

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Youngstown Sheet & Tube Shutdown Project

CASTLO

O. H. 238

ALFRED RUSSO

Interviewed

by

Philip Bracy

on

December 21, 1981

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INTERVIEWEE: ALFRED RUSSO

INTERVIEWER: Philip Bracy

SUBJECT: Formation of CASTLO, Impact of Shutdown on
Lowellville

DATE: December 21, 1981

B: This is an interview for the Youngstown State University Oral History Program. The interview is concerning the shutdown of Youngstown Sheet & Tube and how it affected the various communities. This is December 21, 1981, and the time is approximately 7:00 in the evening. I am talking with the mayor of Lowellville, Mr. Russo.

Mayor Russo, would you please tell us a little bit about yourself?

R: I have been mayor of the village of Lowellville for the last, approximately, seven years. I graduated from Lowellville High School. I was born and raised here. I am 55 years of age. I have spent my entire life here in the community and I know the community quite well.

I have witnessed the shutting down of the Sharon Steel Corporation, which was the main employer of the village for a good many years. I work for the United State Postal Service. We were a village of approximately 3,600 people at onetime, which did not permit me to run for public office. I've been involved in a lot of community projects, mostly the Catholic Church of which I am a member and youth organizer. I had been employed with the Sharon Steel Corporation for eighteen years prior to my employment with the Postal Service.

B: When and how did you first find out about the announced shutdown of Youngstown Sheet & Tube?

- R: I found out like the rest of the mayors in the local area; it was sudden. I didn't realize that, or never expected Sheet & Tube, as large as it was, to be shut down. I understand the announcement was made on Monday, that's probably when I heard about it.
- B: Then you weren't invited to the 10:00 a.m. meeting?
- R: No, I was not.
- B: If you had to guess, do you know what the percentage would be of the citizens of Lowellville that were laid off or affected by the shutdown of Youngstown Sheet & Tube?
- R: I imagine in the working class it was about 15 percent, 15 or 20 percent of the working class.
- B: Would you guess the number of jobs that were lost? You were saying 15 percent, but do you know approximately what number that would be?
- R: I would say approximately 90 to 100 jobs were lost from the shutting down of the Sheet & Tube.
- B: Could you indicate the financial impact of the closing of the Sheet & Tube facility on the city of Lowellville, and maybe compare that with the Sharon Steel shutdown as far as employment in your community, and so forth?
- R: I believe that the financial impact that the closing of the Sheet & Tube had on the village of Lowellville was approximately \$70,000 in personal property tax. We had not lost any village income tax for the simple reason that we did not have any reciprocity agreement between Struthers and Campbell. I believe that the closing of the Sharon Steel Corporation in 1962 had a greater financial impact on the village of Lowellville than the closing of the Sheet & Tube. Although, I believe that the Sheet & Tube closing had more of a drain on the employment of the residents of the village of Lowellville. What I mean by that is that in 1960 or 1962 when the closing of the Sharon Steel was announced, we lost financially, but we had a lot of our younger people. Of course, we also had a local agreement in the basic contract with Sharon Steel that we would have preferential hiring rights over and above any new employee that was hired over in Sharon. This gave our people, who lost their jobs here in Lowellville by the closing of the Sharon Steel, the opportunity to get employment with the larger Sharon Steel plant over in Sharon. The ones that preferred not to go there sought employment in Sheet and Tube. Our younger people stayed within the

village itself or the surrounding area. I think that financially we weren't hurt as great as we were in 1962.

B: You presented me with this financial impact statement. Who gathered all the information, and actually put this report together?

R: We had this gathered by CASTLO / Campbell, Struthers, and Lowellville Community Improvement Corporation. We also had our Service Director, Al Ratuno, working for us under the CETA Program. He drew up a lot of this information for us.

B: What position did he hold?

R: He held the position of Service Directory in the village of Lowellville.

B: Were you contacted by Congressman Carney or any other officials to participate in the formative meetings of Mahoning Valley Economic Development Committee?

R: Yes, I was.

B: Approximately how many people attended, and what kind of impressions did you come away with from that meeting?

R: I know all the mayors in the valley were there. There was quite a few people who were concerned who had lost their jobs. I would say that there was well over a few hundred at that time.

I have great respect for Congressman Carney. I know he tried to do the best he could. He did a lot that people don't realize. He has helped the village of Lowellville tremendously because he realized that the village of Lowellville was affected by the closing of the Sheet & Tube. He was also involved in the closing of the Sharon Steel because he was a staff representative for the United Steelworkers. He did know, and he did realize what effect it had on this small community.

B: What kind of support did he give your community?

R: He gave us some support. Financially, as far as community block grants, I know he made some inroads in discretionary funds. He provided us with a lot of information on how to apply for a home for the elderly, which we received in the village of Lowellville. It was a 44-unit complex. Congressman Carney has done a lot for this village.

B: On Sunday, October 2, approximately at 7:00 a.m. there was a meeting in Mayor Hunter's office in the city of Youngstown, were you invited to that meeting?

R: What was that date again?

B: It was October 2, which would probably be about two weeks after that announcement. It was to discuss a trip to Japan, to Tokyo specifically.

R: No, I don't believe I was invited to that meeting.

B: There has been a lot of speculation that prior to the shutdown of the Youngstown Sheet & Tube that there was a Japanese delegation that had toured the facility and had been here in the valley. Were you aware of any such visit?

R: Yes, I was aware of one. They were invited here by CASTLO. They met in our CASTLO office, and toured the village of Lowellville, Struthers, and Campbell. They were concerned about putting out a plant. We had approximately fifty acres of industrial ground that we were trying to attract whoever would like to come in. They looked like they were sincere, but we never heard too much about them after that.

B: Do you remember approximately when that took place?

R: I imagine around 1977.

B: Was it just before the announcement of the shutdown or was it later? Do you remember?

R: I think it was after the announcement.

B: After the announcement? Yes, well CASTLO didn't form really until after the announcement.

There was a second meeting in Higbees on October 11. Two gentlemen, Mr. Batt and Mr. Shepard from Studebaker were there. Were you present for that meeting?

R: No, I don't recall that one.

B: They were from Studebaker in South Bend, Indiana.

What led to the development of CASTLO? There was already the Mahoning Valley Economic Development Committee. Was there a reason why CASTLO came into existence rather than participating directly in MVEDC as it's so called?

R: I can just surmise. I believe Governor Rhodes felt that the cities of Campbell, Struthers, and Lowellville were effected more by the closing of the Sheet & Tube than Youngstown. At the time, Youngstown was sort of getting all the publicity, but the greatest effect of the losses were in the three communities. We were invited down to Columbus. Governor Rhodes was very, very helpful to all three communities. He had some discretionary funds that were designated primarily for industrial purposes. He said if we had any industrial areas in which we could designate this money, we could get it. I recall distinctly that he had helped us.

We needed a sewer line because we had this home for the elderly that was just going up. We had to put a road in because we committed ourselves whenever we submitted the application. This road led into the fifty-some acres of ground that were primarily designated for industrial use, and of course, this is what we really wanted. I don't know where we would have gotten the money to pay for the improvements, but it just seemed like it was a godsend that we received it. We had a lot of prospects looking at the industrial park, but for no apparent reason, they just didn't materialize. We have the sewer line down there, and we have the utilities now in case we ever do get some people to come in.

B: There was speculation that one of the things that led to the formation of CASTLO was this problem with Youngstown basically trying to take the lead as far as funding or something. I think you just alluded to it a little while ago. What I kind of hear you saying is that the formation of CASTLO really didn't have anything to do with any perceived differences with the Mahoning Valley Economic Development Committee, or am I misreading what you're saying?

R: No, I don't believe so. In fact, I think CASTLO was formed before MVEDC was formed. We felt that the greatest impact of the closing of the Sheet & Tube directly affected the three communities, and we felt that we should start binding together and working towards that goal. We were affected, and we would have to stick together, more or less, and see what we could do.

When we first organized CASTLO, we knew that the industrial park situated itself right in the heart of Struthers. At the time we weren't going to benefit financially from income tax, which is a great help. In the long run we just felt that maybe if we got enough jobs there that some of our local residents would be employed in the

industrial park. That's what I was concerned about, and I think that's what Mayor Mico was concerned about. We were concerned about the salvation of jobs because there was a great loss of jobs in this whole area.

B: Governor Rhodes came into the valley the week following the announcement of the shutdown of the Youngstown Sheet & Tube facility. Could you elaborate on what took place at that time?

G: I believe we met in the city of Struthers at the time. The three mayors were involved as well as other local officials. We toured the Sheet & Tube Campbell Works, as well as the Struthers Works, and also the village of Lowellville. Although Governor Rhodes indicated that he could see a definite and serious problem, there was no word or any promise of anything. He just indicated that he would do whatever he could for the three communities. I think it was right at that particular time that the governor made mention that if we would get together and work as a unit, the bottom line would be jobs. That's what we all wanted.

Things started moving. I know we spent a lot of time together, the three mayors. We made several trips to Columbus. I think that's when Governor Rhodes indicated that he really didn't know what he could do for us, but they did have some money laying around as far as discretionary money for industrial purposes, so to speak. That's when he invited us three mayors down there. The village of Lowellville received \$117,000, but it had to be specifically designated for an industrial purpose.

B: It seemed a kind of strange coalition. You had a Republican governor and three Democratic mayors. Did you have the sense that there was a strong bipartisan effort just to do this? Do you think there were any politics involved in it?

R: I imagine that there might have been some politics involved, and of course, that all probably plays a part in it especially when you look at a governor who is a Republican. Governor Rhodes knew that the three communities never went in favor of a Republican governor.

I have great respect for Governor Rhodes now. It just seemed that he overlooked the fact that here were three communities that were basically Democratic, which I feel is the thing to do in a crisis. When he looked at the vote, he could have said, "Boy, I didn't get anything out of that outfit. Why should I do anything for them?"

But he really didn't. He came to our aid, and he was very forceful in it. He invited us down, He respected us, and he realized our problems. I was amazed with how the guy operates. He impressed me very much.

B: What was CASTLO? What was it set up to do, and what are the major goals of CASTLO?

R: How they arrived at the name is that the governor sent up what you would call an aid to him, a fellow by the name of George Wilson. He helped us out quite a bit. At that time we were concerned about how we were going to survive, how we were going to get jobs. We knew we had to do something. He / George Wilson / was a go-getter. We were trying to come up with some kind of a name, and he took the first two letters of Campbell which are CA, and of course, the first two letters of Struthers, ST, and then the first two letters of Lowellville which are LO, and he came up with CASTLO. It really struck home, it rang a bell. That's how the CASTLO name came about.

We really started to move. We had a lot of meetings. We met down here at Lowellville quite often, down at the local restaurant. I remember we even spent some money out of our own pockets because we didn't have any money at the time. Basically he did most of the legal work. We weren't that familiar with it.

B: When you say, "We met," who do you mean, the three mayors and Mr. Wilson? Were there other people there?

R: Yes, we had the chairman of the Improvement Committee of each community. The reason why we picked the chairman of the Improvement Committee is because he was the one who would have to deal with council. That's where we tied them in. We started to form like that. In fact, we went to Washington a couple of times on an EDA Grant when we received the money from the governor and the federal government, which was helpful. Like I say, I think CASTLO is really moving in the right direction. I think we were just a step ahead of MVEDC all along. It required a lot of work, and we had some good people behind it.

B: There were a couple other proposals that came out about the use of the facility, one was the employee stock ownership plan that the Ecumenical Coalition had proposed where the employees would purchase the facility, and then somehow turn it into a employee stock ownership per se?

R: No, I really didn't think it would ever go for the simple reason that it required so much money. The people were hard hit at that particular time. They were talking about, I can't recall exactly how much they were talking about, but it was really a large sum of money. But I did have a lot of people in the village of Lowellville mention that. In fact, we had a local businessman, an old Italian fellow, mention it himself. He said, "What they should do is everybody should get together and put \$1,000 in, and then maybe we can buy it."

They knew that we had problems, and they wanted to survive, and they felt that this was the only way to survive. It was a good thing in a way, but I never thought that it would get off the ground floor. It was a good thing because it pulled people together and made them realize that they have to start working together.

B: Do you think that this kind of effort is the kind of thing that religious leaders should be involved in?

R: Yes, I think so in a sense. I think everyone should have some input into the valley. We all have to live here.

B: I mean in the sense, with all the political entities already involved, wouldn't it kind of clutter up the landscape with more players? Pardon the expression.

R: Yes, I think I understand what you mean. One of the priests in the area was quite voiced on the thing. There are some things I didn't agree with him about, but I think he did a good job. I even forget what his name is now. I felt there was no harm in it. He devoted a lot of time to it. I think he was trying to be more helpful. He realized the problems that we had then.

B: So you don't think it hurt or helped the effort?

R: No, I don't think it really hurt anything.

B: Another proposal that was put forth was to use the facility for a steel research center. Do you think that that was viable, or was that just another attempt to try to get some kind of job?

R: I think basically what they were doing was just trying to create more jobs or any kind of a job at that time.

They talked about a research center right there in the heart of Campbell, but I think everybody was just reaching out at the time and trying to salvage any kind of job that was possible.

B: Returning to CASTLO, the major goals of CASTLO, if I'm understanding what you said correctly, would be to provide employment. That will help Lowellville if the plants or whatever move in the place because they could then employ "x" amount of residents from Lowellville. Is that the only goal, or are there other side issues that they are involved in?

R: Maybe in the long run it may have some effect on the financial position of Lowellville because we, CASTLO, did acquire a lot of that ground. If they start building down in the village of Lowellville, then it will have some kind of a financial impact in there. Right now I think the only impact that it would have is if they get more tenants, then there's a possibility that we might have some younger people from Lowellville who will be employed. I understand that we have approximately four or five from the village of Lowellville who are employed in the CASTLO Industrial Park at this time, so you can see it didn't do any harm. It did some good, not as much as we anticipated or hoped for, but it still did some good.

B: Really the only relationship that Lowellville has in the directions that they looked for in CASTLO is the creation of jobs for the residents. Have you suffered a lot of people leaving as a result of the various shutdowns going on?

R: Yes, I have witnessed a lot of our younger people leaving the area. A lot of our college youth here have gone. In fact, a good percentage of our local high school graduates who have entered college, just move on to Texas as soon as they come out because there is no employment here at all. In fact, I have a son that graduated from Youngstown State University who went to California. He's doing quite well. We got a card today from him saying that he missed us, but he said he just knew that he had to do something with his life.

This is the part that hurts me the most. When we were growing up, and after we came back from the Second World War in 1946, and in the 1950's and 1960's, all we had to do was roll out of bed, so to speak, and we could find a job. We had the Sharon Steel Corporation, Ohio Edison, which was another plant just east of the village which was in our local school district, Sheet & Tube, Rod & Wire, and the Campbell Works. We had full employment.

It was nothing to get a job. Today, even if you have a college education, you just can't get a job here.

B: You mentioned before "full employment," do you know what your unemployment rate is now approximately?

R: In the village of Lowellville I would venture to say it was 14 percent.

B: Was the relationship of the mayors of Campbell, Struthers, and Lowellville, and yourself one of the factors that helped the CASTLO organization work? In some jurisdictions you can have conflict between mayors or governors when you have to cross the state lines and so forth. Do you feel that the relationship between the three of you aided in the growth of CASTLO?

R: I believe that if anything came out of the shutting down of the Sheet & Tube Corporation, the Campbell Works, and the Struthers Works, was that it brought the three mayors of those three communities closer together than they have ever been before in more ways than one.

I found out that years ago if you would ask one of the mayors for a piece of equipment that you may have not had, they were reluctant in parting with it. Because there was so much money, they felt that everybody should go out and buy their own equipment. But now, I can see where the three mayors, and even the village of Lowellville, are lending their machinery and providing the three communities with any information that they have. It really brought the three mayors a lot closer together. I think this helped CASTLO get where it is today.

B: Finally, is there anything that I probably should have asked you that I have overlooked in the process of our conversation related either to the shutdown or the impact on your community?

R: Like I said, I think we might have touched a little on it earlier in the conversation, the closing in 1960 or 1962 of the Sharon Steel had a greater financial effect on Lowellville primarily because of our local school district. At that particular time, the village of Lowellville, the residents that is, passed a levy. I don't believe that there was ever one levy that was defeated. If you go back and check the record, I believe you will find that the Lowellville school district paid the highest taxes in the state of Ohio just to maintain their school system.

I think the announcement of the Sheet and Tube closing had a greater effect on the village of Lowellville as far as employment. Whenever the Sharon Steel shut down our younger element was not moving out of the village, they were staying in the Lowellville School District. They wanted to maintain their residency here. But then when the Sheet and Tube went out of business, people began moving out, not just out of the immediate area, they began moving out of the state. This is what I'm fearful of.

B: There's one other question that I'm thinking of that I forgot to follow up on. You mentioned that there was a Japanese delegation that came in, either through CASTLO or somehow related. Do you remember the name of the firm?

R: No. I know there were three fellows, but I don't recall what they were.

B: Were they another steel facility?

R: No, I can't even think of what they were involved in, but I remember them coming in and that it was through the CASTLO organization. I think they were brought in by George Wilson, who is the director of CASTLO. We chartered a van and they went and toured the village of Lowellville for different sites. We showed them the old Sharon Steel vacant ground, and we went to Campbell, and all through Struthers. They were impressed, but after that we never heard anything about it. We were hopeful that somebody would be able to settle in here and take up the slack of the jobs that we lost. I can't even recall now what they were involved in.

B: They weren't in steel themselves?

R: I don't think they were in steel. I don't believe so.

B: I would like to thank you for taking the time this evening to sit down with me and fill us in on some of the events that took place during that period of time.

R: I hope I was helpful to you to some extent. If there's any information that we may have as far as our files on the impact that the Sheet & Tube had on the area itself and the village of Lowellville, you're welcome to have it.

B: Thank you very much.