

Global Shifts Raising Issues of Income Equality

by Robert Gavin

In a fast-moving global economy, driven by technology and fierce competition, there was no longer a place for Eastern Fine Paper, a century-old mill on the Penobscot River here. The same might be said for Jim Bracy.

Bracy, 47, is a high school dropout who, after losing his job at bankrupt Eastern, quickly learned that 27 years in a paper mill qualified him only for service jobs that paid a fraction of his old paycheck. Today, he works at a local Home Depot, earning just over half what he made at the mill, but enough, he said, "to at least get by."

It's a different story for Joel Graber and Lindsay Shopland in nearby Bar Harbor, where the worldwide boom in biotechnology has meant expansion at The Jackson Laboratory, a nonprofit genetics research institute. Not long before Bracy lost his job, the married couple, both scientists with PhDs, took positions at Jackson at a substantial boost to their income as postdoctoral researchers. Shopland's salary alone jumped 50 percent. . . .

Bracy, who dropped out of Bangor High School after a year, began working at Eastern in 1975, at the age of 18, making just under \$3 an hour "hustling broke," collecting scrap paper to be remixed with pulp. Before he lost his job as a millwright in May 2003, he was making just over \$18 an hour, which, with overtime, put him at more than \$40,000 a year.

In between, he was able to buy a home, 28 acres of adjacent land, new cars, and a pop-up camper. He took vacations and played golf regularly.

"I had a good job," said Bracy. "I knew I couldn't replace the wages."

He was right. He first looked into janitorial jobs, which paid just \$8 an hour, and then applied at lumber mills, where the hourly wage was no

more than \$9. He eventually found his job at Home Depot, which paid a somewhat better hourly wage, enough that allows him to earn just under \$25,000 a year.

But he spent the first several months there working part time, pleading for more hours and plowing through his savings. Adding to the financial predicament: Melissa Spencer, his partner of 15 years, lost her job at the mill, too. With a high school diploma, Spencer, 40, is training to become a child-care worker, which pays about half what she made at Eastern.

"The shoe shops are all gone. The mills are gone," she said. "There are no jobs, unless you're a waiter or a gas attendant."

Or a genetics scientist.

The same forces putting Maine paper workers out of jobs—advancing technology and fierce competition—are helping boost the demand for and earnings of the highly educated and skilled, widening the income gap, economists say.

In Maine, for example, only men with a master's degree or higher made significant economic gains in last decade, according to the Center for Labor Market Studies. Their inflation-adjusted earnings rose 6 percent in the 1990s.

Inflation-adjusted earnings for men without college degrees fell at least 2 percent in that decade. For men without high school diplomas, inflation-adjusted earnings plunged 6 percent.

Graber, the Jackson Laboratory scientist, specializes in computational biology, also known as bioinformatics, an emerging field that uses information technology to investigate the exponentially increasing amount of biological data. About two years ago, as he was finishing a postdoctoral project at Boston University, he sent out 15 job inquiries and ended up with two job offers. He chose Jackson, where scientists at his level average about \$80,000 a year.

Making a Living

Shopland, his wife, a cell biologist, was hired as a scientist at a University of Maine biophysics program based at Jackson. After spending more than a decade as either financially struggling graduate students, or somewhat less struggling postdoctoral researchers, Graber, 40, and Shopland, 38, are enjoying some of the material rewards they put off during their studies, including buying their first home, a three-bedroom, 2 ½ bath on nearly two acres.

As globalization and technology continue to restructure the labor force, the government is trying to help workers make the transition from old- to new-economy jobs. Maine, for example, has recently revamped its technical college sys-

tem, which primarily provided vocational training, into community colleges that are steppingstones to four-year schools.

Such transitions won't be easy. About one-third of the more than 300 workers laid off from the Brewer mill have yet to find a job or enter a retraining program, according to local union officials.

Bracy feels lucky to be working, particularly for an employer that provides health insurance.

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