

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Youngstown Sheet & Tube Shutdown

Personal Experience

O. H. 51

WILLIAM P. FERGUS

Interviewed

by

Philip J. Bracy

on

April 14, 1981

WILLIAM P. FERGUS

William Fergus was born in Youngstown on September 8, 1935. He is married and has four children: William, Patricia, Matthew and Paula. He attended Rayen High School and graduated from Youngstown State University in 1960. He worked for Pastoli and Associates Professional Engineers and Planners from August 1956 to April 1, 1969. At that time he went on board as director of Eastgate Development and Transportation Agency. He still presently holds this post. He is a registered surveyor and professional engineer.

He belongs to the Mahoning Valley Gaelic Society, executive directors advisory committee for the National Association of Regional Councils and is an associate member of the Urban Land Institute.

His hobbies include skiing, fishing, and golfing. He is of interest also because his role in the shutdown of Youngstown Sheet & Tube as director of E. D. A. T. A. and how his agency responded to the challenge that shutdown presented and because of their being one of the three economic development agencies involved with that effort.

He is a member of St. Nicholas in Struthers.

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Youngstown Sheet & Tube Shutdown

INTERVIEWEE: WILLIAM P. FERGUS  
INTERVIEWER: Philip J. Bracy  
SUBJECT: Eastgate Development and Transportation Agency,  
history/role in economic development  
DATE: April 14, 1981

B: This is an interview with Bill Fergus for the Youngstown State University Oral History Program, concerning the shutdown of Youngstown Sheet & Tube, by Philip Bracy, at the E. D. A. T. A. offices in Austintown, on Tuesday, April 14, 1981, at 10:00 a. m.

F: I am William Fergus, executive director of the Eastgate Development and Transportation Agency. I am the first director of the agency since its inception back in 1972. It is a consolidation of the old Mahoning-Trumbull Council of Governments and the old Transportation Study Group started back in 1965. I have been with the predecessor and with E. D. A. T. A. since April 1, 1969. I'm a registered professional engineer, surveyor, educated in Youngstown, and a graduate of Youngstown University with a bachelor of science degree. I am a member of a number of professional organizations, probably the most prominent of which is executive director on the Staff Advisory Committee of the National Association of Regional Councils, which gives me a wide perspective in national interests and national policies as they relate to intergovernmental policies and with the geographic areas of the country where there's varying degrees of growth problems, urbanization problems, and economic development problems.

B: Could you give us the formal structure of E. D. A. T. A., how it's set up?

F: The structure of E. D. A. T. A. is set up as a council of governments under section 106 of the Ohio Revised Code

that provides for a voluntary regional council, in this case covering four counties: Ashtabula, Trumbull, Mahoning, and Columbiana. That's the basic structure.

Functionally, we operate under Federal Congressional Acts requiring that in an urbanized area, and in this case the urbanized counties of Mahoning and Trumbull, that we operate as the metropolitan planning organization for all forms of transportation planning. We carry out the function as the area-wide section 208, which is public law #95.500 in the area of the Environmental Protection Agency's waste water planning program. We function in that capacity in Mahoning and Trumbull Counties also. We are the HUD recognized regional planning agency for the four counties of Ashtabula, Trumbull, Mahoning, and Columbiana. We function as the air quality planning agency for mobile sources in Mahoning and Trumbull Counties and on an ad hoc basis in Ashtabula and Trumbull Counties.

B: Does that involve the A-95 review process?

F: Yes. Also, under federal office and management and budget designation, the A-95 review agency for Ashtabula, Trumbull, Mahoning, and Columbiana Counties on a state level, we are designated by the governor as a regional planning and development organization for these four counties. We are the area clearinghouse for all state grant applications covered by executive order. We carry out a number of other functions with respect to the Ohio Department of Development, the Ohio Department of Transportation, the Department of Natural Resources, Ohio EPA, and all the other state governments. In essence, we are what would be called an umbrella agency for federal and state planning projects in this four county area.

B: What do you see as the governing policy of the agency? In other words, some people see steel or the existing industry retention as a primary focus, beside your review process, obviously. Do you feel that the agency's posture is one of retention of existing industries or have you been, in any way, focusing on diversification?

F: From nearly a few years after our original inception back in 1965, we saw, approximately in the time frame of 1970 to 1974, the inevitable changes that were taking place, the subtle changes that were taking place. We had been developing our planning functions as they relate to the other systems that affect economic development and economic retention, industry retention. We had viewed that process as taking place probably over a longer period of

time, but with the understanding, initially, that there were changes taking place. Diversification is not a new word, it's the battle that's going on out there in every urban area in the country that's attempting to stay alive and stay healthy. The problem is that the old industries, as we call them, don't die easy. They don't just go away. When they go down, they go down hard and a lot of people's roots, and a lot of people's lives were tied up and interwoven in those industries. When you take those kinds of things away, either overnight or over a longer period of time, a more subtle change still takes place and it does affect people. It goes down hard; it is a hard thing for a lot of people to accept. It's like a death.

From that standpoint we've had a fairly difficult time in being heard as a voice, but I think 20/20 hindsight says, yes, we were right, and that we don't like to be right in those kinds of cases, but it's one of those things that we had seen happening. We were looking for beacons so that we could understand when and how these things were going to happen. As such, it became a quasi-political problem, meddling into industry's business, sticking our nose in where it was probably described as not supposed to be.

From the standpoint of the information that was needed in order to anticipate some alternative actions that could be taken, we were kind of up against it for a few years from the standpoint of credibility, our political desirability was being questioned.

- B: Do you remember the circumstances of where you were and how you found out about the shutdown or the announcement of the shutdown of Youngstown Sheet & Tube?
- F: Not to belabor the fact that we had anticipated for some time that something was going to be happening. Again, these are the kinds of things that you shout them from the rooftop and you're like chicken little saying, "The sky is falling." But we had been attempting, actually for a number of years prior to the announcement, that particular announcement. The fact is if certain time tables were announced, if certain improvements were planned for or if certain schedules were being met, then we could almost for certain say, "Well, these particular things are going to happen. If these things begin to happen in this chronological order, then that means that these industries are going to be phasing out."

What did happen, though, in this particular case with

Lykes Youngstown, was the fact that all things came together on one weekend. I don't think too many people were aware that that was going to happen. So-called people that were supposed to be in the know with the industry were surprised.

The cry went up, "Something should have been done to forestall it." I don't think so. I think that the actions that had taken place years previous to that actually spelled the doom of those kinds of things. There really wasn't anything that anyone was really going to do to turn it around because it's just that kind of a thing. It's just like finding out that you're grandfather has cancer and there's not much you can do about it, and you just sit there and you watch it go down. It's a hard thing to take.

From the standpoint of what could have been done to provide for some alternatives to pick up slack, if you will, in the kinds of jobs that were done away with, we had seen over the last probably seven or eight years prior that, or ten years prior to that, a gradual change or assimilation of people out of steel industry into automotive industry, into the electrical industry, and into some of the other service industries. We had seen those kinds of things taking place.

One of the surprising aspects in our case, crystal-balling, what we saw coming down in the future, we had noticed back in 1968, 1969 that there was going to be a greater decline in the rubber products industry, Republic Rubber and certain other industries related to the rubber industry. Those also took place, but again, in most cases they were done in a phase-out type of thing, not in a slam the door kind of operation.

We had gotten some experience in what impacts took place when they initially closed the Ohio Works. When they closed the Ohio Works, they maintained the McDonald Works. We were made aware of the fact that within their operations, company operations, some kind of an index was used for productivity or efficiencies or combinations thereof. When the Ohio Works was closed the first time, it was determined that if it was ever closed again, the McDonald Works would have to go with it because of certain inherent company indexes and so forth. I think when it came around the second time, the impact was more deeply felt because what we had anticipated happening in the private sector actually did take place. From that standpoint, it happened in the private sector, not because we were made aware of

it directly, but because we anticipated certain things happening. This, I think, is one of the major problems that we have.

I think because of the nature of the beast we nearly always have to operate or estimate things going to happen, not because we're told that this is in the plan or that this is in the industry's scheme of operations, but basically because of what we see happening. In other words, certain activities happen, certain historical events in a particular industry or particular operation--apply that to that particular operation. From that standpoint, we had been saying that we should be looking and taking the most deliberate steps to determine. . . I keep saying it to our policy people and to anyone who will listen. We had better take a hard look at what we want to replace this steel industry.

It's like going from the frying pan into the fire. If you choose a select type of industry like the aging steel industry, which is going through a revolution and is being invaded by other countries and is, in effect, a sick industry or an industry that's going down, those aren't the kind of industries that we need to spend our life, blood, and time on. What we need to do is seek the kind of industry that will be growing and healthy in the Twentieth Century. That's why we put a significant amount of effort in assisting state legislatures and the Ohio Rail Transportation Authority, who are attempting to put in a high speed test track with our region. We feel strongly, very strongly that this is going to be one of the major modes of transportation in the future. It has got to be put some place in this country. There will be a test facility somewhere. Those kind of test facilities mean highly skilled, highly professional, and semi-professional people. Those are the kinds of things that bring in other kinds of industries and service. That's just one example.

- B: Following the shutdown announcement, were you contacted by any of the local government agencies or were you asked to participate in any meetings and so forth?
- F: Following the announced closedown, of course, the first reaction was we didn't cause it; someone else did. Labor caused it--no, the environmentalists caused it, the company caused it, and all that kind of stuff. Very shortly after the name calling died down, we were contacted by both federal Economic Development Agency people and some of our local elected officials.

All of a sudden everybody was out to diversify, out to bring in new industry. That was the catch word at the time. We were asked, at that late date, to prepare a prospectus or an outline or a compendium of projects that would fill or round out particular areas of the two county region. Given those improvements, that area would be totally complete, ready for a redevelopment interest to come in or a developmental interest to come in. In most cases they were either combinations of maybe railroad siding, sanitary sewers, water lines, and even gas, whatever that particular utility happened to be, roadway or whatever, that would make whole a particular area which would make it to be put on the market as a totally developed piece of industrial land or commercial land.

We met, along with federal EDA people and HUD people, with a number of communities and put together this package of projects. I can't even recall now ~~what~~ the price tag on it was, but it was a very significant price tag, given the total. The fact of the matter was that even at that point in time we were still running headlong into the groups or the people who were bound to resurrect the dead dinosaur, the aging old steel industry. We were fighting that kind of action and that kind of operation.

Probably the people who were involved more directly were the county commissioners in both Mahoning County and Trumbull County. We had the mayor of Warren, the mayor of Niles, and public officials from some of the smaller communities in Mahoning County. The federal officials that came in from EDA were out of Chicago. They were given charge of this.

By December of that year the city of Youngstown had just gone through an election and we were meeting with secretaries from HUD and EDA at separate times. A number of studies were underway also. There were some studies that were underway prior to the announced closing, for example, a joint blast furnace project and a unitrain project, though none which we have seen any fruits from.

One of the early conflicts was the conflict that we could perceive between the Ecumenical Coalition and--what do you want to call it--the somewhat "private sector" people who had already made a decision about the business of moving on. So we kept in very close contact with the congressional people from this district. At that point it was Representative Carney. They were trying to get attention at the national level, a national focus on the problems of steel.



B: That would be the Steel Congressional Caucus?

F: The Steel Congressional Caucus. What we saw developing was to some extent the problem of turf fights, turf skirmishes between the Department of Housing and Urban Development and EDA. We saw the Alpervitz study being funded and being run out of, I believe, the HUD. At the same time, unbeknownst to mostly everybody, was the counter study that was being funded from EDA. Not saying that the combination of the two studies wasn't a valid thing because we're talking about an immense amount of money contemplated to be spent on the industry. If all you're doing is delaying the final curtain, you don't really throw that kind of federal dollars back into it. I think from that standpoint the two studies had an offsetting, something to judge one from the other with, a comparative analysis.

Again, we were faced with the problems that the federal government, in the person of the president, had stated that there was \$100 million to be made available, and I question when I say made available. The question then became: Made available for what, to whom? Made available to a steel industry to replace this one, made available to steel related industries, or made available to industries that would reemploy the unemployed steelworkers? These kinds of things are designed to cause these kinds of questions to be raised and to cause the conflicts that would come up because we have different groups vying for the same dollar, the same pot of money.

The bottom line, ultimately, was a lot of promises were made by the federal administration. What they delivered and what they promised were the differences between black and white, night and day.

B: The \$100 million is still in essence. . .

F: I understand that the \$100 million is no longer there.

B: Oh.

F: You can promise the world, but you don't even have to deliver a city lot if you work right. I think, to some extent, many of the local people that got caught up into these things had good intentions, but they just used their energies fighting themselves and the other groups in the region.

We had, again, 20/20 hindsight. What we should have done

was, for a number of reasons, taken stock in the region, taken stock in the valley and recognized once and for all what goes into driving this economic development machine, what goes into making it up. Certainly, there's the age old conflict of private versus public. Keep the public out of the private sector. Private industry has to do their thing, and so forth. As long as we have that hocus-focus going on, we're going to hit and miss these kinds of things.

What we also had was the fact that we didn't have a ground swell of agreement in the valley that these other systems impact on economic development. Other systems do impact. For that reason, I think it's an indictment on certain industries because we had seen for generations the fact that it's just like having a captive market or labor market. They had a captive labor market. They mean basic steel in the valley and we're not too keen to competing with other kinds of industries for that labor market. Look back to the aluminum extrusion industry shortly after World War II, this area was the center, the focal point for that kind of industry. For one reason or another, depending upon who you talk to, labor cost, equipment cost, those kinds of things, those industries pulled out and moved down. High technology has been here, but they just moved out.

There were problems when General Motors decided to come in, again, competition for the labor pool. Those kinds of things do take place. I think the problem was that most of the people who should have thought about it, didn't. Those that did think about it weren't listened to for one reason or another, and maybe for selfish reasons of their own didn't pursue it.

To that extent, we operate here much the same as a think-tank type operation in that we can develop or we will develop if we have the resources to do it. We can develop some of these alternatives. What happens if you do this or what happens if you do that?

To some extent it has been in the last four years a just staying alive kind of an attitude. For that reason, I think the valley has been susceptible to the opportunists that come in peddling an empty bag, but we've had some good ones. We had not had the kinds of directed concerted effort from the state government that we should have had. Take a look around the state and take a look at the Columbus area versus the northeast and you'll see part of the reason. Those are the fruits of the effort.

We're fighting a battle that nearly every urban area in the country is fighting. We look at even Toronto, Canada, the metropolitan area of Toronto where just until a few years ago was falling into the doldrums. They've had to grab themselves. Here is an area that many people around in this region would be tickled to pink to have the kinds of problems taht they have. But, they again, could see far enough down the line to understand that they were falling into the same traps. This has been part of the problem in the valley, in this region, that we're so busy taking care of today that we don't have time and the resources to look far enough into the future. I think we've been beaten over the head enough times and caught unaware so many times that maybe everbody has become cynical to the point where we have no confidence. The confidence is going in the future, the confidence is gone in the region. From that aspect I think we're really shortchanging ourselves. It's an internal cancer that's defeating and eating away at ourselves.

There's a number of other urban areas in the country that have gone through this or that are going through it or they will be going through it. It's just part of life itself.

It's tough getting political leaders, elected officials. It's pretty hard to get them to think about those kinds of things that are further out than their winning of current elective terms. That's one of the toughest things that we run into. We can see that there are too many positive things going for the region to back away. I think those are the kinds of things taht we ought to play on and provide some alternative plans for.

- B: During the time following the shutdown announcement, were you approached by the Ecumenical Coalition as siding them in their proposal or were you in any way connected with the Ecumenical Coalition?
- F: As the A-95 clearinghouse we were required to review their application and to respond to it. We ordinarily, I say ordinarily, carry out certain activities with regard to A-95 clearinghouse activities. This particular project was such that we had met with the officials of HUD and we had talked with EDA people. We had met with state HUD people who were reviewing the package. From the onset I don't know whether it harked back to the old days when we were preparing the EPA mandated area-wide waste water plant that included an industrial section; we were the bad guys on the block because what we were saying was that

industry should begin opening their doors, opening their books, opening their plans as to when, how, and how much they were going to be spending in cleaning up the industrial waters of the valley. The problem there was that we were being told that these were all nonproductive costs, which in nearly all cases they probably are, but the fact that they had gone on for fifty, eighty, one hundred years didn't diminish the fact that they were polluting the waters.

Again, it harks back to the old story, if we looked out the window and we didn't see smoke in the air, we were in trouble. Well, the fact that in order to live even an abbreviated life with coal dust or polluted air, if that's what you live by and you're sold with the fact that you have to live with that, I think you're selling yourself short because quality of life should be a little bit better if the technology is there to clean up the air. It should be made a part of that.

As we were responding to the Ecumenical Coalition's plans, we did it in a very methodical, as we normally do, way. We were hitting the problem that the information, which is voluminous, that was required for a federal grant of this kind of magnitude, that it contain a number of different subplans or subprograms. To that extent they were very slow in coming because again, they were under a very strict time line requirement to get these things out.

As we were reviewing, we were calling out the fact that we didn't have this to analyze against another portion of it and so forth. From that standpoint, we spent an inordinate amount of time, we feel, reviewing this project, analyzing its impacts on employment, on the other urban systems, on the supply of gas, natural gas, and those kinds of other things that normally most people don't even take into consideration.

As we completed the review, there was a conditional approval given to the project and to that extent, it would in some people's view, in some people's mind I guess, they would have viewed that as something that we weren't in favor of. But that's a fallacy because had we really gone at this project, then we would have really asked some very serious questions. We thought, well, as long as they have a chance, we'll give them a chance. That's the way it ran out.

At the same time, of course, we were working with the new administration in Youngstown, and with this new group

which evolved into the Mahoning Valley Economic Development Committee. We worked, initially, with that capsule group and actually administered their first grant, federal grant, to get them in business.

B: That would be the ad hoc Youngstown area task force?

F: That would have been the ad hoc task force that evolved into M. V. E. D. C., initially started by Congressman Carney. We pointed out in certain white papers that we produced how these kinds of things should be brought together once and for all because there had been so much independent action taken by independent groups and independent forces both by our private and public that we had seen. We had seen enough agony in the past, and duplication, and conflicts in the past. It was: Here's a way that can be pulled together and it can be pulled together by not killing off all of these groups, but by at least bringing them in as a part of other groups, a part of another total group designed strictly to recruit and bring in new industries. That was what really spawned the Mahoning Valley Economic Development Corporation being structured as a community improvement corporation explicit in their articles of incorporation, that they were not in the economic development planning business, that they were in that delivery.

B: Would you tell me about the Youngstown area task force, who the members were that you recall?

F: Youngstown area task force was the group actually spawned out as a result of the Congressional Steel Task Force that Representative Carney had been active in convening at a national level. As you pointed out, there was the initial meeting on October 11, 1977. Representatives that were there included most of the elected public officials, mayors or county commissioners from Mahoning and Trumbull Counties. There were a few people there also from Lykes Youngstown, namely Bill Cleery. I can remember a number of other faces, but I'm trying to recall the names of these people. There were some state legislators there.

The congressman stated at that point in time that the diversification of proliferation of groups had to stop, this idea that everybody was going to be able to go off and do their own thing was coming home to roost and this was the fruits of it. It was agreed at that point that an organizational structure had to be put together to bring the kind of community involvement together to set a single delivery group in place. Up until that point, the Economic

Development Planning Agency for the region was the Western Reserve Economic Development Agency.

For the reasons that we can see now and we saw then, we had, as the Regional Planning Agency, locked horns with WREDA on the issue of cleanup of the waters. From the standpoint that industry didn't want to give up any time tables, didn't want to give any idea of what they planned to do as far back as starting in 1973, 1974, we were having some problems, as the press put it, "inter-agency conflicts."

Interestingly enough, the director of WREDA and myself met a number of times and recognized the people that he had to respond to; their funding was either federal EDA or a local steel company money. I had taken over the old COG, which was assimilated into the old transportation study that Bill had headed up before that, 1972 to 1979. We really had an understanding between ourselves of the things he had to do and the things that I had to do in responding to the people that I represented, which were the local governments in the four counties at that point. Primarily in Mahoning and Trumbull Counties, they affected economic development.

The congressman felt and the mayor-elect of Youngstown, Phil Richley, also felt that WREDA had been hostage of the steel industry because that's who was paying the bills. Okay, and being the people that pay their bills, they wanted their position from and center; that was the way they were going to operate.

Upon the announcement that Lykes Youngstown was pulling, Bill's comment was that he knew nothing about it. He had known nothing about it prior to that instant and that his idea was that he had been betrayed not knowing that that was going to happen. That was the death knoll for WREDA at that point in time.

We had taken the overall economic development plan, which WREDA was charged with completing for the region and maintaining for the region in an annual update basis. We had taken that task because it had stated originally that the only sole purpose for economic development planning in the two county region was that the basic steel industry be revived and revitalized.

We felt initially from the beginning that there is more to this region than basic, primary steel. It was too singularly centered on one industry, that industry had a

history of decline, not of growth, and that we were going counter to what all the public pronouncements from the elected officials out there were beating the bushes for new industry, not that they had given up on the steel industry, but they were going to give it every break they could to keep it going. From that standpoint, Representative Carney's group expanded to include representatives from Campbell, Struthers, Lowellville, the communities most directly hit.

Trumbull County kind of sat on the fence back in those days and probably still does to an extent until U. S. Steel announced the next major closing, because they had had a fairly active community improvement corporation. That community improvement corporation had problems within itself, but from the standpoint of where Trumbull County was and where it was going, Trumbull County was really the growth county when we take a look at the two counties. Again, that harks back to what the uses of the prime industrial lands in Mahoning County were for, basic steel. Those kinds of things were taking place.

On December 23, 1977 a meeting was convened in Congressman Carney's Youngstown office at which time Mahoning Valley Economic Development Corporation was hatched. It included, again by design, people who represented or that were a forced, supposedly, in these other groups, for example, the Ecumenical Coalition. They were brought in as a part of the whole, hoping that by bringing them in that the walls would not go up between them. I'm not so sure that that has been totally successful, but from that standpoint, initially, that's what was proposed.

Okay, we proposed at that time, and it is a part of both the deliberations and the design of the Mahoning Valley Economic Development Corporation that there were certain functions where the federal funding coordination would take place, and where EDA would be involved with other federal administrations, and how E. D. A. T. A., Eastgate Development, would fit in as the catalyst or as the glue that held all these individual groups together.

Individual groups ran anywhere, from people that had a part of the action or a piece of the action when it came to the components of economic development, including the Chambers of Commerce, Mahoning Valley Economic Development Corporation, the Manpower Training Consortium people, the Ohio Bureau of Employment Services, the Ecumenical Coalition, WREDA, Youngstown University's Center for Urban Studies and all those kinds of groups that had a part to

play in economic development retention, reporting, or whatever.

We had hoped at that time to make it very explicit, that that's how the function was to be carried out, given particular tasks, very explicit tasks for each group. Part of the problem continued, and you have to try and understand this as to why didn't it happen totally as designed? Part of it goes back, again, if you read the hearings before the subcommittee on antitrust and restraint of trade activity of trade activities affecting small business and the committee on small business House of Representatives 96th Congress. There's a section in here within the committee report that discusses the history of the demise of Lykes Youngstown in Youngstown and the fact that the federal administrations involved. . .

Remember, we were not directly a contractor to EDA. We were contractors to HUD, and to virtually every other federal funding agency--Department of Labor and the Department of Health, Education, and Welfare. But HUD had "their boys" and there was a national set of policies being developed that would have taken, initially far back enough in the Nixon administration, taken HUD out of the picture altogether, put EDA in charge. Again, with the change in the Ford administration and early Carter administration, EDA was to change and become more political, and HUD's role was to be more subservient and be additive. So we were caught in a turf fight on a national basis, which helped slowdown the melting of the local policy decisions.

I think we've had enough history behind us that we should have learned the lesson a hell of a long time ago. An interesting thing happens though, we have changes in the elected officials that come around. I think one of the strongest points we have going, strongest hands that we have going for us now, is the fact that we have a county commissioner, who is now a congressman, who was involved in the day to day local issues and he's trying to sort out the national conflicts and work those kinds of things out. We have George Vukovich who had gone through staying alive of WRTA as a member of the board of trustees, possibly even as its chairman or president. With him in Youngstown, with the elected officials that we have now, there are a lot of them that we are educating in that area.

We are now, hopefully, with the state government, finally focusing on giving a hand up in this particular area, section of the stage, possibly, I hope, coming down to the



final typing together of what should have been done a long time ago, but for political reasons wasn't done--political on a local level, political on a state level, and political on a national level that weren't done.

The rebuilding of the steel industry, as it was, as was pointed out, was maybe one shot in a million, but you had to take that shot. We've taken it, and I think we've to lay it down, walk away from it, and get on with it. Again, we're out there in a battle. This is one of the problems that still faces us, and that is that we still remember it and there are a lot of people that try to maintain it and they try to remember what used to be and now what is. The fact is that the competition that we're in shouldn't be between ourselves; it should be between, collectively, ourselves and the other urban centers in the country, and for that matter, in the world. That's the first major problem, and I think once we can get past that I think we should be in pretty good order to get some things done.

We still have a proliferation of community improvement corporations, of quasi-economic development agencies, of political leaders, nonpolitical leaders, all vying for a place in the sun. As long as you have that proliferation of leaders, you're not going to get too much going in a single direction unless it's by accident.

B: What was your opinion of the community worker buyout concept?

F: From what I had read, where it had taken place, it was taken on small scale. The magnitude of the scale of this particular buyout would have been monumental. That was the first major hurdle that seemed insurmountable.

The second point was: What were they buying? If they were buying as in a lot of these other cases, small cases, were to rebuild or modernize, those industries would have been a fairly small thing to do. These folks were buying junk. To all intentional purposes, they were buying a pile of junk that they themselves would admit made money not because of the equipment, but because of the people operating the equipment. That's the single strongest thing that they had going for them--the will to produce quality with stone age equipment, if you would call it that.

From that standpoint, if they were buying out a modern steel mill to take it over and operate it, I would say,

"Hallelujah! They have it going for them," but they were up against a horrendously monumental problem. They were buying something that was obsolete and it really would have taken billions to put back in shape.

We had literally walked through parts of that operation down there and saw what was left. When Lykes Youngstown totally moved out they didn't leave an awful lot of modern.

B: Took all the good stuff and left what was marginal at best.

B: Certainly. From that standpoint, I think that was their other major problem. Thirdly, I don't think the Federal Administration had their heart and soul into it either. They were fighting that kind of a problem. They certainly didn't have the state government behind them. I'm not talking about the state legislators, I'm talking about the state itself. There was deviousness within their own operation. You could see. That came out quite often. There were a number of opportunists in there, like we see the carpetbagger that walks into town and says, "I'll tell you what I have. Give me \$20 million and we're in business." They had a number of opportunists in there. I'm not so sure that that's indigenous just to this particular area, this particular industry. You'll have that anywhere you go. When anything dies you have vultures that have to come in and feed off of it and they serve a useful purpose in life. That's why you have scrap dealers and reconstitute, regenerate new materials out of the old stuff that they haul away.

You have the same thing with, I think, some of the members of that group. They were suspect by, I think, a number of their own people.

B: What about the concept of the National Steel Research Center?

B: Case can be made for that kind of a center. A case can be made and ought to be made for it, but not enough was said about the other industries in this country that enjoy that kind of advantage. There are other industries in this country that are subsidized, that are operated, that are a part of some other kind of sector, some other sector of the economy that had that available to them. I think one of the problems that came out of that proposal was the fact that it was thrown in at the same time that a number of other things were being thrown up. I think it just got caught in the crowd.

Again, the inability of the federal administration to respond to a national problem is still with us. The hocus pocus of the new administration is, "Let business take care of itself." Business hasn't been able to take care of itself for generations. So from that standpoint, we're probably in for more of what we've seen. We had, in this case, the Carter administration people being shown what the problem was, what the ramifications of action that they were taking was going to lead to, and decided that if you don't make a decision you don't make a mistake. I think that was probably one of their theorems that they operated with. They didn't make a decision so they couldn't be tagged with making a mistake. It's unfortunate.

The Ecumenical Coalition, had they a different goal, I think they would have had much more going for themselves, but it would be like trying to resurrect the buggy industry. There's a select premium on certain types of buggies, but not was a mass produced vehicle for moving people, not when you have automobiles and other forms. From that standpoint, the region has certain definable resources available, both human and otherwise. I think this is why it should be their main purpose now to make those kinds of decisions. What are they going after? What do they want to go after? Given those decisions, where they want to go and what kinds of industries that they select or would like to go after, just get about the talk of uniformly understanding that when they round up the wagons that they don't have the guns pointing in, that they have them point out where they ought to be.

B: In the late 1950's and early 1960's in Pittsburgh, Mayor Lawrence was responsible for trying to pull the various sectors together. He had like Mellon Bank and some obvious foundations to deal with.

F: Right.

B: What do you see as the basis of leadership in that respect?

F: It's probably by chance that it happens any other way, by chance, stroke of luck maybe. You take a Pittsburgh, and you take a Canton, you take any one of these kinds of communities, and what you do have, you have a Mellon, who you said says, "This is the way we're going to go." He ties up with the mayor of government. . . We had the same thing in Chicago. Mayor Daley, as many critics as he has, I admire the guy because he had the knack of corralling or grabbing hold of the kinds of people that

had the economic finance backing. They were the folks that if they said, "Yes, we're going to go east," then they would have the rest of the hierarchy go with them even if they marched into the sea. That is what was decided to be done in Pittsburgh.

Pittsburgh of the people, "out of Pittsburgh," had a very definite detrimental effect on what happened in the Mahoning Valley. People, of course, they ought not to forget it, but likewise, they should learn from it. Here for years was Youngstown versus Warren and Warren versus Niles. It's like a bunch of football games or whatever, sports activities, not understanding that there are no fences, not walls, one community is dependent upon another. This is, I think, one of the major shortcomings of the general public in this whole area.

I listen to the talk show, Dan Ryan, you listen to this talk show here and you listen to talks shows out of Pittsburgh or Boston or Chicago and you listen to these kind of talk shows and you'll get a different, totally different set of items discussed. People discuss here the inner grindings, the inner conflicts or things and they're so worried about the guy next door or whatever somebody else is making, not understanding that the more someone else makes the more they'll make. That's the mentality of the people in the valley or in the region, that they operate as if they're on islands. That's one of their major shortcomings.

What Pittsburgh was able to do, they were able to grab the kinds of political leaders, business leaders. Here it was done by trying to. . . Really, if you sit down and you say, "Where are the business leaders? Where's the business leader," if you can name that individual in this area, you're doing well. In a lot of cases the business leader isn't even in the area, in a particular sector, save a few. In those areas, they're available, willing and able to make a decision. Things move with them.

In the Ecumenical Coalition's section you had public and religious groups pulling together, Ecumenical Coalition. You had two out of the three--labor, business, and religion. Here you had the other two and it didn't work.

Somehow you've got to identify the business people. The business people in this area are very wary of political, being involved with the public side of it. Until that hurdle is overcome, we've got some rough roads ahead of us.

- B: Are you of the opinion that there is hope for the Mahoning Valley or do you believe, as some do, that we're going to lose a lot of industry and people to the sun belt?
- F: The entire northeast has been losing people to the sun belt. Federal administration's policies dictate that certain things like that are going to continue to happen. I think probably one of the strongest areas that we have going for us is the fact that investment has been made in the past in this area, the investment in this area is again, the kind of capital investment that you can't walk away from. Our geographic location should say an awful lot more for us than people will tend to say. From a position of transportation, surface transportation, I think we're in an excellent position. From the standpoint of water transportation, it's zero. We take the strengths and we take the weaknesses and we balance them off again, one against the other.

Labor force, basically highly skilled. Many of the labor force are so used to a high standard of living that they just are not able to comprehend what it would mean to take something, a little lower station in life. That can be a plus or a minus depending on what happens and how you move with it. I think the labor force is a very strong plus. It hasn't been pushed or hasn't been sued to our advantage.

What has been used to our disadvantage from the labor standpoint are strikes, labor unrest, and other kinds of things that do nothing but paint black paint on the whole subject. The latest piece on the teachers' strike isn't doing the area one iota of good. Those kinds of things just don't cut it.

There's a group that was formed through the Regional Growth Foundation and again, I think, Chuck Carney had a hand in it. That was putting together the industrial private business sector conflict-resolving type organization where they would, if requested, they would come in and act as, not necessarily arbitrators, but at least mediators within conflicts between business and labor, industry and labor. I don't think they have been used more than once or twice in all the years that the Labor Industry Council has been in existence. That ought to be a tool that's being used. Again, recognize it as a tool, and it's not the answer for everything.

Economic development planning in this region is a real crazy quilt--everybody still doing their own thing. You

have the national policy, the hark. The cry is that industry can do its own thing and that industry is the supply side to economics, and that means that industry has to do their own thing and be able to operate and do away with all these federal requirements. The federal requirements are there for a purpose, in most cases. They're overkilling in a lot of areas. From that standpoint, that's what we're fighting, the overkill, but there is a protection that needs to be there as far as certain regulations are concerned.

I think the valley has a hell of a lot going for it if the people would just quit living in the past. Use it as a means not to repeat the mistakes of the past. If you live in the past, you certainly can't develop for the future. If you can learn from the mistakes in the past, as we should, and recognize that we are going to have industries that are born, live and die just as you have people that are born, live, and die. You have industries that are going to do that and the problem is that they go down so damn hard and it takes so long for them to die and be picked over and be plowed under that you can go through a whole generation of people and they have the attitudes that most people in the valley have. That is that they have been beaten so many times that they just give up. It's a tough thing to stand by and watch.

In that respect, just to get whimsical, it would be nice at that point maybe to have a dictator say, "This is what we're going to do and by God we're going to do it," and go about the task of getting it done. But we don't. Supposedly we live in a republic where we can make choices. A lot of the choices, I hate to say, involve "screw thy neighbor."

B: Okay. Thank you very much.

F: Okay.

END OF INTERVIEW