

Mars-Wrigley announces closure of its West Side Chicago factory

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Mars-Wrigley has announced the closing of its long-established west side Chicago chocolate factory. Over the next two years, production will be ramped down until the plant closes its doors. Built and operated since 1928, the factory has earned praise from architects for its Spanish design style and has been noted by historians for its role in Chicago's industrialization.

Mars-Wrigley has said that it will donate the factory “for the use of the community.” However, it said nothing of the fate of the 280 factory workers that the company will be laying off and forcing into financial peril.

As reported in the *Chicago Tribune*, a Mars-Wrigley spokesperson said only that workers are “encouraged to explore the opportunities to apply for open roles across our network, specifically in the Chicago area.” In other words, workers are left to fend for themselves to bid on open positions in the company, look for employment elsewhere, or face unemployment.

The factory's closure is a further step in the restructuring of the company's US operations as it winds up operations in Chicago. In 2017, Mars-Wrigley moved its US headquarters out of Chicago to New Jersey, a decision made following Mars' \$23 billion acquisition of Wrigley in 2008.

While the company has not explained the decision to close the factory, it is not for lack of profits. Mars-Wrigley reported net sales of \$20 billion worldwide in 2020 and controlled an estimated 27.2 percent of the two hundred-billion-dollar confectionery market, according to Statista.

However, the process seems likely to continue. The *Chicago Tribune* reported that an email sent out by a Mars-Wrigley spokesperson earlier this week noted that workers were “informed yesterday of the decision to move the majority of operations to other facilities in the

U.S. over the next two years.”

The loss of the factory and its jobs will severely impact the Chicago West Side Austin neighborhood. However, it cannot be seen separate from the deindustrialization of vast areas of the US, including Chicago, which were once booming centers of industry.

Known for its meat processing and steel plants, Chicago was once also considered the Candy Capital of the World. In Chicago, like Detroit, Gary, Indiana, Cleveland and Pittsburgh, historic centers of manufacturing were devastated starting in the late 1970s and the process accelerated into the 1980s and 90s. Wall Street's offensive through austerity measures against the working class has been overseen by successive Democratic city administrations in Chicago, who, except perhaps for their gender and ethnicity, have differed little from each other, all sharing a deep hostility to the interests of workers.

As in many working class West and South Side Chicago communities, Austin has experienced the economic effects of deindustrialization as seen in demographic data compiled by the Chicago Metropolitan Agency for Planning from the 2020 Census and 2015–2019 American Community Survey five-year estimates. The population of this area fell by 17.8 percent, from 117,527 residents in 2000 to 96,557 in 2020. The median household income declined even more drastically, falling from \$51,534 in 2000 to just \$33,515 in 2019, with 39 percent of households earning less than \$25,000 a year.

Chicago politicians are looking to offset manufacturers leaving the city by offering tax incentives and private upscale development contracts that are publicly funded to entice corporations and businesses to stay or return to the city. Some claim that replacing manufacturing with these jobs has produced

economic growth over the past several years.

However, these corporate handouts have not benefited the working class neighborhoods blighted by deindustrialization. Rather, they have further accentuated the stark class divide between the city's working class neighborhoods and the booming Lakeshore and Gold Coast areas downtown, home to corporate services like law, finance, real estate, tourism, public relations, and advertising that now fill downtown high-rises towers. At the same time, working class neighborhoods on the south and west sides of the city are desolate, often lacking basic accommodations like grocery stores. In contrast to Austin, the median income in the downtown Loop area increased from \$99,704 in 2000 to \$108,676 in 2019.

The closure of the Mars-Wrigley Chicago factory is another blow to the working class that will further exacerbate the social ills attendant on declining living standards. It is another reminder that there are two Chicagos: one of the capitalist class and the wealthy upper middle class, and the other of the struggling working class, increasingly being deprived of even the most minimal means of subsistence.



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