

Downsizing continues as stock market soars

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The corporate assault on jobs continues with new job cuts announced over the past week in finance, retailing, transportation and manufacturing.

Chase Manhattan leaked plans to wipe out the jobs of 3,000 workers, mostly middle-level and lower-level employees in the marketing, corporate communications, legal and finance departments. The new round of downsizing will follow massive job cuts carried out in 1996, after Chase merged with Chemical Banking Corp.

In another major restructuring, **Fort James Corp.**, a paper and consumer products manufacturer, announced it would eliminate 2,500 jobs in the US and Europe, 8 percent of its work force. The move follows its announcement last month of the closure of tissue mills in Carthage, New York and Ashland, Wisconsin employing 520 workers.

Stock of **PageNet** surged after the company announced plans to eliminate 1,800 jobs, or 30 percent of its work force. The layoffs are expected to produce an annual savings of \$45-55 million. The company, one of the largest paging firms in the US, plans to consolidate its paging operations and expand its range of products.

The retailing chain **Venture Stores, Inc.** said it will close 20 stores and eliminate 1,530 jobs in six states. The company is reorganizing under Chapter 11 bankruptcy proceedings.

Another retailer, **Winkleman's**, once the largest women's apparel chain in Michigan, is going out of business. Its owner, Petrie Retail of New Jersey, plans to close all 49 stores by the end of March, eliminating 650 jobs.

The software retailer **Egghead, Inc.** is closing all 80 of its retail outlets and eliminating 800 of its 1,000 workers. The company is changing its name to Egghead.com and plans to market exclusively on the internet.

Other recent layoff announcements include:

Reebok International: The maker of athletic footwear plans to cut 500 jobs, or 10 percent of its work force, by the end of March.

Imation Corporation: The data storage equipment maker has expanded previously announced layoffs from 1,500 to 1,700.

Hasbro: The toy maker plans to close a plant in Rhode Island employing 150 workers.

Temple-Inland: 150 jobs will be lost with the shutdown of a paper mill and box plant in Newark, California.

While thousands more workers every week confront the loss of their jobs, big investors on Wall Street continue to reap record profits. A new surge in the Dow Jones industrial average lifted share prices above the previous record, set last August. The market has been rising on reports of higher than expected profits in the fourth quarter and signs of increased productivity. In other words, corporations continue to squeeze more production out of fewer workers.



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