

## Coronavirus Pummels Wisconsin Paper Industry

Written by Democratic Party of Wisconsin, Philip Shulman  
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***Washington Post reports a warning from Wisconsin on Trump's failed leadership.***

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**WISCONSIN** - The paper industry is vital to Wisconsin's economy, and the hardworking Wisconsinites who have built this industry were already suffering under Trump's failed leadership before COVID-19 hit. Now, he's made things worse by ignoring the severity of the coronavirus pandemic and Wisconsin businesses are getting pummelled as a result. Trump narrowly won the Fox Valley area in 2016, but since taking office his ineffective coronavirus response is repelling voters from him and other Republican candidates.

### ***KEY POINTS BELOW:***

#### [The Washington Post: A warning from Wisconsin](#)

- The massive paper mill has churned relentlessly since it began feeding off the energy of the Wisconsin River more than a century ago, forming the cornerstone of a city's economy and producing glossy paper coveted by publishers during the heyday of U.S. magazines.

- Rapids Mill will finally fall silent at the end of the month. The shutdown, announced June 9, will knock some 900 people out of work and has sent tremors across the region's economy, reaching from the plant's gates through town and deep into the Wisconsin forests that supply wood pulp to make paper.

- The coronavirus is proving to be a decisive Darwinian force in industries from retail to energy to transportation, culling some businesses that might have been weakening for years while giving others a new jolt of life. The swiftness has been stunning, with each closure in turn affecting other businesses and their workers, as has been playing out already around Wisconsin Rapids.

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- "It impacts the 900 employees directly in the plant," said Missy Hughes, secretary and CEO of the Wisconsin Economic Development Corp. "But the important thing to keep in mind is that the plant purchases and processes 25% of the timber coming off of Wisconsin's land. That impacts the haulers who are bringing the wood to the plant, it impacts the loggers who are cutting down the wood, and then it affects the landowners.

- "In Wisconsin, 2.4 million acres of managed forest is owned by counties, and they use the proceeds of the sales to fund their government operations," Hughes said.

- The closure is yet another destabilizing economic event in a state that Donald Trump carried only narrowly in 2016. The mill shutdown will result in the largest permanent layoff in Wisconsin since COVID-19 barreled into the economy, according to layoff notices submitted to the state, shocking a county that Trump carried overwhelmingly with nearly 57% of the vote.

- Known as the Dairy State, Wisconsin is also a paper state. The industry in Wisconsin sells more paper, employs more people and has more paper mills than any other state, according to a 2019 study.

- But the paper market, like everything, has been rocked by the novel coronavirus.

- When it announced the shutdown, the company cited research that found demand for printing paper fell 38% year-over-year in April. The research forecast an even greater plunge to come, with operating rates falling 70% in the second quarter.

- "There is so much capital invested in those mills, it is never easy for a company to walk away from that," said Mencke. "When a company decides to shut something down, it is because it is the best case for the dollars, but it hurts the town and all of these families."

- Many in Wisconsin Rapids can point to where the branches of their family tree are intertwined with the mill. In some cases, multiple family members work there now.

- "It is going to be bad for this town," he said. "It is not just the 900 who work here. It is going to have a trickle-down effect on the whole town."

- Businesses in Wisconsin Rapids, battered by the economic reaction to COVID-19, are already feeling the impact.

- With only a few more paychecks coming, mill workers are forgoing dinners out and aren't hosting catered events. What catering business remained amid the pandemic she saw vanish with the mill closing. "There are smaller graduation parties, not holding 50th-anniversary parties, retirement parties that will not take place," she said.

- She and her husband now work every shift at their restaurant. She can afford to schedule her wait staff shifts on only one or two days a month. The kitchen staff has had furloughs.

- "Am I in danger of losing my business? Absolutely," she said.

- She worries also about the deeper psychological toll the closing will have on the town.

- "It shakes the core of our community," she said. "And you see a negative attitude — 'The town is dying; there is nothing there anymore' — when that is not true."

- The plant closing has infused all aspects of local life — including politics, as the presidential election approaches.

- "Everyone in Wisconsin Rapids is either going to be related to someone who got laid off or will have some kind of close connection to someone who got laid off," said John Blakeman, a professor of political science at the University of Wisconsin-Stevens Point. "At a personal level, voters will feel the impact directly or indirectly. That will probably mobilize voters, and it will probably come down to whether they hear the economic message that is meaningful to them

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and less on identity-based politics."

- From May to June, statewide voter approval for President Donald Trump's handling of the economy fell 4 percentage points to 50%, as voters' view of the direction of the economy turned down sharply, a Marquette Law School poll found.

- The poll also found that a majority of Wisconsin voters disapproved of Trump's handling of the coronavirus pandemic and the George Floyd protests. Overall, the June poll found 49% of voters said they would vote for former vice president Joe Biden compared with 41% who supported Trump, Biden's largest margin in Marquette's polling this year.

- Blakeman noted that in the April primary, Wood County had relatively high turnout and that nearly half, or 49%, of voters cast a ballot for a Democratic candidate.