

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Youngstown Sheet & Tube Shutdown Project

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O. H. 154

JOHN PALERMO

Interviewed

by

Philip Bracy

on

April 7, 1981

JOHN PALERMO

John Palermo, son of John and Minnie Palermo was born in Youngstown on February 22, 1938. He attended Immaculate Conception School on the East Side of Youngstown and graduated from East High School. He attended Youngstown State and also spent two years in the United States Army which included an eighteen month tour in Germany. Mr. Palermo has worked in the Mahoning County Engineer's Office, spent six years on the Youngstown Police Force and is presently a Mahoning County Commissioner, a position which he has held for thirteen years.

Mr. Palermo and his wife June have four children, John, a freshman at Youngstown State University, Susan, a senior at Chaney High School, Marie, a freshman at Chaney, and Pamela who attends Kirkmere School. The Palermo family are members of Our Lady of Mount Carmel Church in Youngstown.

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INTERVIEWEE: JOHN PALERMO

INTERVIEWER: Philip Bracy

SUBJECT: Sheet and Tube Shutdown

DATE: April 7, 1981

B: This is an interview with John Palermo, County Commissioner, for the Youngstown State University Oral History Project concerning the Shutdown of the Youngstown Sheet and Tube by Philip Bracy at the County Commissioner's office on Tuesday, April 7, 1981.

P: I was born February 22, 1938, lived all my life in Mahoning County in the City of Youngstown except for two years that I spent in the service from August of 1957 through August of 1959. At that period I served in the Army and spent eighteen months of that tour in Germany. Prior to entering the service I was a student at local schools, Immaculate Conception School on the East Side of Youngstown, then East High School where I graduated; went onto Youngstown State. At that time it was a college, it wasn't a state university yet. Spent a year in school and felt, at that time, that I had a service obligation. So, I thought it best that I would get that obligation over with. I went into the service for two years at the age of nineteen and came out at the age of twenty-one.

B: That was approximately what year?

P: 1959. I enrolled back at Youngstown State. At that time I was working part-time at the Mahoning County Engineer's Office and going to school. I attended school for approximately two years on a part-time basis pursuing a degree in Business Administration. In 1961 I was married, still continued part-time education at Youngstown State and at

that time began working full-time at the Mahoning County Engineer's Office. In 1962 I took a Civil Service examination for a police officer's position in the Youngstown Police Department. I was successful and appointed to that position in October of 1962. I still was able to proceed to Youngstown State a short period of time, but the nature of the job that I was on, which was rotating position of night turn and afternoon shifts, prevented me from going to school on my old schedule, so I then dropped out. I did go back later on, on a part-time basis taking up various police science courses. I spent six years on the Youngstown Police Department from October of 1962 through October of 1968.

At that time there was a vacancy created in the office of County Commissioner by the passing of my father, who had been a County Commissioner for a period of twelve years. And I was approached to fill out this term and to seek the office in the November election. I decided at that time that I would give it a try.

B: This would be November of what year?

P: November of 1968 I ran for the office of County Commissioner for a full term beginning in January of 1969. I was successful, and I have fortunately been successful in other attempts in 1972 and 1976 and also 1980. So, I've had twelve years completed in office and I'm working on my thirteenth right now.

I could also give you a little background on family if you'd like that.

B: Yes, if you would.

P: I have four children; married to June Muscatello, a former East Sider. We knew each other for a number of years in school. We have four children, John who is nineteen, he's a freshman at Youngstown State University, Susan who is seventeen, she's a senior at Chaney High School, who, hopefully, will be a freshman at Youngstown State University in the fall, Marie is fifteen and she's a freshman at Chaney High School and Pamela is twelve and she is in the sixth grade at Kirkmere School. So, we have a beautiful family and we're very happy about it.

B: Could you tell me where you were and how you found out about the shutdown of the Youngstown Sheet and Tube?

P: On the morning of the announcement I was in the board room

of the Youngstown Sheet and Tube Office on Market Street in Boardman Township. There were a number of people invited to attend for the announcement, nobody knowing, I don't think, what involvement or to what degree it would take the community. Some had ideas, possibly, there may be a cutback announcement, possibly, of some standards, EPA rules, regulations et cetera. Something having to do with steel making, certainly, but as far as the impact, I don't think anybody in the room really, other than those who were going to make the announcement knew. Talking about those other twenty or so people that were invited. . . . I think that when the announcement was first made, it kind of stunned the majority of the people. I don't think the impact was really felt until a few minutes later, until you really heard or digested what was said, that Sheet and Tube was in such difficult straits that the consideration of closing down had been made.

The initial reaction on my part was amazement you might say. Because naturally your mind starts racing as to what's going to happen down the road. The county, certainly, being a unit of government was going to have to be called upon for services somewhere down the line and how was this going to impact on us. We were concerned, certainly, about the steelworkers and those who were going to receive the announcement of their loss of employment and their families. Many of them were my friends, who had worked for many years in the mills. The initial impact in the room was kind of quiet and then everybody kind of trying to find out just exactly what we were in for for the next few years.

B: Were there any meetings directly following that announcement? I realize that all of a sudden this impact is going to be there, you're going to be faced with more demands of services really.

P: Certainly there was discussion about what would be the best method, best way of trying to approach the problem. We did talk with people from our services, mainly the Mahoning County Welfare Department, which we felt, certainly, was going to be involved in this at some point along the line. To what degree, nobody knew. But, of course, you always think of the worst sometimes in those kinds of situations and you anticipate some things that may never develop. But there were meetings with the Welfare Department, the director, to discuss various methods, problems, as to what might arise. Of course, we knew that there would be a period of time where they would be receiving benefits.

B: Unemployment insurance.

P: Unemployment insurance, well there wouldn't be a great rush directly down to the Welfare Department the next day or the next week.

There was talk about different committees that were forming. We as a County, as the commissioners, didn't feel it was proper, at the time to go out and form another committee. There were a number that were coming about. So, we thought it would be best that if we would work within the existing structure, the existing committees that we could best serve that way rather than going out and forming another one. And this is the way it was approached on the county's part.

B: Did Sheet and Tube provide you with any kind of list of approximately how many people you would be dealing with. I know there were 5,000 it was announced that would be laid off, but did they give you any kind of assistance in terms of who and all that business?

P: No, I can't recall that they provided a list. I think that they would provide any information that they possibly could if they were called upon. A lot of the people that were involved in this were not from Mahoning County. They resided in other counties even though the job sites were here, but they didn't live here. Many lived in Pennsylvania and they commuted. So, the total impact, our portion of the welfare wasn't centered just specifically there with that many jobs.

Of course, other problems that become critical when you have high unemployment and when you have people who are in a state of flux, so to speak, where they're out of a job. We were concerned about other things in talking to people from Mental Health Services where they felt that their case loads were going to be increasing because of the possibility of marital problems resulting, husbands being laid off, financial problems within the home. Some cases talked about where they may take to, with a lot of free time, excessive drinking, things like this.

B: Yes, I believe Urban Studies at the University had tried to evaluate some of this.

Could you tell me a little bit about how the County Commissioners became involved in the Mahoning Valley Economic Development Committee?

- P: Well, we were asked and, of course, we expressed an interest as commissioners because of our part that we were going to play in the total program eventually. As to join in the Mahoning Valley Economic Development Committee, we had representation on that board by Commissioner Bindas, who still sits on the board and he was on the board from the beginning. So, he has attended the meetings and he has been kind of our input into the association. They have tried through various methods to preserve the community.
- B: Do you know now how that was initiated? Did somebody from somebody's office call you or anything that was mentioned?
- P: I think probably it was a dual method. We expressed interest and I think, at that time, the board was realizing the problem, was considering how they were going to attack it. We were, on the other hand wondering how we would best play a part in it. And it was kind of like a combination of the two. I don't think anyone suggested the other. It was just kind of like a melting of the two together.
- B: Were there any specific projects that you were approached, let's say, from MVEDC or anybody else, or even just addressing your own problems with the possible increase of welfare down the road even though, initially you weren't faced with it.
- P: No, not really. We met with the Welfare Department on a couple of different occasions. In fact, we had some contact with Dr. Redburn I believe it was, from Youngstown State University on a couple of occasions where meetings took place to discuss this. I believe there were participants there from the Bureau of Employment Services, trying to feel what the impact was going to be, get some feel for it. It was a lot softer at the beginning than I thought it would be. I really was a little concerned in the beginning that it was going to be a tremendous impact at one time. And I think this was our concern in talking with the Welfare Department immediately to try to discuss any emergency type measures... But whatever happened, came in slowly. And in fact, after a period of time we were wondering if in fact it was going to be that great of a crisis or if it was going to hit all at once. But I think the fact that the benefits were stretched out and a number of other things that kind of didn't hit us initially at one time.

- B: Did you have any idea what kind of numbers you were really talking about? You mentioned earlier that the employment wasn't necessarily focused in Mahoning County per se. Did you have any way of ascertaining approximately. . .
- P: Well, at one time the Welfare Department was going to try to keep statistics on this. I don't really know right off hand the figures. We had a large population from Mahoning County that worked in the mills too, but as I mentioned in the past, that a lot of these people were from other areas and they didn't impact on our local welfare problem as far as there weren't 5,000 families--it's over 5,000 jobs talked about being lost--but all those people didn't fall into the Mahoning County Welfare Department roles. We did have a portion of it, but it didn't make that great of an impact at that initial point, it did later on. They started to pick them up eventually.
- B: But there was no assistance, in particular, let's say MVEDC, was there any program or project that you recall that would be directly related to those efforts?
- P: We had a meeting at the Walton Union Hall with all the Sheet and Tube employees that were interested in coming, they had the Welfare Director, they had different agencies come in to explain what the programs were, to be explained to the men in the mills what their procedure would be.
- B: Do you recall what date that was approximately?
- P: It would be about 1977 in September, I think.
- B: That would have been just right after the shutdown.
- P: Yes. A lot of these things took place real quick because everybody was running a little scared not knowing the initial impact, what it would be. But like I say, it kind of leveled off and committees and that began forming and of course, their lobbying efforts developed and everybody had ideas of how they should accomplish their goal. We always felt that our part would best be served if we would try to carry on our services, certainly, and then again, to try to encourage new industry to come in and develop some of the areas that we have where sewer and water could become available and for acreage for future development. So, this was the way that we tried to approach it. And we tried to work through the federal agencies, through Economic Development for whatever to

try to secure federal monies for sewer lines to sewage treatment plants, upgrading those facilities, building roads and expanding utilities and we tried to move in that direction.

B: Do you think there was a feeling among the commissioners of support, let's say, for a specific project. For instance, there were at least two major ones that I know that were put forward, the Ecumenical Coalition's re-opening under community workers and Mayor Richley's and MVEDC's Steel Research Center. Although there was no competition per se, do you think there was any feeling of support for one more than the other?

P: I think everybody, deep down inside would like to see the mills reopened, but I think they knew also, deep down inside that it was very unlikely that this was going to happen. At least in my opinion, if major companies couldn't see fit to operate and make a profit and studies had shown that it was a marginal kind of a thing, it left kind of a doubt in your mind as to whether or not it could be made a profit-making organization. Everybody would like to see it, everybody would like to see full employment again. We'd like to see all these things come back to normal, but I think that some of these things were shots in the dark so to speak.

B: Then your hope, collectively, was for just jobs.

P: Right. I think this is true. I think that we recognized that we needed jobs in the community and we still, certainly need jobs. This is what we try to encourage on the commissioner's level, any kind of development, any future expansion, even building on to existing industries, which is, I think the key to the whole thing, is keeping what we have and building from that base ten jobs here, twenty jobs there and eventually you have one hundred jobs. The Lordstown plants that come in and the Commuter Aircraft, where they come in with large numbers of jobs, those things happen every 25 years to a community possibly. I think Lordstown probably goes back to 25 years ago. It doesn't seem that long, but I think that's about when it started, somewhere in the late 1950's when that place was talked about. So, those are the kinds of things that I think we have to build on. And we've always taken that position.

The mills, were talked about for a number of years, were marginal. You could see that the increased pressure from EPA standards, whether it be in the matter of smoke control,

emissions, or pollution as far as dumping into the river, whatever, all these kinds of things were very costly for them and possibly the transportation problem, certainly, didn't help us any. We're kind of an inland steel-making facility, we didn't have the low cost transportation by water. All these things kind of were against us, so to speak. We were just hoping that we could pull through and reopen some of the mills, but I think we knew a crisis was coming.

B: Do you feel that the response of the various groups was adequate to the crisis?

P: I think so. There was a tremendous impact on the total community. People were very alarmed. I think that the part that the clergy played, kind of a way of soothing things, of pulling the community together and not having everybody run out and helter-skelter. They formed committees and organizations and they tried to put some impact on the thing and to find out the reasons and the possibilities of reopening, what their chances were, what it would cost. Those things were questions that, I think, the community wanted to know. And also, I feel that the clergy, there's a certain degree of credibility when clergy speak. Their part, at that time, was really a service to the community.

B: In your opinion, do you think that the Youngstown area will recover from this or do you believe the doomsdayers that we'll lose industry to the sun belt and that whole doomsday scenario?

P: I don't believe in the doomsday scenario at all. I think that Youngstown is going to recover and I think the Mahoning Valley is going to recover, but I think it's going to take us a little bit of time. It's not something that we're going to do tomorrow or overnight. We've got too much going for us in this area. We have a good road network, we have a lot of water, the ability to treat sewage and all those things, you can do those kinds of things; you can't make water. I think that the transportation system is fine. In some cases it has to be upgraded maybe through the railroads, et cetera, but as far as the road network, we don't have a better road network anywhere in the country. I don't think, than passes right through this community.

I think that the key to the whole thing, again, is being able to provide and being competitive with other parts of the country. That's what I think industry is looking for.

Any new industry that wants to come in. . . . Certainly, if you were interested in expanding or relocating your industry right now, you'd be looking for the best possible deal that you could get. You don't want to go into a community that's going to say, "Well, we'll have a sewer line for you three years from now." You're not concerned about the year 1984 or 1985, you're talking about 1981. Is that sewer available now? Will your treatment plant meet the standards that the EPA is putting out; all these kinds of things. Could I get water and as much as I need? Do you have the ability of providing it? How far is it to the interstate system? Those are the kinds of things that we could answer positively and I think that's going to be our advantage down the line, because with the cost of fuel, and we certainly rely heavily on road transportation now, and the closer you get to the buying public, the group of people that's going to purchase your product, the less costly it's going to be. I think we have a good labor pool. It has always been stated that way in our community. We've heard this from a number of studies, that the productivity of the people of this general area is very high. Their skills are great and they're able to do a good day's work.

B: Okay, thank you very much Commissioner Palermo.

END OF INTERVIEW.