

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Youngstown Sheet & Tube Shutdown Project

CASTLO

O. H. 241

LAWRENCE MCCARTHY

Interviewed

by

Philip Bracy

on

May 5, 1982

YOUNGSTOWN STATE UNIVERSITY

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INTERVIEWEE: LAWRENCE MCCARTHY

INTERVIEWER: Philip Bracy

SUBJECT: CASTLO

DATE: May, 5, 1982

B: This is Philip Bracy for the Youngstown State University Oral History Program concerning the shutdown of the Youngstown Sheet & Tube and the subsequent effects on those communities and organizations that evolved from that particular event. This morning, January 8, 1982, I am interviewing Mr. McCarthy, owner of the Struthers Journal.

First of all, Mr. McCarthy, could you give us a little bit about your background?

M: My name is Lawrence McCarthy. I live at 253 Bridge Street, Struthers, Ohio. I was born October 24, 1918, in Boston, Massachusetts. I am single.

I spent 23 years in the United State Army. I was discharged in 1952 as a major.

I attended the High School of Commerce in Boston and Boston University for one year. It was during the depression years so I left and joined the military.

I came out of the Army in 1952 and became the editor of the Struthers Journal. In 1971 Mrs. Harick, the publisher, died and left me the paper and the business and everything else.

I've had two hobbies since I was in high school in Boston; photography and astronomy. I'm still with them. In fact, I was president of the Youngstown Astronomy Club for two years in a row.

- B: When the announcement of the Youngstown Sheet & Tube took place to the media, did you attend that 10:00 a.m. meeting?
- M: Oh yes.
- B: Who attended the meeting and what kinds of reactions were there, or what impression did you leave that meeting with?
- M: Some of the first meetings I attended were not political in nature, they were held by the Youngstown Sheet & Tube in which they said J&L will buy up Youngstown Sheet & Tube. In fact, J&L did take over. The president from Pittsburgh was at the meeting at stop fourteen. No politicians had gotten into it up to that stage.
- B: When would that have been?
- M: That was in 1977, the latter part of 1977.
- B: Prior to the announcement of the shutdown there was speculation that there was a Japanese delegation in town looking at the plant, do you know if that was just a rumor or was there actually a Japanese delegation in town?
- M: I would say that was strictly a rumor. I never heard of it and I'm pretty close to the Sheet & Tube. In fact, I am real close to the Sheet & Tube offices on Market Street. I never heard of any of that stuff.
- B: Was there any time later on with CASTLO or anybody else where the Japanese delegation actually came through?
- M: Yes, after CASTLO was organized we had a Japanese camera company interested in coming down here on Lowellville. Still we had no Japanese in the mill. These were other Japanese companies like a Japanese paraffin company. The closest we came to picking up one was a Japanese candle manufacturer. He had a brochure on some of those candles. They were ten inches thick and six feet high. It was really a first class organization, but had nothing to do with steel.
- B: Let me return to the meeting that you attended for the announcement, was that strictly for media people or did you attend the meeting with the mayors and the others?
- M: All the media were there in those days. Of course at some of the meetings I knew people from the Market Street office. I had to go up there. We were setting type for

them at that time because they were phasing out their printing. They would tell me this is going to happen and that no other media knew about it.

B: When the people were phasing out their printing operation about how long before the shutdown did that take place?

M: A year before it went out.

B: Since it really wouldn't be of any great secret now, what kind of information were they passing along to you?

M: Just for example; Johnny Jones was being terminated, and the gorgeous lavatory was also being cut back then.

B: This would be the executive wash room?

M: Right. A year before it happened when I went out to pick up some printing work or pick up some advertising, I heard Johnny Jones lost his job, or I missed someone in the public relations office. This was a year before the final blow landed.

B: No one just flat out told you that something big was happening even up until the last couple of weeks?

M: Right then all the news media, the three TV stations, and the Vindicator were there. At the last two meetings they told us they were going to close. That's how we met the President of J&L from Pittsburgh. I believe his name was Baker. You can double check on that. That was the day the Sheet & Tube legally became, on paper, J&L.

B: There was a Struthers Town Hall meeting on September 27th in the field house, was that well attended? What kind of things were being said as far as possible solutions?

M: I was up there and it was poorly attended. When the Sheet & Tube collapsed, we found out the entire town did not work there. We were amazed at the small quantity of Struthers' people employed in the mill. That's one of the reasons why people who had jobs other places didn't attend that meeting.

B: How many people would you say attended?

M: I would say less than 400 people in a building that holds about 5,000.

B: On Friday, September 23rd, Congressman Carney had called together the majority of elected officials in the Mahoning County that were affected by the impact. First of all, did you attend that meeting? Second, how many people attended and what kind of things were discussed at that meeting?

M: They never did have a really good attendance for such a large thing as a mill shutting down. There were very few there. I tried to attend, but some politicians didn't attend. It was like Kirwan's Canal, we heard that for 25 years. That's the attitude of the people. They promised us money before. These communities have been applying for public work grants which have been rejected one after another.

B: About how many people do you think attended that meeting at Higbees?

M: I would say probably less than 100.

B: These were all mainly mayors and the congressmen?

M: Right.

B: What kinds of things were discussed at that meeting?

M: Some ways of saving the valley.

To answer your first question, the public response right from a year before the mill went down until today, I would call disgraceful. That's the word I would use, absolutely disgraceful. They paid no attention. You run a picture showing the government giving Struthers \$250,000. The government's coming. There were a lot of politicians from Struthers, Campbell, and Lowellville, but when you counted the citizens, there were only ten or fifteen.

B: One other incident was that steel workers rally they held on Federal Plaza. I don't know the exact date. There were only a handful of people there.

On October 2nd, which was a Sunday, at 7:00 a.m., there was a meeting in Mayor Hunter's office concerning the proposed Tokyo trip, did you either attend that meeting or have somebody?

M: No, I didn't attend that meeting.

B: Did you talk to officials subsequent to that?

- M: No, I didn't. For some reason that old rivalry between Youngstown and this end of the valley was still there. They paid no attention to our problems, and I felt Youngstown's problems were Youngstown's problems.
- B: The reason I brought it up was because, I believe, Mayor Katula and Mayor Centofanti were both at that meeting.
- M: They more or less have to attend the meeting. My personal opinion was that it was a waste of time.
- B: The three mayors and a number of other people were supposed to go to Tokyo. I believe the firm was Boishoi USA. Do you have any knowledge of any incidents surrounding this, or any speculation whether it was just something set up? Was it just a public relations gimmick or was it for a real effort with some substance in these discussions?
- M: I think it was strictly a public relations gimmick because on the local level--you may not like this, but it's the truth--the biggest dispute here was who was going to get this free trip to Tokyo, not how many people were unemployed. I couldn't see any sense in that working out. Later on when CASTLO and the government went over there, they accomplished nothing either.
- B: Since there was no Japanese delegation, we've established that, and since there really seems to be no real substance to that, was it just something to keep people's hopes up?
- M: That's all it was, a lot of false hopes were raised.
- B: On October 10th, 1977, there was a second meeting in the Youngstown Council Chambers, did you attend that meeting?
- M: No, I did not.
- B: What meeting or what events lead to the establishment of the CASTLO project?
- M: It was Governor Rhodes who decided that the heaviest hit communities were Struthers, Campbell, and Lowellville. Struthers really didn't belong in that category because right until today Struthers is still in the blue. Campbell, I would say, is number one in the tri-county area.
- B: Were there a series of meetings that lead to the formation? The governor came in, I believe, the week of the announcement of the shutdown or the week after. It was in February, I believe, when he made the announcement of the funding for the three communities.

M: It was after the announcement of the funding. I would say a week or two later that I was called about the meeting over in Campbell City Hall. At that time, Senator Meshel and State Representatives George Tablack outlined this idea of the three communities banning together applying for one grant as a unit. That was the start of CASTLO. In fact, I think it was four or five days later when George Wilson came up with the CASTLO name.

B: George Wilson actually thought of the name, but the people who were actually involved with the funding would have been the governor and . . . ?

M: Senator Meshel and George Tablack, those two. In fact, from there on in, it was those two who really did the work. They would find some money in the state treasury they could transfer to us.

George Wilson picked up \$265,000 for the State Street repair. When you drove in the city of Struthers it looked like Tobacco Road. He knew some people in Washington, and they said, "Well, we have \$265,000 you can have," which was like a bolt out of the blue. When we got the street fixed up, they got, I guess, about \$325,000 in a grant for Campbell.

B: Could you discuss your role in the formation of CASTLO?

M: All I tried to do was give them as much coverage as possible. I had taken hundreds of pictures if any dignitary from anyplace in the country showed up. I even have some pictures of the Japanese up in the CASTLO office. Anything I thought might bring a penny into this CASTLO project, I was up there with pictures and front page stories from day one. If you go up to the CASTLO office, you can see all those pictures on the walls. I took them. I was tickled pink to help these communities out.

B: You were also responsible for the stickers that they had?

M: I was, yes. You have to understand, when we started they had nothing. I gave them paper, I used to take reems of paper up so they could type. I gave them forms, and I printed forms. That was my contribution.

This may be out of order, but I try to run my newspaper this way; I feel that I cover Struthers, Campbell, and Lowellville, I don't want any outside news, and I don't want any outside pictures. I've seen newspapers going down the hill because they were running news of local

things. In other words, I want my people to tune in the TV to get the national news, but when they want to know what Saint Joe's School is doing, or about the football team, they read the Struthers Journal.

When this Ecumenical Council started I kept on it. I have my own CASTLO and that was my answer. It may be wrong, but that's the way I felt about it.

B: Then there really wasn't any real connection with the coalition?

M: I had nothing to do with it. I would print stories from them. I would go out of my way to hold the paper up to take pictures of anything that pertained to CASTLO.

B: What did you think of the principle actors, if you will, like the three mayors? We'll start with Mayor Russo, do you think he aided in the effort?

M: After CASTLO got on its feet, I think the three mayors did a lot.

B: Concerning their traditional rivalries, do you think that the cohesion of the mayors helped?

M: It helped, but the rivalry was still there. If they appointed two Struthers' councilmen, Campbell wanted two and Lowellville wanted two also. I could sense that. George Wilson, when we added a new member, we added one from Struthers, one from Campbell, and one from Lowellville. Besides the politicians, we put a civilian on from the three communities. I think two civilians were put on. That kind of balanced the vote.

B: What was the organizational structure of CASTLO?

M: Each mayor was an automatic member of the executive board. A councilman was in charge of buildings and claims or something like that, I forgot what his title was. They would add another councilman who would be the chairman of finance and legislation. That's where they picked the council.

Council during elections would change over. The new councilman would be on the finance and legislation committee. He was an automatic member of CASTLO. Then they would recommend civilians, that's how I was put on as a civilian from Struthers.

B: CASTLO has two distinct parts, does it not?

M: Right.

B: Could you elaborate on that?

M: The executive board, I think, are forward members. You will have to get that information from George Wilson. You know they come and go. For example, Ralph Skerratt stepped down and Stapleton from Poland Township stepped up. They come up with all of the ideas and recommendations, then they have a board meeting, then we vote on their recommendations, yes or no.

B: What I was referring to though was that you have the Community Improvement Corporation [CIC] on the one hand and the CASTLO project on the other, could you distinguish between the two?

M: I'm on the Community Improvement Corporation. The executive board, I think, has five members who meet quite often. A lot of these other people on the board like me couldn't go up there every night of the week, but the executive board meets a lot. They're the ones that came up with this carbon oil company. They have Mr. Hill there who explains it, then we vote to accept them as a tenant. The same with the Youngstown Steel Spike Mill.

B: The CASTLO industrial park is separate from the CIC, is that correct?

M: No, CASTLO owns the industrial park.

B: I thought even though they were interchanging members, there was the CASTLO project, the industrial park, and there was the CIC, which was responsible for grants and applying. They're just two parts?

M: Yes, right.

B: The major goal of the organization, CASTLO, is what?

M: Should be to attract industry or business into the area.

B: Do you think they have been successful?

M: Oh yes, they have at Youngstown Steel. They have already bought the Campbell Open Hearth and expect to put a 55 ton electric furnace in. They have already purchased a six strand draw mill from Austria. I think if they can obtain those government loans, that will be one of the largest draw mills in the country.

B: What is a draw mill?

M: It's really a glorified extrusion mill. They will be able to make their own material for spike mills, which is a square piece of steel 5/8ths inches thick and 35 feet long. Right now they're buying the steel out of Michigan. They make these concrete reinforcing rods that are like gold. It's unbelievable, contractors can not buy enough concrete reinforcing rods. I just can't figure it out.

B: Besides those two projects, were there other projects in the park?

M: Yes, the carbon oil company. What they do is recycle tires and end up with carbon black products for paint companies and fuel that you can put in your furnace right now and burn.

B: How many jobs are we talking about here with these?

M: When Mr. Hill gets the approval, he will need sixty people immediately.

B: That's strictly on the carbon oil?

M: Yes.

B: How many total jobs do you see?

M: Don't forget we have the pipe company down there also. They moved in there to do all the inspecting for the seamless. They have already rented one building, now they want to rent two or three other buildings.

They have thirty-seven men down there now. If you assume they want to put three more there, you're talking about, maybe, another seventy-five men.

B: All totalled how many jobs roughly do you think would be there?

M: I would say about 100.

B: Now what I would like to do is get your impressions of some of the other proposals that were originally proposed for the former Lykes facility. The first proposal that was put forth was the Coalitions proposal for employee stock ownership. From your dealings with the political leaders and the business community, do you think that even had a flying chance of getting off the ground?

- M: I think before we leave CASTLO, I should go over this too. As a board member, I have already voted for four million dollars to be spent down in that park immediately. We have a journal that lists the new highways, all those buildings to be fixed up, the shrubbery to be put in, and a new electrical system for four million dollars. We will bring our own power in from Broad Street. We'll have our own substation in there. I know that that's really going to attract some people. I know that the seamless company is really happy to have this pipe inspecting company so close to them. You should go down and see these railroads bringing these pipes in. J&L is really happy. There is a company that's going to get big.
- B: To return to the Coalition's proposal, what were the politicians and business people telling them about their plan having employees buy out the facilities and to employ stock ownership? Did they think it would work?
- M: Well I can't speak for CASTLO, but personally I didn't think it applied.
- B: Did you get the same impression from the political leaders that you were talking with?
- M: They felt the same way I did. Let's face it, the word unionism isn't a beloved word anymore like it used to be. When you're talking about the demise of the steel mills, you have to blame management, government butting in, and you have to put unionism at the top of the list.
- B: Do you think it was because of their wages and fringe benefits?
- M: It was out of hand. Sixteen dollars an hour to sweep the floor, that's what's killing the American automobile industry. There is a big difference between auto workers and the average other workerman's wage. They can't have that disparity.
- B: The second proposal that was put forward, I believe, by the Mahoning Valley Economic Development Committee was the proposed steel research center in the old works. Do you think the steel industry needed something like that?
- M: I don't think so. If they did, they're twenty years too late. The American industry has been spoiled for 25 years. If you wanted a small order off the Sheet & Tube, they wouldn't even speak to you. All they wanted

was nothing but steel girders and steel for battle ships or massive bridges. In the meantime the aluminum companies were going to town making beer cans, street signs, storm doors, et cetera.

B: That seems interesting in light of the fact, I believe, at one time the Mahoning Valley was noted for the number of aluminum companies that were in the valley. It's kind of digressing, why did they leave?

M: I don't know why. In the old days when Kaiser wanted to buy the Struthers furnaces, the banks refused to loan them money because they didn't want him in down there. All Kaiser wanted to do was make cast iron. I guess that's up there with the high cost of gold today. They froze the man out because they didn't want him in down there.

B: There were a number of proposals that were coming out of the woodwork at the time, but the last one I would like to ask you about is Father Hogan's proposal. I believe he recommended either a coke facility and/or an electric blast furnace, do you think either those would be feasible.

M: Well that's taking place already. Briar Hill is putting in electric furnaces and Youngstown Steel is committed to putting two in the open hearth. They are kind of running a little bit low on funds and have to get another grant, but they have already torn out those old open hearths. I've taken a series of pictures for a company for the United States Government. They want two 55-ton electric furnaces up there to make steel for that six strand draw mill. They'll sell the rest to anyone who wants to buy it.

B: Then it has actually proved itself true?

M: He was right about this idea with these electric furnaces. There's a brand new company from Salem who is committed to these electric furnaces. Youngstown Steel decided to put two in three years ago, long before Father Hogan said anything about it.

Struthers knew this coke plant wasn't large enough. We knew that ten years ago .

B: Do you think that in the long run the community will recover?

M: Absolutely, I've always said, since I first came here, we would be better off with fifty small companies, rather

than three giants which were run inefficiently. I'm talking about going to affairs of these different mills and all you can see are white hats, who are the bosses. When I first came here I asked some of these people, "Well, where are the working people?" I met somebody who said, "For every two of us working in the mill we had six white hats bossing us." Six bosses to two laborers, that's hard to believe. I mean it's going on right now at J&L.

B: Is there anything I should have asked you about CASTLO that you think is important?

M: No, I think the only thing that has helped us concerning CASTLO was doing things as an individual community. You talk to local politicians about running ads in the New York Times and the big production magazines, they never thought of that. They wouldn't have had the money if they did. The response we've been getting is terrific.

When prospective tenants for Ohio look at the resumes for some of the Ohio workerman's laws and compensations, and they see that it is something too easy for these men to collect for too long, it scares them out of the area. We had a really giant steel company who wanted the industrial park about three years ago, not just a building, the works, but when they saw you get the unemployment and workman's compensation, they moved out really quick.

B: Are there any other details that I should ask you about, either any of the political personalities that were involved or any anecdotes?

M: I would say if you want to pinpoint one person, I would have to give 99 and 9/10ths percent of all credit to George Wilson. He's a tough white organizer, he's honest, and he's a good person. He doesn't beat around the mulberry bush. If something doesn't work, he will make it work, that's the way he is.

B: The actual direction, though, and the original focus, if I'm not misunderstanding what you said, was from George Tablack and Harry Meshel? Did they actually think of the idea? They didn't think of the name, but did they think of that banning together?

M: It was their original idea, but George Wilson took their idea and made a reality out of it. Today George Tablack and Harry Meshel are really proud of CASTLO.

Poor George has lost out on sheriff's office and he has lost out on a couple of jobs. I saw George a few weeks

ago and I said, "Well, how's CASTLO doing, Mac?" I've known George for twenty years. He said, "Really good." He has nothing to gain or lose by telling me that. "I'm really happy," he said. "Every time I see it, I'm happy." He is pretty proud of his county. It's a beginning when he needed help from the state. Once it got rolling everyone wanted to join, like everything else.

B: I would like to thank you for taking the time this morning.

M: I'll tell you, I know because I voted on that thing and we have a couple of others, it looks good, but as I said, we're afraid of other news media. The only time that I break the news is when I take a picture of them signing the contract. A company might say, "Mac, can you hold up?" and I hold up. Like this pipe company that moved out of New Castle asked me to hold up. Absolutely, if it might get you in trouble, I will say nothing. A news story doesn't mean that much to me, I'll take those 37 men working down there, and somebody else can have the news scoop. I think that is childish, playing with a news story.

B: I would like to thank you for taking the time this morning to talk to me about CASTLO and its formation.

I'm gung ho on CASTLO because I realize that two people from Struthers or Campbell going to Washington don't stand a chance, but when George Wilson goes he represents 35 thousand people. We have a little voice, simply that.

B: Maybe one more small question, did you go to any meetings in Washington?

M: I was asked to go up there a number of times, but I'm always afraid because I don't want to be used as a newspaper. It gets in the background with me. I don't want them to take me up to see Metzenbaum or he'll start to count and say, "Listen, Mr. McCarthy is a publisher." I would rather sit back and watch how Metzenbaum does on his own and the same with George. Those two have been fine to a degree.

B: Like I said, I want to thank you for taking your time this morning.

M: I don't think I did too much myself. If these communities grow, then my paper grows. That's good enough for me.

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B: Thank you again.

M: You're welcome.

END OF INTERVIEW