



# The capital of hard times

With 28% unemployment, a U.S. high, Arizona city twists in the wind

By Erik German

Homeless and out of work, George Clark now camps beside a bridge in Yuma, Ariz. Jared Dort for The Daily

YUMA, Ariz. — With more than 350 cloudless days and less than 3 inches of rain per year, this boiling-hot border town is often billed as the driest, sunniest city in the nation.

Now Yuma can add a grimmer distinction to the list: America's most unemployed city.

Local joblessness stands at 27.9 percent, according to Bureau of Labor Statistics — worse than the nationwide rate at the depth of the Great Depression in 1933.

"This isn't something you just see in the paper," said Julie Engel, president of the

city's economic development corporation. "There isn't a person in Yuma that hasn't been affected by a layoff, either personally or through a family member."

While some of the problem stems from the city's historically seasonal economy, Yuma's new jobless are suffering under the same forces wreaking havoc nationwide — cycles of layoffs, closures and downsizing as America copes with the worst economy in more than a generation. People with education and experience that once qualified them for middle or upper management are finding themselves lucky





to even land jobs in fast food. And a few workers at the bottom of Yuma's labor pool are finding themselves on the streets.

"I sleep down by the river," George Clark, 54, explained matter-of-factly as he sheltered under a shade tree beside Yuma's public library. Until three months ago, Clark worked as the kitchen supervisor at Yuma's Crossroads Mission, serving free meals to the homeless. Then recession-driven cutbacks in state funding this year slashed the shelter's budget 44 percent. Clark was laid off and became homeless himself, surviving off the free meals he once served.

He used to rent a trailer in town, but now all his belongings fit into a small Army surplus knapsack. Clark's worldly assets amount to a few changes of clothes, a New International Version of the Bible and not much else.

"And I never leave home without this," he said, hefting a can of Deep Woods Off. Bug spray does little to keep away more serious hazards of sleeping in the brush.

"One night I got bit by a sidewinder," Clark said. "It was a dry bite. He didn't get the poison in me."

Part of Yuma's unemployment story is unique. The city is 60 percent Latino, and a quarter of the population is foreign-born. While some jobs come from local factories and two bases for the Marine Corps and Army, the city's biggest employer is labor-intensive agriculture.

But the nearby fields of lettuce, carrots and other winter crops offer workers jobs for only part of the year. Then there are the 85,000 "snowbirds," retirees with second homes who swell Yuma's population

to 190,000 in winter months, inflating the demand for goods and services, but only in season. Even in good times, Yuma's unemployment rate can regularly clock in at 10 percent or more.

While the city may always be an unemployment hot spot, the recession has turned Yuma into a crucible. Officials here have seen an unmistakable shift as increasing numbers of experienced, educated job-seekers chase increasingly low-paying jobs.

"This last 18 months has probably been the worst I've seen," said Patrick Goetz of the Yuma Private Industry Council, a state-funded group that helps job-seekers find work. "We've got people applying for server jobs with master's degrees."

**"WE'VE GOT PEOPLE APPLYING FOR SERVER JOBS WITH MASTER'S DEGREES."**

- Patrick Goetz, Yuma Private Industry Council



Yuma, Ariz.





Jared Dort for The Daily

George Clark had worked at a mission feeding the homeless. Now he depends on them for food.

Since 2008, 57 Yuma companies have laid off employees and 26 businesses have closed, Goetz said. In addition to a whole cluster of retail stores that fled town, Russell, a refrigerator maker, closed its plant here last year. So did the produce giant Dole, leaving hundreds of lettuce packagers unemployed.

This year, Goetz said, visits to his organization's job counseling center on the west side of town have spiked. "We're seeing way over 2,000 people per month," he said. "During the lunch hours, it's just literally packed."

Among the job-seekers packed in on a recent noon hour was Agueda Palacios, 48. A former model who once made \$47,000 per year coordinating a federal education program, Palacios said she wasn't the sort who ever saw herself on the unemployment line.

"I supervised people, so at first I

wouldn't take just any job," she said. "Now — bricklayer, brain surgeon — it's ridiculous. You start looking at any job and wondering whether you could do this."

A year without work has erased many of the markers that once distinguished Palacios as a member of the upper middle class. Bankers took back the two-story brick Craftsman-style house she had on the north side of town. They repossessed her Land Rover, too. A woman who once owned pairs of Anne Klein and Gucci heels — all sold off, Palacios said, for extra cash — now can't afford a phone.

"That's a blessing," she said. "Bill collectors make you cry."

Palacios now does her calling in person, and that afternoon she had another disheartening stop to make. She couldn't afford the rent on her apartment — \$500 per month for a converted garage — and the landlord needed her to vacate that







day.

"She was nice, very nice," said the white-haired landlord, Helen Johnston, 89, watching as Palacios and two friends hefted a love seat and four spindle-back chairs into a borrowed pickup. "She just can't afford it."

There was no ill feeling from Palacios either, who said she would stay for the time being in a house her family still owns in Mexico, and keep looking for work.

"It's a new game out there," she said. "You gotta learn to play it. You gotta wipe your eyes."

The game in Yuma is getting more competitive than ever. When the fast food chain Five Guys Burgers and Fries advertised openings for a new franchise branch here last month, 235 people applied. "We had grandmothers apply for jobs," said Art Ruanova, the company's regional manager. "That really blew us away."

Another surprise was the education level of the applicants. One woman who took a cashier job had studied arts in a university in Louisiana, graduating with a 3.8 grade-point average, Ruanova said. Another applicant, a former power plant

"Going back to square one is awful," said April Hettich, 30, a single mother of two. "But at this point, I don't care. As long as it's a paycheck coming in."

Hettich lost her job as assistant manager at the Hilton here last October. She's been out of work and living with relatives ever since. Last month her oldest son, Jackson, tiny for his age and crazy about video games, had a birthday. Unable to afford anything else, Hettich said, she sold off games the boy already owned in order to buy him a new one.

Hettich slid a thumb behind her glasses and rubbed away tears. "Every day they're like, 'Mom, are you going to go work?' Every day," she said, her voice breaking. "Every day I say, 'I'm gonna go try ...'" ■

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**"GOING BACK TO SQUARE ONE IS AWFUL. BUT AT THIS POINT, I DON'T CARE."**

— April Hettich, job-seeker

engineer from Tucson, took a job grilling burgers.

For the increasingly desperate job-seekers who stay in town, the engineer's decision is an easy one to understand.

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# YUMA by the numbers

POPULATION  
**190,000**



UNEMPLOYMENT RATE  
**27.9%**



NATIONAL 1933 UNEMPLOYMENT RATE AT DEPTH OF THE GREAT DEPRESSION

**24.9%**

NUMBER OF RETIRED SEASONAL RESIDENTS

**85,000**

PORTION OF **MORTGAGE-HOLDERS** WHO OWE MORE THAN THEIR HOMES ARE WORTH



**1 in 5**

ESTIMATED NUMBER OF PEOPLE **HOMELESS** IN THE YUMA AREA

PORTION OF **HOMEOWNERS** WHO RECEIVED NEW FORECLOSURE NOTICES THIS YEAR



**1 in 82**

**300**



NUMBER OF COMPANIES THAT LAID OFF EMPLOYEES IN THE LAST **18 MONTHS**

**57**

NUMBER OF COMPANIES THAT **CLOSED** OR **LEFT** YUMA ENTIRELY IN THAT PERIOD

**26**

% OF POPULATION THAT IS **WHITE** **35.3**

% OF POPULATION THAT IS **LATINO** **59.7**

% OF POPULATION THAT IS **FOREIGN-BORN** **25**



PERCENT OF PERSONS OVER 25 YEARS OLD WHO HAVE HIGH SCHOOL DIPLOMAS **70**

PERCENT WITH BACHELOR'S DEGREES OR HIGHER **13**