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TWC CHAIRMAN PRAISES PRESIDENT BUSH FOR SUPPORT OF U.S. AUTOMAKERS

Texas Workforce Commission Chairman Tom Pauken praised President Bush for his efforts to provide federal assistance to U.S. automakers in order to prevent the financial collapse of a crucial component of our U.S. manufacturing industry.

“If we are serious about rebuilding a strong manufacturing base in the United States, it is essential that we provide temporary assistance to our U.S. auto industry to enable it to get through these difficult times,” Pauken stated. “It is baffling to me that some Washington politicians voted to give troubled Wall Street institutions – whose excessive use of leverage got us in this financial mess in the first place – an open checkbook, while stiff-arming our U.S. auto industry. I agree with the sentiments of former Reagan economic adviser Paul Craig Roberts, who points out that ‘if America loses its auto industry, it will lose the suppliers as well and will cease to have a manufacturing sector.’ ”

Pauken, a strong critic of the Administration’s bailout of Wall Street’s financial institutions, added: “Failure to help the U.S. auto industry get through this credit crisis (which was not of their making) would further erode our beleaguered U.S. manufacturing base and result in the loss of a significant number of private sector jobs. Jerry Flint, who has covered the automobile industry for *Forbes Magazine* is right when he says: ‘Success in the auto business requires great leadership and great vehicles. Ford isn’t that far down, yet, and GM and Chrysler can come back. Will they? I don’t know, but they deserve a chance.’ ”

Pauken concluded: “If the United States intends to remain the strongest economy in the world, it must revitalize its manufacturing base and put Main Street producers back in charge of our private sector. A vibrant U.S. auto industry is a key part of this rebuilding process. It makes no sense to me to reward Wall Street financiers “to the tune of \$700 billion,” as Gretchen Morgenson of *The New York Times* notes, while standing by while our U.S. auto industry goes out of business. As has been pointed out by others, the collapse of the U.S. auto industry could have a negative impact on nearly one-tenth of the U.S. labor force. Unemployment already is too high, as it is. We need to act quickly to prevent great damage to our U.S. economic system. Then, we must move aggressively to develop and implement an economic strategy to put America back to work by encouraging savings, investment and job creation in the United States.”

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The Texas Workforce Commission is a state agency dedicated to helping Texas employers, workers and communities prosper economically. For details on TWC and the programs it offers in unison with its network of local workforce development boards call (512) 463-8556 or visit www.texasworkforce.org.