

In the shadow of the Republican National Convention

## Historic East Cleveland, Ohio: A city in decline faces bankruptcy

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Cleveland, the second largest city in the Midwestern state of Ohio, is celebrating the upcoming Republican National Convention as a symbol of the city's rebirth. In the words of Jon Pinney, general counsel and treasurer of the 2016 RNC Host Committee, the goal is "to reintroduce the city to the world." The host committee is hoping for an economic bounce of \$200 to \$400 million from the convention.

Cleveland is spending millions on the renovation of the Public Square in the city center, the remodeling of Quicken Loans Arena into a media production facility, infrastructure improvements and cosmetic improvements to the Cleveland-Hopkins International Airport.

Social events are planned for the Republican delegates at the downtown Cleveland waterfront and the Rock and Roll Hall of Fame.

While millions are being spent for the Republican convention, including over \$50 million for the police to be equipped to suppress protestors, nothing is being spent to improve the lives of the working class in the city and surrounding area.

Just a few miles from the celebratory mood the city of East Cleveland, Cleveland's first suburb and a symbol of the devastating impact of deindustrialization, is insolvent facing bankruptcy and a possible merger with Cleveland. Over 40 percent of the population lives in poverty, streets are dotted with abandoned homes and unemployment remains at double digit levels.

East Cleveland roots reach deep into America's industrial history. It would prove to be of major importance in the development of Cleveland as a center of industrialization from 1860 to 1930, and the rise of the United States as the world's manufacturing powerhouse.

Fortunes were made in iron ore, coal, steel, shipbuilding and railroads. Leading industrialists built mansions along Euclid Avenue, which became known as "millionaires' row." During the Gilded Age of the 1920s, Euclid Avenue was regarded as one of the most beautiful streets in the world, known as "the showplace of America."

An early economic boom was spurred by the expansion of the

railroads during the California Gold Rush of 1848–55. Industrialist and philanthropist Jephtha Wade was responsible for the expansion of the telegraph in 1856, turning Northeast Ohio into a key telegraph connection that proved vital to the North's victory in the American Civil War.

But East Cleveland's most famous industrialist by far was oil magnate John D. Rockefeller. Rockefeller purchased a kerosene refinery in Cleveland toward the end of the American Civil War in 1865. He and his partner, railroad magnate Amasa Stone, struck a highly secret rebate agreement, the notorious Lakeshore Railroad Deal, allowing him to bring oil to Cleveland by railroad at incredibly low prices, thus creating a monopoly, and making Cleveland the center of the American petroleum industry. Standard Oil Company of Ohio was incorporated in 1870 and Rockefeller, its chairman, became the world's richest man.

The Rockefeller legacy is strong in East Cleveland. Rockefeller purchased Forest Hill Park in 1873 and built his summer home there. His plan was to develop an upscale residential and commercial development featuring French Norman-style homes. After a fire which destroyed the Rockefeller home in 1917, the Rockefeller family donated the property to the cities of East Cleveland and Cleveland Heights, with the stipulation that it be developed as a park and recreational area. The Rockefeller homes are listed on the National Registry of Historic Places as the "Forest Hill Historic District."

Rockefeller also donated the land for Huron Hospital in 1931 which was the city's largest employer when it closed in 2011.

East Cleveland is also notable as the home of General Electric Corporation's Lighting Division at NELA Park, established in 1911, the first industrial research park in the world, following General Electric's acquisition of the National Electric Lamp Company in East Cleveland. Thomas A. Edison, noted American inventor of electric light and recorded sound, was a founding partner of GE. The 92-acre NELA Park pioneered many cutting-edge lighting techniques. It is listed as an Historic Place in the US Department of the Interior's National Registry.

East Cleveland was important to the growth of the area's

medical and scientific industries and Case Western Reserve University. Industrialists Worcester R. Warner and Ambrose Swasey, who made their fortunes in the machine tool industry, built an astronomical observatory on North Taylor Road which they donated to the Case School of Applied Sciences in 1918. It became one of the world's leading astronomical research centers. Its director, the noted astronomer Dr. Jason J. Nassau, did much of his work here, developing the theory of galactic structure and a pioneering technique for studying red star distribution.

The city's economic decline mirrors the degeneration of industrial cities throughout an area across the Northeast and Midwest known as the "Rust Belt." East Cleveland is a stark expression of the declining economic position of the United States in the world and historic levels of social and economic inequality.

East Cleveland is located only minutes from University Circle, the cultural hub of Cleveland. Cultural institutions located here include the Cleveland Museum of Art, which is celebrating its centennial year after completion of a \$350 million renovation and expansion. Other institutions located here include the dynamic new Museum of Contemporary Art, the Cleveland Institute of Music, Severance Hall, home of the world renowned Cleveland Orchestra, the Cleveland Botanical Garden, the Museum of Natural History and Case Western Reserve University.

The newest artistic gem to premiere in University Circle is the Maltz Performing Arts Center of Case Western Reserve University, a stunning renovation of an historic, 1920s-era Jewish synagogue.

The *New York Times* published a feature story in 2013 about University Circle in its "Travel" section, entitled "A city that can't get enough art," focusing on the art-centric expansions and the uptown district along a revitalized section of Euclid Avenue, bordering East Cleveland. The article noted that University Circle was designed in the 1800s as a counterbalance to the city's business and manufacturing center.

East Cleveland, sometimes referred to as "East Circle," is only minutes from this area yet there is no art-centric revitalization plan for this area. Once beautiful apartment buildings on Chapman Avenue built in the 1920's with gorgeous woodworking and other craftsman details typical of the period, have been left to rot, deserted by their owners, taxes unpaid, with no money available to tear them down.

The *Call and Post*, a local newspaper, reported in 2010 on ambitious plans for collaborative efforts with Case Western Reserve University which aimed to "transform Greater University Circle into a great urban place," involving the surrounding neighborhoods and promoting development. These plans have come to naught, and the city of East Cleveland is now seeking bankruptcy protection.

East Cleveland's proximity to University Circle means that in a merger with Cleveland, land could be ceded for potential

luxury developments drawing wealthy residents desirous of living near the cultural heart of the city.

City Council President Robert Wheeler, interviewed on WCPN Radio, commented: "Let the rich come in!" noting East Cleveland has lots of vacant and abandoned property, and is badly in need of revenue from property taxes. Most of the residents of East Cleveland are renters—not property owners. Forty-two percent of the mostly African-American population lives in poverty.

The *Call and Post* has called East Cleveland a "fiscal sinkhole." In 2013, the newspaper editorialized in favor of annexation by Cleveland, stating "through no real fiscal fault of its own, this Black community is being unnecessarily disenfranchised." The newspaper faulted the "White Flight" of the 1950s and 1960s that "left a proud and hardworking Black middle class to basically fend for itself."

Mayor Gary Norton told WCPN Radio listeners that East Cleveland needs an "economic system change to become part of a larger economy." The current financial plan calls for a 40 percent cut to a budget of \$11 million. Norton claimed that bankruptcy would address some of the city's short term cost issues. For example, bankruptcy would help the city renegotiate its collective bargaining agreements which it can no longer afford. Out of the other side of his mouth, Norton denied plans for "union busting."

The East Cleveland City Council met in closed executive session at the end of May to discuss criteria for selecting commissioners to negotiate a merger with Cleveland. Residents have been collecting signatures on a petition which would lead to formal merger talks.

Not everyone agrees that a merger with Cleveland is the solution to East Cleveland's problems. The mayor and the city council are divided: Mayor Norton supports the proposed merger, and Council President Robert Wheeler opposes it. City Council members are divided among themselves and community residents are split.

Nonetheless, despite these longstanding differences, the council has agreed to accept applications for the positions of three commissioners who will enter merger negotiations with Cleveland. Commissioners must be chosen before East Cleveland can move ahead with legislation. Eventually, the annexation question will be put to a vote of East Cleveland residents.



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