

BOB CORKER'S CHUMPS IN THE SENATE

I'd like to second a point Trapper John just made at the Great Orange Satan. Senate Democrats have no business hailing Bob Corker's bad faith claim to broker a compromise on Thursday night.

Let's make this very plain. Bob Corker just led the charge to kill the American auto industry, and with it some 10% of the American economy, because he wasn't allowed to bust the UAW. As such, Bob Corker is definitionally one of the most traitorous and despicable human beings ever to track slime across the floors of the Senate. He is attempting to take advantage of the financial crisis to literally dismantle the American middle class. He is beneath the contempt with which partisans regard even their most radical and craven domestic political opponents. And to see three of the most prominent leaders of the party that portrays itself as the party of working Americans line up to *commend* this sanctimonious puppet of big money, this enemy of working Americans . . . well, it's disgusting. There's really no other word for it.

I'd add one thing to Trapper's post. Trapper is right that Corker should not be celebrated because of the way he attacked the notion that our workers ought to be able to sustain a middle class life.

Also, Democratic Senators ought to be a little more skeptical about Corker's alleged good faith when considering his actions on Thursday.

As I pointed out the other night, Corker demanded that workers make date-certain concessions, without making the same demands of the other parties: the bond-holders in particular.

But since Thursday, it has become increasingly clear that the bond-holders appear to be the only other stake-holder Corker was demanding real concessions from. In the statements I've seen him make, for example, I don't think I've ever heard him ask for concessions from dealers. Take his description of negotiations on Fox yesterday.

We began a process by first getting the bondholders to take \$0.30 on the dollar, a \$0.70 haircut. That had to happen first by March 15 and if it didn't...

WALLACE: And they agreed to that.

CORKER: They have agreed – they got – yes. They have agreed that if they don't get there, the company has to file bankruptcy.

So General Motors was at the table, Chrysler was at the table, Ford was at the table. They were in the ante room. They agreed to that.

Secondly, we agreed to the fact that the VEBA payments was, without getting into a lot of details, \$21 billion that General Motors has. Half of it would be paid in stock, half of it in cash.

So that's off to the side. We had **everything worked out** except for one thing and that is that the UAW had to be competitive. [my emphasis]

Corker's "everything" doesn't, apparently, include concessions from dealers.

Or take his explicit dodge on dealer concessions on Thursday night:

The third issue is the dealership issue. **I don't think we can deal with that today.** There's two issues that we can deal with in this loan and solve the problem; okay? One is the capital structure. The other is the labor issue.

█ [my emphasis]

That's significant for two reasons. First, in every major discussion of how to improve GM's competitive position—including GM's own—cuts in the sheer number of dealers as well as cuts in the number of brands has been central. You've got to cut brands to make every brand they're investing marketing and engineering support into more viable; you've got to cut dealers to bring up the profitability on each car and the viability of each individual dealer. Thing is, when GM cut Oldsmobile, they paid billions in cutting out those dealers. If there were an easier way to do this, it'd give GM a much quicker path to profitability.

But Bob Corker apparently didn't include that in his plans at all.

There's undoubtedly a very good reason for this. Car dealers, you see, are reasonably powerful constituents in every congressional district in this country. In fact, they tend to be (or used to be) wealthy. And conservative. The kind of people, in other words, that the Republican party wouldn't want to offend for the purpose of making a political point.

So, in spite of the fact that Corker boasts of having had the solution for the US automotive industry's competitiveness in the palm of his hand until those mean union workers stole it away, he knows well he didn't. He was completely ignoring one major part of the equation.

You can prove Bob Corker wasn't negotiating in good faith by the way he asked only one party—the workers—to make date-certain concessions.

Or you can prove it by the way he refused to ask for concessions from those—largely conservative—small businessmen whose omnipresence around the country might cause a big political headache.

Bob Corker wanted to cause Democrats headaches,

you see. But not Republicans.

Unfortunately, those lauding his efforts in the Senate are unwilling to point this second bit out, and in so doing, calling his bluff. So we're stuck with the unsavory prospect of being made chumps by Bob Corker even while his stature—and ability to attack union workers—continues to rise.