

Breathe In. Breathe Out

I'm just waiting for the
tide to flow back in

By TAMELA RICH

It was supposed to be all upside for Charlotte, especially for financial services professionals. I remember when the Dow hit and crossed 10,000 in March 1999. Working in a cube farm at then-First Union with overhead TVs tuned 24/7 to CNN and CNBC, it was the moon landing of my adult life. A shared cultural experience. My co-workers and I knew, just knew, that our stock would rise with the tide.

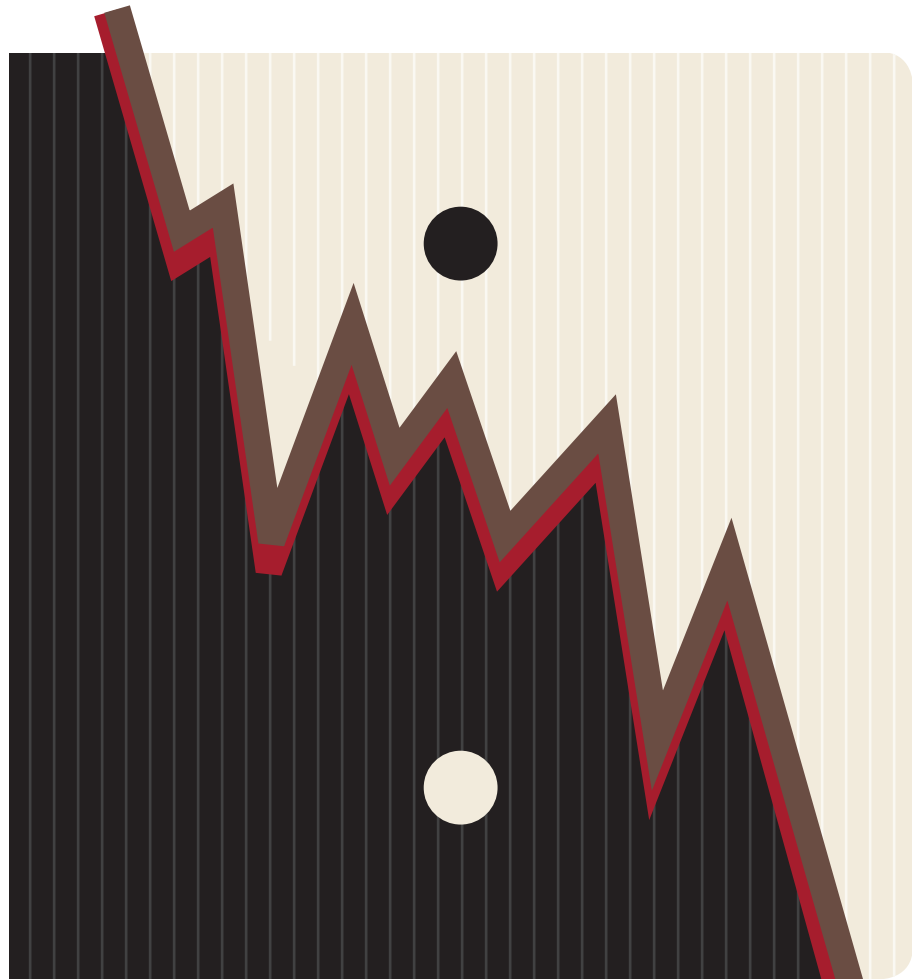
OK, so that didn't happen. First Union buckled under the weight of The Money Store, fired its CEO, and eventually merged with Wachovia to escape its tainted brand.

I jumped ship. By January of the next year I got an insider view of going public during the dot-com boom while working at pre-IPO LendingTree. Our CEO was featured on CNBC's *Squawk Box* and treated us to e-mail missives from his road show. Merrill Lynch, the offering's underwriter, provided a series of wealth-management programs, which the company advised everyone to attend, on company time, no less. Managing a windfall isn't for sissies or the unprepared.

Although it was treason at the time, I flipped most of my LendingTree shares on the first day. Most everyone else was pulling for a higher payout over the long haul and treated me as though I was unfaithful to our mutual endeavor. Six months later I looked like a financial genius.

It was the first and last time I would be so mistakenly labeled.

Unlike the rest of Charlotte, I didn't buy a McMansion at the top of the market. I bought a company that cleaned chemical tanks and handled environmental waste. With an eye toward financial security outside corporate America, I set out to live the American Dream as a business owner. But my customers, including but not limited to textile-related firms, immediately started offshoring, filing for bankruptcy, and shut-



tering for good. The Alliance for American Manufacturing reported that in the last six years 91,400 jobs were lost in South Carolina and 211,600 in North Carolina, of which 29,900 and 77,200, respectively, were in manufacturing.

I succumbed in 2008. If I had bought a McMansion, I could have taken in some boarders and continued paying the mortgage. Instead, I hired an attorney to guide me in dealing with the IRS, former customers, and creditors, and a psychiatrist to help me manage the stress and depression. Thank God I have health insurance, because I can't afford full price for both essential services.

Those of you waiting to see if you're getting a pink slip as a New Year's present or holding your breath for your 401(k) to make a comeback, I feel your pain. I lost everything but my soul in that business. Family relationships are strained and my credit is ruined. Financially, my family would be better off with the proceeds of my life insurance policy than with my trying to make

a comeback. Sure, I could have foreseen the death of the country's manufacturing base, just as bankers and real estate professionals could have foreseen the finite pool of creditworthy buyers.

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We could have made different choices, but we didn't. And now we have to deal with the ebbing tide and all the detritus it left on the shore. Funny, no one ever talks about

the natural ebbing of tides. Every time the tide rises some cheery booster goes on the circuit to proclaim that we've forever broken free of the cycle of the former age. Impossible.

I've read and reread Buddhist nun Pema Chodron's *Comfortable with Uncertainty*. She reminds us, "That nothing is static or fixed, that all is fleeting and changing, is the first mark of existence....Yet at the level of personal experience, we resist this basic fact. It means that life isn't always going to go our way. It means that there is loss as well as gain. And we don't like that."

Elsewhere she writes, "We think that the point is to pass the test or to overcome the problem, but the truth is that things don't really get solved. They come together and they fall apart. Then they come together again and fall apart again."

We had an unregulated boom in the 1920s that led to a bust in the 1930s that led to Glass-Steagall. Things fell apart then came together.

We created financial products unforeseen by jazz era regulators, which in turn produced fake wealth. Breathe in. This year, things fell apart. Breathe out. I hear prognostications that we could be twenty years climbing out of the global financial meltdown, and I obsess that I don't have twenty years to save for retirement. Breathe in. Then I remind myself that it's that kind of obsession and anger that make me suffer. Breathe out. I'm learning that I don't have sufficient mental or emotional resources to waste on obsessing about the things that can't be changed. Instead I remind myself the tide is out and look for the salvage that washed up with the garbage.

When Bank of America CEO Ken Lewis appeared on *60 Minutes* last October, Lesley Stahl asked him, "Have we now taken a huge step away from the freewheeling capitalism that we've known for the last thirty or so years?"

"I don't know what we'll call it, but it will be different," he said. "And there will be more regulation. The golden era of financial services is over, in my opinion."

As Tolkien said through the wizard Gandalf, "Even the wise cannot see all ends."

Tamela Rich is a Charlotte writer. For the November issue, she wrote about a local group of Iranian refugees.

The Comeback

Charlotte has lost its mojo, but we can get it back, if we look in the right places

By KENNETH S. ALLEN

As the dust begins to settle (we hope) from the financial whirlwinds that swept through Charlotte last year, the events are beginning to coalesce into a single question:

Has Charlotte lost its mojo?

For as long as most of us can remember, Charlotte has seemed a magical city where the seemingly impossible became commonplace.

Get an NBA franchise in a town that could barely support minor league baseball? Never happen.

Get an NFL franchise in a town that didn't even have Division I college football? Never happen.

Create a unified arts organization in a town where the symphony is always broke and the best-known painter is a portraitist? Never happen.

Turn two banks that weren't even the biggest ones in the state into national financial powerhouses? Never happen.

Turn a regional electric company into a national energy behemoth? Never happen.

Build a unified, national model of public transportation in a town that pretty much defines suburban sprawl? Never happen.

Turn a redneck activity that involves cars driving around in circles all Sunday afternoon into a national sports and marketing phenomenon? Never happen.

But then with shocking rapidity, things began to fall apart. Wachovia started reporting ever-widening losses, and the heretofore much-admired CEO was summarily shown the door. And then in a flight to avoid being taken over by regulators, Wachovia sold itself to Wells Fargo for pennies on the dollar.

In a fit of apparent brain death, the board of directors of the United Way of Central Carolinas gave its president a \$1.2 million payday. Then, when public outrage over that largesse became too much to tolerate, the board did the only honorable thing: it fired the president. She has retained noted legal



pit bull Bill Diehl, setting up a clash that will be public, embarrassing, and expensive for the United Way. The 2008 fund drive came up \$20 million short.

As corporations retrenched in the face of mounting economic bad news, NASCAR sponsorships dried up. Car teams consolidated and shed thousands of workers and watched in dismay as the domestic automobile industry, which forms the very foundation of the sport, went into a death spiral.

Charlotte, of course, has faced challenges before. A lawsuit by the NAACP Legal Defense Fund questioned Charlotte's commitment to school desegregation. Retail flight into shopping malls and strip centers emptied out Charlotte's downtown, leaving only office buildings and parking lots that formed a ghost town after 5 p.m. The textile industry, which has always been driven by the lowest possible labor costs, moved to Mexico and China, leaving behind hulking brick relics of a bygone era.

In each of these instances and more, Charlotte was able to regroup and make something even better out of what was left. Although the forced busing that arose from the lawsuit was and is controversial, for a while Charlotte had one of the most integrated school systems in the nation. An aggressive urban redevelopment effort spearheaded by what is now Bank of America brought people and life back downtown, creating a vibrant residential and entertainment district. Developers, who are probably the most optimistic businesspeople on the planet, saw a future for the abandoned textile mills, turning them into hip office spaces and trendy condos and apartments.

It could happen again, and the Charlotte way is to believe that it will. However, for good things to happen, people have to make them happen.

School desegregation came about because of the courage and leadership of