Stars Fell on Alabama: The Global Auto Industry and the Landscape of Modernity in the American South

A few summers ago, I found myself in an Atlanta suburb just south of downtown on a bright afternoon. I went to visit a friend, but I had several hours to burn while I waited for him to finish work. I began idly navigating my way through the leafy side streets, looking for a place to stop and stretch my legs. Before long, I came across a Mercedes dealership on a quiet stretch of road. The modernist steel-and-glass façade of the showroom contrasted sharply with the pin oaks and the red clay surrounding the lot. At the front, a long row of shiny SUVs sat glimmering in the sun. I got out of my car and took a stroll past them, admiring their alloy wheels and tasteful chrome accents. The ones in the front row were all GL models, some seating five and others seven. Although not partial to SUVs myself, they were attractive in their own way. Their sober white and dark paint schemes gave them a Teutonic solidity, even though they had never once touched German soil. These “imports” were all from Tuscaloosa.

The GL class was Mercedes’ sequel to the ML, and it was built in the same Alabama factory that had been dedicated to producing SUV models since 1997. I took a look at the window stickers, noting the high American parts content and the point of origin. I also noted the prices: all of them were well north of fifty thousand dollars, with some stretching up into the eighties. They were far beyond the means of the average Alabama family. The median household income of my adopted home state was about $47,000 in 2016. Regardless, they were prima facie evidence of the ability of Alabamians to manufacture technologically sophisticated, highly sought-after consumer goods.

I got back in my car and headed a little further up the road. Now I came upon a Kia dealership, a brand decidedly friendlier to my budget. Hyundai and Kia had been relative latecomers to American production, but they had already had a major impact on this part of the South. I peered closely at the window sticker of an Optima sedan. It had been built just down I-85, at West Point, Georgia; I passed the factory every time I went from Auburn to Atlanta. I watched a car hauler unload a series of bubble-wrapped Optimas and Sorento SUVs, the fresh produce of Georgia’s only remaining automobile factory. I began thinking about the former General Motors and Ford plants in the Atlanta area, and how Kia had arrived hot on the heels of their disappearance. These were more humble rides than the Mercedes I’d just been admiring, but they were still evidence of the South’s high-tech productive capacity. I watched as a salesman did his best to sell a young couple on the virtues of a new Optima. They nodded along seriously as he explained its features and showcased the brilliant red paint. A new car is an expensive investment for a family, and I could tell they were taking it seriously. It was then that I had an epiphany about the transformation of the Southern landscape that had accompanied the restructuring of the American auto industry.

In many different locations across the South, the built landscape has become an integral part of states’ push to showcase their modernity. Automotive plants and their supporting industries have played a major role in this, with locations large and small serving as avatars of industrial progress. The high visibility of the Mercedes, Kia, and Hyundai factories is not an accident. Instead, the location and design of these plants is meant to reinforce their effect as monuments. Much like nuclear power plants or airports, these new automobile factories communicate an unsubtle message of technical achievement and industrial strength to observers. Traveling across the South on its major arterial freeways puts this concept on full display. In this
chapter we will take an observational journey from Atlanta to Montgomery. On this journey we will see how Georgia and Alabama have both tried to leverage their automobile plants as physical evidence of economic and social transformation. Although this new development is impressive, haunting evidence of inequality and hardship still lingers by the side of the road. The distribution of prosperity in the twenty-first-century South has been highly uneven. Behind the glimmering facades of auto factories lies a society still struggling to escape the legacies of the past.

**Kia and West Georgia**

As we depart the Atlanta suburbs, heading west on I-85, the landscape shifts from New South glitz to rural countryside. Get past Palmetto, and the landscape flattens out into the familiar sight of yellow pines and red clay. But before reaching the town of West Point, near the border with Alabama, Kia Motors Manufacturing Georgia (KMMG) bursts into view. An enormous white water tower, emblazoned with the red Kia logo, announces the presence of the facility on the horizon. So to do the road signs that direct motorists and semi drivers to Kia Avenue, off of a freeway exit that was constructed especially for the plant. That freeway exit, and other surrounding infrastructure improvements, was part of the $410 million package of state and local incentives that secured Kia’s investment in Georgia in March of 2006.² The incentive contract between the state and the company makes it clear that the external presentation of the site was of major importance from the beginning. In the contract, the state and local municipalities agreed to fund site preparation work that included extensive beautification and design efforts. This included landscaping the site in such a way as to leave it fully visible to

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passersby, with a pleasing assortment of flowers and shrubs for decorative purposes. The state also agreed to split the cost of a groundbreaking ceremony with the company, and the company agreed to fully fund the cost of a grand opening celebration. The collaboration of the company and the state in presenting the site to the public was carefully crafted for maximum impact.

The fruit of that collaboration is readily visible at the site today. The Kia factory appears in a dramatic sweep on the north side of I-85, readily visible from both the northbound and the southbound lanes of the freeway. An enormous lighted Kia logo adorns the front of the first production building, which houses the massive press used to shape raw steel into car body parts.

Those parts are welded into completed bodies and painted before being passed on to final assembly. These painted bodies are then passed into the final assembly building via an overhead conveyor system. That conveyor system is especially noteworthy for how it deliberately showcases part of the production process to the outside public. The conveyor moves through a glass-walled sky bridge that spans the gap between the first production building and the final assembly plant. The partially-completed automobiles are readily visible to passersby, including drivers on I-85. There is no practical reason for this bridge to have windows, other than to display the activity that occurs within. Passersby are thus encouraged to become observers of the production process in a curated display.

The display of Kia bodies calls to mind other attempts to shape public opinion through carefully managed displays of production processes. In the early days of the meatpacking industry, for example, attractive young “bacon girls” sliced cured meat in immaculate rooms that were especially designated for public display. This managed tableau

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3 “Site Acquisition and Development Agreement By and Among Kia Motors America, Inc. and The State of Georgia, the Troup County Board of Commissioners, the City of West Point, the City of LaGrange, the Troup County Board of Education, and the West Point Development Authority,” 13 March 2006: Appendix X (GDED).

4 Ibid., 19.
deliberately obscured the dirty, dangerous, and un-glamorous nature of the slaughterhouse.\textsuperscript{5} This is not to suggest that Kia operates in a manner similar to a meat factory from the Upton Sinclair era. Kia offers fairly extensive public tours of its facilities. The sky bridge is simply a reminder that the exterior presentation of this plant was the result of careful planning, with the goal of impressing the public with its modernity and sophistication.

As the historian Timothy Minchin has described, the siting of the Kia plant was determined by a diverse confluence of factors. Although the plant would be operated under the auspices of Kia, it was Hyundai Group executives that made the final decision on its location. The close involvement of Hyundai was reflective of the companies’ unique corporate relationship, in which cooperation and rivalry exist in equal measure.\textsuperscript{6} These executives rejected larger offers from other states, including a billion-dollar offer from Mississippi, before deciding on the West Georgia site. Sonny Perdue’s close personal relationship with important auto executives, including Hyundai Motor Group Chairman Chung Mong-Koo and Kia Motors America CEO Ahn Byung Mo, was another major factor in Kia’s selection of West Georgia. Perdue and his team went out of their way to ingratiate themselves with the executives, paying multiple visits to South Korea and scrupulously learning Korean business etiquette.\textsuperscript{7} Georgia’s case was helped by the fact that Ahn Byung Mo had previously been involved in the site selection process for Hyundai’s first American factory, which opened in Montgomery, Alabama.


\textsuperscript{6} A note on the Hyundai-Kia ownership structure: after the 1998 bankruptcy of Kia Motors, the Hyundai Group conglomerate acquired more than a third of the insolvent automaker. Since then, Hyundai has maintained a large minority stake in Kia and the two automakers have frequently collaborated on new models and factories. Despite this collaboration, both companies remain technically independent from each other. For more information see: Aaron Robinson, “Korean automakers are siblings, yet rivals,” \textit{New York Times}, 8 July 2011 \texttt{https://www.nytimes.com/2011/07/10/automobiles/korean-automakers-are-siblings-yet-rivals.html} [accessed 22 April 2018].

\textsuperscript{7} Timothy Minchin, “When Kia Came to Georgia: Southern Transplants and the Growth of America’s ‘Other’ Automakers,” \textit{The Journal of Southern History} 83 no 4 (November 2017): 897-909.
in 2005. During his frequent travels down I-85, Ahn observed the undeveloped land near West Point on numerous occasions. This familiarity, combined with the location’s strategic importance and the willingness of the state to execute a complex and expensive land purchase agreement, helped sway the company towards Georgia.\(^8\)

Kia’s status as a landmark in the West Georgia landscape and as a highly public avatar of industrial modernity is indisputable. However, it’s worth considering just how transformative this new development actually was for the surrounding communities. As Minchin has documented, the town of West Point experienced limited benefits despite its close proximity to the new factory. Relatively few West Point residents were able to get jobs at Kia, and many plant workers chose to commute from the larger cities of Lanett, Lagrange, Opelika, or Auburn rather than relocate to the town. Many residents of West Point and Troup County resented the fact that workers from Alabama made up a sizable contingent of the new hires.\(^9\) A visit to West Point today confirms that relatively little has changed in this small Southern town since the opening of Kia. A few signs tout Korean barbecue and nearby parts suppliers, but otherwise there is little indication of Kia’s presence. Kia helped bolster the local economy and saved some residents from slipping into poverty, but much of the benefit has passed the town by. The experience of West Point parallels that of Vance, Alabama, which struggled to realize the benefits associated with living in the shadow of an automotive plant. In both cases, larger established cities captured the majority of the benefits while passing negative costs (traffic, strained services, land dispossession) off onto poor and rural communities.

The carryover effects of Kia’s investment are now readily visible in East Alabama. A new wave of automotive supply and manufacturing logistics companies followed closely on the

\(^8\) Minchin, “When Kia Came to Georgia,” 906-907.
\(^9\) Ibid., 899.
heels of Kia. Most of these companies were part of the broader Hyundai chaebol, a Korean word referring to an industrial group composed of many interrelated firms. The parts maker Hyundai Mobis, which was one of the first suppliers to establish a factory in East Alabama, is one of forty-two companies within the broader Hyundai Motor Group conglomerate. The structure of the chaebol closely mimicked that of Japanese firms such as Toyota, which maintain close relationships with their suppliers. Some of these companies even repurposed former textile mill buildings for their own use. These included Daiel USA (a supplier of automotive struts) at the former Fairfax mill distribution center, and Glovis (a Hyundai-owned logistics firm) at the Carter-Lanier site. This re-use of emptied mills was a boon to hard-hit communities, but in many cases it was only temporary. Supplier companies utilized recently-emptied mills as a convenient stopgap while they constructed their own specialized facilities on greenfield sites, vacating them once their new factories were complete. Those new factories are now readily visible along I-85 in Chambers and Lee Counties. As prominent regional landmarks, they are a powerful reminder of how foreign investment has reshaped the local economy and the land itself.

About ten miles down the road from the Carter-Lanier mill sits the Chambers County Industrial Park. Operated by the Chambers County Industrial Authority, the Industrial Park houses numerous auto suppliers that do business with Kia, Hyundai, and other Southeastern auto plants. Ajin USA and Wooshin USA, both makers of stamped metal parts and members of the same Korean industrial group, are two of the most prominent tenants of the park. Opened in 2008

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and 2011, these factories now supply both Kia in West Point and Hyundai in Montgomery.\textsuperscript{13} Leehan, a maker of air cleaners and fuel filters, occupies another prominent spot close to the freeway with a factory opened in 2007.\textsuperscript{14} Great Lakes Metal Stamping, Hantal Alabama, and Daedong Hi-Lex Corporation comprise the other residents of the industrial park. With their prominent locations and conspicuous signage next to I-85, they have become an unmissable landmark. These plants provide a visual counter-narrative to the historical perception of the Southeast as poor, unproductive, and technologically backward.

The Mercedes plant is an excellent example of another monumental New South industrial site. Strategically located between Tuscaloosa and Birmingham, it is readily visible from the adjoining I-20/59 freeway. A series of billboards announce the nearby location of the factory, Mercedes-Benz United States International (MBUSI), to motorists approaching from either direction. Some of these billboards display pictures of the plant’s products, proclaiming them to be “Made in Alabama.” They also feature slogans and images that portray Mercedes as an important partner in the community and a key component of its identity. One billboard shows a smiling multi-racial group of employees in Mercedes uniforms, with a slogan emphasizing the teamwork nature of automobile assembly.\textsuperscript{15} Other billboards emphasize the high-technology nature of automobile assembly by featuring images of industrial robots and glimmering factory spaces.\textsuperscript{16} In many ways, these billboards reflect the idealized future imagined by the Folsom administration and other Mercedes backers as they tried to build support for the plant. Taken together, these billboards situate Mercedes at the center of a sophisticated, industrious socio-technical order staffed by a diligent, integrated, and middle-class workforce.

\begin{thebibliography}{10}
\bibitem{13} “Introduction,” Ajin USA \url{http://wooshinusa.com/ajinusa/en/} [accessed 29 April 2018].
\bibitem{14} “Leehan America Inc.,” Automotive OEM \url{https://automotiveoem.com/Leehan-America-Inc_10528} [accessed 29 April 2018].
\bibitem{15} Photograph in author’s possession.
\bibitem{16} Photograph in author’s possession.
\end{thebibliography}
The billboards that can be seen near the Mercedes factory are successors to one of the earliest publicity campaigns for Project Rosewood. Before plant construction had even begun, Mercedes began to erect billboards along I-20/59 advertising its investment. One of the earliest read “Under Construction,” alongside a depiction of various deconstructed automobile components. It formed a clever visual pun incorporating both Project Rosewood and the act of automobile assembly. Another read “Coming Soon: A Mercedes that Holds More Than 1,000 People.” This referenced the initial employment projections for the plant, which called for a workforce of about 1,500 people. Another read “Guten Tag Freunde” alongside an announcement of the plant’s construction, with the helpful English translation of “Hey Neighbor” in parenthesis below it. The billboards helped fulfill the goal of state officials and company executives to publicize the plant.

In addition to the billboards paid for by Mercedes, state and local groups put up a variety of signs welcoming the company and announcing Alabama’s triumph to the outside world. A state-sponsored billboard reading “Welcome Mercedes-Benz, A Rising Star to Alabama” was put up alongside I-20/59 within days of the plant location announcement. Executives from two Mercedes-Benz suppliers even paid for a “Welcome Mercedes-Benz” banner to be hung at Vance Elementary School. The erection of these signs reflected genuine enthusiasm in the community, but it was also about attracting the attention of outsiders. Images of these signs, and other materials announcing the Project Rosewood investment, were widely circulated in national media. The signs near the Project Rosewood site exposed millions of travelers to this projected

17 Mercedes-Benz, “All Activity Report,” Folder 12, box #SG014281.
19 “Mercedes-Benz Officials Dieter Zetsche, deputy board member for passenger car development, left, and Helmut Werner, chairman of the board, visit their new plant site Thursday,” Tuscaloosa News, 1 October 1993, pg 1A.
image of the New South. When the project was completed, the site itself became an avatar of modern global industry as well as Alabama’s alleged high-technology transformation.

The construction of a visitor’s center and adjacent training facility was one of the most important clauses in the Project Rosewood contract. The state committed to spending no less than $60 million and no more than $90 million to cover the cost of building the training center, plus $5 million annually to cover running costs for as long as Mercedes-Benz operated it.\textsuperscript{22} If Mercedes chose to construct a visitors’ center and factory delivery hub onsite, the state offered $5 million to defray the costs. The state’s commitment to the visitors’ center and delivery program was justified on the grounds that these would encourage wealthy tourists to visit the rest of Alabama after receiving their vehicles.\textsuperscript{23} The linking of the site to tourism and outside visitors was an indication of how the visitors’ center was supposed to facilitate the integration of the factory into the community. The Mercedes visitors’ center aimed to create a bridge between the high technology environment within the factory, the community in which the factory was situated, and visitors from outside that community.

When the Visitors Center opened in June of 1997, it featured exhibits designed to draw attention to the relationship between the United States and Mercedes-Benz. The Mercedes-Benz Museum at the corporate headquarters in Stuttgart loaned several vehicles for display at the Visitors Center. This included a 1905 American Mercedes, the only known survivor from the company’s New York factory. This model served to remind visitors of Mercedes’s American heritage, including that brief early period of domestic assembly. There was also a prototype Mercedes ML used in the filming of the Hollywood blockbuster \textit{The Lost World}, the sequel to

\textsuperscript{22} Project Rosewood Agreement, “Section V: Training Facility and Training,” pgs. 32, 36.

\textsuperscript{23} Project Rosewood Agreement, “Section VI: Goodwill and Community Involvement,” pgs. 39, 40.
Jurassic Park.\textsuperscript{24} Other exhibits emphasized the technological legacy of Mercedes, portraying an unbroken chain of innovation up to the present day. This included a variety of historical models, from a replica of the original Daimler Motor Carriage to a recently-retired C-class race car. Then there was “Job 1,” the first customer-quality Mercedes ML SUV produced by the Tuscaloosa factory. Job 1 was painted white and then signed all over with black markers by members of the production and design team.\textsuperscript{25} Job 1 was a highly symbolic artifact meant to demonstrate that capital and labor were partners in the production process. It showcased the technological competency of Alabamians working in a globalized, capital-intensive industry. This was further reinforced by guided tours of the production process, which were first offered in November of 1997.

Mercedes engaged two Birmingham architectural firms to offer competing designs for the Visitors Center and training facility. The firm Gresham, Smith and Partners won that competition, with a Visitors Center design featuring several interconnected buildings arrayed around a plaza.\textsuperscript{26} It was an unapologetically modernist design, with soaring glass windows and a unique curved roofline that sharply distinguished it from its surroundings. The appearance of the Visitors Center strongly suggests that the Gresham, Smith firm was inspired by other structures associated with the Mercedes brand. The Visitors Center resembled many contemporary Mercedes dealerships and corporate office buildings, which utilized the same combination of industrial materials and light-infused design.\textsuperscript{27} This emphasis on forward-looking design even extended to the gift shop within the Visitors Center, which sold high-end consumer goods

emblazoned with Mercedes logos including luggage and manicure sets. The net effect was to create a structure that was highly unique within the context of the Alabama landscape, and also virtually unmissable from the nearby freeway. This was capped by an enormous three-pointed star logo on a pillar, which incontrovertibly marked the site as associated with Mercedes. The Visitors Center increased the visual impact of the plant in a deliberate way, one that both state officials and the company desired.

It’s difficult to quantify exactly how successful these efforts to rebrand the South as a technologically progressive center of auto manufacturing have been on the public consciousness. At a minimum, the production of foreign-branded vehicles in Southern factories does not appear to have harmed the fortunes of any company engaging in such activity. Available research strongly suggests that the majority of Americans are widely accepting of foreign makes. Research from organizations such as Consumer Reports suggests that Americans as a whole tend to hold major foreign brands like Honda and Toyota in roughly equal esteem to domestic makes such as Ford and Chevrolet. This is generally borne out by observable trends in consumer behavior. Major Japanese brands tend to command the highest brand loyalty from American consumers, although brand loyalty in general has weakened across the industry. The line between what constitutes an “American car” and a “foreign car” has never been blurrier, as globalization has all but eliminated the purely regional production and consumption processes of years past. That blurred line means that personal perception of brands has fractured along

regional lines, leading to serious political divisions over what constitutes fair and effective policy towards the industry.\textsuperscript{32}

The global economic crisis that began in 2007 blew open these internal divisions in dramatic fashion. The drying up of consumer credit for auto loans that accompanied the implosion of the financial market caused automobile sales to plummet. This sent General Motors and Chrysler into a death spiral, as they no longer had money rolling in to service their massive legacy costs. In response, the executives of these companies and several of their key suppliers sought aid from the federal government in order to stay in business. Congress, which had just finished approving a $700 billion bailout package for the financial industry, initially declined to provide financial aid to keep the struggling automakers afloat in December of 2008.\textsuperscript{33} Alabama Senator Richard Shelby emerged as a key voice against providing any aid to the domestic automakers. Shelby derided GM as a failing company that needed fundamental restructuring, one whose bankruptcy had been “30 years in the making.”\textsuperscript{34} The importance of the transplant factories to Shelby’s home state, as well as that of bailout opponents Sen. Bob Corker (R-TN) and Sen. Jim DeMint (R-SC) was clearly the overriding factor in their opposition to a bailout for the domestic automakers.

Shelby and the other members of Congress who unsuccessfully opposed a government rescue of GM and Chrysler were predictably blasted by liberal groups and affiliates of the United Auto Workers. The anger of these groups was to be expected, but one of the most interesting and prescient critiques of Shelby’s stand actually came from the right. Pat Buchanan, the

controversial conservative political operative, former presidential candidate, and advisor to numerous Republican presidents, wrote a column for the right-wing *Human Events* journal in December of 2008 that castigated Shelby and his allies for their stance on the auto industry. Entitling it “The Toyota Republicans,” Buchanan complained that Southern states had been given free rein to subsidize foreign manufacturers at the expense of the American automakers and their primarily Midwestern workforce. “Is the Republican Party so fanatic in its ideology that, rather than sin against a commandment of Milton Friedman, it is willing to… let millions of jobs vanish and write off the industrial Midwest?” Buchanan pointedly critiqued “Republican globalists,” arguing that the party had sold out manufacturing workers in Middle America and in so doing had destroyed the “New Majority” conservative coalition assembled during the Reagan era. Buchanan reminded his readers that Reagan had embraced a nationalist economic agenda, including forcing Japanese automakers to accept import quotas that encouraged them to build the first wave of transplant factories in the United States. General Motors had been “killed,” Buchanan insisted, by a combination of unfair practices from “nationalistic trade rivals” and the indifference of American politicians to the welfare of American workers.

By the late 2000s Buchanan had been consigned to the fringes of the American conservative movement, and his column received relatively little attention. Even so, his observation of American industrial decline and the conservative movement’s internal contradictions turned out to be shockingly prescient. The rhetoric of economic nationalism employed by Donald Trump and his advisor Steve Bannon during the 2016 presidential election closely mirrored Buchanan, and Trump received his endorsement; Buchanan even termed Trump

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36 Buchanan, “The Toyota Republicans.”
“the future of the Republican party.”\textsuperscript{37} Of course, Trump received enthusiastic support from many Southern workers who had materially benefitted from the globalization that he and Buchanan had both denounced. That support is a microcosm of the internal divisions which have torn apart the conservative movement and forced persons across the political spectrum to re-assess their position on issues such as trade, immigration, and education.

Alabama’s low-wage, non-union auto parts plants have provided an important ladder up for some of the state’s marginalized working-class people. They have prevented hard-hit communities from completely dissolving, and have allowed people of modest means to escape total poverty. However, they are emblematic of the developmental trap that Alabamians have consistently found themselves in: low-wage semi-skilled industries that rely on the cheap labor of marginalized workers. Alabama’s parts plants are the latest reincarnation of this developmental trend, supported by deeply-set institutional and economic superstructures.