



Two Communities Experience the Recession in Varying Degrees

One City Sees 'No Signs of Progress,' While Another Community Is 'Holding Its Own'

By RON CLAIBORNE

June 7, 2009—

Each weekday morning, they assemble and form a line in a room on an upper floor of a drab building on Main Street in Rockford, Ill. They are gathering to file for [unemployment benefits](#).

By midmorning the queue has lengthened to dozens of people and stretched around a corner and down the hallway. No one is smiling.

Linda Parker, until two days earlier a senior account executive at the Rockford branch of HSBC bank, is one of the people in the line.

"There's no optimism now," she said. "Everything you hear on the news, it is bad."

At midday on [Main Street](#) in Greenville, South Carolina, people are drifting up and down the street going to or coming from lunch at one of dozens of [restaurants or cafes](#). Greenville has not escaped the larger economic decline, but it has proven recession-resistant if not recession-proof. Many of the strollers are smiling.

"We're holding our own," said Mayor Knox White. "And I guess that's good news."

Two Cities, Two Main Streets

Rockford, Ill., and Greenville, S.C., are two cities with two Main Streets, each faring differently during this long, bitter season of economic distress.

Main Street in Rockford is a thoroughfare of desolation and desperation. It has been years since this was really Rockford's main business street. The buildings are aging. There are few [retail businesses](#) other than a handful of inexpensive restaurants and a few shops.

Walking along a section of Main Street that is now a pedestrian mall, Mayor Lawrence Morrissey played guide to the evidence of the sour [economic times](#) affecting his city of 175,000.

"This bank over here is struggling, really struggling," he said, gesturing to a branch office of a local bank. "Bagel shop is gone. Over there's a For Lease sign."

At the Kiwi Bar and Restaurant on Main Street, the sparse group of customers quickly evaporated as the

lunch break for the local businesses drew to a close.

Wendy Fisher, manager of the Kiwi, said, "It's tough to maintain a rent, retail space rental, your overhead, your payroll. Staying in business is tough enough."

'No Signs of Progress'

Rockford's unemployment rate has been hovering around 12 percent, well above the national average.

At the state unemployment office, Joseph Payne, 64, who had worked Gates Rubber Company for the past 37 years, is filing for jobless benefits for the first time in his life.

"It was expected because a lot of other full-time employees got laid off," he said. "I'm a tool maker and make hydraulic hoses.

Located in the heart of the industrial Rust Belt, Rockford has had hard times before. In the early 1980s, unemployment was twice as high as it is now. Still, Payne said for him personally, this is worse.

"I kept working [then]," he said. "I'm 64 years old. A lot of employers hesitate to hire older people."

At her suburban home, Linda Parker sat at the dining room table pondering her options and coming up with none. Her teenaged daughter Katie sat next to her, a nervous smile etched in her face.

"The thing that I can't say to my kids is, 'Hey, look, all this is starting to slow down. It's starting to get better. Hang in there. We'll do fine,'" said Linda Parker. "Because it's not. At least from my perspective, I see absolutely no signs of progress."

Greenville, S.C.: 'Holding Its Own'

The South Carolina city is not immune to economic troubles.

With credit tight, several downtown development projects have ground to a halt. Some retail stores and restaurants have gone out of business in recent months. The unemployment rates in this city of nearly 60,000 and the state are rising. South Carolina has the third-highest jobless rate in the country. But Greenville appears to be weathering the bad times.

At Creative Health, an alternative health store, owner Terry Hall-Hines said, "We're doing fantastic. [Business] hasn't changed one bit from last year."

The same hearty optimism was echoed by small business owners and managers up and down Main Street. The street is lined with cafes, restaurants and boutiques. Loft condominiums on or near Main street still fetch high six-figure prices.

Last year, Diane Ludwig opened Barkery Bistro, a unique shop that sells pet food, supplies and treats.

"Business has been great," she said.

Even as General Motors files for bankruptcy and prepares for further reductions in its work force, BMW plans to expand its presence in nearby Spartanburg. Plans to build a new \$175 million assembly plant

are pushing ahead. There have, so far, been no layoffs for full-time workers.

Mayor White attributes Greenville's overall resilience to a diversified economy. Unemployment is up, but Greenville is -- as he says again and again when asked how the city is doing -- holding its own.

Copyright © 2009 ABC News Internet Ventures