In the post-cold war world the popular answer to the question of economic development is globalization. Globalization has different meanings to different people, but it can be defined for the purposes of this paper as the opening of international markets through reduction in trade barriers thanks to treaties like the North American Free Trade Agreement (NAFTA) and through regulatory institutions like the World Trade Organization (WTO).

It is often said that globalization creates winners and losers, but we rarely agree on who is winning and who is losing. One thing is certain: globalization is creating massive and rapid change. One place that has seen this change is Schuylkill County, Pennsylvania. This paper will take a look at the economic changes that have occurred in Schuylkill County as a result of globalization and it will also show how the people in the county are reacting to the changes in their lives and coping with life in the era of globalization. This paper will utilize both the cold and hard numbers that reveal economic trends and the story of one person who has lived through these trends in order to present a picture of the impact of globalization on both economic development and the working people who live in the county.

First, a brief history of the county will be summarized. Following the historical summary will be population data and current economic data. The current economic data will then be compared to economic data from 1993 and data projections for 2010. These data will reveal the changing nature of the county’s economy. Specific instances of job loss as a result of globalization and NAFTA in particular will follow the presentation of economic data. Because globalization is a two-way flow, a discussion of the major foreign-owned employers in the county will also be included. The county’s efforts at
economic revitalization will be explained. Finally, the story of a worker whose life has been changed by globalization will be included so that a solid sense of the effects of globalization on the people who live in the county can be understood. The analysis begins with the historical summary of Schuylkill County’s economy.

Schuylkill County was founded in 1811\(^1\). It is clear that Schuylkill County has a proud heritage as a center of the anthracite coal mining industry. Any town one might enter is filled with street names that pay homage to coal mining and monuments to the industry. This pride, however, does not create jobs or current economic development. In fact, anthracite coal mining peaked in the 1920s and the county has been in a state of economic decline since the 1950s. After the coal mining industry dried up, unemployment reached 25-30\(^\%\)\(^2\), so the local economy turned to manufacturing. When people in the area refer to “good jobs”, they are invariably referring to the jobs that paid a respectable wage in the textile manufacturing industry that have now totally disappeared. The current economic picture is vastly different from the days when a small sewing shop or textile mill could be found on many a street corner throughout the county. The flight of manufacturing jobs has occurred in large part due to the ready availability of low-wage labor in foreign countries. The recent transition away from manufacturing has been accelerated by globalization and many of the jobs that have been lost can be traced directly to NAFTA.

The county is once again in transition, but smart economic planning has assisted in this transition. As the textile industry leaves, a number of industrial parks have sprung up, a cluster of distribution centers is beginning to employ many of the county’s workers, programs like the Keystone Opportunity Zone (KOZ) are attempting to draw in new
employers, and non-profit agencies like the Schuylkill Economic Development Corporation (SEDCO) are being proactive in their efforts to reinvigorate the county economy. Now that a brief historical summary of the county economy has been presented, we can take a glimpse into the future by looking at the above-mentioned programs. First, however, is a presentation of a few basic facts about the county, its people, and the workforce that they are currently employed in.

Schuylkill County’s current boundaries encompass an area of 778 square miles. The county is entirely rural or small boroughs. It is comprised of 67 boroughs. It contains no major metropolitan areas and the largest municipality has a population of just over 15,000 residents. Luzerne, Columbia, Northumberland, Carbon, Lehigh, Berks, Lebanon, and Dauphin Counties border Schuylkill County. No other county in the commonwealth of Pennsylvania is bordered by so many other counties.

The total population of the county in 2001 was 149,176 people. Since 1990, the county has seen a 1.5% decline in its population. There are 193.1 persons per square mile, which is only about 70% of the population density of Pennsylvania as a whole. The county is predominantly white. Only 3.4% of county residents were nonwhites, according to the 2000 census. Of those living in the county who are older than 25, 22.9% of the population did not graduate high school (compared to 31.6% in 1990), 48.3% either graduated or earned an equivalency (compared to 47.1% in 1990), 12.4% attended some college (compared to 8.5% in 1990), 5.8% earned an associates degree (compared to 4.6% in 1990), 7% earned a bachelor’s degree (compared to 5% in 1990), and 3.7% earned a graduate or professional degree (compared to 3.1% in 1990). The median family income is $41,279 (compared to $29,041 in 1990) and per capita
income is $17,230 (compared to $11,193 in 1990\textsuperscript{5}). For male full-time, year round workers the median earnings are $31,387 and for females the median earnings are $21,598\textsuperscript{3}. The average worker spends 24.9 minutes traveling to work each day\textsuperscript{3}.

In 1999, 6.7% of families were below the poverty line\textsuperscript{3} (compared to 7.7% in 1990\textsuperscript{5}) and 10.4% of families with children under 18 were below the poverty line\textsuperscript{3} (compared to 11.8% in 1990\textsuperscript{5}). With related children under 5, 13.1% of families were below the poverty line\textsuperscript{3} (compared to 15.4% in 1990\textsuperscript{5}). 21% of houses with a female head and no husband were below the poverty line\textsuperscript{3} (compared to 24% in 1990\textsuperscript{5}). With children under 18, it was 34.1\%\textsuperscript{3} (compared to 42.4% in 1990\textsuperscript{5}) and with children under 5 it was 50.5\%\textsuperscript{3} (compared to 60.4 in 1990\textsuperscript{5}). 9.5% of all individuals are under the poverty line\textsuperscript{3} (compared to 10.7% in 1990\textsuperscript{5}), 8.8% of all individuals who are over 18\textsuperscript{3} (compared to 9.6% in 1990\textsuperscript{5}), and 10.7% of those over 65\textsuperscript{3} (compared to 13.3% in 1990\textsuperscript{5}). 69.5% of people live in the same house as they did in 1995 and of those who moved, 20.1% lived within the county\textsuperscript{3}. 89.8% of people were born in Pennsylvania\textsuperscript{3}.

It seems clear that from 1990 to 2000, people have been doing better in spite of the changing economy. How can this be explained? If the figures from 1990 are adjusted for inflation, the median family income of $29,041 becomes $38,894 and the per capita income of $11,193 becomes $14,990. When this is taken into account, the increase seems less remarkable. These numbers can be further explained by the reduction in the population of the county, which would increase per capita figures. A few other factors may explain the rising standard of living in the county. People who have completed higher levels of education generally earn more money, and education levels are increasing. The economic bubble of the late 1990s may have increased standards of living.
and education levels while it decreased the poverty level. Therefore, it will not be a surprise if the 2010 census reflects a return to the 1990 levels of poverty and per capita income. It has often been said that globalization increases the gap between the haves and the have-nots. If it could be proven that those who are in the upper income range are making even more money, their increased affluence would pull median and per-capita income figures up.

Now, we should take a look at the current employment picture before we look at the picture from 1990. The three major industries are manufacturing (26% of the workforce), education, health or social services (19.5% of the workforce), and retail (12.3% of the workforce). In 1990, the manufacturing sector accounted for 33.3% of all jobs, retail accounted for 15.9%, and education, health, or social services accounted for 17.6%.

The Pennsylvania Department of Labor and Industry has published the projected changes in the employment of the workforce of the state. While the following numbers are only projections and are not totally accurate because Schuylkill and Luzerne Counties are combined, we can still use the figures as a guide to see where things are going in a general sense. We can see the area’s past lifeblood – the mining industry – slide further into obscurity due to a projected 27.5% reduction in jobs. Manufacturing as a whole will decline by 9.3%, but textile production will decrease by a further 26.4%. Jobs in retail are expected to grow by 5.3% and overall service jobs will increase by 7%.

Pennsylvania has been hit hard by the outflow of jobs as a result of free trade. The state has been called “ground zero” for job loss after NAFTA. It has been speculated that at least partly due to electoral concerns, due to the fact that Pennsylvania will be a key
battleground state in the upcoming Presidential election, nearly 1 out of ever 10 dollars spent by the Bush Administration to retrain workers who lost their jobs because of U.S. trade policy is going to the state. In an Associated Press article, Lara Jakes Jordan wrote, “Pennsylvania has received a total of $41.8 million this fiscal year in regular and emergency grants to help furloughed steel, textile, and other manufacturing workers…”

Many of these jobs can be traced directly to NAFTA. Nationally, 78% of all jobs lost thanks to NAFTA have been manufacturing jobs. In Pennsylvania, between 20 and 25% of all jobs that have been lost can be traced to NAFTA. The Keystone Research Center states that 31,014 manufacturing jobs have been lost in the state since NAFTA was implemented.

Schuylkill County is by no means an exception to this development. In fact, according to the Keystone Research Center, Congressional District 17, of which Schuylkill County is a part, has been the hardest hit by job losses that can be directly traced to NAFTA. Between 1993 and 2003, they attribute 10,925 manufacturing job losses in the district to NAFTA. According to the Jobs with Justice report, “NAFTA’s Impact on Pennsylvania”, the following county employers have either moved or scaled their domestic production down as a result of NAFTA: J.E. Morgan Knitting Mills (8 jobs), Miller Group (248 jobs), ICI Explosives USA (91 jobs), Summit Station (45 jobs), and Sony Electronics (54 jobs).

Job loss is a reality, but the county is the beneficiary of a number of trends and programs that help to offset the loss of jobs that NAFTA and globalization in general has spurred. Globalization is a two-way street. While many companies move their operations out of the country, Schuylkill County has also become the host of a number of foreign-
owned companies. The county utilizes the resources of the Pennsylvania Department of Community and Economic Development’s Governor’s Action Team to draw in international businesses. The Governor’s Action Team is a team of fourteen to sixteen professionals that deal with businesses outside of the state. The team is has successfully recruited a company from England, Highwood USA, which set up its first American operation in Schuylkill County. The team is currently negotiating with firms from Russia and the Czech Republic\(^2\).

There are a number of existing foreign-owned employers in the county. Hollander Home Fashions Corp. makes pillows and comforters in Frackville and employs 205 workers. Clima-Glaze Corp. manufactures skylights and glass enclosures in Deer Lake and employs 5 workers. Eitel Presses, Inc. manufactures metal presses in Deer Lake and employs 48 workers. Hetran Inc. is a crane and machine shop in Deer Lake that employs 60 workers. Golden State Bar Grinding is a warehouse that employs 3 workers in St. Clair, and Highwood USA, in Tamaqua, currently employs 20 workers and will expand to hire 60 more workers within five years\(^2\). These companies only employ 341 workers between them, which is not an astronomical contribution to the work force, but it does illustrate the fact that globalization is not a total drain on the county.

Some of these foreign-owned companies are housed in the county’s industrial parks. These areas are major contributors to the work force because they employ a large number of the county’s workers. Due to the advantage of economies of scale, most economies have one or two major areas where an industrial park or parks would be located. This, however, is not the case in Schuylkill County. Schuylkill County’s economy is supported entirely by small towns and rural areas. Due to the fact that there
is no major urban center, the economy has become relatively spread out. This has lead to
the presence of twelve industrial parks. These industrial parks have become successful
due to the fact that most of Schuylkill County is located between Interstate 81, which
stretches for 824 miles and covers ground that goes from Tennessee to the Canadian
border, and Interstate 78, which stretches for 144 miles and covers ground in
Pennsylvania and New Jersey. These industrial parks are predominantly managed by
not-for-profit entities that came about when local business and community leaders began
to try to figure out ways to resurrect the county’s economy after the collapse of the
anthracite coal mining industry. The county’s oldest industrial park, the St. Clair
Business Park, is over 40 years old. It is located in St. Clair, PA and it covers 130 acres
of land. The St. Clair Business Park houses sixteen businesses that employ a total of 633
workers. The county’s newest and most promising industrial park is the Schuylkill
Highridge Business Park. It was conceived in 1994 and is located on a 2,000-acre plot of
land outside of Pottsville on Interstate 81. More attention will be paid to this remarkable
park later. There are ten other industrial parks in the county. Most are run by the not-for-
profit SEDCO, but two, 1,200 acre J.B. Rich Corporate Center in Frackville and the 500
acre Mahanoy City Business Park on the Mahanoy City exit of I-81, are privately owned
and run for profit. The parks that are managed by SEDCO are the 250 acre Tremont
Industrial Site in Tremont Township, the 180 acre Tidewood East Industrial Park in
Tamaqua (hosting 8 firms who employ a total of 575 workers), the 325 acre Frackville
Industrial Park in Frackville (hosting 12 firms who employ a total of 785 workers), the
201 Acre Majic Industrial Park in Delano (hosting 6 firms who employ a total of at least

1 Workforce statistics were not available for this industrial park.
328 workers\(^2\)), the 104 acre Tri Valley Industrial Park in Hegins (hosting 3 firms who employ a total of 265 workers), the 120 acre Pine Grove Industrial Park in Pine Grove (hosting 6 firms who employ a total of at least 653 workers\(^3\)), the 90 acre Deer Lake Industrial Park in Orwigsburg (hosting 10 firms who employ a total of 415 workers), and the 8 acre Tamaqua Parcel in Tamaqua (which is in the planning stages and currently has not secured any firm to set up in the park)\(^4\).

The county’s newest and most prominent industrial park, the Schuylkill Highridge Business Park, is the center of what is shaping up to be the key to the future of the county economy: logistics and distribution. This industrial park was conceived in 1994 as part of a twenty-year plan that focused on where the market would be going over the next ten years. A section of I-81 was selected that was nothing more than “A highway going through trees” and by 1997 Lowe’s Regional Distribution Center, the first business to move in, was conducting business. Other businesses followed, and the goals that were set to be accomplished in twenty years were accomplished in ten years\(^2\). Now, there are four Fortune 100 companies in the park. In total, the businesses that operate in the Schuylkill Highridge Business Park account for 1,865 of the jobs in the county\(^4\). Lowe’s employs 650 workers. Other employers in the park are Sears Logistic Services (employing 100 workers), Fanelli Warehousing & Distribution Center, Inc. (employing 100 workers), Wegmans Food Markets Southern Retail Service Center (employing 510 employees), and Country Inn & Suites Hotel (employing 15 workers). WalMart Mechanized Perishable Distribution Center (which will employ 300 jobs at start-up and will add another 150 within three years), and Highridge Travel Plaza (which will employ

---

\(^2\) Two firms did not release workforce statistics.

\(^3\) One firm did not release workforce statistics.

\(^4\) This number includes the projected employment statistics after planned expansions.
40 workers after it is fully developed in three years) are both under development\textsuperscript{17}. Proposals also exist to erect 150,000 square foot, 160,000 square foot, and 400,000 square foot buildings to attract more businesses\textsuperscript{2}. Of the 2,000 acres that were designated for the industrial park, 1,700 remain available for development\textsuperscript{18}. In terms of economic growth, there is serious potential for this site to turn into a major contributor to the county’s economic vitality. Given the focus of the businesses that are setting up in the Schuylkill Highridge Business Park, it now looks like Schuylkill County has a new role in the global economy. Micah Gursky, Legislative Assistant to Rep. David G. Argall (who represents Schuylkill County in the 124th Legislative District), has explained the new role, stating “Globalization has lead to most of our manufacturing going overseas. The products they make come back into this country, where we store and distribute them. If we don’t embrace this industry, we’ll totally lose out.\textsuperscript{19}”

Another way that the county is attempting to draw in new employers is through use of the Pennsylvania Department of Community and Economic Development’s Keystone Opportunity Zone (KOZ) Program. The KOZ program exists, according to the Schuylkill County Office of Economic Development, “to revive economically distressed communities utilizing a powerful market based incentive - state and local tax abatement.”\textsuperscript{20} The KOZ subzones in Schuylkill County were created under act 92 of 1998 in 1999 for a twelve-year period starting in 1999. In 2000, the act was amended in order to create more subzones and extend the time period for new zones from 2001 until 2013\textsuperscript{20}. There are currently fourteen KOZ subzones in Schuylkill County. The zones occupy land in Cass Township, East Union Township, West Penn Township, Mahanoy Township, Ryan Township, Mahanoy City, Shenandoah, Pottsville, Rush Township,
Tamaqua, Coaldale, Tremont Township, West Brunswick Township, West Mahanoy Township, Girardville, and Butler\textsuperscript{20}. These subzones are divided into tax parcels, of which there are 98. The parcels are zoned under the following designations: manufacturing (36 parcels), commercial (34 parcels), residential (13 parcels), industrial (10 parcels), special purpose (3 parcels), and utility property (2 parcels)\textsuperscript{5}

The vast majority of these properties are currently vacant or are not being used for their KOZ specified purposes. When contacted for comment, the office of the Schuylkill County Economic Development Director declined to offer an explanation. It could be speculated that the program is ineffective at its stated purpose of drawing more business into the areas of the commonwealth that it targets. A recent newspaper article reveals that Rep. Argall is urging a review of the program. The excerpt that follows explains the review:

Argall, the chairman of the House Appropriations Committee, cosponsored House Resolution 664 which calls for the detailed analysis. “This study will help us determine whether the Keystone Opportunity Zones and related programs have reached their intended objectives in creating new jobs and revitalizing communities, and whether modifications are necessary,” Argall said. The resolution charges the Legislative Budget and Finance Committee to examine the pros and cons of the programs. Specifically the committee will examine “the overall effectiveness of the program and identify the program’s effects on economic development as compared to nearby areas that no not contain tax-free zones.” The study will review trends in the styles of new business that resulted from the program and examine the costs to school districts and municipalities throughout Pennsylvania.\textsuperscript{21} …

Given the developments that are explained in the above excerpt, it is not unreasonable to see the KOZ program as less than successful. There would be no need for a review if it

\textsuperscript{5} For the sake of simplicity, several related zoning categories have been combined.
was an unqualified success. The language that is used in explaining the intent of the review can reasonably be interpreted to suggest that the KOZ program is giving a tax break to businesses that would otherwise locate themselves in the KOZ zone without drawing in other businesses while the lost tax revenues hurt school districts and municipalities. If this is found to be true, the KOZ program may change.

One final noteworthy economic development effort comes from the nonprofit Schuylkill Economic Development Corporation (SEDCO). SEDCO does many things to promote economic development in the county. SEDCO works with state and local entrepreneurs to assist them in things such as sight selection, seed funding, and business plan formation. SEDCO’s publication, Schuylkill Jobs & Growth, explains their heritage and mission eloquently:

SEDCO was originally established as the Greater Pottsville Industrial Development Corporation (GPIDC) – a not-for-profit, volunteer-based organization – in 1952. A majority of contributors to the first capital campaign were ordinary men and women… who pledged their hard-earned dollars to help their…neighbors obtain jobs in the local community… SEDCO has influenced the creation or retention of 300 jobs per year on average – more than 15,000 total… SEDCO secures its revenue from land sales, mortgage payments, administrative fees, and periodic capital campaigns. The organization attracts new investment to Schuylkill County through funding assistance offered by the Pennsylvania Department of Commerce and Economic Development as well as tax-free industrial bond financing arranged through the Schuylkill County Industrial Development Authority. SEDCO is also responsible for the maintenance and management of the county’s ten not-for-profit industrial parks and five of the county’s KOZ subzones.
In spite of the fact that there is abundant proof of the fact that Schuylkill County is not taking the changes that it faces lightly, attempts at economic stimulus can only go so far. Job loss is a reality, so a need exists for a program that people can use to regroup after their jobs have been globalized. The workers who have been displaced in Schuylkill County have been able to take advantage of Trade Adjustment Assistance (TAA). The TAA program will be explained and the story of one woman who has lost her job at Morgan Mills and is currently taking advantage of TAA will be told.

The Trade Act of 1974, the revision-minded Trade Act of 2002 and the NAFTA-Transitional Adjustment Assistance act are similar programs that provide the same services and benefits to displaced workers using slightly different procedures. TAA is federally funded and is administered by the Pennsylvania Department of Labor and Industry. The program is set to end on September 30, 2007. TAA focuses first and foremost on helping the newly displaced worker find a job. In the last year, 11,695 workers in Pennsylvania became eligible for TAA benefits – the fourth highest total in the country. Through one-stop centers (in Pennsylvania, the service is administered through Team PA CareerLink centers), job-seekers can utilize the following re-employment services: employment registration, career guidance, career assessment, job search workshops and activities, job development, supportive services, and self-directed job search services.

If the job seeker is unable to find a job after going through such programs, TAA will pay for up to 104 weeks of educational retraining. Most of these students enter programs at a vo-tech school or a community college. While they are undergoing retraining, they may receive Trade Readjustment Allowances (TRA). They may also
receive TRA after their state and federal unemployment compensation runs out. Numerous schools in the county and the surrounding area retrain workers as part of the TAA program. The following schools have enrolled students who live in Schuylkill County as part of their TAA program since July 30, 2003: Lincoln Technology, Educational Resources Group, Northwood School of Taxidermy, Schuylkill County Area Vo-Tech School, Alvernia College, Lehigh Carbon Community College, Penn State Harrisburg, Luzerne County Community College, McCann’s School of Business, Carbon County Area Vo-Tech School, Lackawanna College, Allentown Business School, Lehigh Career & Technology Institute, Prime Technical Training, Reading Area Community College, Northampton Community College, and Berks Career & Technology Center. The following programs were enrolled in during this time: Medical Administrative Assistant, Comprehensive Building Inspection Program, Taxidermy, Practical Nursing, Electro-Mechanical Tech., Automotive Tech. Repair, Vehicle & Equipment Operator Trg., Masters of Education with certification, Culinary Arts, Tractor Trailer Driver Program, Education, Business Management, Computer Specialist Program, Practical Nursing, Computer Info. Systems, Paralegal Studies, Computer Network Administration, Nurse Aid, General Office Assistant, Computer Software Skills/Pharm. Tech., Criminal Justice, Small Engine Repair, Welding, Computer Aided Design, Heating, Ventilation, A/C & Refrigeration, Plumbing & Heating Technology, Occupational Child Care, Industrial Maintenance, Robotics & Automotive Tech., Computerized Accounting, Computerized Bookkeeping, Legal Office Assistant, and Medical-Dental Office Manager. The total cost of these programs was $721,166 and the average cost per

---

6 Several similar programs that are offered by different schools were consolidated under a common program name to save space.
program was $9,015. The maximum that was allowed for any program was $16,000. There were 80 students enrolled in these programs from July 30, 2003 to March 1, 2004.

Aside from the cost of education, money can also be given to TAA recipients for job search allowances that are to be utilized when the recipient cannot be expected to find suitable employment in the commutable area of their homes and it can be given out to offset the cost of relocation if a job is found that is outside of the recipient’s commuting area.

The previous pages and paragraphs helped to portray a sense of the ways that Schuylkill County is coping with the changes that have been forces upon it by globalization, but they did little to portray the impact that globalization has had on the working people who make the economy function. Perhaps no story is more symbolic of the local impact of globalization than the story of J.E. Morgan Knitting Mills in Tamaqua, Pennsylvania. Entrepreneur John E. Morgan founded J.E. Morgan Knitting Mills in 1945. In 1958, the company patented a now-familiar waffle-stitch pattern and became the nation's largest maker of thermal underwear. By the early 1980s, annual sales at J.E. Morgan Knitting Mills exceeded $18 million and in August of 1999 the factory was sold to Sara Lee for $95.7 million. As a result of globalization, a factory that peaked in 1984 when it employed over 1100 people while it was the largest employer in the county now employs a skeleton crew of 135 administrative and distribution level employees. In the fall of 2003, Sara Lee, the factory’s parent company, finished the process of eliminating 460 jobs over a 20-month period. In order to cope with their recent job loss, the workers have utilized TAA and other resources that Sara Lee has
provided. The economic data and monetary figures give an impression of the scope of the current efforts, but they do little to convey the ways that globalization changes people’s lives. In order to understand how globalization changes people’s lives, the story of one former Morgan employee, who will be called “Janice” to protect her privacy, will now be told.

“Janice” found out that her days as a Sara Lee employee were numbered in November of 2003. She was given three months notice and she worked her last day at the Morgan plant one February day in 2003. Janice explained the shock, saying, “We had a great work ethic. We thought we would be there forever.” She must have had a great work ethic to do what she did for twenty years. Janice explained her job and her experience at the Morgan plant. “I folded long john bottoms for 20 years, starting out at a piece rate of 24.5 cents per dozen,” Janice explained, “when I left, I was making 39.8 cents per dozen. Twenty years… how’s that for a raise?”

Janice’s compensation should be put into perspective. When she started working for J.E. Morgan in 1973, she was paid 24.5 cents for ever dozen units that she folded. If her pay rate had kept pace with inflation, should would have been making over a dollar per dozen. Janet set her daily goal at $90 per day. In order to reach that goal at 39.8 cents per dozen, she would need to fold 2710 garments. If we assume that Janet never took a break, she would have to fold at a rate of roughly 6 garments per minute. This rate would translate into a wage of $11.94 per hour and would give her a base pay of $23,400 per year.

Janice’s job was eliminated and she faced the challenge of starting over. “It isn’t easy starting over”, she explained. She knew it would not be easy, but she did not realize
how much trouble she would have in obtaining funding through the TAA program when she decided to go to school. Her first step was to visit the Team PA CareerLink in Tamaqua. When she talks about CareerLink, a bitter and angry side emerges as she describes the shortcomings of the center. Janice wanted to start school, but CareerLink attempted to talk her out of going back to school and into finding another job. This effort was verified by MariLynn Bagienski, the administrator of the TAA program at the Tamaqua CareerLink. She explained that the focus of the program, at this time, is to get people back in the labor market. “Training has been de-emphasized, and in the case of former Morgan employees, we look at training as a last resort”, MariLynn explained.

As a result of this effort, many newly unemployed workers never go into training programs. While CareerLink attempts to find people new jobs, Janice does not think they do an adequate job at providing such a service.

Janice was registered with CareerLink for five years before she started school. They never found her a job. Perhaps the reason that they did not find her a job was due to their insistence that job seekers do a self-directed search. This system draws complaints from Janice. She explained, “They sit you down in front of a computer and tell you to search the internet. I’m 48 years old and I know how to use the internet, but many people my age are computer illiterate, so what help is the self-directed search?”

Ever since Sara Lee terminated her, it will be hard to find any of their cake mixes in her kitchen. Surprisingly, Given the bitterness that she directs toward the company for terminating so many of her friends and former co-workers, she does speak highly of the efforts that they have made to help out their outgoing and former employees. Sara Lee secured the services of an outside agency, Right Management, to set up an in-house
career center in one of the abandoned Morgan buildings and many of their former employees have used this service to find a new job. Janice was so impressed with the results of the career center that she is working with Rep. Argall to keep the company, which is based in Allentown, in Tamaqua as an alternative to the CareerLink center.

Janice decided that she wanted to learn a more marketable skill, so she pressed on with her desire to go to school rather than going straight back to work. At this point, an unexpected set of new problems presented themselves. Janice was one of 41 people who were fired in the same round of layoffs. She was one of only five who decided to seek training. When she applied for her TAA educational funding, the money was slow in coming. She wanted to begin school at McCann School of Business in July of 2003, but the funding was never transferred to the school. “I fought to get that money from April until July”, Janice explained. She contacted Rep. Argall, State Senator Rhodes, U.S. Rep. Holden, Senator Santorum and Governor Rendell through e-mail. She waited for over a month for a response from Governor Rendell or a member of his staff. In the meantime, she assembled a collection of newspaper articles that detailed all of the other programs that Rendell had recently promoted or funded. She sent him the collection of articles and a scathing letter that condemned him for excessive spending while he left working people behind. Within a few days, one of Rendell’s staff members called her and her funding was processed. Her persistence paid off, but not everyone took such initiative, and five of her fellow students’ funds were never processed.

Janice’s story highlights the problems that those seeking educational funding through TAA are facing. When utilizing the TAA program, and recipient is not allowed to use personal funding to pay for their educational costs, even when there are holdups
like the one that Janice faced. Fortunately, Sara Lee found out about the problems and has begun to offer $2,000 scholarships to help pay for school until the TAA funding is transfer to the recipient’s school. Janice claims that many schools have not been paid in two years. When dealing with people who are bitter and have a proverbial axe to grind, it is not always wise to trust the truthfulness of any fact that they present. Janice’s claim, however, was not exaggerated. The Admissions office of McCann School of Business and Technology was able to verify her claim. A member of the admissions staff explained that the state ran out of money for TAA educational funding. They had to get special funding from the federal government to pay debts that were owed and they could not approve new students until the debts were paid off. As a result, they also had to lower the amount of money given to the program.\footnote{30}

In spite of the problems she faces in obtaining funding for her education, Janice started school in July of 2003. She is currently attending McCann School of Business and Technology in Pottsville, majoring in Business Administration and Marketing. She will graduate after taking 4 classes per quarter for 18 months and the school will provide lifetime job placement services. Janice is happy with her education and her prospects for the future. Janice explained, “I love the program at McCann. I’m thinking about getting into real estate. I’d like to start out around here and then eventually begin working in Allentown to make some real money.” Janice has always been a hard worker, but now she says, “I’m still going to work hard. This time, I’m going to work smart, too.”

If there is one thing that is certain, it is that Schuylkill County knows that we must adapt to the changing economic reality that has been facilitated by modern globalization. The county has been through the pain of economic change in the past when its coal
industry collapsed. Perhaps the scars that were left in the mountains of Schuylkill County have prepared the county for the changes that are happening today. The residents of Schuylkill County have been in this situation before. They know that they have to adapt to change, and they are taking steps to ensure that this transition is as painless and as seamless as possible. It was previously stated that when the coal mining industry collapsed, unemployment ranged between 20-30%. Today, unemployment in Pennsylvania is 5.1% and unemployment in Schuylkill County is 6.8%. The days of the Morgan Mill are over. The textile mills are gone. There is not doubt that this is causing pain. The pain, however, is nowhere near the level that it could be if Schuylkill County was unprepared.

We should be cautious in singing the praises of Schuylkill County’s economy, though, because there is certainly a drain of dedicated workers who do not feel secure in the jobs that are in the county today. The average worker’s commute, according to the 2000 census, is 24.5 minutes\(^3\). It only takes 27 minutes to drive from Pottsville (which is positioned in the center of the county) to Tamaqua (which is positioned on the eastern edge). This is backed up by the fact that 16,910 workers commutes out of the county to work each day while only 7,600 commute into the county from another county\(^2\). This is not a good sign for the county. The efforts of agencies like SEDCO are remarkable, but more work needs to be done to keep the county’s dedicated workforce closer to home and to slow the brain drain of smart young people that rarely come home after they have finished their higher education.

The positive developments and the negative consequences of globalization have been revealed in this presentation. It would be an oversimplification to label Schuylkill
County as either a lost cause or as an economy that is totally prepared for the challenges that are posed by globalization. Globalization has a tremendous impact on the economy and on people like Janice. Janice has felt the impact, and it did initially hurt her. Now, though, Janice has hope. She will survive the shockwaves that globalization sends to places like Schuylkill County, but only because she fought through adversity. It may be a struggle, but the residents of Schuylkill County can adapt to globalization and those who fight through the adversity that they are encountering will be better off once they reestablish themselves as part the globalized local economy.
Notes


2 Heffner, Gerald. Personal interview. 2 April 2004.


5 U.S. Census Bureau. 1990 Summary Tape File 3 (STF 3) – Sample data.


13 Jobs with Justice. “NAFTA’s Impact of Pennsylvania”.

14 http://www.ihoz.com/I81.html

15 http://www.ihoz.com/I78.html


18 Schuylkill County Economic Development Corporation. Schuylkill County Land Inventory. 1 April 2004.


20 http://www.co.schuylkill.pa.us/Offices/EconomicDev/EconomicDevelopment.asp

21 “Argall Supports review of KOZs.” The Times News. 7 April 2004: 3.


23 http://www.co.schuylkill.pa.us/Offices/EconomicDev/EconomicDevelopment.asp#Coordinators


30 Klouser, Patsy. E-mail interview. 12 April 2004.