

Emergency Action Needed on Auto: Reflections on a European Trip

On Oct. 29, Lyndon LaRouche's West Coast spokesman Harley Schlanger interviewed Mark Sweazy, an official of the United Auto Workers union at Delphi Corporation, and Robert Bowen, the Midwest representative of the LaRouche Political Action Committee, after their recent trip to Germany, to discuss a solution to the crisis in the auto industry. We publish here an edited transcript of highlights of the 50-minute interview on The LaRouche Show, an internet radio broadcast that airs every Saturday at 3 p.m. Eastern Time. EIR's Jeff Steinberg gave a brief update on the indictment of Cheney's chief of staff, Lewis Libby, at the beginning of the show, and LaRouche Youth Movement members also participated in the discussion. This program is archived and can be heard on www.larouchepub.com.

Schlanger: Mark, let me start with you. Since you've been increasingly familiar with what Lyndon LaRouche has been saying and doing, I assume you've been talking to people about Cheneygate, the prospects for this. What are your reactions, after you saw what happened yesterday, with the situation around Libby, and the special prosecutor?

Sweazy: Well, to be quite honest with you, the current events, they've just become basic proof that this year's earliest predictions from the LaRouche organization, they're just on target. And this opens the opportunity for us to prepare and respond, to let our legislators know that these acts are unacceptable and intolerable. So, to me, it's just living proof that we were exposed to the possibilities earlier, and we see these transpire before our eyes. And obviously, the American people, they don't have the full, in-depth feel, for what this really means. And I think that Jeff [Steinberg] just said that, you know, we've [the U.S. government] lost all credibility. Well, there are many ways to say this: But, also, our government has lost all contact with our country and the needs of our society. So, once again, the LaRouche organization, by predicting these things very early in the year, and watching them transpire right before our eyes, and what the true meaning is, is that we have a government that has once again, forgot about the people that they're supposed to serve.

Schlanger: I think it's worth just doing a very quick retrospective: Because, what you said goes back to the discussion from March 2005, when the announcement first came out that

General Motors was downgraded by Moody's and Standard & Poor's rating services. And at that point, Lyndon LaRouche said: Look, we've got to move immediately to have some legislative action by the Federal government. And Lyn put out a call, and Mark, you and a handful of others responded to that.

What was the reaction that you got—why don't you just tell people, the effects that this had on certain city councils and legislatures? There was some motion, initially, wasn't there? **Sweazy:** Oh, absolutely. Basically, what transpired was LaRouche's plan to get resolutions into our local governments; to take those resolutions beyond just the local entities, and take them to our state governments; and to get the legislators in our states to start thinking, that "Hey! There's this great possibility of the need to salvage America's leading industry." And at that particular point in time, there were still questions. But there were many, many, many newspapers reporting on the beginning failures of the auto industry, and especially that of General Motors, knowing that there was \$365 billion in debt.

So, we captured the attention, and then we captured the legislation. And, we were very successful, I believe, now 13 states—and many, many city governments—passed this on to Washington. Just a couple weeks ago, we made a round-about stop on Capitol Hill, and—I don't know how many Congressional offices—with the help of the LaRouche organization's youth, we divided up into groups, and tried to capture the attention, or to let Congress know: "It's time to wake up. Get off your hands, open your ears; there's a need to do something." Because, Congress has the ability to turn this around, and only them.

Schlanger: Yes, that was the point that LaRouche made, that there must be action on the Federal level. And that it's not just a question of some money, but that there actually has to be a commitment to have a discussion in-depth, of reversing the de-industrialization, and in particular to save the machine-tool sector.

Let me bring in your sidekick and travelling companion here, Mark: Bob Bowen, who has been very much involved in the center of this, largely from Detroit. Bob, what happened when this got to the Congress, initially? What was the response from the Congress?



EIRNS/Wolfgang Lilge

American auto trade unionist Mark Sweazy spread the word about LaRouche's solution to the auto crisis, during his recent trip to Germany. Here he is addressing an Oct. 21 event in Berlin. On the podium, left to right, were LaRouche Political Action Committee Midwest coordinator Bob Bowen, Helga Zepp-LaRouche, and Frank Hahn.

Bowen: Well, initially, the people were sort of shocked, and in a state of disbelief—I think it's what Jeff or you referred to at this beginning of this show. There has been a shift with Hillary Clinton's letter to Bush, which is now being circulated as a call, to other members of Congress and to other leaders around the country for endorsement. In fact, Jennifer Granholm, the Governor of the state of Michigan, has issued a call to the entire Michigan Congressional delegation, House and Senate alike, to endorse Hillary's initiatives. . . .

Schlanger: Well, the letter from Sen. Hillary Clinton was sent out on Oct. 20 to President Bush, in which she said that "given the indispensable role of the United States auto sector in our nation's economy, it requires substantive action from our national leadership." Now, I will point out, while I think this is a very good letter, this is Oct. 20. This is what we were calling for back in March and April, and we lost some time. But, she went on to say, that she wants a "national auto manufacturing summit" that would include the Administration, members of Congress, state and local officials, executives from the auto industry, and labor representatives.

Mark, I assume you're ready to take her up as a labor representative, to participate in such a summit?

Sweazy: Well, I don't know who wouldn't at this time. You know, we laid that paperwork on her desk one week prior to that, and the paperwork that we had, that was the resolutions from the LaRouche organization. So, it was a real surprise to Bob and me, when we were in Germany. It was at lunch—it was a *tremendous* surprise to hear this, that one week after we had visited her office that this type of response was basically off the table and in the air.

So, I would think that our international United Auto

Workers would be less hesitant today to work with Washington than ever before in their lives. Because they have lobbyists there as well, and I knew they would probably fly there overnight just to get this thing started.

Schlanger: Just a bit of advice from me on that: I would prefer to have someone like yourself, than the lobbyists of the United Auto Workers involved in these discussions. Because I've seen what happens when you get the bureaucrats involved.

Sweazy: Well, Harley, I appreciate that, because my heart's still with the people of the floor. And that's the people that are producing the parts for General Motors and Delphi. I've never lost touch with that. That's my everyday thought. So, believe me, I know what their needs are, I know what their ideas area, I know what their beliefs are. And they are very, very injured at this very time, because they feel that the majority of their lives has been stolen right out from them.

Schlanger: Bob, we'll get in a few minutes to one of the LaRouche Youth Movement members, who's been organizing in Detroit, but I'd like your perspective, sort of from above, of the organizing we've been doing there, since back in February and March. What's your sense? Is there demoralization? Are people ready for a fight? What do you think's going on in the "auto capital of the world"?

Bowen: Well, there is rampant demoralization among the population. Lyn has made references to this underdog mentality, because the industrial base of southeast Michigan has been in a process of collapse, really since the mid-1970s. And so, that's sort of a given fact, that's been there since the day we opened the [Detroit] office, three years ago.

However: One of the things, one of the outstanding aspects, both of the national situation and also locally in Michigan and Ohio, is the role of the LaRouche Youth Movement, bringing a degree of optimism, which otherwise is simply not there. And it is totally genuine. There are many anecdotal references that I could make, to demonstrate situations where people who are completely pessimistic—in fact, so pessimistic they were violently opposed to what we were doing—who on this particular initiative, the saving auto industry initiative that Lyn first put out last spring, actually ended up, in spite of themselves, actively promoting Lyn's policy. This was the case of the member of the City Council in Detroit, that enabled us to get a resolution drafted, introduced, and passed in less than 24 hours, in Detroit City Council, just about two and a half months ago.

And just to add one thing to the earlier discussion: Lyn's first warnings on the crisis facing the auto industry, especially GM, actually came out last January, in response to an article that first appeared in the German press, talking about a problem with GM's bonds. And it was an obscure piece, seemingly coming completely out of the blue. And it was in response to reports of that article, and Lyn's insistence that we needed to investigate this, because he recognized instantaneously, the global strategic significance of such a thing, that Mark was first contacted by our office! We were calling around, giving the report, and then trying to find out what we could about what people in the industry actually knew about what was going on. And, as Mark reported in all of our meetings, both in Mexico and in Germany, it was that initial contact with us back in January, that led to his very active involvement in the Spring in promoting these resolutions.

Schlanger: We have a lot more to cover, because Mark, I want to pick up with you, on your dearly beloved CEO of Delphi, Steve Miller, and some of his completely provocative, and, I would say, inane statements made in Washington just yesterday. We also want to get a report on your perception on the situation in Germany, the responses there.

But, before we get to that: Bob, given that there was this motion initially, and yet there seemed to be a stone wall of sorts from Washington, D.C., do you think the events of yesterday and the entrance into the post-Cheney era, will make a difference in terms of pulling together the kind of auto summit that Lyndon LaRouche first called for, and which was identified as a necessary step by Sen. Hillary Clinton in her Oct. 20 letter?

Bowen: Absolutely. I think it's the latest phase in a process, that began not later than the period immediately after the November elections, and one could even date it, perhaps, a little bit earlier: When a section of the Democratic Party leadership, especially in the Congress and especially in the U.S. Senate, began to recognize that Lyn's characterization of the threat facing the United States and the world, was, in fact, accurate. The threat represented by this Administration,

and by the financial elite forces behind this Administration's policies.

And when Lyn picked up the banner of the fight to stop Social Security privatization, in November of last year, even before the Bush Administration had announced that that was going to be its Number 1 issue of the second term, as that did evolve during December and January, the Democratic leadership in the Congress recognized that Lyn had identified a strategic orientation to reviving the Democratic Party and creating a new political leadership, which has been in the process of evolving.

And we have targetted the Cheney apparatus as sort of the key control-point for these international financial circles inside the Administration, the end of the Cheney-led neo-con crowd, and with this, as Jeff was describing at the beginning of this show, the indictment of Libby is simply the beginning of taking down that entire apparatus: This means that now the door is *wide open*, for discussions of the *solutions*—the actual economic policy solutions—both to the auto crisis and more generally to the economic crisis facing the country, in Washington, D.C. And I expect we're going to see an explosion of discussions involving LaRouche and LaRouche representatives more and more openly in Washington as a result.

Schlanger: And not just from Democrats, but I presume you would expect to see that from especially Midwest Republicans, as well?

Bowen: It's already happening. I mean, Tom Davis [R-Va.], and Chris Shays [R-Conn.], whom Jeff mentioned earlier. And you've got Republicans all over the country, basically, distancing themselves as rapidly as they can from this Administration—if, for no other reason, because next year is the mid-term elections, and members of Congress are up for re-election and one-third of the Senate. . . .

Schlanger: Let me just ask Mark for your thoughts on something we were talking about before we went on the air: Steve Miller, the CEO of Delphi, is calling for such things as wage cuts of 60%, from a base rate of around \$27 an hour down to \$9 an hour. He's talking about more than 34,000 hourly workers in the United States, saying that they're going to have to cut health care and pensions—these can no longer be afforded. He said, we're being driven by globalization and rising health-care and pension costs. He went on to say, that globalization is a fact of life. As you pointed out to me, he did the same thing at Bethlehem Steel, then at United Airlines, and now at Delphi. This guy's like a walking catastrophe. When he shows up at your shop door, you know you're about to lose everything.

Now, he talked about how people live too long, and that's why the pensions are a problem; health care is unaffordable. And at the end of his discussion, he said, "My worries, and the scope of this problem go well beyond the auto industry—what I'm describing is also embedded in the ongoing debates

over Social Security and Medicare.” So, just as Bob reported earlier that Bush took a beating on Social Security, Steve Miller is bringing the issue back up again, saying, “We can’t afford these things.”

Now, at the very end of this briefing he gave in Washington, he made a statement, that I think he didn’t intend to be ironic, but it certainly comes out ironically: He said, “I lie awake nights worrying about the welfare of our workers. They don’t deserve this.” Mark, I’ll give you a chance to respond to Mr. Miller. Any thoughts on this?

Sweazy: Well, he couldn’t be any more accurate. Actually, I didn’t know he would be that sensitive toward the workers: After stripping them of their wallets; after stripping them of their dinner tables; after taking their children out of school; after taking away the new car they just bought, being loyal to General Motors; after taking away their mortgage payments—He seems like a very sensitive man!

Schlanger: And he said that he doesn’t mean to be provoking a strike, but if the workers go out on a strike, it will void the contract. It sounds to me like he’s trying to provoke that.

Sweazy: Well, in all sincerity, I think we’re a little bit smarter than that today. Our international union will take care of that process.

But the fact is, our people are at that point. They’re ready to hit the streets—but to what avail? And, we must look at this thing—what’s reality?—and understand the position we’re in, take the courts for what they’re worth, and see what the progress will be. Because I would have to believe that our society, and the court systems of America are not as insensitive as this man Steve Miller.

Schlanger: Well, I think also that political action is key. I assume you’ll be coming to the next webcast in Washington on Nov. 16. Why don’t you just give a little report, a sense of your effectiveness of the lobbying you did with the LaRouche Youth after the last webcast?

Sweazy: Well, it was exceptional, because we had somewhere in the neighborhood of 100 youth that showed up, and then we had different union leaders from around the United States, and we had state representatives. We had people from all walks of life, basically. And we joined together, and then divided up into groups, and we went to different offices. And with that, we’d sit down with aides or with the staff, and discussed why we were there, and what we were there for.

Then, as a result, we saw this proposal from Hillary [Clinton] for the auto summit—which is part of her job, being on the Manufacturing Caucus herself. I’m certain that she got this bright idea, actually, from the LaRouche organization, as we were there just one week prior, and laid that same paperwork, almost the same request, on her desk! So, hopefully, what we can do by the accomplishment we can receive from this, is (1) to get their attention; (2) ask them to wake up, and (3) to help the industry itself. And that will also help



EIRNS/Joe Smalley

The LaRouche Youth Movement (LYM) is campaigning to put resolutions to implement LaRouche’s emergency plan to save the auto industry, before political bodies such as city councils and state legislatures. Here, Rep. Catherine L. Barrett (D-Cincinnati) motivates her resolution before a committee of the Ohio State Legislature. Several members of the LYM can be seen in the background.

not only our society, and our communities, but also our economy. So, there are many factors involved in this thing. It’s not just about making an automobile and a cold piece of steel: This is about America.

Schlanger: I think you’re right. And I think the key thing is that one of the unique responsibilities of the LaRouche Youth and also the labor officials such as yourself, is to make it clear that we’re not simply talking about some kind of subsidy for the auto sector, but actually, the potential that exists with the machine-tool capability in auto, to re-tool, to rebuild. We see the problems with the lack of power redundancy in Florida, where because of a hurricane, people, are going to be without power for a month. And the lack of infrastructure in the New Orleans area, from Hurricane Katrina. The lack of transportation: I tell people, it took my wife 15 hours to drive from Houston to Austin, when she was evacuating from Houston before Hurricane Rita, because there are no highways and no rails. So, clearly, we’ve got to put forward a plan for a redevelopment perspective, reindustrialization, financial bankruptcy reorganization. So, I think our unique role is only going to become more necessary, as people start to come together to discuss it. . . . Bob, when you and Mark were in Germany, was there an understanding there of the process of an FDR credit policy? Because they had something similar at the end of World War II, that led to the reindustrialization of Germany?

Bowen: In part, if we brought it up, if we introduced that as a point of historical reference for their understanding of what Lyn was proposing as a solution to the global crisis. But there were several levels of it, before you could even address that.

One was, to deal with a certain amount of illusion that they still have in Europe, about the ability of Europe to survive without the United States. And there is a sort of lingering legacy, the intellectual, conceptual, cultural legacy of the fact that the American Revolution and its ideas and ideals were never really successfully transplanted to Europe; and you had, what Lyn always calls the “central banking system” arrangement of dictatorial control over the economic and financial policy of every government through the independent central banks, controlled by this global financial oligarchy.

So, on the one hand, they recognize the United States and the unique role the United States has played in history, but they don’t really understand what the cultural-conceptual foundations of that are. So, in our discussions, in addition to the particulars of the current situation facing the auto industry and its reverberations and refractions inside European industry, especially German industry, at a certain point, we had to discuss the distinction of the American System: What is the American System?

And, in that regard, when we raised what you’re referencing now, the Kreditanstalt für Wiederaufbau [Reconstruction Finance Agency] in the post-World War II period back in the late 1940s and the 1950s, there was recognition. They did have some point of historical reference, where they could understand the kind of thing we were talking about, although they don’t have the experience of government being the instrument that’s generating the credit, controlling the purposes for which it’s used, and the conditions attached to it. That’s a big challenge for them, still.

Schlanger: And Mark, I’d like to ask you, did you get a sense from the people you met in Germany, both in the factory councils and some of the plant managers, are they starting to see the same kind of outsourcing of jobs, that we’re seeing in the United States?

Sweazy: Yes, and they are very concerned about that. And we did get to talk to some very good people there as well. You know, we talked to the chairman of the General Works Council, the European GM employee forum, and he’s also the deputy chairman of the supervisory board. And then, there was the vice president of the Delphi Works Council. So these two individuals had the same sense: It’s like looking into a reflection in a mirror: They do see the same problems that we’re having, reflected on their part. So, there’s a real close connection. And also, what we heard from both was, they would like to establish a closer communication between the United States and Europe, so that they can correspond and network, so they have a better understanding of their problems.

On your earlier question on FDR: On Oct. 17, there was an article in a newspaper in Germany that we found, that was very, very interesting about Franklin Delano Roosevelt, and a mention of the legal minimum wage in 1938, from Roosevelt. And translating that from German to English, it just basically states (if my interpretation’s somewhat correct) that enter-

prises whose existence depends on paying their employees lower wages than are sufficient to life, are to have no more right in this country to operate their business. With “wages sufficient to life” I mean, more than a bare subsistence level. I mean wages to make a decent life possible. So that was a quote from FDR: And that came from two unions. . . .

Schlanger: Well, maybe we should make sure that that quote gets forwarded to Steve Miller, who seems to think that workers can do with below subsistence wages—

Sweazy: Well, I thank you for that suggestion, because I think that’s right on!. . .

Schlanger: Mark, I’ve got a question for you from an email. It’s from Ken F. who works at DaimlerChrysler in Kokomo, Indiana. Kokomo, he says, is the headquarters of Delphi. He said, he’s heard discussion among auto workers in Kokomo, of some sort of industry-wide strike actions by the UAW. Do you see any possibility of linking this type of action to LaRouche’s proposals for retooling and reviving the industrial base of the U.S.? How do you see expanding our work, to make this issue, that is, retooling and reviving industrialization, become the central feature of the United Auto Workers’ response to Miller and [CEO Rick] Waggoner at General Motors?

Sweazy: Well, it would be a long-term response. But, first of all the strike, and the resolutions that we proposed, are two separate issues. And LaRouche’s proposal is to wake up our Congress, get Congress involved in this situation, for Congress to bail out the auto industry to get them back on their feet, by putting infrastructure projects throughout the United States, and no emphasis on a strike situation.

A strike situation, that’s entirely up to the international union; that’s their decision. And if that’s the result of all the breakdown of talks and what happens before or after this court decision, that remains to be seen.

But LaRouche has more of a peaceful, more of a realistic solution to a long-term problem: And that being, that we can retain the machine-tool capabilities, retain our skilled trades, retain our productive employees, and basically put our companies back to work! And—Lord knows, when you look around our country, we need infrastructure projects; the list can go on, and on, and on. So, there’s the opportunity to put 12 to 20 million people to work in this country. Our unions can look at that as a great opportunity to organize—for one; if they’re going to put the people to work, they might as well be organized.

Another thing: This will not only affect our society, our economy, but the global economy—our friends in Mexico, and then, again, our friends throughout the world, and especially Europe. Europe seems to be on a solid foundation. But they know, that if America would crumble, so would their foundation. And they know that they’re only steps behind.

So, the strike and the proposals for the legislature, are

really two separate issues. And, while we've heard much from Kokomo here, lately—they've been very vocal, and they've stirred up the pot, and that's probably good for different reasons. But a strike is not necessarily going to result in what we're looking for, for a long-term fix of this problem.

Schlanger: Well Mark, I think that's very important. I hope the listeners got that distinction. Because, while a strike may be necessary at some point, it's *essential* that we have a transformation of the economy. If we *don't* have that, you can strike till you're fired, and replaced, and the companies are shut down; you're not going to have an economy.

Now, the last time you were on the show with me, we had a longer discussion of machine tools, which I thought was very useful. But I just want to have you highlight this point, that if we lose the machine-tool sector in this country, which is threatened by the dismantling of the auto sector, and the fact that the hedge funds and others might come in and sell off the machines themselves, if we lose that capability in terms of the workforce, how do you put it back together again?

Sweazy: To answer that would probably take a crystal ball. Because we've seen societies around the world grow, they've expanded from Third World countries, to Third World countries with more productive machinery—they still remain at the Third World level. The problem is, that once you lose this capability, you probably will never regain what you've lost.

Schlanger: And I think people don't understand that we're not replacing the existing workers. We're losing the skills already, aren't we?

Sweazy: Overall, that's correct. And that's the overall picture. And the future of the auto industry, that we need to take a real close look at, because what is the auto industry's plan over the next, 5, 10, 15 years? They have long-term plans, and they plan to stick to those predictions. So, if their goal is to downsize in America, just completely downsize, then who's going to win in the long run? They're going to strip the American society or economy of one of the resources we have—and that's our people and the productive capabilities of our people. So, who knows where this is going to land? But I know, if we don't put our two cents in, we can't expect change. . . .

Schlanger: Let me bring [LaRouche Youth Movement member Sharon Pearson back in: Sharon, did you have anything to add? We're down to about the last five minutes. Is there anything else you'd like to say?

Pearson: Yes, I have a question about the trip to Germany. What kind of an impact did you have on the officials you met with? Did they say, we have to go along with the ideas LaRouche has set forth?

Schlanger: Okay, Mark: did you get the sense that people

were interested in LaRouche's ideas, the people you met with?

Sweazy: Very much so. I think that not everybody that we were in contact with, knew Lyndon LaRouche; they didn't know what the organization was completely about. They may have heard of it, but they don't know. Even with Thyssen Henschel Company—they produced a magnetic levitated train—I told them, that their best advertiser for their product—which, now, their company's defunct; it's sitting there in mothballs—is Lyndon LaRouche. He's promoting this product, worldwide. And they weren't even especially aware of the organization, until I showed them one of Helga's campaign brochures, that had the maglev in it, and—oh, they became real excited. And Bob will tell you, our 45-minute meeting with them, turned out to be over three hours!

Schlanger: Bob, did you want to add to that?

Bowen: I think both Mark and I were really totally stunned by the responses in Mexico and in Germany. And, it was funny, because, at first, people are somewhat formal. They've got a formal interpretation, and almost everyone that we met with did not have any real understanding of what is going on inside the United States, behind the headlines. And I think one of the most important accomplishments of our trip to Germany was to open up a channel of communication, between the LaRouche organization here in the United States, Mark, as representative of a crucial piece of the labor movement here, and his counterparts in Europe. Now, they've got a source, an access to a behind-the-scenes intelligence picture of what's going on underneath the surface.

Schlanger: Well, now with Dick Cheney on his way out, with Tom DeLay in big trouble, we have a potential in the United States for that kind of bipartisanship. I think in Europe, up until recently, they had a sense, that you've got the neo-cons and then there's nothing else. And we tried to communicate to them that there is the LaRouche movement—I think that's more clear now, than then.

Mark, let me just turn to you. We've just about a little more than a minute: Why should people come to the Nov. 16 webcast?

Sweazy: Why would they want to stay away, at this point? More than likely, it'll be a great discussion. I know Lyn will be on top of his game for Nov. 16, because everything that I've heard from the LaRouche organization to this point, has transpired. . . . Even as Bob said, in Germany, the news that they receive in Germany is not always the same that we have here. So, I believe it'll be a thorough account of what's taking place, and we might even get some more predictions—which is a good thing, too.

Schlanger: So, that's Nov. 16, at 1 p.m. Eastern Time, Lyndon LaRouche will again address the world through the website at <http://www.larouchepac.com>.