

# Workers Didn't Wreck GM & Chrysler, Execs, Wall St. Banks & Investors Did!

**Obama says Chrysler has no money – but he “forgot” to say why:**

- Cerberus, a “strip-and-flip” private equity company bought Chrysler, then went on a borrowing spree, grabbing ten billion dollars – in Chrysler’s name.
- But Cerberus didn’t use the money so Chrysler could develop new vehicles and technologies; it didn’t build new plants. The money just “disappeared.”
- Cerberus separated out Chrysler’s finance company – giving the profits from selling cars to the finance company, putting the losses on leases onto the car company.
- It put Chrysler’s own headquarters building into still another company – and made Chrysler pay rent to occupy its own headquarters!

**Obama says GM is deep in debt – once again, he “forgot” to say why:**

- GM borrowed billions so GMAC could buy up 20 mortgage companies.
- It borrowed more billions so it could give out 400 million dollars in executive bonuses and eight billion dollars in dividends to “investors” – in just seven years.
- It borrowed more billions to buy up Daewoo in South Korea, and to set up companies in India and China, with the aim of exploiting low-wage labor there.
- GM keeps “subsidiaries” in eleven tax havens like the Cayman Islands, where it doesn’t make cars. It just uses these tax havens to hide its money.

**Yet Obama wants workers to tear up their contracts, pensions, health care – to give still more money to those who wrecked these companies.**

**Labor costs didn’t put these companies in debt – wages, health care, pensions and all other benefits were less than 9% of the cost of a car.**

**Looting is the problem – and the money to save these companies needs to be taken from those who have been looting the companies for years.**

- Present a bill to all the executives, past and present, who drained millions of dollars.
- Demand the return of all those fraudulent payments to banks that do little but collect hundreds of billions in interest payments and dividends from industrial companies.
- Demand repayment from all the hedge funds & private equity companies that put big companies in debt so they could make a quick ten billion or so.

**The Big Thieves will keep demanding more concessions, keep stealing more of the nation’s wealth – until workers refuse to give up any more.**

**The attack on auto workers is aimed at every worker.**