

November 30, 2008

## McCotter hopeful government will approve support for Big 3

*By Hugh Gallagher*  
*STAFF WRITER*

U.S. Rep. Thaddeus McCotter, R-Livonia, is hopeful that the Big 3 auto companies will get support from the federal government.

"No one has closed the door on a bridge loan," McCotter said Tuesday. "Last week there was a lot of political posturing."

McCotter was one of the leaders among Republican House members who defeated the original \$700 billion Wall Street bailout bill.

Last week he was a strong voice in support of a \$25 billion federal "bridge loan" to the Big 3 automakers.

Congressional leaders grilled the top executives of the auto companies last week and demanded that they return to Congress with a detailed plan for how they intend to spend the \$25 billion. McCotter said members of Congress need to be disabused of the idea that the auto companies have not been restructuring.

"We've seen people suffering through the restructuring process. Right here in my (11th) district. Wixom is closed, other plants are underutilized, people are laid off," McCotter said.

He said that an earlier \$25 billion in aid to the auto companies to help retool for more energy efficient cars was funding to cover an "unfunded mandate" to produce more energy efficient vehicles. McCotter and other Michigan representatives have been critical of higher corporate average fuel efficiency standards. The Bush Administration has argued that the auto companies should use some of that money to tide them over through the end of the year.

He said the auto companies did not come to the federal government to ask for money to support their restructuring. He said they only came after the banking crisis made it difficult for them to sell cars and forced them to "burn through cash." He said they are "victims" of the crisis not the cause of the crisis.

McCotter and other Republicans favored a private investment plan to buy up so-called toxic debts from investments banks. A revised Senate version of the federal bailout was passed in the Senate and House and signed by President George W. Bush. Since the bill was passed, Secretary of the Treasury Henry Paulson has spent about half of the approved amount but has changed the original investment strategy.

McCotter said if the government is going to provide \$700 billion in an attempt to stabilize the economy, then some of that money should be used to help get "an essential industry back on its feet."

He said helping the auto industry will help prevent more foreclosures brought on by unemployment in the auto industry.

McCotter said the recent defeat of Rep. John Dingell, D-Dearborn, as chair of the House Energy and Commerce Committee by Rep. Henry Waxman, D-Calif., is a huge problem.

"For 50 years, we've had a person protecting our jobs and prosperity. It's a huge loss," McCotter said.

He said Dingell's defeat is indicative of the infighting in the Democratic Party between environmentalists and labor unions. He said Waxman's victory is a sign of the direction that President-elect Barack Obama's administration will be taking in support of an environmentalist agenda.

McCotter said he was taking a wait and see attitude about Obama's recently named economics team, led by his nominee for Treasury secretary Timothy Geithner.

"He says he will act boldly and swiftly. His party is running the Congress," McCotter said.