

Obama Touts Saving Struggling U.S. Auto Industry

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CHICAGO (AP) -- President Barack Obama declared Thursday that the U.S. auto industry is not just rebounding from its problems but on its way to being No. 1 in the world again.

His rousing pep talk to Ford factory workers came before he was heading into a night of high-dollar fundraising for the Democratic Party.

The president celebrated that the big three American automakers -- GM, Chrysler and Ford -- were all operating at a profit again. He described a remarkable turnaround for the car companies in an industry on the brink of collapse when he took office, thanks to federal taxpayer help and industry adaptation.

While Ford did not need to accept federal bailout funds like the other two companies, Obama said Ford still benefited because the government intervention helped prevent the loss of jobs and brand confidence throughout the entire auto supply chain. He spoke from a Ford plant in Chicago that is poised to add 1,200 jobs.

"I am convinced that we're going to rebuild not only the auto industry but the economy better and stronger before," Obama said. "And at it's heart is going to be three powerful words: Made in America."

The White House says Ford's expansion is possible in part because of \$400 million in new Energy Department loan guarantees for companies that redesign their plants to make more fuel-efficient vehicles. By the end of the year, the plant will begin cranking out a redesigned, energy-efficient 2011 Explorer sport utility vehicle that the company hopes to sell in more than 90 countries.

Obama also announced a \$250 million export-import bank loan guarantee for Ford to help export its auto overseas. "We're tired of just buying from everybody else," Obama said. "We want to start selling."

He later promised that the United States "is going to compete aggressively for every job out there, and every industry out there, and every market out there."

While eager to frame the auto industry rebound as a success story Democrats can take to voters, most of Obama's time in Chicago was being spent chasing the cash candidates need to fund their campaigns.

Pairing an official event such as the Ford plant visit with political appearances allows the White House to bill taxpayers rather than the Democratic Party or

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individual candidates for most of the president's travel costs.

The president was headlining two events for the Democratic Party, at the Chicago Cultural Center and at a private home. Taken together, the two events were expected to raise about \$1.5 million for the party.

Obama also was campaigning for Alexi Giannoulias, the Democrat seeking the Senate seat Obama held before becoming president.

Losing the seat would amount to a huge embarrassment for Democrats come November and Giannoulias, the Illinois state treasurer, is trailing Republican Rep. Mark Kirk in the race for campaign cash.

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