

# Where We Stand in the Battle To Save the Machine-Tool Sector

by Nancy Spannaus

Approximately one year since Lyndon LaRouche raised the alarm over the need to save the U.S. automobile industry, as the core of the nation's machine-tool capability, from extinction, the future of that sector hangs in the balance. On the one side, thanks to inaction by the U.S. Congress, the major automobile corporations are engaged in a huge stripping-down operation, savaging wages, health care, payrolls, and plants, and continuing to be pushed, by the financial powers-that-be, toward outright bankruptcy. On the other side, there is a growing political momentum within the labor movement, Midwest political institutions, and sections of the Congress, toward adopting an emergency program to rescue the auto industry.

Sixteen hundred organizers of the United Auto Workers (UAW) union came to Washington, D.C. Feb. 6-8, to call on Congress to implement "a new Marshall Plan for the U.S. auto industry." Their proposal said "the Federal government should provide assistance to help auto manufacturers and auto parts companies to retool and expand existing facilities." Their initiative reflected intensive efforts by the LaRouche movement, around LaRouche's proposals for emergency Congressional action to fund conversion of auto capacity to rebuild desperately needed economic infrastructure, such as high-speed rail, and nuclear power plans.

Some in Congress are listening. Sen. Hillary Clinton (D-N.Y.), who cochairs the recently founded Manufacturing Caucus, and has asked President Bush to convene an "auto summit," addressed the UAW meeting on Feb. 8. "The manufacturers and the UAW have called for a Marshall Plan. Well, let's marshal our resources and get it done. . . . We can give incentives to retool plants and build more advanced and cleaner cars like hybrids and everything else." Senator Clinton stressed, "If we don't manufacture in America, we cannot sustain our economic position, now and in the future. She compared such a "new Marshall Plan" to the Manhattan and Apollo Projects, and emphasized that "the market" didn't organize America's response to Sputnik, or earlier to Hitler's fascism. She accused the Administration of "wanting to undo the 20th Century . . . to turn the clock all the way back to [before] the Roosevelt Administration."

Rep. John Dingell (D-Mich.) also addressed the meeting on his strong support for the UAW in general. He forecast

that the United States was going to lose 65,000-100,000 auto jobs in three or four years, but four to six times that many in the supporting glass, rubber, plastics, leather, and steel industries.

Despite these statements of good intent, however, the Democrats in Congress are still not picking up on the concrete proposals put forward by LaRouche, which would put the auto industry through strategic bankruptcy, and lay the basis for a rapid recovery through reemployment of auto's skilled labor on crucial projects.

## The LaRouche PAC perspective

Over the last year, the LaRouche Political Action Committee (LPAC), led by the LaRouche Youth Movement (LYM), has circulated hundreds of thousands of pieces of literature outlining the means by which the auto industry can be saved. This LPAC activity has inspired political leaders in state and municipal bodies, especially in the Midwest, to put forward resolutions memorializing Congress to take the retooling action required.

At present, such resolutions are pending in at least six states, including Kentucky, Michigan, Missouri, Ohio, Rhode Island, and Tennessee. Similar resolutions have passed in several major formerly industrial cities, such as Cleveland, Ohio; Buffalo, New York; and Detroit, Michigan.

Realizing that every week of delay is bringing more dismantling of the machine-tool sector, as General Motors and Ford, and their suppliers, shut down factory after factory, LPAC has undertaken to prepare a new organizing tool to build support for emergency action: a DVD which combines reports on the current devastation being caused by auto shutdown, with the historical example of retooling of auto which Franklin Delano Roosevelt carried out in the early 1940s.

In mid-February, Bill Roberts and Adam Sturman of the LYM carried out video interviews with a number of trade unionists and political figures in the Michigan/Northern Ohio region, in preparation for the production of the DVD. We include below some segments of those interviews, which reflect not only the devastation being caused by the auto factory shutdowns, for whole communities, but also the reserve of optimism about how the proud skilled-labor backbone of American industry, can be mobilized for rebuilding our economy, which still exists among the population of the Midwest.

## LaRouche: Senate Must Stop Flim-Flamming, Save Auto

*This statement was issued by the LaRouche Political Action Committee on March 1.*

In the face of a new phase of collapse of the auto industry, including not only tens of thousands of layoffs, but also the threat of dismantling of General Motors, Democratic leader Lyndon LaRouche warned that the time has come for the U.S. Senate to stop flim-flamming around, and take action.

LaRouche himself began warning approximately a year ago, about the threat to the destruction of the machine tool capability of the auto industry, and issued several memoranda to the Senate making it clear what had to be done. Instead, the Senate has dilly-dallied, while the auto

sector has gone through a rapid plunge into shutdowns, plant closures, and layoffs, which threatens to get a lot worse.

The Senate has to act now, LaRouche said on Feb. 28. If it does not, it may be too late to stop an irreversible and chaotic collapse of the industry. Congressional leaders, particularly in the Senate, have had the time to understand the situation and absorb the principles of acting on it; they have heard from the LaRouche movement, and from auto unionists, how urgent their intervention is.

It is the responsibility of the Congress, especially the Senate, to take action for the general economic welfare of the population, LaRouche added. Either they do it rapidly, or they will be abdicating the leadership responsibility which is uniquely theirs.

Anyone needing to refresh his or her memory on LaRouche's proposals, and the political support which they have found among constituency leaders in the Midwest, can find them archived on [www.larouchepac.com](http://www.larouchepac.com).

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## Interview: Phil Cavanaugh

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### 'Our Tool-and-Die Industry Was Second to None'

*Phil Cavanaugh is County Commissioner of Wayne County, Michigan, which encompasses Detroit. He represents Dearborn Heights, Redford, Garden City—in total about 142,000 people. He is in his third term, and has served Wayne County for six years. He was interviewed on Feb. 7.*



**EIR:** Could you tell us a little bit about the history of Detroit? What sort of changes that Detroit's gone through over the years since World War II, up through the present?

**Cavanaugh:** Detroit has had a very rich history. As many people know, and fondly remember, back in World War II it was called the Arsenal of Democracy. When the Nazis were taking over all of Europe, and America finally got into the war in 1942, our country ramped up, and built airplanes, tanks, just anything they needed for the war effort, and it was built right here. Because of Detroit's positioning on the Great Lakes, on the Detroit River, its access to natural resources,

and its labor corps. People came from down South, people came from the Midwest. During the '40s and early '50s, there were over 3 million people in Detroit. It was a great place to live. It had great opportunity. It is the home of the three auto industries: Chrysler, GM, Ford all have their headquarters in Wayne County.

And over the years that has all dissipated. Today it is no longer the Big Three. Globalization has made Toyota, Mitsubishi, and Nissan all major players. It's questionable who is the top automaker at this present day.

Detroit had over 3 million people as early as the 1950s. The exodus started with jobs, and hence the people, during the 1960s. My father was mayor of Detroit from 1962 to 1970. It was a model city during those years, for its economic development, its renovation, but also for its racial progressiveness. My father was the first guy to appoint African-Americans to high levels in his administration. The city was, as the country was, going through a changing time. But the machine, the tool-and-die, the auto companies, were still strong. People were still buying cars. Our tool-and-die industry was second to none throughout the world.

There was Germany, Japan, and the United States, and the United States was seen as the frontrunner in the world. The best tools, the best cars. That has dissipated since then. There was a mass exodus of people and jobs through the '70s. And now, we sit here in 2006, there's a little over 800,000 people in the city of Detroit. It is questionable who the number one automaker is. The tool-and-die industry is gone, for all intents and purposes.

And that worries me, because in World War II, it was the Arsenal of Democracy. So, in war, we could look upon our