, a final chapter that reviews the findings from individual case studies and examines any patterns among them would have made the conclusions more easily accessible to readers.

Overall, *Small Town and Rural Economic Development* has much to offer, especially to planners and community development practitioners. It provides a wealth of information on the local initiatives that are the heart of rural economic development. It demonstrates that a rural community, ultimately, is not at the mercy of global and national forces, but instead depends on the collective action of concerned local citizens to improve the quality of life in the place they call home.

John Gruidl

Gruidl is an associate professor at the Illinois Institute for Rural Affairs, Western Illinois University. His research interests include local development policy. He directs an internship program in which returned Peace Corps volunteers provide leadership to community development projects in small towns.

### ***Generating Jobs: How to Increase Demand For Less-Skilled Workers***

Richard B. Freeman and Peter Gottschalk, editors. Russell Sage Foundation, New York, 1998. 336 pages. \$34.95.

Starting from the premise that the widening gap between high- and low-income earners in the U.S. is an unwelcome trend, the editors of *Generating Jobs* have collected a diverse group of articles on policies designed to relieve the plight of low-waged workers. In a stance that