

# THE BAY CITY TIMES

## Should I stay, or should I go

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By RYAN J. STANTON

### TIMES WRITER

It's not just theory.

Young people get educated, and they leave Bay County to pursue career success.

Those who stay are less educated, and pay the price.

The Times spent several months tracking down 174 - more than half - of the 318 members of the Bangor Township John Glenn Class of 1986. What we found is a tale of two financial fates, separate and distinct based on education and location.

Of the 95 who graduated and moved away, 71 percent have college degrees, either an associate's or higher. As a group, nearly half earn \$60,000 or more per year.

Of the 79 who stayed in Bay County, 42 percent have college degrees, and just 22 percent earn \$60,000 or more per year.

Tighten the academic circle to a bachelor's degree, and the disparity grows. About 57 percent elsewhere have at least a four-year degree, while just 27 percent who stayed can say the same.

About one in five elsewhere have a master's degree and earn six-figure salaries, while the majority living here today dropped out or never went to college.

The numbers don't tell a story simply of family wealth and opportunity. It confirms a belief common in economic development circles, that Bay County holds little opportunity for its college-educated younger generation.

And it highlights a chicken-and-egg problem that continues to vex community leaders: Without an educated work force, it is difficult - bordering on unlikely - to attract firms offering high-paying technology jobs, seen as the key to Michigan's future.

Without high-tech employers, it is difficult - bordering on impossible - to keep the county's best-educated young citizens from uprooting.

"It really becomes a vicious circle," says Lou Glazer, president and CEO of the Ann Arbor-based think tank Michigan Future Inc. "Places that have college graduation rates in the teens are going to have an enormous problem in a knowledge economy."

Barring any unforeseen socio-economic changes, that's a problem that could keep Bay County chasing its tail for a while.

Just take '86 &acute;migr&acute; Michael Musial's word for it.

He left Bay County after high school, bouncing around in places like Chicago and Philadelphia. He's now an electrical engineer in Clayton, N.J., but he'd love to come home.

"My whole family's still there; there's just no jobs."

No. 1 task at hand

We found the Class of '86 broken apart and scattered throughout Michigan, and in other states like Hawaii, Texas, Montana, Washington and New York.

Nearly a dozen laid new roots in the Sunshine State, and one even hopped across the border to Mexico City.

Though more left than stayed, most had the same to say about Bay County: It's a great place to live, but good-paying jobs for college grads just aren't here.

Most who stayed cite friends, family and the appeal of their riverfront community as reasons for dropping anchor, while most who left were pursuing careers.

"This serves as a reminder how important it is that we do more on economic growth," said County Executive Thomas L. Hickner, not surprised by the numbers. "My bet is more people would be willing to move back to the community if they could find a good-paying job for both husband and wife."

New statistics from the U.S. Census Bureau's 2005 American Community Survey paint a picture similar to that illustrated by John Glenn's Class of '86.

The survey indicates just 17.9 percent of Bay County's population 25 years and older have a bachelor's degree or higher. That falls far below the national average of 27.2 percent and Michigan's 24.7 percent, which ranks 34th in the nation.

Economic leaders say that could be a major thorn in Bay County's side as it tries to compete for emerging, knowledge-based industries that provide high-paying jobs for college grads.

"Is it a concern for us?" asked Frederick Hollister. "Obviously, the better educated and trained work force you have, the easier it is to recruit and retain businesses."

Hollister is the president and CEO of Bay County's newest economic development firm, Bay Future Inc. The public-private organization formed two years ago, with its primary task to facilitate job growth in Bay County.

Hollister is hesitant to say Bay County has it bad, but the Iowa native knows he has his work cut out for him. Perhaps that's why a big part of his strategy includes retaining companies already here, and helping them expand.

Hickner knows his native county doesn't have much of a job base right now, certainly not one offering high wages or requiring advanced training. A former state representative with a master's degree, he considers himself one of the lucky few.

"I'm fortunate," he said. "I sometimes wonder if I was not in government as an elected official, where would I work? And I have a business degree."

"The job opportunities here are very slim."

Michael D. Seward, president of the Bay Area Chamber of Commerce, agrees the No. 1 issue facing Bay County is economic growth and job creation.

"We need to bring back the people from this area, and the only way we're going to do that is to generate new jobs," he said. "Our government leaders, community leaders and business leaders must ban together."

Hickner thinks by taking advantage of the region's assets, there is hope for the future.

Facing uncertainties

Michigan Future recently compiled a report called "A New Agenda for a New Michigan," emphasizing the importance of education in today's changing economy.

Futurists say Bay County has to face the fact that those areas of the nation doing best economically are large metropolitan areas. Big metros are winning the fight to attract college grads, while Bay County-like communities are left struggling.

And it doesn't help that Michigan's economy is lagging, with its unemployment rate at 7 percent in July, compared to 4.8 percent nationally. Bay County topped both at 7.6 percent.

Michigan Future says the state's history of flourishing with an economic base concentrated in factories, farming and tourism won't pass muster in a knowledge economy.

The state's downfall, Glazer says, is that skilled jobs requiring high education grew only 17 percent in Michigan from 1990 to 2005, while growing 31.6 percent nationally.

But within this problem lies another dynamic: Bay County appears to be losing the same fight to other areas of Michigan.

While Michigan's population grew from 9.96 million to 10.12 million from July 2000 to July 2005, Bay County's population dropped from 110,131 to 109,029. More recent estimates show it's down to 107,256.

State economic leaders have suggested Bay County better market itself in healthier, growing areas of Michigan, such as Oakland County and Ann Arbor, the latter of which is gearing up for a multimillion-dollar investment by Internet powerhouse Google Inc.

"If you're going to live somewhere in Michigan, all you have to do is take a look at Careerbuilder.com and type in 'Ann Arbor,' and see how many jobs there are," Hickner said. "There are a lot of people in Oakland County and Ann Arbor that don't even know Bay City exists."

Looking at our case study of John Glenn, while it seems there was a job-related exodus of sorts, some might argue the Class of '86 had options no longer available to today's youth.

Many of the high-paying manufacturing jobs once waiting here beyond the high school doors are gone.

The 4,000 jobs once provided by the General Motors Powertrain Plant in Bay City have dwindled away in the last 30 years. Nearly half the 750 people still working there earlier this year accepted early retirement buyouts, and the plant's future remains uncertain.

Meanwhile, Delphi Corp., the nation's largest auto parts supplier and the tri-county area's largest employer, has filed for Chapter 11 bankruptcy. Some now worry its Saginaw County plant - once a provider of nearly 7,000 jobs - could close.

"Unlike previous recessions, those jobs are not coming back," Hickner said. "We are not going to get the rebound we did in years past. Those jobs are gone - they're in Mexico and China and India."

Hope for the future

Bay Future recently collaborated with Saginaw Future Inc. and Midland Tomorrow to produce a community profile of mid-Michigan.

Their report highlights a growing medical care industry in the Tri-County area - one providing 14.2 percent of the area's jobs, compared to 11.4 percent nationally.

On top of a prosperous agricultural market, the manufacturing sector also continues to sustain with thousands of skilled jobs at S.C. Johnson, Dow Chemical and Dow Corning.

Bay Future points out Bay City's historic downtown boasts more than 125 riverfront shops, galleries and restaurants. And the city has an emerging tourism industry, with events like the Fireworks Festival, Pig Gig and River Roar.

Glazer of Michigan Future says he considers the Tri-County area one with great potential. After all, it was only two years ago that Money Magazine ranked it the No. 1 "Up & Coming Area for its Size."

"For a smaller or medium-size region, you have two very interesting assets: You have Dow and Dow Corning, which is amazing in a metro area of that size," Glazer said. "And then you have the water."

Community leaders say there's no doubt the Bay Area is a high-quality community with much promise. But before the local job base expands and earning power increases, Hickner said, the community needs to change its outlook on education.

"Historically, our community has not valued education as high as we needed to, and because of the change in the world economy, that's the reason why we've got the things that are going on," Hickner said. "We need locally, as a state and as a country to make education a lifelong pursuit that recognizes the importance of higher education."