

Main Street: The Recession Is Over? Yeah, Right

Meghan Barr, Associated Press Writer

TWINSBURG, Ohio (AP) — The clerk at the candy shop does not want to cry. She is determinedly cheerful, a professional smiler, dressed head to toe in bright turquoise.

But standing next to a display of plastic-wrapped candles and teddy bears, her face crumples at the most basic of questions: Are you doing OK?

"I'm sorry," she says, wiping her eyes with a shirt sleeve, her voice a shaky whisper. "Because at the end of the month, there's nothing left. I don't know what to say. It's almost getting to the point where I don't know what we're going to do anymore."

For four years now, Julie Bittner has rung up customers in this little store on the charming grassy square at the heart of Twinsburg, Ohio. And from her view by the front window, she has watched the fortunes of a ransacked autoworkers' mecca slowly drain away. Streets once teeming with people are now deserted. Some days, she says, not a soul comes through the door.

She's seen the headlines. The recession is ending! Unemployment is stabilizing! From Wall Street to Washington, the message comes: America, the worst is over. Let the spending begin. But in places like Twinsburg — where for so many the misery goes on, unabated — people aren't buying the rhetoric. If brighter days are ahead, they say, they're still awaiting the dawn.

According to an Associated Press-GfK poll conducted in early April, many Americans' impressions of the economy — and their own financial straits — haven't budged in a long time.

"Who are they trying to kid?" Bittner says. "Are they trying to make you think it's better so you'll go out and spend?"

Well, yes. The nation's fragile consumer confidence, which sank to a record low about a year ago, could keep the fledgling economic recovery stuck in first gear, says Ken Goldstein, an economist at the Conference Board, a research group that keeps close tabs on consumers.

"And when you're stuck in first gear," he warns, "there's more chance to hit a pothole than if you are cruising over an open stretch of highway."

In April, just 25 percent of Americans believed the economy was getting better, the exact same percentage as in September, according to the AP poll. An overwhelming 76 percent rated the economy these days as poor, compared with just 21 percent who said the economy was "good" overall.

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

But on Sunday, Treasury Secretary Timothy Geithner said that the economy is growing faster than the White House expected, and that people are spending more. Last week, Federal Reserve Chairman Ben Bernanke told Congress that growth in demand by consumers and businesses will promote a moderate economic recovery in coming months.

That kind of good news is especially hard to reconcile in Twinsburg, considering the current state of affairs in Ohio, among the states most battered by the recession. Ohio's economy has actually worsened in the past year, according to the AP's monthly analysis of conditions in more than 3,100 counties and 50 states. In February, it was the eighth-most distressed state in the U.S.

In Clark County, Nev., home to Las Vegas, the unemployment rate has soared from 10.1 percent to 13.9 percent in the past year. The same can be said for California's Central Valley, where the unemployment rate in places like Merced County remains stubbornly high, and where 1 out of 16 homes is in some phase of foreclosure.

In Twinsburg, where workers press metal sheets into car door panels, things are only about to get worse. By now, the story of this place is practically a cliché: declining auto town in the heartland gone to rust.

But look around. The houses are well-kept and middle-class. The lawns have been mowed. There's a Starbucks and a Walgreens and a pretty white church with a steeple.

People live here. And right now, they're staring into a future that looks like a black hole.

The hulking Chrysler stamping plant that once employed thousands will shut down forever in June, and the 400 or so workers left will scatter in search of a paycheck. For a while, people like Doug Rice, president of the local autoworkers' union, still held out hope that a savior might step in and buy the plant, maybe turn it into a new manufacturing hub.

The plant's slow death has spread throughout the town. As fewer workers stopped by for lunch, the Bob Evans down the block shed waitresses. Faced with declining revenue, the mayor laid off firefighters and raised taxes. Nowadays, the chattering old ladies who used to raid the candy shop for their grandchildren don't drop in anymore.

"It hit the coasts last year, or two years ago," Bittner says. "But it's been coming on here for a long time."

Last month, when word leaked that a Canadian industrial liquidation firm had purchased the plant at auction and would likely strip out the equipment and essentially pillage the 165-acre complex, Rice climbed into his caravan and drove into the rising sun, stopping only when he crossed the Pennsylvania border. It was like a death in the family, he explains.

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"I never thought I'd cry over my job," he says. "But I mean, I literally broke down. Cried like a baby. Didn't want anybody to see me."

An irrepressible optimist — he avoids the evening news altogether, preferring history books instead — Rice is not one to lay blame or point fingers. He is quick to praise the president, state lawmakers, the local mayor. He even has kind words for the auto company that sold the plant he loved down the river. But does he believe the recession is ending?

"It ain't almost over with," he says. "We have a long ways to go. A very long ways to go."

There's hope yet for Twinsburg. The Cleveland Clinic is building a new medical campus in town. The city's economic development director, Larry Finch, has a map tacked to the wall above his desk that's covered in stickers. Each one, he says, represents new development projects that might create new jobs. A plastics company. A bolt-making business. But he has yet to find one that can fill the gaping void left by the plant.

"Each of us is just a cog in a very big wheel that is rolling forward," says Ken Mayland, an economist at ClearView Economics. "Undoubtedly, people have a sense of despair and disappointment that the recovery isn't touching them. But when you add it all up — spending by businesses and consumers and others — it is propelling the recovery ahead."

That's cold comfort for Bittner, who can scarcely afford to buy lettuce at the grocery store. She'll believe in the recovery when there's more money in her pocket.

"You have to go with what you know instead of what you're being told," she says. "I think they're just trying to brainwash people."

As for Rice, he'll start to believe when manufacturing jobs return to Ohio.

"What really concerns me," he says, "is when the economy does come back, what are we coming back to?"

In a gray office park at the barren autoworkers' union headquarters, Rice's secretary, Carol Hoffman, says she'll start to believe in the recovery when she finds a job. Laid off last year when the union ran out of money to pay her, she kept coming in anyway, just to help out when they needed it, she explains in a tired way. She is 59 years old.

"I'm optimistic," she says, sounding forlorn. "I am. The day that I have a job and I can go out and buy something, yeah. I'm gonna feel real good."

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Associated Press writers Jeannine Aversa in Washington, D.C. and Mike Schneider in Orlando, Fla., and AP Polling Director Trevor Tompson contributed to this report.

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Source URL (retrieved on 08/30/2014 - 10:39am):

<http://www.impomag.com/news/2010/04/main-street-recession-over-yeah-right>