

THE ECUMENICAL COALITION OF THE MAHONING VALLEY:  
HOW CHURCH LEADERS BECAME INVOLVED IN THE  
STEEL BUSINESS

Michael P. Grzesiak

Submitted to the faculty of the University Graduate School  
in partial fulfillment of the requirements  
for the degree  
Master of Arts  
in the Department of Philanthropic Studies,  
Indiana University

May 2008

Accepted by the Faculty of Indiana University, in partial fulfillment of the requirements for the degree of Master of Arts.

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Dwight F. Burlingame, PhD, Chair

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Leslie Lenkowsky, PhD

Master's Thesis  
Committee

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Martha I. Pallante, PhD

## **Acknowledgements**

I deeply appreciate the important support provided to me in pursuit of this degree:

William Bartolini

Robert Fogal

Thomas Hofmann

The Staff and Volunteers at The Youngstown Historical Center of Industry & Labor

Karen Grzesiak

Ben Grzesiak

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## **Introduction**

By the late 1970s, the steel making industry in the United States was reeling. Pressure from international competition, dramatically increasing production costs, and a declining demand for steel products represented only a few of the issues facing the industry.

Youngstown, Ohio was devastated by the closing of three major steel mills in three years: Lykes Corporation's Campbell Works, LTV's Brier Hill Works, and U.S. Steel's Youngstown Works. In all, more than 15,000 steelworkers and another 35,000 in related industries lost jobs in this period. Along with the aforementioned issues, mills in Youngstown also suffered from antiquated equipment, outdated manufacturing processes, and a less-than-optimal location that made these closings likely. The greater Youngstown metropolitan area, also known as the Mahoning Valley (named for the river flowing through the region), never fully recovered from this loss of industry.

The purpose of this thesis will be to study the response of the local nonprofit sector to the closing of the Campbell Works, a mill located just outside the city of Youngstown that employed approximately 4,100. A brief overview will be given of the activities of traditional nonprofit organizations (i.e., job placement and retraining, psychological and stress management therapy, and food, clothing, and shelter assistance). This review will demonstrate that not only were these organizations unprepared for the closures, but the programs that were offered did not provide adequate assistance to the unemployed and/or their families.

Much of this study will focus on the less traditional role of Youngstown's nonprofit sector to attempt to save an industry and a community from extinction. While their chances for success were remote, workers, family members, and community leaders of the Mahoning Valley fought diligently to save this industry that had been an inseparable part of their collective identity for nearly a century. Significant collective action with its origins in local unions and churches mounted a unique battle that, while unsuccessful in Youngstown, proved to be a helpful roadmap to other communities that would encounter similar crises.

This work will describe the story of the Ecumenical Coalition of the Mahoning Valley, a diverse group of religious leaders whose mission evolved into a campaign to garner the resources necessary to purchase the Campbell Works and reopen it as an employee-owned company. I will examine the group's strategies and tactics, profile its leadership, and document the events that led to its eventual failure to secure the funding needed to reopen the mill. Also explored will be the reasons such a coalition could form at all.

The Coalition's historical importance, however, resides in its influence on other communities that faced similar economic problems. Additional analysis will be made of Pittsburgh, Pennsylvania and Weirton, West Virginia; two nearby steel centers that faced similar economic downturns in the 1980s and used the lessons learned from the Ecumenical Coalition.

The final chapter of this thesis will examine the work of two researchers, Vaughn Grisham, Jr. and Richard Cuoto, and their work studying Tupelo, Mississippi and Appalachia, respectively. In these works, we see cities and regions laid bare by stark economic conditions and the collective action taken by a wide variety of constituencies to not only survive but to thrive. The community leadership of Tupelo, for example, was able to overcome its often competing business, political, and social priorities and to focus on a plan to improve the entire region. Without the successful use of mediating organizations, these strides would have been more difficult if not impossible.

From this study, the reader will gain some understanding of the role that can be played by the nonprofit sector in the face of difficult economic events. Very often, conventional wisdom holds that nonprofits only provide services to aid and comfort to those most impacted. In the case of Youngstown—and later in Pittsburgh and Weirton—nonprofits provided leadership that transcended traditional stereotypes and attempted to accomplish what government and other for-profit organizations could not or would not do: save its core industry. The very characteristics that often define nonprofit organizations—nimbleness, passion, and egalitarianism—were important ingredients in attempting to save Youngstown. Missing, unfortunately, were critical issues of influence (especially political), and business knowledge (especially in the first months) that stunted possibility for success.

## **Chapter One            History of Youngstown**

To better understand the reactions of nonprofit leaders to the steel shutdowns of the late 1970s, historical background of Youngstown, Ohio and the surrounding region known as the Mahoning Valley may be helpful. A brief examination of the region's history illuminates why and how Youngstown found itself in a dire economic predicament and shows how the region came to be tied mainly to one industry, steel. Moreover, examining the role of religion in the Youngstown area may also suggest how an organization like the Ecumenical Coalition of the Mahoning Valley could form and even enjoy some degree of success when other nonprofits, for-profits and government could not and did not.

### Founding Through 1950

Originally inhabited by the Erie Indians, the area known as Youngstown, Ohio and its surrounding region (also known as the Mahoning Valley) was claimed in 1670 by explorer Cavalier D. LaSalle for Louis XIV. However, James I, King of England, had also claimed the area for his country and granted the land to Massachusetts, Connecticut and Virginia. In the early 1700s, the Mahoning Valley was given to England as a settlement to the French and Indian wars. Following the American Revolutionary War, the Mahoning Valley was eventually granted to the state of Connecticut (Carney 2-3).

The first recorded non-Native American to explore the region was Lewis Evans who, as he made his way across northeastern Ohio, found a salt lick known as "Mahonic" by the



Erie Indians. While he hoped the salt deposits would be substantial enough to bring him wealth, ultimately, this did not prove to be the case. In 1785, General Samuel Holden Parsons became the first non-native purchaser of the 24,000-acre area comprising Youngstown paying 50 cents per acre. While making his first journey to visit his newly purchased property in 1789, Holden drowned only 40 miles away from his ultimate destination (Aley 1-20).

After Parsons' death, the Youngstown area remained unsettled until 1796 when John Young acquired the land and named it for his family (Aley 28). The origins of Youngstown's iron and steel industry began in the summer of 1802 when brothers James and Daniel Heaton discovered kidney or bog ore in a creek bed—a substance ideal for iron manufacture. By 1803, the Heatons had built a small furnace named “Hopewell,” and the first metal works in Youngstown began production (Aley 37). This furnace was remarkable not only because it was the first in Youngstown but also because it was the first in the United States to use coal as a fuel in combination with charcoal (Peterson 2). Coal was also plentiful in the region, and in July 1845, local resident David Himrod discovered that the rock was usable in a blast furnace. Soon, resident David Tod discovered how to use coal effectively in iron production (Aley 86).

As the nineteenth century drew to a close, a faltering economy directly affected iron producers because of the expense of its manufacture. As a result, companies specializing in iron products switched to the less costly production of steel. In Youngstown, The Ohio Steel Company became its first steel plant in July 1892. National Steel Company

purchased Ohio Steel in 1899, and National Steel remained until the formation of United States Steel Corporation on April 1, 1901. For more than 75 years, U.S. Steel would occupy a significant part of the lives of Youngstown residents, as well as the city's landscape (Butler 690-96). Another longtime manufacturer, Youngstown Sheet and Tube, was founded by James A. Campbell and George D. Wick in 1900. Sheet and Tube acquired the Brier Hill Steel Company of Youngstown and the Sheet and Tube Company of Chicago and became the third largest steel producer in the United States (Buss and Redburn Shutdown 19-21). By 1915, the company boasted 7500 employees (Carney 3-6).

The Mahoning Valley became a leading pig iron producer by 1920 accounting for 9% of all production in the nation. As evidence of the region's steel prominence, three of the United States' largest steel production firms based their corporate headquarters in Youngstown during the twentieth century (Peterson 3).

As industry grew rapidly, so did the need for laborers. While difficult and, at times, dangerous, this work did not require a significant level of education. Youngstown, as a result, attracted a large immigrant population to take these steel-making jobs. By 1930, 54% of the population of Youngstown was either foreign-born or a child of foreign-born parents. The nationality of residents was predominantly Slovak, Slovenian, Italian and Polish. African-Americans were also a significant part of the population (Buss and Redburn Shutdown 2).

## 1950-1977

Youngstown grew to its largest population in the 1950s, but trouble began to surface within its core industry. A study, completed in 1952, examined steel manufacturing in Youngstown and foretold of future challenges. Local plants were using outdated technology, and production costs were markedly higher than in the nearby steel centers of Pittsburgh and Cleveland (19% and 55% respectively) due to the transportation challenges of being an inland city. To emphasize the age of the steel-making machinery, the last blast furnace to be built in the Mahoning Valley was constructed in 1921 (Buss and Redburn Shutdown 16). Rather than generating change, this study—and its recommendations—were largely ignored (Safford 3-16).

A 1976 study by Booz, Allen & Hamilton found that steel plants in the Youngstown and nearby Warren, Ohio areas were among the least economically viable in the country (Lynd The Fight 16). As described by a scholar studying the feasibility of continued steel-making operations in Youngstown: “German and Japanese companies now produce with computers, while their capital-shy American counterparts struggle along with equipment that is Dickensian. Modernizing the Campbell Works now, according to one study, could cost over \$500 million (Brookhiser 835).”

Interestingly, Henry Ford II proposed building a major assembly plant just north of the city of Youngstown in the 1950s. Local business leaders, concerned with having to compete with the higher wages of the car maker, worked together to delay the project for enough time that Ford became impatient and took the project elsewhere (Fuechtmann

26). Had Ford been successful in locating a major plant in the Mahoning Valley, the effects of the impending loss of the steel industry may not have been quite as disastrous.

As Youngstown reached its economic height in the 1950s, population demographics were undergoing a significant shift. The middle class grew thanks largely to steel and other related manufacturing jobs, but those with family lineage to the iron barons of the early twentieth century departed the city. By 1968, “only 16 percent of the original thirty-seven iron and steel families remained in the area (Fuechtmann 23).” One major reason for this departure was in part because suburban Youngstown had not yet developed. Those who did not want to live in the city—in close proximity to the loud, polluting, factories—simply moved from the region. When suburbanization began to occur in the 1960s, however, many of the families who had led Youngstown had already gone taking with them leaders, entrepreneurs, and, above all, money (Fuechtmann 23).

Thomas Fuechtmann, author of *Steeple and Stacks*, describes the migration of the elite class of Youngstown:

“Before World War II, the community power structure was essentially elitist, with the iron barons largely dominating civic as well as economic and social life. By the postwar period, however, this group had almost totally disappeared from Youngstown. Their exodus left a political vacuum. At one level, community leadership was taken over by the major industrial corporations that remained in the Mahoning Valley. At a second level, labor union and ethnic politics dominated the local scene. Curiously absent in community leadership was a strong role for the local business community (Fuechtmann 25).”

Due to weakening demand and high production costs, 6,600 steel jobs in the Mahoning Valley were lost (from 32,000 to 25,400) in the period from 1967 to 1977 (Fuechtmann

54). Despite the warning signs pertaining to the steel industry and the reduction of available jobs, the 1970 census still showed a significant number of foreign born residents. In metropolitan Youngstown, 22 percent of the population was born outside the United States, and in Campbell and Struthers, the communities closest to the Sheet and Tube's Campbell Works, residents of non-U.S. birth accounted for 45.6 and 33.7 percent respectively (Fuechtmann 24).

In the first of many significant events relating to the decline of the steel industry, Youngstown Sheet and Tube, long identified with and headquartered in Youngstown, merged with Lykes Company, a conglomerate located in New Orleans, Louisiana in 1969. Lykes also had businesses in shipbuilding, banking, and real estate. Suffering from bad economic timing, Sheet and Tube almost immediately became a drain on Lykes because of a falling demand for steel products. Lykes responded by diverting resources away from Sheet and Tube by transferring good managers to non-steel subsidiaries, withholding investment of resources, and reducing regular contact with managers leaving them without direction (Buss and Redburn Shutdown 19-21). Without having the presence of a headquarters in its own city, Youngstown found itself distant from important decision-making.

### 1977-1980

In a prophetic speech given in Youngstown by the editor of Iron Age Magazine on September 16, 1977, Gene Beaudet discussed the present and future challenges for the steel-making industry. Beaudet highlighted overseas competitors, innumerable

government regulations (5,600 federal regulations overseen by 26 governmental agencies), and insufficient profits as representing the largest barriers facing the industry. The editor turned his attention to the Mahoning Valley where the most imposing challenge was capital improvements and could not dispel the worries of workers about the long-term future of their industry (Petzinger, Jr. 1-6).

Three days later, on the morning of September 19, 1977, Youngstown's intertwined identity with steel making began to unravel. The Lykes Company announced the closing of its Campbell Works resulting in the idling of 4,100 plant workers. This announcement represented the largest single steel plant to shutdown to date (Buss and Redburn "Plant Closings" 4).

Over the next three years, two other Youngstown-area mills, the Brier Hill Works (owned by LTV at the time of closure) and U.S. Steel's Youngstown Works, would also announce their plans to close. In all, fifteen thousand employees of the three affected mills lost their jobs, and related industries and other manufacturing jobs declined from 93,000 in 1973 to 53,000 by 1985. Of the 30,100 jobs in basic steel making that existed in 1973, only 7,300 remained in 1985 (Buss and Redburn "Reemployment after a Shutdown" 10-11).

In announcing the closing of the Campbell Works, Lykes gave no advance warning. Board members met at the Pittsburgh airport the day prior to the announcement to vote to close the plant. Lykes also provided no programs or services to help workers find new

jobs and refused to permit human services agencies access to worker information.

According to researchers Buss and Redburn, perhaps “the sudden announcement was an effort to catch the community and workers off guard. Then, the closing could proceed with less resistance from workers or the community (Buss and Redburn Shutdown 22).”

Immediately following the announced shutdown of the Campbell Works, a union meeting was called and a petition was created. Eventually signed by 110,000 in a 2 ½ day period, the petition requested that President Carter and Congress aid the steel industry by “Imposing Emergency Import Quotas, Relaxing the E.P.A. Standards, and Allowing the Steel Industry to EARN A FAIR PROFIT [capitalizing in original] (Lynd The Fight 23).” The petition was delivered to Washington by five busloads of workers; however, they were turned away at the White House, and the petitions were not accepted.

When meetings were held to discuss the Campbell Workers’ unemployment compensation package, union officials “ran into a chorus of voices asking what they were doing to get the jobs back (Fuechtmann 64).” Union officials tended to strategize around trying to retain as many jobs as possible at the expense of fighting for those that have been lost. When workers in Youngstown determined that the union was more interested in ensuring financial needs of the unemployed were being met rather than helping them get their jobs back, the former workers began to look to other institutions for help (Fuechtmann 74-75).

The closing of the steel mills in Youngstown occurred during a difficult economic environment for all manufacturers in the United States. Nationally, steel making suffered: In the twelve-years between 1974 and 1986, fifteen steel companies closed entirely while thirty other firms discontinued all steel operations but maintained other lines of business. Another 560 steel making production facilities also shuttered, and 31 plants related to the mining of iron ore and coal closed (Buss and Redburn “Plant Closings” 1).

### Community Response to the Shutdown

Outside of the steelworkers and their families, other local employers had a decidedly different response to the announced shutdowns. For local business leaders, a strong resentment existed because of the region’s dependence on and identification with steel production. Moreover, “there was a strong current of opinion within the Youngstown Chamber of Commerce that the economic future of the area lay in diversification (Fuechtmann 76).”

Local political officials were slow to respond to the news. Fuechtmann suggests three reasons for a weak response from political officials: no coordination on the metropolitan level, the mayor of Youngstown was in transition due to the retirement of the sitting mayor, and partisan politics. The Campbell Works actually were part of the jurisdiction of three communities: Campbell, Struthers, and Lowellville. Each had a part-time mayor and a finance officer but no real resources to handle the shutdowns. Furthermore, they were not certain they wanted their problem to become Youngstown’s. Youngstown, at



the outset of the shutdown, could not exert any real involvement due to lack of jurisdiction (Fuechtmann 78).

Not just blue-collar workers were affected by these shutdowns. In a newspaper editorial printed in the local *Youngstown Vindicator*, readers are reminded of the myriad of losses the community will sustain due to the shutdown: “Men and women who have supported and led innumerable civic causes will be leaving or have their lives changed so that they must give up these volunteer activities, so important to the area (“The Worst Blow” 6).”

### Impact of the Shutdowns

Examining the Youngstown region during the period between 1974 and 1984, employment in manufacturing significantly dropped from 92,500 to 55,000. This loss of jobs was at a rate 40 percent higher than national averages during the same time period. Compounding the crisis, non-manufacturing jobs increased by only 5 percent in the ten-year span (Garchar 6).

While some employment gains were seen between 1980 and 1990 in Youngstown, poverty rates increased greatly. In 1979, 11% of those living in Mahoning County were below the poverty threshold; by 1989, the poverty rate rose to 15.9% (Seballos 4-5).

The city of Youngstown’s poverty rate dramatically rose from 18.2% in 1979 to 29% in 1989. Poverty’s effects could be seen most dramatically among the children of Youngstown where the number living in poverty leapt from 16.2% to 24.9% between 1979 and 1989 in Mahoning County and from 28.4% to 45.1% in the city of Youngstown

in the same time period (Seballos 4-5). Overall, after the closing of the three steel mills, Youngstown lost more than 25% of its population between 1970 and 1987 and 20% of all its jobs from 1973 to 1986 (Lobel 122-26).

## **Chapter Two            Traditional Nonprofit and Governmental Response**

Immediately following the announced shutdown of each of the three steel manufacturing sites in the Mahoning Valley, social service organizations, both nonprofit and governmental, sprang into action. To better illustrate why the Ecumenical Coalition formed and what needs its leaders believed needed to be met, this chapter will briefly examine the actions that were undertaken by traditional organizations and what each hoped to accomplish. The client participation of the provided programs demonstrates a lack of understanding of the true needs of the unemployed. Within this environment could come the Ecumenical Coalition that argued that what Youngstown needed was not programs but continued employment in the steel industry.

### Services and Activities

In response to the shutdown of the Campbell Works in 1977 and the subsequent Brier Hill and U.S. Steel plants in 1978 and 1980, traditional organizational responses tended to mirror those associated with disaster relief. A significant amount of palliative care and services were offered in the weeks and months following the mill shutdowns; however, no apparent plan existed for meeting the long-term needs of individual workers, family members, and the community.

Initially, a variety of new and expanded services were made available to the recently unemployed workers of the Campbell Works. Agencies offering mental health services multiplied and offered extended hours to facilitate the anticipated need. The Ohio Bureau

of Employment Services, also presuming increased usage, hired additional staff to assist in job placement services and to process unemployment claims. Additionally, Job Training Partnership Programs were enhanced to provide retraining to the unemployed (Vaughan and Buss 3).

An initiative led by the Center for Urban Studies at Youngstown State University used a decision seminar approach to facilitate the creation and growth of a coordinated response to human services needs of the former Campbell Works employees (Buss and Redburn “Evaluating Human Service” 237). This initiative began with a core group of human services administrators and officials in March 1978—six months after the announced closing of Campbell. At a subsequent meeting, the group unanimously supported a goal to develop and implement a response. The group met regularly for 6 months—16 meetings in all totaling 30 hours, and outside consultants were employed as needed. Twenty “goals for action” were devised and presented to the community in a working paper titled “Developing a Human Services Response to Economic Crisis.” After the initial six-month period, the core group continued to meet until the project formally closed in March 1979 (Buss and Redburn “Evaluating Human Service” 237-38).

### Effectiveness of Services

Buss and Redburn, in the report “Evaluating Human Service Delivery During a Plant Shutdown: A Decision Seminar Application” suggest the human service delivery system in Youngstown was not at all prepared for the shutdown of the Campbell Works and was unable to effectively react due to a lack of integration (Buss and Redburn “Evaluating

Human Service” 231). Moreover, the authors believe “the demand for immediate results led to enormous expenditures on short-term and rushed projects to mitigate the consequences of the plant closing rather than on long-term and properly thought-out projects to expand the community’s economic base (Vaughan and Buss 5).”

The problems with traditional services did not end with a lack of planning. Usage of the services that were provided fell beneath what planners had anticipated because many effected workers resisted service delivery. For example, retraining was not effective in reemploying displaced workers in Youngstown. Twenty percent of those laid-off from the Campbell Works (approximately 800) took part in a retraining program, and of the participants, only 37 percent found any job at all. Moreover, no person laid off from the Campbell Works was placed in a new job by the Ohio Bureau of Employment Services (Buss and Redburn “Plant Closings” 9).

Of the services offered, those associated with treating mental health were the least used of all: only 35 former Campbell employees sought services in the two years that followed the shutdown (Buss and Redburn “Plant Closings” 10). In their study “Plant Closings: Impacts and Responses,” Terry F. Buss and F. Stevens Redburn find that “contrary to expectations, levels of emotional stress and symptoms of psychiatric disorder among laid-off steelworkers were found to be only a little higher than for the general population. The increased risk of psychiatric problems probably is not sufficient to justify wide-spread clinical intervention (Buss and Redburn “Plant Closings” 7).” In fact, no real increases

were seen in the crime rate, incidents of child abuse, divorces, or bankruptcies (Vaughan and Buss 5).

Perhaps most indicative of the problems associated with service delivery in Youngstown was the aforementioned decision seminar held at Youngstown State University. Rather than developing actual programs or responses, participants viewed the project's significant accomplishment to be the process they engaged to make decisions (Buss and Redburn "Evaluating Human Service" 238-39). In fact, none of the goals that participants designated as "already accomplished" truly had been, nor had many of those thought to be "badly needed" (Buss and Redburn "Evaluating Human Service" 240-42). Participants "suggested that the seminar made them aware of the need for a unified interorganizational perspective about human services needs during the crisis and an integrated approach in providing services based on perceived need (Buss and Redburn "Evaluating Human Service" 239)." However, the decision seminar created no new human service programs and no linkages between service providers (Buss and Redburn "Evaluating Human Service" 245-47).

Why did this decision seminar process fail to create programs to help workers and their families cope with job loss? Many participants cited a lack of financial and/or human resources that impeded the ability to create programs. Participants realized that taking a proactive stance in providing service delivery would make them more successful, but the resources that were available only allowed a reactive stance (Buss and Redburn "Evaluating Human Service" 239-40). Last, Buss and Redburn surmise that those in the

role of making decisions tended to “prefer incremental decision-making strategies. As a result, ...it was impossible to establish any long-range objectives for the group, human service delivery, or community as a whole. Decision-making, then, by the participants tended to be reactive on the one hand and insufficient to solve problems due to the crisis on the other (Buss and Redburn “Evaluating Human Service” 240).”

### Mitigating Factors Impacting Effectiveness

If, as has been explained, traditional agency responses were not effective, what might have been the causes? As was explained in the previous chapter, the closing of the Campbell Works was made without warning. In one day, 4,100 steelworkers were given notice of their unemployment, and the layoffs began the following week. By employing a tactic of surprise, no time was available to create a well-conceived plan.

Other factors that impeded success included the refusal by Campbell Works management to provide data on terminated workers for one full year. Without this basic information, service providers could not effectively target the unemployed workers directly.

External forces also played a role. Community leadership (i.e., political figures, media, business leaders) disputed whether or not a crisis was even occurring. Editorials and articles in the local newspaper described improving conditions and suggested with some certainty that a new round of jobs better than steel making were imminent (Buss and Redburn “Evaluating Human Service” 242). Politicians and other policymakers could

not reach consensus on whether the crisis was broad based or minimal (Buss and Redburn “Evaluating Human Service” 241-42).

Perhaps the best explanation for under-utilization of the programs and services can be traced to the employees’ unemployment benefit package. When the Campbell Works’ steelworkers were laid-off, they received a wide array of assistance:

- State unemployment insurance ranging from \$106-\$161 per week depending on the number of dependents.
- Supplementary unemployment benefits added, on average, another \$70 per week.
- Assistance through the Federal Trade Adjustment Act of 1974. Through this program, workers were guaranteed 70% of their weekly compensation (up to \$208) for one year tax free. Additionally, workers also qualified for reimbursement of expenses associated with finding a new job (80% of expenses up to \$500 total).

In total, workers received up to 90 percent of their average pay for a full year after being laid off (Fuechtmann 63). Knowing that nearly all of a regular paycheck would be available for a full year may have diminished much urgency felt by workers to access services designed to find new jobs.

#### Suggested Alternate Responses

Buss and Redburn, in “Plant Closings,” propose three categories of service needs that, if offered, could more effectively meet the needs of a community enduring an economic calamity: maintenance and developmental programs and crisis interventions.



Maintenance—helping displaced workers when they have no income, Developmental—to build capacity and resources among the displaced, and Crisis Interventions—to help when displaced are a danger to themselves/others (Buss and Redburn “Plant Closings” 8-9). Health insurance is also a major need—nationally, 35 percent of those rendered unemployed between 1979 and 1983 had no health insurance as of January 1984 (Buss and Redburn “Plant Closings” 9-10).

During the steel shutdowns of the late 1970s in Youngstown, traditional nonprofit and governmental responses were ineffective if well meant. Services were based on the perceived needs of effected workers but were seldom actually utilized. Moreover, with unemployment benefits lasting nearly one year after layoff, workers may have felt a lack of urgency to act. In the agencies’ defense, they operated under difficult circumstances including not knowing exactly which workers had been rendered jobless. In a region like the Mahoning Valley where one industry dominated employment, the lack of a long-term plan for workers to regain jobs did trouble at least one group—church leaders—and their efforts provided surprising and meaningful action in their attempt to revive Youngstown.

## **Chapter Three      The Ecumenical Coalition of the Mahoning Valley**

The Ecumenical Coalition of the Mahoning Valley, led by religious leaders from several denominations, provided economic development leadership to a region badly in need of new ideas. The Coalition's actions gained local and national attention for themselves and the people they served—not just residents of the Mahoning Valley but all blue-collar workers. This chapter will examine the environment conducive to the creation of what became a radical idea. This unconventional concept was even more remarkable since despite the political leanings of its residents, the Youngstown area was fairly conservative prior to the mass shutdowns.

Later, the activities of the Coalition will be described and some explanation will be given to suggest that perhaps churches were not such a surprising source of this social activism. Finally, the successes and failures of the Coalition will be explored, and suggestions for the why these outcomes occurred will be given.

### A Quick Response to a Crisis

The Ecumenical Coalition began with a phone call from the Cleveland office of the Episcopal Bishop John Burt to Youngstown Catholic Diocese Bishop James Malone. At any other time, the phone call would not have been at all unusual: the religious leaders were friends with a history that included collaborations on racial integration issues (Lynd The Fight 32).

This call was made at the suggestion of Rev. Charles Rawlings, a member of the Episcopal staff charged with social issues to discuss the recently announced closing of the Campbell Works (Rothstein 127-34). Within days, Bishops Malone and Burt called a meeting with other religious leaders and Dr. Richard Barnett of the Institute for Policy Studies (a research organization based in Washington, D.C.). The Institute was able to recommend to this group, soon to be named the Ecumenical Coalition of the Mahoning Valley, that work with the Exploratory Project on Economic Alternatives, headed by Dr. Gar Alperovitz, should be undertaken to address the economic problems facing the Mahoning Valley (Ecumenical Coalition, “Background and Future” 1).

One of the key characteristics of the Ecumenical Coalition, writes lay member Staughton Lynd, was that the group of church leaders was viewed as “an organization without an axe to grind which could rise above the squabbling of locally elected officials (Lynd *The Fight* 46).” Because the group did not include political leaders, or business leaders who might have a financial interest in certain policies, they were understood as standing for a larger, altruistic purpose.

At the outset of the activities of the Ecumenical Coalition, the religious leaders saw their role in the shutdowns as two-fold: to speak to the moral issues connected to the closing of the Campbell Works, and to work with other sectors to respond to the immediate and long-term needs of the unemployed, their families, and the larger community (Fuechtmann 86). Bishop Malone further described the Coalition’s mission as being: “busy rebuilding far more than economic capacity of our valley. We have begun to

renew somewhat the ties of common purpose and concern which can help us to become a better community (Malone 8).”

In a document published by the Coalition describing its mission and objectives, the group voices its concerns for a lack of corporate citizenship, bemoaning: “the freedom with which plants close and headquarters offices change location has created the sharpest clash between corporate claims of sound business practices and the public interest since the nineteenth century (Ecumenical Coalition, “Background and Future” 1).” The Mahoning Valley became, to the Coalition, representative of “the severe consequences when corporations decide not to modernize older facilities, view relocation of industry as a logical result of corporate opportunities for profit, or shift capital altogether to other investment opportunities (Ecumenical Coalition, “Background and Future” 1).”

#### A Combination of Church and Lay Members

In 1978, Catholics represented 68 percent of the population of Mahoning County (the County containing Youngstown and many of its suburbs (Fuechtmann 122-25), and the leader of the Youngstown Catholic Diocese was Bishop James Malone. Viewed as an advocate for the common workers even before the shutdowns, Bishop Malone had steelmaking in his family: his father had worked as a steelworker in Youngstown. Malone’s philosophy on Catholic social teaching was aptly summed in a quote by Jesuit theologian, Avery Dulles: “Action on behalf of justice and participation in the transformation of the world fully appear to us as a constitutive dimension of the

preaching of the Gospel, or in other words, of the Church's mission for the redemption of the human race and its liberation from every oppressive situation (Fuechtmann 124-25)."

Fr. Edward Stanton was the Catholic Diocese designee assigned to work directly with the Ecumenical Coalition. His activity in and understanding of economic development was evident in his involvement as treasurer of the Western Reserve Economic Development Association (WREDA). Moreover, like Malone, Stanton was also recognized as a labor priest "who was popular in the union halls and knew the labor officials (Fuechtmann 84)." The fact that Stanton had worked summers in a steel mill while attending seminary only added to his credibility among workers (Fuechtmann 122-25). While skeptical at first about the appropriateness of the church's involvement in the crisis, his opinion changed after learning about the Coalition's plans to attempt to save the region. Stanton was ultimately named the coordinator of staff-level activities for the Coalition (Fuechtmann 84-85).

Rev. Robert Campbell, associate pastor of First Presbyterian Church, had been an antiwar activist during the Vietnam conflict and had served for four years as a union grievance committeeman. The First Presbyterian Church in Youngstown was known as the church of managers and heads of industry—including steel. Sixty percent of Youngstown steel manufacturing firms owners (during the 1930s) were Presbyterian. Campbell, along with First Presbyterian's pastor Eugene C. Bay, worked with their church members to be an instrument of change and reinvigoration for the city of Youngstown. Programs and

forums were held to gather community leaders to strengthen economic development, worker/management issues, and education (Fuechtmann 125-28).

Staughton Lynd, a former American History professor at both Spelman College and Yale University, provided legal counsel to the Coalition. Lynd's history is rich with involvement as an activist including work in the civil rights movement in Mississippi in 1964, chairing the first peace march on Washington against the Vietnam War, and work on behalf of laborers. His work with workers occasionally placed him at odds with labor unions, however, and Lynd was especially critical of the 1975 Experimental Negotiating Agreement which included automatic cost of living increases but gave away the workers' ability to strike (Lieber 4-5).

Co-director of the National Center for Economic Alternatives, Gar Alperovitz led the initial feasibility study for the possible re-opening of the Campbell Works. Alperovitz was a Harvard-educated economist who had long-studied the possibility of community ownership (Fuechtmann 8-9).

Lynd and Alperovitz were well acquainted with each other prior to their work in Youngstown. In 1973, they co-authored a volume of two essays, *Strategy and Program: Two Essays Toward a New American Socialism* describing their belief that socialism—not communism—can be employed to make the United States a fairer nation. Predating their work with the Ecumenical Coalition, the book's introduction explains how through “public ownership and coordinated economic planning, popular participation in decision-

making can be increased and power can be decentralized (Lynd and Alperovitz ix)” despite any Cold War antagonism in the United States. Rather than a centralized approach to politics and industry, Lynd and Alperovitz wrote on the necessity to focus on regions and the “need to decentralize the structures of the new society and the political and other efforts which seek to achieve it—and facing this need, we think, implies bringing together worker/community movements and institutions in larger geographic alliances (Lynd and Alperovitz xii).”

Going one step further—and seemingly anticipating their work four years later in the Mahoning Valley—the authors describe the “significance of community-controlled (and cooperative) economic endeavors—and of local institutions which hold capital in common on behalf of the entire community (especially those which use profit/surpluses directly to provide some community services) (Lynd and Alperovitz xiii).” Furthermore, in his essay “Notes Toward a Pluralist Commonwealth,” Alperovitz clarifies that “‘workers’ control’ should be conceived in the broader context of, and subordinate to, the *entire community* [italics in original] (Lynd and Alperovitz 59).” Without question, Youngstown became the laboratory for these ideas.

### Early Activities of the Coalition

On October 29, 1977, the Coalition convened the Steel Crisis Conference, the first official gathering of religious leaders of various denominations, lay leaders, and economic experts to consider possible efforts to intervene in the steel crisis. From this two-day conference came impassioned speeches by former steelworkers and a talk by Gar

Alperovitz who suggested the possibility of community, or employee, purchase and ownership of the Campbell Works (Lynd The Fight 33-34).

The primary outcome of the conference was the development of four recommended initiatives for the Ecumenical Coalition:

1. Draft a pastoral letter to be published during the Thanksgiving/Advent seasons
2. Initiate feasibility studies to address the possibility of converting the closed mill to an employee or community owned enterprise
3. Create a national policy to advocate retaining steel jobs in their communities
4. Place Youngstown in national focus as a model for retaining jobs in economically devastated communities (Ecumenical Coalition, "Background and Future" 1).

#### Pastoral Letter

A key component of the Steel Crisis Conference was the decision to draft a document to specifically address the moral and religious issues surrounding the shutdown of the Campbell Works. The Ecumenical Coalition enlisted John Carr of the United States Catholic Conference in Washington D.C. (Lynd The Fight 36) to draft a pastoral letter, an essay that serves as "a kind of preaching document, frequently attempting to articulate the faith tradition of the community in new and different circumstances. It typically includes dimensions of theological reflection and instruction, moral exhortation, and pastoral encouragement (Fuechtmann 136)."



In this case, the pastoral letter was different because it also is very specific in addressing the non-religious issues surrounding the closing of the Campbell Works. For example, the letter offers a detailed listing of the excuses given for closing the plant including steel dumping and transportation issues and suggests workers and management might share the blame for the plant's demise. The document argues the crisis was far greater than the closing of one steel manufacturing plant. Rather, the potential loss of the entire community was at stake.

The letter begins by explaining the reason for the Coalition's existence: "We enter this complex and controversial situation out of a concern for the victims of the shutdown, out of love for our Valley at a time of crisis and out of a conviction that religious faith provides essential insights on our problems and possible remedies (Ecumenical Coalition, "A Response" 4)." Additionally, the letter responds to the concern about why religious leaders would be involved in economic issues and argues on the basis of morality, "Judeo-Christian tradition has articulated a highly developed social teaching with direct relevance to issues of economic justice. This tradition insists that economic life ought to reflect the values of justice and respect for human dignity (Ecumenical Coalition, "A Response" 4)."

All workers, the letter explains, have rights, including "the right to useful employment and to decent wages and income, the right to participation in economic decisions and even ownership, the right to bargain collectively, among others (Ecumenical Coalition,

“A Response” 4).” Workers also have the responsibility to work “honestly and productively for the common good (Ecumenical Coalition, “A Response” 4).”

The first suggestion of the Coalition’s plans occurs when the letter posits that economic power should not be concentrated in the hands of the few but, rather, “should be shared with the larger community which is affected by the decisions (Ecumenical Coalition, “A Response” 5).” The letter does not place blame for the closure solely on ownership, though, and addresses the issue of high pay and benefit packages for workers. The writer wonders if “a preoccupation with our own individual interests and a lack of concern for our common good may have contributed to our present problem. It is possible, for example, that an excessive concern with higher and higher wages and better and better fringe benefits may have contributed to the situation which now confronts us (Ecumenical Coalition, “A Response” 5).”

However, the letter unquestionably places the largest portion of blame for the shutdown on the Lykes Corporation, the parent company of the Campbell Works. Lykes argued that prevailing environmental laws, imports, and an intrusive government all collaborated to drive down steel prices (Ecumenical Coalition, “A Response” 5-6). The document retorts “it is worth noting that the amount of steel imported into the United States has remained relatively constant for the past ten years...that industry expenditures on pollution abatement equipment as a percentage of total capital expenditures have remained relatively constant over the last five years and that steel prices have risen more rapidly than the consumer price index (Ecumenical Coalition, “A Response” 6).”

The letter does not dispute that free enterprise and capitalism give Lykes the right to act as they wish. He counters that while the decision to close was an economic judgment, it was “the exclusive prerogative of the Lykes Corporation. We disagree. This decision is a matter of public concern since it profoundly affects the lives of so many people as well as the future of Youngstown and the Mahoning Valley (Ecumenical Coalition, “A Response” 3).”

The steel crisis is described as a crossroads for the region, offering residents the choice of resigning themselves to unemployment or of acting in a manner consistent with their religious social teachings: “Our situation in Youngstown is an opportunity as well as a serious problem. It is an opportunity to give witness to our religious principles of justice, to alleviate pain, and to create new models of concern and involvement (Ecumenical Coalition, “A Response” 6).”

The letter proceeds to outline three suggested points of response for the community and for the Coalition. First, education is a necessary component to raise awareness, both locally and nationally, of the human costs of the loss of jobs. Here, the author was careful not to focus only on the Campbell Works but on all unemployed.

Second, the letter advocates action to seek remedies to the crisis facing Youngstown. This action includes works to be carried out by individuals as well as institutions. The letter demands aid to workers and their families, especially social service programs to meet immediate needs (basic as well as emotional). However, and most importantly, the

letter suggests the community needed to act to save these lost jobs—and perhaps the entire community—by working to reopen the Campbell Works (Ecumenical Coalition, “A Response” 7).

This reopening, however, need not wait for a new owner to purchase the mill. The author conveys the idea of the Coalition that work ought to be done to investigate the possibility of reopening as an employee-owned entity. Anticipating what would become an argument against employee ownership, the letter argues “the idea of worker and community ownership is not foreign to our religious and national traditions (Ecumenical Coalition, “A Response” 7).”

Further, the letter describes the Coalition’s calls for the adoption of a national policy to keep steel jobs and related industries in the Mahoning Valley. To raise awareness of this policy, the letter advocates: 1) providing federal aid to modernize steel facilities and neighborhoods, 2) enacting governmental purchasing policies giving preferential treatment to factories and communities in financial peril, 3) encouraging the use of steel, and 4) changing economic policies that create environments where cities compete against each other for jobs (Ecumenical Coalition, “A Response” 8).

The letter closes by articulating the belief—his and the Coalition’s—that the crisis,

“offers an even greater opportunity to renew and revitalize the confidence and productive capacity of an entire community. It is our profound hope that the federal government will join in partnership with our community to fashion a new road to economic health and well-being for the Mahoning Valley—and to do so in a manner which can suggest new directions for other communities as well (Ecumenical Coalition, “A Response” 8).”

### Feasibility Study

The Ecumenical Coalition selected Gar Alperovitz, Director of the National Center for Economic Alternatives, to conduct the initial feasibility study for the reopening of the Campbell Works because of the organizations' shared interest in "practical ideas to help meet the problems of economic stagnation, increasing centralization of power, and resource shortages (Yanowitch 21)." Through successful lobbying of the federal government, the study was funded by the United States Department of Housing and Urban Development and ultimately found that reopening the mill was feasible (Yanowitch 21-24).

Alperovitz estimated acquisition costs of the Campbell Works would be approximately \$500 million including converting the mill to a standard electric furnace process, a much more modern approach to steelmaking (Yanowitch 21-24). By switching to an electric process, steel could be made far faster and would not need expensive coal either. The major source for the half-billion dollars needed for reopening was to be grants and loans secured from the federal government. Alperovitz argued that the government would almost be forced to commit the resources in the face of the expected strong financial and philosophical support from the Youngstown community (Yanowitch 23). Moreover, despite the significant dollar amount, Alperovitz's study suggested the cost to government by doing nothing would also be expensive and could cost at least \$75 million in the first three years after closing due to welfare costs and income and local tax losses (Yanowitch 21-24).

Ownership of the Campbell plant under the employee-owner plan would be divided between workers, the Youngstown community, and by private investors (Yanowitch 21-24). Organizationally, the proposed ownership model included a 6-6-3 ratio of the board of directors—Common stockholders would elect six, employees elect six, and a community corporation (for example, a credit union) would elect three. Employee directors would be nominated either by a nominating committee (comprised of members of the United Steelworkers locals), or by a petition drive. Fundamental changes to the corporation, including laying-off of more than 10 percent of all employees, would have to be ratified by 80 percent of each group of stockholders (common, employee, community corporation) (Lynd The Fight 47).

Management of the plant would be hired and guided by the board (Yanowitch 21-24). Full-time union representatives could not serve as board members (Lynd The Fight 46-47). The proposed structure permitted individuals from outside of the Youngstown region to purchase stock; however, they would likely have been offered non-voting preferred stock to ensure the plant's control remained local (Lynd The Fight 46).

Additionally, a veto power would be extended to workers on a discrete list of issues including plant closings. Lynd explains: “by offering ordinary stockholders the possibility of control of the corporation one could attract investment, but by assuring workers a veto over decisions which especially concerned them one could safeguard their interest, too (Lynd The Fight 46).”

Alperovitz also believed that productivity could increase under an employee-ownership plan (Yanowitch 22). In preparing the Youngstown study, outside experts “claim that productivity increases on the order of fifteen to twenty percent as a consequence of worker participation are not at all unusual (Yanowitch 22).” However, perhaps due to the inherent problems within the steel industry nationally, the Ecumenical Coalition projected a conservative 2% annual increase over the first 3 years, 1-1/2% years 4-6, 1% for years 7-10 before flattening to 0 afterward.

Alperovitz believed that issues of class were important in determining productivity and efficiency. In a traditional industrial setting, if a worker tried to suggest a way to improve productivity, the foreman—a member of middle-management—may be dismissive of the suggestion because of their respective social status (lower-class hourly employee vs. middle/upper-middle class salaried employee). Also, by making the change suggested by the hourly employee, the foreman would be tacitly admitting an error and/or an inability to see the problem and solution. In an employee-owned entity, these issues are lessened since all have an interest in productivity and profitability (Yanowitch 21-24).

#### Soliciting the Community—The Save Our Valley Campaign

The Ecumenical Coalition realized it needed to engage the community in a meaningful way to build credibility and to help keep workers, families, and others involved in creating a solution to the crisis before them. To accomplish this, the Coalition devised the Save Our Valley campaign in February 1978. The campaign encouraged residents, businesses, and organizations in the Mahoning Valley to open accounts at local banks and

financial institutions. While these accounts were actually simple savings accounts, this “support money” would serve, in the words of the Coalition, as “public evidence that Youngstown area residents support the Religious Coalition in its efforts to restore the jobs lost by the closing of the Campbell Works by the Lykes Corporation (Ecumenical Coalition, “Save Our Valley Questions and Answers” 1).”

The Coalition hoped that the initial campaign would raise millions of dollars (Ecumenical Coalition, “Save Our Valley Questions and Answers” 1) now and much more in the coming months and years. When the account was opened, the depositor was asked to sign a form giving permission to the bank to notify the Coalition that money was deposited. Aggregate amounts were communicated from each financial institution, not specific account’s totals. Funds did bear interest, and depositors were told of the importance that the money remained in its account until federal funding decisions were made. However, of course, the money could be withdrawn at any time since it remained the individual’s money.

The Coalition hoped the deposited funds would ultimately be used to purchase stock in the newly created company, but those depositing funds were under no obligation to do so. The Coalition’s hope was if enough public money (from individuals) could be raised in these accounts, other, larger institutional donors might join in with more substantial gifts. All this support together would, in the hope of the EC, compel the federal government to add their even larger support making the new company a success (Ecumenical Coalition, “Save Our Valley Questions and Answers” 1-2).



Moreover, the Save Our Valley accounts served as a “surrogate vote (Fuechtmann 169)” endorsing the Coalition’s efforts (Fuechtmann 169). This action was hoped to serve as pressure to political officials who would see a great outpouring of support for this project.

Within the first six weeks of the Save Our Valley campaign, 482 individuals deposited \$425,988 into accounts. A sample of depositors included:

- United Auto Workers Local 1112 (Lordstown, Ohio), \$20,000 with a pledge for another \$20,000
- United Steelworkers Local 1462 (Brier Hill Works of YST), \$10,000
- St. John’s Episcopal Church of Youngstown, \$10,000
- Archangel Michael Greek Orthodox Church (Campbell, Ohio), \$5,000 (Save Our Valley Newsletter, Undated 1)

To build the number of participants, the Coalition conducted a telephone campaign with 460 volunteers making 48,000 calls yielding 7,000 pledges over a 5-day period (Fuechtmann 170). The Save Our Valley Campaign reached its peak of slightly more than \$4 million in January 1979 accounting for 4,138 depositors (Fuechtmann 173).

#### Lobbying to Attempt to Gain Federal Dollars

A crucial part of the Ecumenical Coalition’s efforts included vigorous, if not aggressive, lobbying of local, state, and federal politicians to gain support for their plan. Given that 1978 was an election year for many congressional candidates as well as for the gubernatorial seat for Ohio, supporters of the Coalition took full advantage of the campaigns to solicit affirmation and backing for their plan.

Publications by the Coalition did, in fact, proclaim responsibility for the successes—and failures—of political candidates who ran in 1978. One such candidate was Democratic U.S. Representative Charles Carney whose district included the Mahoning Valley. His loss to Republican challenger Lyle Williams (the first non-Democrat to win in several decades) was attributed to his lukewarm support of the Coalition. The Coalition proclaimed “the defeated persons—Celeste [candidate for governor of Ohio who also lost], Carney—listened carefully to the pros, the campaign technologists. In responding less crisply, they not only gave up the left rank, but in fact, the middle—and are now gone (Ecumenical Coalition, “A Working Paper 6).” Politically, they also believe their actions need to be heeded by President Carter as he headed into the 1980 presidential elections, especially since the two losing elected officials were Democrats who were defeated by Republicans (Ecumenical Coalition, “A Working Paper 6).

#### A Positive Signal from Washington

The White House meeting that representatives of the Coalition had for so long sought was finally granted on September 27, 1978. Led by aide Jack Watson, the members of the Coalition presented their proposal to reopen the Campbell Works and discussed their need for federal grants and loans. Watson committed the Federal government to \$100 million in aid for economic development projects in Youngstown and reassured Coalition members that the additional capital needed might also be possible (Lynd The Fight 67-68).

### Re-Creation of plan for Community Steel

The plan to reopen the Campbell Works was revised in the final months of 1978; different from the original, this iteration came with the help of professionals who had been actively involved as employees of and managers in the steel industry. This new plan, using “Community Steel” for the name of the plant, called for the reopening of the finishing mills first as they were the most modern portion of the plant.

The new reopening plan was to have been accomplished in three phases:

Phase I: Reopening the flat rolled producing mills and using purchased slabs for raw material (the plan hoped the slabs would be manufactured at the nearby Brier Hill Works). The Coalition estimated the completion of this phase by December 1979 if the UDAG grant and corresponding loans were decided positively.

Phase II: Purchase and installation of electric furnaces and slab-making capabilities. No deadline is given, but the Coalition allowed that completion would be “several years away.” By moving to electric furnaces, productivity and manufacturing costs could have lowered substantially.

Phase III: Installing of welded tube making capabilities and other processes (Save Our Valley Newsletter, 2/79 2).

### Detractors

Without surprise, a plan as controversial and unconventional as suggested by the Ecumenical Coalition was bound to generate detractors. The concept of employee-owned

businesses was viewed by some as counter to capitalism, and questions of socialism were frequently raised especially given that two of the main lay characters—Staughton Lynd and Gar Alperovitz—published articles in favor of a new socialism in America. Steel executives were quick to pounce on this concept in hopes to cool any possible support of the Coalition’s plan. Given the efforts of the Coalition took place at a time when the cold war with the Soviet Union was particularly strong, any connection to socialism was potentially detrimental.

Richard S. Gray, vice president for corporate development for Republic Steel, referred to the Coalition’s plan as promoting “a socialistic adventure, badly conceived, when it pushes for federal funding and worker take over of the Campbell plant (Carney 10).” Another top executive, Edgar Speer, chairman of U.S. Steel, referred to the plan as a “Communist takeover (Rothstein 131).”

Even some Youngstown community leaders spoke out against the Coalition’s plans. The Youngstown Chamber of Commerce printed and distributed U.S. Labor party pamphlets that suggested the NCEA (the Washington D.C.-based think tank assisting in the study of the reopening of the Campbell Works) was, in fact, a front organization attempting to infiltrate the Democratic party (Rothstein 131). In a strongly Democratic Youngstown, these were indeed strong accusations that would be noticed. The United Steelworkers union also participated in the red-bating and saw the ECs plan as an attempt to discredit them (Rothstein 127-34).

## Outcomes

On Friday, March 30, 1979, Bishop Malone and Youngstown Mayor Richley received a letter from the U.S. Department of Commerce refusing to support Community Steel. Reasoning for the refusal centered on the amount needed--\$245 million—which was more than the \$100 million offered at the outset. This argument came despite Jack Watson’s words to the contrary that the additional amounts would be available and despite these objections not being voiced prior to the reception of the letter (Lynd The Fight 78-81).

Lynd suggests, “The Coalition probably lost out once it became clear that the Department of Commerce, through EDA [Economic Development Administration], rather than HUD [the Department of Housing and Urban Development], would run the Carter administration’s urban program. EDA made no loan guarantees from the steel industry loan guarantee fund larger than \$100 million. To have helped the Coalition, EDA would have had to view its plan as something unique which justified much greater Federal help than other applicants received. HUD had this view of the Coalition’s effort, while EDA did not (Lynd The Fight 79).”

In evaluating the failure of the Ecumenical Coalition, Buss and Redburn in *Shutdown at Youngstown* cite:

1. Reliance on an astronomical amount of financial support from the federal government.

2. The perception that this exercise was as much about forwarding an ideological belief (employee-ownership) as creating jobs in Youngstown. Two of the main players, Gar Alperovitz and Staughton Lynd, both had links to socialist ideas (and had co-authored a book suggesting the emergence of a new socialism in the United States) (Buss and Redburn, Shutdown 25-26). “Many potential allies equated community/worker ownership with an unacceptable radicalism. This unnecessary ideological baggage attracted national attention through numerous articles in liberal journals. On balance, this may have weakened the effort’s chances of success (Buss and Redburn, Shutdown 26).”
3. Regional steel producers successfully lobbied the federal government against a community/employee owned steel manufacturing plant, especially when they themselves struggled to survive.
4. A lack of strong community support (Buss and Redburn, Shutdown 25-26).
5. A lack of strong support from the national office of the United Steel Workers union until the very end. Buss and Redburn suggest this lack of support stemmed from “a plan that would place management in workers’ hands, leaving the union in an ambiguous role (Buss and Redburn, Shutdown 25-26).”

Buss and Redburn also believe perhaps the federal government, which had wanted to make Youngstown an example of how a community can be helped through an economic calamity, saw how much money was needed to help and instead determined unemployment compensation was simply less expensive. Also, the authors suggest that the region may have overplayed its perceived influence (Buss and Redburn, Shutdown

188-89). Important constituencies did not support the efforts strongly, and “efforts at threatening electoral or moral sanctions were ineffectual. When discussing this situation with federal officials and industrialists, Youngstown promoters may have left a very bad impression among decision-makers (Buss and Redburn, Shutdown 189).”

In assessing the impact of the Ecumenical Coalition, Staughton Lynd admitted the group tried to overcome insurmountable economic beliefs. The very thought of the Campbell Works being run as an employee owned entity “would have challenged the capitalist system on the terrain of the large-scale enterprises in basic industries (Lynd *The Fight* 42).” However, Lynd understood that “what was new in the Youngstown venture was the notion that workers and community residents could own and operate a *steel mill* [italics in original]. Steel is self-evidently a basic industry. If employee-community ownership could be made to work in steel, it could be made to work anywhere (Lynd *The Fight* 42).”

By the fifth anniversary of the announced closing of the Campbell Works, the *Youngstown Vindicator*, one of the area’s local newspapers, began to express its criticism in the Ecumenical Coalition’s efforts wondering if the attempts to purchase the plant was “‘noble experiment’ or ‘socialistic delusion (High 111).” In future years, the same newspaper featured additional stories critical of Coalition. By the twentieth anniversary of the announced closing of the Campbell Works, the memory of the Coalition “had shifted from one of defiance to one of failure (High 112).”

## **Chapter Four            Impact of the Ecumenical Coalition Outside of Youngstown**

The work of the Ecumenical Coalition of the Mahoning Valley ceased in 1979 when its attempts to secure funding to reopen the Campbell Works failed. Nationally, the steel industry's woes continued into the 1980s, especially affecting cities and towns throughout the eastern and mid-western sections of the United States. Two such cities, Pittsburgh, Pennsylvania and Weirton, West Virginia, relied heavily on the manufacture of steel as a primary industry, and both cities learned from the work of the Ecumenical Coalition in preparing for and reacting to changes in their respective economies.

### Pittsburgh, Pennsylvania

Much like Youngstown, Ohio, its neighbor 65 miles to the west, Pittsburgh, Pennsylvania suffered an almost-complete loss of its steel industry in the early 1980s. Pittsburgh's identity was synonymous with the production of steel, and the loss was no less disastrous economically. U.S. Steel, a major steel producer with its corporate headquarters in Pittsburgh, was similar to the Lykes Corporation (owner of the Campbell Works) in its active diversification of business interests in response to a weakening steel market.

Like the mills in Youngstown, U.S. Steel allowed their Pittsburgh facilities to age without a commitment to modernizing. Author Roy Lubove suggests that "rather than face the technological challenge posed by Japanese super mills...with their basic oxygen furnaces and continuous casters, U.S. Steel disinvested from its steel business into oil, chemicals, plastics and real estate (Lubove 22)."



### Regional Impact

The impact of the mills' closings was enormous: Pittsburgh lost 90% of all its steel workers in the 1980s, rendering approximately 100,000 jobless in all industrial jobs (Hathaway 1). Allegheny County (the county containing much of metropolitan Pittsburgh) had the second-largest population loss in the United States between 1980 and 1986 losing over 76,000 people or 5.3 percent of the total population. Additionally, of those who left, workers—and tax generators—comprised the vast majority leaving the poor and the elderly behind (Leana and Feldman 33).

In Homestead, Pennsylvania (a town within suburban Pittsburgh), 9.6% of its tax base departed the region between 1986 and 1987; Duquesne, Pennsylvania, another nearby steel town, lost 6.3 percent in the same time period (Leana and Feldman 34). A study conducted by Leana and Feldman in 1989 showed only 60 percent of all available workers in Homestead were actually employed, and of those, two-thirds were working full-time. The workers' average weekly wage was \$285 compared to the \$400 to \$485 they averaged in their former steel jobs (Leana and Feldman 36-38).

### Nonprofit Response—Tri-State Conference on Steel

The work of the Ecumenical Coalition of the Mahoning Valley was well covered by local and national media outlets. Leaders in Pittsburgh watched the situation in Youngstown closely knowing their dependence on steel, their aging steelmaking facilities, and uncertain economic conditions might lead them into a similar crisis.

Originally formed as the Tri-State Conference on the Impact of Steel, the organization was created by Pittsburgh area church, labor, and community activists was to protest U.S. Steel's plans to build a major steel plant in Conneaut, Ohio. Leaders feared that building this new facility would surely cause the closing other, older plants in Ohio and Pennsylvania. In time, as U.S. Steel spoke less of updating plants, Tri-State worked to combat the likely closings by U.S. Steel. Their tactics employed the exploration of eminent domain to assume ownership of idled plants (Hathaway 92-94). Among community leadership in Pittsburgh, the group also included Rev. Charles Rawlings (Episcopal Diocese of Ohio) and Staughton Lynd, two activists from the Ecumenical Coalition (Hoerr 583). Lynd, in fact, used various legal maneuvers to block construction of the Conneaut plant (Lieber 5).

At its first membership meeting on January 24, 1981, the Tri-State Conference adopted three goals:

1. "That U.S. Steel, J&L and other giant corporations be forced to make *binding* commitments to reinvest some of the wealth they have accumulated off Mon Valley workers over the years back into the existing mills and mill communities, and reverse the current trend of disinvestments and abandonment.
2. That no mill, plant or portion of a plant (10% or more) be shut down without direct consultation with the affected unions and communities, and all possible alternatives explored for keeping the mill open.

3. That in the event of an unpreventable shutdown, the company must pay the social and human costs of their actions, i.e., that the unemployed workers and affected communities be adequately compensated (Hathaway 91-92).”

### Dorothy Six Campaign

Tri-State invested significant time and effort into the attempt to save the Dorothy Six blast furnace at the U.S. Steel’s Duquesne plant. While the Conference held slim hope for convincing U.S. Steel to keep the plant open, “stopping U.S. Steel from demolishing the blast furnace became, for many, the point of resistance to the economic collapse of their hometowns (Leana and Feldman 171).” The Dorothy Six campaign was especially troublesome to those at U.S. Steel headquarters because, for the first time, “outsiders had questioned the corporation’s business judgment in shutting down a plant (Hoerr 584).”

Tri-State also became involved with the Dorothy Six campaign with the intent that if the Conference was successful in reopening several other steel facilities, the raw steel made from the Dorothy furnace would be crucial to the other plants. While other manufacturers stopped making this type of steel because of the lack of profitability, it was still necessary for production (Hathaway 98-99).

Attempts to save the furnace came in the form of rallies and vigils, feasibility studies, and the formation of coalitions between the United Steelworkers union and local, state, and federal governments. Ultimately, these attempts proved futile in saving the furnace (Leana and Feldman 172).

An initial study by Locker/Arbrecht showed the Dorothy to be a good candidate for reopening with profitability in three years (Hathaway 100). A second feasibility study, by Lazard Freres, ensured the end of the plan to reopen. “While the market for semifinished steel existed as described by Locker, Lazard found that the potential customers wanted the kind of high quality steel that could be produced only with a continuous caster (Hoerr 586).” This need for new equipment meant that the project would be prohibitively expensive, and backers dropped the plan (Hoerr 586).

However, the Tri-State did enjoy a few victories. Because of its work in the Dorothy Six campaign, the Steel Valley Authority was created. This Authority was a state-chartered entity, and its initial activities were focused on keeping corporations from leaving the Pittsburgh region. These included the American Standard plant in Wilmerding, Pennsylvania and numerous feasibility studies examining the possibility of reopening a closed LTV steel facility as an ESOP (Leana and Feldman 172). The creation of the Steel Valley Authority meant that a group existed to preserve and retaining industry and able to invoke eminent domain where necessary (Hathaway 104-107).

While eminent domain could be utilized, adequate assets needed to be available to reimburse the owners at the property’s fair market value. To attempt to solve the problem of not having enough capital, Tri State persuaded Pennsylvania to create the Pennsylvania Industrial Development Finance Corporation to provide monies to authorities (such as the SVA). Funding came from the state (initially \$10 million);

however, legally, the Corporation could not invest more than 20% in any one authority forcing projects to be fairly small in size (Hathaway 110).

The Steel Valley Authority was successful in creating the City Pride Bakery. The bakery was created after a local baker, Braun, had been ultimately taken over by Ralston-Purina. Instead of retaining the old Braun facilities, a new company was created in a new space (the old bakery was beyond reopening due to antiquated machinery). 60 of the first 150 employees were Braun workers. It did open as an ESOP, and all employees received training in being a worker-owner, classes were available on-site for those without high school diplomas to earn them, and child care was available (Hathaway 114-118).

#### Weirton, West Virginia

Located 65 miles from Youngstown, Weirton's primary industry was steel, namely Weirton Steel owned by National Steel. Unlike mills in nearby Youngstown and Pittsburgh, Weirton's product was tinplate used primarily for canning. Also differing from its steelmaking neighbors, Weirton's workers were not unionized through the United Steelworkers of America (USW); instead, employees were represented by the Independent Steel Workers Union (ISU) and were typically better paid than their colleagues affiliated with the USW (Lieber 34).

The board of National Steel Corporation decided to sell its Weirton plant in March 1982 due to slim profit margins and the need to modernize the facility. Weirton represented one-third of National's overall steelmaking capacity, and the plant would need \$500

million over the next 10 years as well as another immediate expenditure of \$150 million in immediate upgrades (improvements to its continuous caster and replacement of coke ovens) to remain competitive.

Three options were evaluated by National: 1) Sell Weirton Steel on the open market—not feasible due to the age of the plant and the extremely difficult economic environment for steel production, 2) Continue operation at a reduced rate with an eventual shutdown, or 3) Offer a worker buyout via an employee stock ownership plan (ESOP). With the ESOP option, the factory would qualify for low-interest state and federal loans; however, the cost of the purchase—as well as upgrades—would affect the compensation of all workers (“A Steel Mill That Only...” 27).

After nearly eighteen months of due diligence, feasibility studies, and negotiations, a vote was taken by employees of Weirton who overwhelmingly ratified the decision to become an employee-owned entity. On January 12, 1984, the mill transferred ownership from National to the employees (Lieber 222).

Clearly, Weirton Steel’s approach differed greatly from Youngstown and Pittsburgh since National was a proponent, and initial conceiver, of the ESOP concept. Weirton’s employees and members of the community, though, did utilize knowledge and experiences from Youngstown. Staughton Lynd was summoned to West Virginia soon after the ESOP idea was proposed to work with employees to ensure concerns about pensions and benefits were addressed. The Rank and File Committee worked with Lynd

to challenge the ISU's role as the sole voice of the worker. Lynd's efforts led to the extension of voting rights to become an ESOP to laid off workers and to a more open sharing of information between National, the ISU, and the workers (Lieber 314).

Another significant similarity between Weirton, Youngstown, and Pittsburgh was the involvement of the Catholic Church in the city's economy. Before the vote to accept the move to an ESOP, area Catholic churches publicly endorsed the new ownership plan in a full-page advertisement placed in the local newspaper. Citing Pope John Paul II, the advertisement suggested the Pope's affirmation of "the primary importance of the worker over the means of production and further encourages worker ownership of those means. These statements follow in the great tradition of Catholic Church teachings on work and the workplace developed over the past 90 years. The Weirton Steel ESOP appears to be very much in line with these teachings (Lieber 212)."

Local priest, Fr. Charles Schneider, assembled other local church leaders under the name "Ecumenical Coalition" to provide outreach to those laid off former Weirton Steel employees in the form of donations of food and other items. The Coalition also formed Change Incorporated, a nonprofit organization whose mission was to help those who would not be rehired at Weirton find jobs elsewhere in the United States. Change Incorporated worked with individuals to help them find work, contact potential employers, and craft effective resumes (Lieber 214).

## **Chapter Five            Comparing Youngstown to Other Regions**

Deindustrialization patterns in the late 1970s and 1980s decimated many formerly thriving cities and regions in the United States. Cities that had grown thanks to the steel and automobile industries found themselves struggling to survive. Other cities, like Tupelo, Mississippi and others throughout Appalachia that lacked a primary industry, strove and ultimately persevered through cooperation and a shared vision. Scholars Vaughn Grisham and Richard Cuoto argue for the creation of strong organizations, comprised of a variety of constituents, to act as mediators for often competing priorities within communities. Grisham and Cuoto outline successful organizations and how they are assembled for optimum success, and their work provides contrast to the efforts in Youngstown.

### Tupelo, Mississippi

In his work, “Tupelo: The Evolution of a Community,” Vaughn L. Grisham, Jr. examined the southern Mississippi community and how it managed to thrive while most other like-sized regions suffered. Grisham introduces the reader to Tupelo, a city with few advantages: no ocean, lake, or major river coastline, no significant government presence (i.e., not a state capital), no state university or college, and other than being Elvis Presley’s birthplace, not a tourist destination. The city possessed no real agricultural economy due to land depletion in the late 1800s and is located more than 100 miles away from its largest local neighbors, Memphis, Tennessee and Birmingham, Alabama. Any development would depend on the work, ingenuity, and leadership of local citizens.



In 1940, fewer than 34,000 resided in the city, and only approximately 72,000 lived in Lee County. In that same year, Tupelo ranked as one of the poorest cities in the United States. However, by the time of Grisham's publication of "Tupelo" in 1998, Lee County averaged 1,000 manufacturing jobs per year and counted a total of 52,000 jobs in that sector. The turnaround, Grisham explains, occurred when the residents of Tupelo and Lee County learned to work together and understand that the betterment of the community would result in the betterment of the individual (Grisham 2-4).

Grisham suggests three common elements of a community: 1) recognition of common interests and problems and having the ability to work collaboratively to address them, 2) an identifiable locality—in this example, both city, county, and, in time, the surrounding region, worked together and comprised the locality, and 3) associations and networks that are able and willing to work together. "It is first necessary to build a sense of community," Grisham explains, "before one can achieve meaningful economic development (Grisham 5)."

In the case of Tupelo, development of community was fostered by a charismatic leader, the publisher of the local newspaper (*Daily Journal*), George McLean. McLean, beyond simply possessing the personality and drive to lead the community, used his position as publisher to continually bring the needs of the community forward and to convene disparate leaders to create a solution (Grisham 110).

Central to the region's economic development was the creation of The Tupelo Plan: its central concept is to provide "grassroot-rural people with basic social tools and organization to address their own local issues (Grisham 159)." The Plan's success would only come by "persuading existing leaders that economic prosperity would most likely come by enlarging the economic pie (Grisham 150)." Only in the success of many individuals would come the success—and survival of the community. Through the consistent application of the Plan over five decades, citizens were empowered, through careful organization, to face problems of nearly any magnitude.

McLean's influence could be found on most of the significant efforts to increase economic development in the Tupelo region. The first, and perhaps most significant, action was the creation of the Community Development Foundation (CDF) in 1948, an organization dedicated to building the regional economy by examining all facets of life for its citizens. The CDF was the successor to the previous chamber of commerce but differed by including representatives from the entire county who focused on improving life for Lee County instead of solely Tupelo. Founding members included McLean and representatives of three banks that had a major local presence (Grisham 113-14).

The foundation believed the community would be stronger if connections between citizens were stronger. Grisham explains, "[the] CDF was concerned with every phase of community life including industrial development, agriculture, transportation, housing, recreation, education, and religious life (Grisham 113)." The CDF serves as a meeting place of key leaders from all sectors: finance, education, health care, journalists, industry,

etc. When in meetings, all work must be focused on the betterment of the community. Away from meetings, competition takes place as anywhere. Any leader that breaks this trust loses his/her place of leadership (Grisham 160).

Drawing on their understanding of the importance of organizing to solve problems, community leaders created other organizations to meet specific needs. Examples include:

- North Mississippi Industrial Association received funding from set-asides from electrical and gas distributors who believed they would make their investment back in new businesses locating in the region (Grisham 115).
- LIFT was created by CDF and the newly-renamed newspaper *Tupelo Area Daily Journal* to combat poverty (Grisham 117).
- Lee County Council of Governments included representatives from all of the county's municipalities and was focused on economic development (Grisham 120).
- H.O.P.E. (Highways Our Pressing Emergency) was formed because Tupelo and Lee County was not served by a major interstate highway, this organization fought for the creation of a new road system. Founded in 1971, legislation to construct a new major roadway was not signed until 1987 (Grisham 120).
- CREATE (a community foundation "Christian, Research, Education, Action, Technical Enterprise) (Grisham 123).
- Northeast Mississippi Regional Water Supply District, the organization Grisham believes best exemplified the deftness of local leadership in solving problems. In what could have been a polarizing and paralyzing fight over Tupelo's need for

additional water resources, this group was able to pass a bond issue with a 96% positive vote (Grisham 136).

Regional leaders understood the value of education in spurring economic development. Specifically, vocational education was identified as a need to develop an adaptable workforce. Leaders collaborated to establish a branch of the Itawamba Community College in Tupelo, a branch that eventually grew larger than the main campus itself. A vocational technical school was also added later. The greatest victory, however, came in 1974 when the Tupelo branch of the University of Mississippi opened (Grisham 117-124).

The outcomes of the years of cooperative work are dramatic: in the decade of the 1950s, bank deposits rose from \$20 million to \$52 million, retail sales increased from \$26 to \$51 million, and Tupelo's population grew from 11,527 to 17,221—an increase of 49 percent (Grisham 116). Lee County increased manufacturing jobs in 1967 and 1968 more than the other 81 counties of Mississippi combined (Grisham 119). More recently, from 1983 to 1991, an average of more than 1,000 new manufacturing jobs were added annually in Lee County. Even with job losses, the county had a net gain of 3,120 jobs in the 1980s (Grisham 127).

#### Comparing Tupelo and Youngstown

Perhaps the single most important characteristic that ensured Tupelo's success was its dedication to cooperative efforts coupled with a willingness to look to mediating

organizations to help solve significant problems that threatened its economy. In contrast, Youngstown seemed to lack a common voice or even a generally shared vision for success. Furthermore, when a mediating structure did form in response to the closing of the steel centers, the Ecumenical Coalition was not able to succeed or even gain acceptance across all sectors of the community. Tupelo's strategy of building consensus by involving leaders from across all major sectors might have been helpful to leaders in Youngstown.

Leaders in Mississippi understood that focusing solely on one industry exposed their region to significant risk if that industry failed. Leaders were intentional in building a diversified economy that not only did not rely on one industry but also could adapt to changing needs or failing manufacturing areas. By 1969, Lee County had 88 industries and 15 of 19 major categories of manufacturing. No factory employed more than 700 people (Grisham 119). Contrast this with Youngstown whose economy was overwhelmingly weighted toward steelmaking and related industries.

Grisham believes that Tupelo and its environs thrived because local people addressed and solved local problems. This differs from Youngstown where its major employers were headquartered away from the region and had few local decision-makers. When problems did occur or when conclusions were reached, decisions tended to be made with little input from those in Youngstown. This lack of empowerment is perhaps another reason why the Ecumenical Coalition failed.

## Appalachia

Richard A. Couto, in “Making Democracy Work Better,” describes the effects of deindustrialization on the region of Appalachia and demonstrates how much worse that region has fared relative to the rest of the United States. Couto defines Appalachia as a region running from southern New York through Pennsylvania and the Virginias south to Florida and west to Texas. Couto describes the region as a series of belts: parts of the rust belt, sun belt, and the “gun belt,” (military contractors located on the east coast and across the south to Texas) (Couto 8).

At the time of the publication of Couto’s work in 1994, the author shares a snapshot of the economic data showing the impact on Appalachia. The U.S. Congress’ Joint Economic Committee estimates suggested that a 30-year-old male with a high school diploma actually earned \$3,500 less in 1989 than in 1979 and \$5,000 less than in 1969 when figures are adjusted for inflation. Only males with a graduate degree saw earnings rise from 1979 to 1989 (Couto 16).

The U.S. manufacturing work force declined from 25.9 percent to 20.5 percent; in Appalachia, the rate fell from 33.8 percent to 23.4 percent (Couto 77). Northern Appalachian counties saw the largest decline in manufacturing (including eastern Ohio and much of Pennsylvania—Youngstown is not considered to be within Appalachia). In 1970, 1/3 of the Appalachian workforce worked in manufacturing, but by 1990, only 20 percent were so employed (Couto 79). West Virginia’s per capita fell from 80 percent of the national average in 1979 to 70.7 ten years later (Couto 89).

Southern Appalachia fared far worse than Northern or Central region in low birth weight, infant mortality, deaths between ages 1 and 14, and violent deaths 15 to 19 (Couto 167).

“Part of the new global economy, apparent in Appalachia, may be that social capital investments in children are less necessary or available than before. Workers in postindustrial, deindustrialized economies may not have to be born healthy, sustained, and developed locally. Instead, healthy, developed workers can be expected to move to places where work is available and to compete for it at local wages with local healthy, developed workers (Couto 167).”

Couto strongly suggests that mediating structures represent a possible solution to the needs of economically depressed locales like Appalachia. He defines mediating structures as “those organizations that stand between individuals and large social and economic forces and...fall within the broader spectrum of the non-profit sector (Couto 206).” “In the unions, the community organizations, the school reforms, the economic development efforts, the community health centers, and similar services and organizations one finds the creativity and vitality of American institutional life (Couto 208).”

Couto cites the work of Lisabeth Schorr who researched programs created to intervene in the cycle of poverty, poor health and educational opportunities, and breakdown of family. In her work, Schorr finds successful programs typically possess the following characteristics: a wide array of services, professionalism (but not bureaucratic), flexibility, clear understanding of the problems faced by clients, care and respect of

clients, easy access, clear roles for professionals. Ineffective programs tended to emphasize efficiency, not effectiveness, were fragmented, and were under-resourced (Couto 209).

Schorr suggests the need for new training methods for program professionals and retention programs for those who are skilled and committed. “Successful efforts do not come cheap and cannot be replicated with diluted resources,” writes Schorr, “likewise, flexibility is key and thus centralized, bureaucratic models need to be adapted to local circumstances (Couto 209).”

“The human problems of the Appalachian region, and other areas of economic and social need, are, at root, problems of social capital: the investments a political body makes to produce and reproduce human beings in a community (Couto 9).” Social capital includes investment in health care, education, culture, environment, etc. (Couto 9). Tupelo was deliberate in this, Youngstown, was not.

Couto discusses the coal, steel, and textile manufacturers of the early 20<sup>th</sup> century that invested private capital into its workforces; these investments disappeared when the need for labor diminished (Couto 10). In Tupelo, leaders did not wait for an outside entity to enter and provide capital. Instead, they did it themselves as varied leaders of smaller enterprises that knew they needed each other. Youngstown provided little if any capital once the mills closed. Several nonprofit, community-based developers have attempted to solve housing needs of Appalachia, and some have banded together to create state and



regional organizations (i.e., the Federation of Appalachian Housing Enterprises) to affect change in public policy (Couto 202).

## **Conclusion**

A common critique of the Ecumenical Coalition of the Mahoning Valley often came in the form of a question: What do church leaders know about running a steel mill and why are they even involved in the first place? To many community leaders and the workers themselves, the idea that bishops, ministers, priests, and lay volunteers could hope to reopen the Campbell Works as an ESOP was absurd. Conventionally, these leaders were more easily seen advocating for care and services, not contracting for feasibility studies to ascertain the productivity and profitability of a factory.

Youngstown, though, provided an environment conducive for the Coalition to assemble and attempt to save its steel industry. First, church leaders enjoyed a strong identity given the significant church involvement by the area's residents—both hourly and salaried employees. Years of involvement with local labor unions also gave the clerics credibility in work-related matters.

The region, however, suffered from a lack of corporate leadership. By 1977, the major steel producers and other heavy manufacturers had no headquarter presence in Youngstown. When key decisions were made that effected workers, the decision-makers were physically out of the state and viewed as distant. The community also had lost many of its wealthy families leading to a further vacuum of leadership and entrepreneurialism. Politically, changes in the offices of Youngstown's mayor,

representative to the U.S. Congress, and Ohio's governor, led to instability and lack of substantial action from elected officials.

Given these facts, a region experiencing a catastrophic loss of its economic base was more easily able to look to unconventional leaders—in this case from the local churches—for help. Staughton Lynd mentions a poll taken during the crisis showing that while only 20 percent of the population had confidence in President Carter, more than 80 percent supported the Ecumenical Coalition (Lynd *The Fight* 32).

The Coalition's development of its plan through feasibility studies, its articulation of the myriad problems facing the Mahoning Valley through the Pastoral Letter, and its dogged work with political officials to attempt to secure loans and grants to purchase the Campbell Works enjoyed various levels of success. The studies demonstrated that, while needing more than \$500 million to move forward, an employee-owned operation was possible. The Pastoral Letter captured the fear of not only losing an industry but a whole community and forced leaders to face a potentially troubling future that, unfortunately, has in some ways, come to fruition. The Coalition did fail in its most crucial efforts of securing the needed funds from the federal government. This failure, though, did not occur in vain. Church leaders in other nearby cities, Pittsburgh and Weirton, carefully evaluated the events in Youngstown and even involved some of their volunteers to attempt to save their own steel industries. Each city experienced some successes led by emboldened church leaders.

An example of collaborative community efforts can be viewed by studying the success of Tupelo, Mississippi. Their ability to look to mediating organizations comprised of community leaders from all sectors to solve community problems suggests an environment open to and encouraging of local decision-making. In Tupelo, we are shown leaders who, for many years, exerted strong control of its economic development by ensuring a diversity of industries and by focusing on the betterment of the community over that of the individual. Youngstown's major industries were controlled outside of its region, and workers as well as community leaders, were not empowered to respond to effectively respond to their closing. The collaboration seen in Tupelo was not seen, and perhaps not perceived as necessary, in Youngstown until the mills began to close.

Moreover, when a mediating organization, the Ecumenical Coalition, did appear, they did not initially reflect the diverse interests of the community. Perhaps by assembling a group of leaders from all sectors and by arriving at a collaborative idea of the best interest of the community, the group may have enjoyed some success.

The experiences in Youngstown, Pittsburgh, and Weirton are important to study because each demonstrate nonprofit leaders becoming involved the unconventional field of interest of economic development. In Youngstown and Pittsburgh, church leaders played a proactive role in attempting to purchase mills but were ultimately rebuffed by a lack of capital assets for investment. Church leadership in Weirton were more active in advocating the adoption of an ESOP model and were clearly articulate and conversant in the intricacies of this method of ownership. In all three cities, clerics also often reminded

the public of the needs, if not the actual existence, of the unemployed and their families. While unable to single-handedly purchase and save steel mills, nonprofit church leaders demonstrated an ability to react quickly and without conflicts of interest to attempt to save their communities. Their interest in serving the needs of workers provides an important voice that may otherwise be lost.

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## **Curriculum Vitae**

Michael P. Grzesiak

### Education

Hiram College, Bachelor of Arts, English, 1990

Indiana University, Master of Arts, Philanthropic Studies, 2008

### Professional Experience

Washington & Jefferson College, 2006-Present  
Washington, Pennsylvania  
Vice President for Development and Alumni Relations

The Cleveland Foundation, 2001-2006  
Cleveland, Ohio  
Director of Gift Planning  
Gift Planning Officer

Kent State University, 2000-2001  
Kent, Ohio  
Director of Constituent Development

Ohio Presbyterian Retirement Services Foundation, 1994-2000  
Willoughby, Ohio  
Gift Planning Director

Trinity High School, 1991-1994  
Garfield Heights, Ohio  
Director of Development/Admissions

### Volunteer Involvement and Leadership

- Association of Fundraising Professionals, Greater Cleveland Chapter, President-Elect, 2006
- Northern Ohio Planned Giving Council, Co-Chair, Program Committee, 2003-2004
- Member, Rotary Club of Cleveland
- Member, Estate Planning Council of Cleveland
- Member, Advisory Council, WAPS Radio (Akron, Ohio)
- Graduate, Leadership Lake County, 2003-2004