

**The  
BLACK  
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on issues affecting African Americans  
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**Prescription for an "Ailing" Industry: Take it Over  
Left Margin**

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**BlackCommentator.com Editorial Board**

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It is hemorrhaging fast and no end to the blood-letting seems to be in sight. No question, something has to be done about the auto industry. But what? As usual, the preferred answer depends upon your vantage point. As usual, when courses of action are proposed on matters like this, the people being adversely affected are passed off as mere numbers. Bankruptcy on the part of any of the Big Three automakers would cost the U.S. economy \$175 billion the first year after it went into effect and tens of thousands of workers would be laid off. The cost of a General Motors takeover of Chrysler could be as much as \$10 billion and mean dismissing over 30,000 workers. Behind these sterile statistics are real live individuals and families.

It may be that Chrysler and GM are "too big to fall." (Although letting them go down is what some pundits are - with clinical calmness - advising) But what about the workers?

Over the past four decades or so, the deindustrialization of vast areas of the country has left once relatively prosperous communities in dire straits, and vast numbers of young people on the street with little hope for a future of gainful employment. It has hit very hard in cities that are home to stable working class African American populations, often referred to as a "black middle class."

The potential devastation of bankruptcies in any part of the auto industry is being understated. There are a couple of million retired autoworkers whose pensions and health care coverage are at stake. Many of them have yet to reach the age for receiving Social Security and yet would be severely disadvantaged in today's labor market. Then there are the millions employed in auxiliary services dependent on auto making.

It's hard to think about the additional pain that will befall cities like Detroit in the face of the current crisis in the auto industry and the prescriptions being offered up to address it. The area, once the world center of auto manufacturing, is now being told that whatever happens over the coming months, it's going to have to absorb another heavy blow.

So, what is to be done about the ailing auto industry? Here's one answer: nationalize it.

Don't get your alimentary system in an uproar; it's been done before.

We could simply takeover the industry with the understanding that thousands of engineers and technicians would be mobilized to design and make functional and efficient "green" cars. And, tens of thousands of auto workers could be put to work building them. Of course, this would not employ all of those about to be laid off. They could be retrained to work in other new green industries, building wind turbines, solar panels, mass transit lines and recycling factories. It would provide jobs for hundreds of thousands and provide new hope for young people entering the workforce in Michigan, Kentucky and elsewhere.

This will require a lot of central planning and that's the last thing the people now running the economy want to hear. Horrors. But let's face it; radical innovation and planning is the only thing that can get us out of the current mess and lay the base for a healthy economic future. An endless series of bailouts and stimulus packages is unlikely to do the trick. There is a lot of talk from the experts these days about what a "recovery" would look like. Estimates of when one is likely to take place range from the end of 2010 to never. Economists are now talking about a "jobless recovery." That is, Wall Street will get back up to speed and corporate profits will begin to rise again, while high joblessness continues and the legions of the poor grow even larger.

A government organized effort to consolidate, refurbish, and refinance the auto industry will surely be denounced as "socialist" but, actually it wouldn't be anything a traditional socialist would recognize as such. It could be a public-private collaborative project. Yet, its central prerequisite would be a political decision - reached democratically - to pursue a policy of guaranteed employment to those who want to work and an economic strategy premised on full employment, innovation rooted largely in green technology and a commitment to preserve our communities' health and that of planet.

The employment statistics for September are in - the official ones that are always understated. The country's unemployment rate is 6.5 percent. That's up from 4.8 percent a year ago. It is expected to climb above 8 percent. For teenagers it's 20.6 percent; that's up from 4.3 percent in September 2007. Latino unemployment stands at 8.8 percent; it was 5.6 percent this time last year. African American joblessness has risen steadily this year to 11.1 percent from 8.5 percent a year ago. Claims for unemployment insurance broke a new record last week. Most economists say it's only going to get worse as we move toward the holidays.

The incoming Obama Administration is being offered all kinds of advice these days on what to prioritize. Way up there on the list has got to be a program to save jobs and create new ones. Save GM? Yes, but not because of the corporate heads and financiers

whose greed and errant business judgment got us into this fix, but for the workers and their communities.

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