NO WONDER BOB CORKER'S TRYING TO PLAY POLITICS WITH SPRING HILL

Bob Corker attacked the US automakers for months, arguing they had a failed business model. But as soon as bankruptcy looked likely, Corker suddenly remembered many of his constituents–the GM workers at Tennessee's Spring Hill plant–work for one of those "failed" automakers. Since then, he's been pitching the relative merits of Spring Hill. He has gone so far as to suggest that if anything were to happen to Spring Hill, it could only be because of politics.

> With sweeping new power the White House will be deciding which plants will survive and which won't, so in essence, this administration has decided they know better than our courts and our free market process how to deal with these companies.
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> It's been a long time since Washington has seen the kind of kowtowing that's about to occur among members of Congress trying to curry favor with the administration to keep plants in their states open, and it will be interesting to see if the administration makes these decisions based on a red state and blue state strategy or based on efficiency and capable, skilled workers at each plant. If they use the latter, our GM plant in Spring Hill, Tennessee should do very well.

It's a nice narrative for Corker, one that absolves him of any responsibility for talking the company into bankruptcy. Yet there's a detail Corker doesn't want you to know.

It’s that the Spring Hill facilities have already been mortgaged away as collateral to secure credit.

> Note that GM has approximately $29 Billion in debt; **$7 Billion of which is secured by Saturn assets (including Spring Hill, TN plant)**. The government’s $13.4 Billion loan to GM is also considered secured debt, with a vast amount of assets up as collateral. [my emphasis]

In other words, politics will have **nothing to do** with the decision on whether or not to close Spring Hill (not that any of you would believe a word Corker says, anyway). That decision will be left entirely up to whatever buyer comes along and buys it, because it will be the first thing liquidated in bankruptcy.

I guess Corker should have thought of that before he joined the plantation caucus, huh?