

SIC TRANSIT GLORIA GM MUNDI

The US economy and the world is reeling. Billions have been lost, with the likelihood of much more. Within this mix are the Big Three auto manufacturers and talk of humungous bailouts, especially for GM. Does that make any sense? Maybe they should be consigned to history?

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"The discipline of great suffering is the only discipline that has produced all the elevations of humanity hitherto." (Friedrich Nietzsche)

There's a specter haunting the USA, and it's not socialism, or even communism.

It's something more terrifying for the American psyche: the idea that the last hundred and fifty years of American-style capitalism have been largely for nought – at least for the bulk of the population. The American Dream is now a Nightmare, as more jobs are lost, more companies seek Chapter 11 or simply disappear, more people lose their homes, more people join the jobless, consumers stop spending, credit continues to dry up and more people go hungry.

Hungry for a job, hungry for security, hungry for a future, hungry for justice.

The USA is not alone, of course. If you've been following news reports from around the world, you'll know that the financial meltdown is now a global cauldron that is consuming the hopes, aspirations and money of millions in most countries. It's coming to pass in the UK, Europe, and in Australia, where I live, and even in China and other parts of the Asian sub-continent. Moreover, there's no end in sight, anywhere.

And it's going to get worse before it gets better, to quote a recent throw-away line from Barack Obama. Duh! It doesn't take much effort to see that: read [Nouriel Roubini's analyses](#), for example. Or, read Nobel Laureate [Paul Krugman's blog](#). Read what [Fed Chairman, Ben Bernanke](#), says. Or, Hank Paulson, U.S. Treasurer, if you must.

They're all saying the same thing, however, when you realize what's *not* said: nobody really knows what to do, absolutely. Not surprising: something like this financial crisis hasn't happened before. There is a mix of solutions, suggestions and policies under discussion from almost every quarter of politics and business – a prolix war of ideas, no less, and while the world melts in more ways than one.

However, the latest – but long foreseen – casualty in the cauldron is the home-grown U.S. auto industry, best exemplified by General Motors, the one-time giant of the automotive world.

There's an impasse about a crucial question, however: is General Motors worth saving with massive injection of public money? Or, should the market rule and we kiss GM goodbye, perhaps forever? And, by the way, in doing the latter, probably signing death warrants for Ford and Chrysler too.

As I write this, Republicans in the Senate have blocked the bill to allow billions in loans to GM and Chrysler. As much as I dislike the conservative politics of the GOP, I'll say this much for the Republican holdouts bunkered down in the Senate: they have the courage of their convictions. The problem for them, however, is that their action, at core, has more to do with ideology than with thinking through the consequences of their last stand. That much we do know.

What we don't know is whether the U.S. economy can weather the failure of the auto industry. On the other hand, can the U.S. economy survive extended life-support for a brain-dead entity? Die-hard conservatives simply abhor throwing good money after bad, a well-known and much abused cliché from way back, and a perennial catch-all for those with hidden agendas. Liberals, on the other hand, shrill – with some justification, I think – that doing nothing is worse.

So, who's to blame for this mess? Too early to start throwing definitive kudos, of course, but I was intrigued to find out who's *not* to blame - from Mitch McConnell, no less. A few days ago, while I was watching Jim Lehrer's News Hour, McConnell stood on the Senate floor and said: "We have had before us this whole question of the viability of the American automobile manufacturers. None of us want to see them go down, **but very few of us had anything to do with the dilemma that they have created for themselves.**" (My emphasis.) Those words were repeated, without comment, in a large U.S. daily I read, a day later.

Just read that quote again, especially McConnell's bold and bolded assertion, and think of the implications of what he really means: the Big Three of Detroit brought it all upon themselves. So, let the market rule? Let them die? After all, according to McConnell, the legislators in the Senate have had nothing at all to do with assisting or hindering the auto industry, through omission or commission, over the last hundred years or so. Oh, no - you can't blame the Senate, McConnell implies. If you'll allow me to stretch a comparison, isn't that just a bit like long-ago Pilate finally washing his hands about a troublesome rabbi? Not that I'm comparing the Big Three to a latter-day holier-than-thou Trinity, you understand...

And not without some irony, I should also ask: why are there too many auto lobbyists in Washington, continually trying (and succeeding) in twisting senatorial arms? Aaaaah, but that's the way of the world, and of American-style capitalism, in particular, for the last too many years, couldn't we say?

So, shame on Mr McConnell, and all those senators who blocked the bill?

Perhaps not. Perhaps all that they should be accused of is blocking the bill for the wrong reason?

This is a turbulent time of change, and one that the Obama administration-to-come is encouraging, as it should. Obama wants to resuscitate a moribund U.S. economy. He wants to rejuvenate a population that's grown weary of public and private corruption. He wants to reinvigorate a country that, at many levels, has lost its sense of direction and destiny, particularly during the disastrous years of the now-dying Bush administration. Hence, Obama is, as [Charles Krauthammer](#) opined recently, a transformer who wants to fundamentally change the way America works, in every sense of that last verb.

Is Obama a transformer of Hulkian proportion: A Big, Bright, Green Transforming Machine who can restore America's nobility of purpose, facilitate new direction and rekindle America's soul? And, without becoming just a Jolly Green Giant?

Let's hope so....

In the context of change then, what's a bailout for the auto industry? Isn't that simply more of the same story for the last hundred years? Why bail out an industry that's been making gas-guzzlers for a century?; that's still polluting the world with frenzied, commercial zeal?; that's squandered opportunities to produce pollution-free cars and trucks?; that's helped to ensure that the USA – and the world – has been held hostage by oil cartels for nigh on eighty years?; and that's helped to turn what's left of any Dream – American or otherwise – into the daily Nightmare that millions now face.

What are the bailout and loans going to cost? Many billions have been suggested, way up to thirty-four billion, over time. How much time? And, when will it all end? More importantly, what will actually change in Detroit to address those issues listed above, all of which are well known? There are no answers now, of course, simply because a lot of time must pass before anything will be known for certain.

There's an old, hackneyed saying: **What's good for General Motors is good for America.** That was when America was dominant, and not only in automobile production. But that was also long ago, and long before anybody had a whiff of something called 'globalization' and its ramifications that will only be fully realized over the full course of this century.

But, there's another saying that trips off people's lips all too easily, and it's the modern corollary of Nietzsche's fulsome words at the top of this page: **where there's no pain, there's no gain.**

Bailing out the auto industry will produce a lot of pain. There's no doubt about that. But where's the real gain, if any? What's the point in doing the same stupid things, with the same tragic results, and in a world that is slowly choking on its own excrement of all types? Isn't it better to use that pain where it'll do the most good and consign past failures to history?

So, what's good for General Motors? **Step aside, you've had your long day's journey into blight.** With the loans that you might have obtained, new companies can

obtain the financing to hire many of those displaced, and take up the challenge of providing clean autos, using clean technology. Obama should funnel some of those billions to start-ups like Better Place electric car charging system, for example, a company reported on by [Tom Friedman](#), a few days ago. Obama should also disburse billions more to supporting, for a time, all those displaced auto workers who can be retrained in new technology while also capitalizing on their hard-won experience.

It's time for change in America, and for the world. It's time to do something better, to do it right, and to do it now.

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