

Who Benefits from Million Dollar Plants? The Missing Local Beneficiaries

We study who receives jobs in the industries catalyzed by Million Dollar Plants (MDPs) during 2000-2015. Comparing winning vs. runner-up counties, people working the winning county are on average 1.2% more likely to work in the MDP's four-digit industry compared to the runner-up. This effect takes about nine years post MDP announcement to materialize. Surprisingly, however, there is no employment effect for the initial residents of the winning county compared to runner-up counties; nor do we observe any other difference in economic benefits. These results suggest MDPs generate the promised jobs but source their workforce from outside the winning county.