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NEWS CLIPS

October 26, 2012

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Why I, a Former GOP Senator, Will Vote for Obama

By Larry Pressler, Reader Supported News

As a combat veteran of two tours in Vietnam with twenty-two years of service as a Republican member of the U.S. House and Senate, I endorse President Barack Obama for a second term as our Commander-in-Chief. Candidates publicly praise our service members, veterans and their families, but President Obama supports them in word and deed, anywhere and every time.

As a Vietnam vet, one of the reasons I support President Obama is because he has consistently shown he understands that our commitment to our servicemen and women may begin when they put on their uniform, but that it must never end.

This decision is not easy for any lifelong Republican. In 2008 I voted for Barack Obama, the first time I ever voted for a Democrat, because the Republican Party was drifting toward a dangerous path that put extreme party ideology above national interest. Mitt Romney heads a party remaining on that dangerous path, proving the emptiness of their praise as they abandon our service members, veterans and military families along the way.

What really set me off was Romney's reference to 47% of Americans to be written off - including any veteran collecting disability like myself, as a post-traumatic stress disorder (PTSD) veteran.

Behind closed doors with his donors, Romney made clear he'd write off half of America - including service members and veterans - because, as he said "I'll never convince them they should take personal responsibility for their lives." But there's no greater personal responsibility than to wear your country's uniform and defend the rights we all enjoy as Americans. We don't sow division between "us" versus "them." The Commander-in-Chief sets the bar for all to follow and fight for the entire country. Mitt Romney fails that test. As a veteran I feel written off.

Just as revealing is what Romney actually says publicly. As a former Foreign Service Officer, I find it offensive that Romney, Congressman Paul Ryan and their Republican Party are politicizing the death of Ambassador Chris Stevens and three other brave Americans who lost their lives in Libya. Being Commander-in-Chief requires a resolve and steadiness that's immune to politics and fear mongering. Mitt Romney fails that test.

And along with high-profile Republican surrogates, Romney and Ryan are pandering to election-year politics rather than focusing on pending cuts to military spending. Strategy should drive our military priorities, not party purity.

We are a nation at war - the longest war in our nation's history - and we must remember the sacrifice that so many have given for the protection of our country and our values. That's why it's so surprising that Republican nominee Mitt Romney has given five speeches on foreign policy - and will be giving another one today - and has yet to outline any plan to end the war in Afghanistan or bring our troops home. That's unacceptable for anyone running to be Commander-in-Chief.

President Obama ended one war, is ending another and meeting our national security needs with support of our military leaders. He's laid out a clear plan that would reduce the deficit and prevent the mandatory military spending cuts that no one wants. But today's Republican Party, including Ryan who voted for the deal that would trigger the cuts, is willing to bring our country's defenses to the fiscal cliff -

just so a multimillionaire doesn't have to pay a single extra penny in taxes. And the real lack of leadership? Failing to own up to your role in racking up a record debt from two unpaid wars and two massive unpaid for tax cuts. Mitt Romney leads the party that fails this leadership test.

And as former member of the U.S. Senate Budget Committee, the Senate Finance Committee and Chairman of the then Commerce Committee, I came to know the federal budget in detail. I'm disappointed that just as our troops are returning home after a decade of war, Romney and Ryan might gut by up to 20 percent investments in the Department of Veterans Affairs - and even suggest privatizing the veterans' health care. Again, they would short change our national security and the education, health care and employment benefits our veterans have earned and deserve just to cut taxes for the wealthiest Americans.

Let's be clear, Romney and Ryan would be disastrous for America's service members, veterans and military families. Public praise rings hollow when you fail to mention an ongoing war in accepting your party's nomination to be president, or veterans in a speech to the Veterans of Foreign Wars, a so-called jobs plan or in a budget that should be a blue print of our nation's values.

Meanwhile President Obama recognizes our sacred trust with those who serve starts when they take their oath and never ends. He's enacted tax credits to spur businesses to hire unemployed veterans and wounded warriors. He implemented and improved the post-9/11 GI Bill, the largest investment in veterans education since the original GI Bill over sixty years ago. He's proposing a Veterans Jobs Corps that would put returning service members to work as police officers, firefighters and first responders. As part of his achievable plan to keep moving our country forward, the President would use half the savings from ending the wars in Iraq and Afghanistan to help pay down our debt and invest in nation building here at home, putting Americans back to work - including our veterans - fixing our roadways and runways, bridges and schools.

And something that hits close to home, President Obama also secured the largest increase in VA investments in decades so our veterans get the care and benefits they earned, like treatment for PTSD and traumatic brain injury. As someone with service-related PTSD, I meet with younger veterans weekly to help them through the treatment and transition to a productive civilian life. It makes a difference for them knowing their President has their back.

That's the difference in this election. In word and deed anywhere and every time, President Obama never forgets that standing by those who serve is the heart, soul and core value of this country. As a life-long Republican, I stand by him as he stands by all of us, putting national allegiance ahead of party affiliation. I endorse President Obama for reelection in 2012.

CEO asks Employees to Help Company 'and Yourself' by Donating $2,500 to Romney

By Igor Volsky

A growing number of CEOs are pressuring their employees to vote for Mitt Romney, whose tax cut plan could offer millionaires an $87,000 tax break. Now, MSNBC's Up with Chris Hayes, has uncovered at least one executive who called on his employees to donate up to $2,500 to the GOP presidential candidate's campaign.

The show reported last week that Arthur Allen of ASG Software Solutions emailed his employees that they'd only have themselves to blame if they lose their jobs after Obama wins. But Allen sent another email on the eve of the Republican convention soliciting donations for the former Massachusetts governor:

To all ASG domestic employees,

This coming Monday, Mitt Romney will be officially nominated as the Republican Presidential candidate. **I am encouraging everyone to go to the Romney for President web site and contribute as much as you can to his campaign for President, up to the maximum of $2500.00 per person. I am also encouraging you to contact all of your friends and relatives and ask them to support Romney and to go to the polls and vote on Election Day.**

ASG, like many companies, is still struggling, even after 4 years. You probably heard that we tripped a bank leverage covenant on June 30th, and now must go through yet another round of unfavorable treatment by our lenders. Many of our domestic employees are still on the 4 day work week. Many of our customers are waiting until they see the results of the election before beginning to invest again. We need to elect a fiscally conservative President and Vice-President and stop this ridiculous government spending. I believe that Romney and Ryan can put us back on the path to sanity, but even then it is not going to be painless for our country and ASG.

Please help ASG and yourself by contributing to the Romney/Ryan campaign.

Mr. Allen

Romney had called on employers to "make it very clear" how they feel about the candidates. During a call with the National Federation of Independent Businesses (NFIB) first discovered by In These Times, Romney told business owners to "pass… along to your employees" how their jobs might be affected by who wins in November.

After heeding Romney's advise Allen sent another email asking employees to defer "some or all" of their salary "until December, in order to help the company make a $15 million interest payment."

Associated Press

Illinois Amtrak train hits 111 mph in test run

CHICAGO – In a modest milestone for President Barack Obama's high-speed rail vision, test runs started zooming along a small section of the Amtrak line between Chicago and St. Louis at 111 mph Friday.

The 30-mph increase from the route's current top speed is a morale booster for advocates of high-speed rail in America who have watched conservatives in Congress put the brakes on spending for fast train projects they view as expensive boondoggles. But some rail experts question whether the route will become profitable, pose serious competition to air and automobile travel, or ever reach speeds comparable to the bullet trains blasting across Europe and Asia at 150 mph and faster.

U.S. Transportation Secretary Ray LaHood and Illinois Gov. Pat Quinn were aboard when an Amtrak train hit 111 mph for the first time in Illinois.

"Four years ago we were nowhere," LaHood said after the train reached the landmark speed. "Illinois and the country was a wasteland when it came to high speed rail... This is a dream come true today."

It maintained the high speeds for about 5 minutes along a 15-miles stretch of track between Dwight and Pontiac before braking back to more normal speeds.

"The important thing is it's a step in the right direction, but the question becomes what do we gain by doing this?" said David Burns, a rail consultant in suburban Chicago who drew up one of the first studies for high-speed service on the route more than three decades ago.

Advocates say Midwest routes from Chicago hold the most immediate promise for high-speed rail expansion outside Amtrak's existing, much faster Acela trains between Boston and Washington, D.C. They say it will give a growing Midwest population an alternative to traveling by plane or car, promote economic development along the route and create manufacturing jobs.

In first announcing his plans in 2009, Obama said a mature high-speed rail network also would reduce demand for foreign oil and eliminate more than 6 billion pounds of carbon dioxide emissions a year -- equivalent to removing 1 million cars from the roads. He set aside $8 billion in stimulus funds, directing the first round of money to speeding up existing lines like the one across Illinois and calling it a down payment on an ambitious plan to change the way Americans travel.

Even the short-term goals have run into trouble. Governors in Wisconsin, Ohio and Florida turned down hundreds of millions of dollars in stimulus funds, arguing not enough people would ride the trains and that states would be hit with too much of a financial burden for future operations.

Things could get worse for high-speed plans and for Amtrak if Mitt Romney wins the presidency next month. Romney and Republicans are calling for an end to $1.5 billion in yearly federal subsidies to money-losing Amtrak.

Kristina Rasmussen, vice president of the nonpartisan Illinois Policy Institute, said she thinks it's very unlikely the route will ever make money. For one thing, she said, there will be political pressure to keep fares low, dimming prospects that Amtrak will take in enough to recoup maintenance and operating costs.

"We're yoking ourselves to trains that will obligate taxpayers to provide billions of dollars in future subsidies," she said.

Nonetheless, proponents were cheered by Friday's test ride and believe projects already in progress have opened the door to future development.

"Given the fact that the program was a big zero at day one of the Obama administration and how hard one of the two parties has fought to keep that number at zero, I think we should be ecstatic about the progress," said Richard Harnish, director of the Midwest High Speed Rail Association.

Amtrak ridership hit a record 30 million passengers nationwide last year. On the Chicago-to-St. Louis route, passenger numbers increased 11 percent during the last fiscal year to more than 619,000 riders -- some of them pulled in by high gas prices, others by the convenience of being able to get work done while en route.

"Driving is just wasting my time," said Isaac Gaff, a 37-year-old music and arts director at a church who uses train time to plow through email on his laptop. He was waiting to get on the Amtrak line Thursday in Chicago to head home to Normal, in central Illinois.

Other riders say it's cheaper than flying, there's more space, and there are virtually none of the security headaches like at airports.

"It's not as much of a hassle, that's for sure," said Julia Markun, an 18-year-old college freshman getting on the same train.

But as the infrastructure currently is laid out, there is virtually no chance trains will go much faster than 110 mph, primarily because trains on Midwestern routes have to share the lines with the freight companies that own the tracks.

Work to upgrade the track began in 2010 and has included the installation of new premium rail and concrete ties as well as the realignment of curves to support higher speeds. Safer gates and new signals were installed at some highway crossings.

Transportation officials expect that after another three years of upgrades, the $1.5 billion in improvements can shave about an hour off the 284-mile journey between Chicago and St. Louis, which now takes about 5 1/2 hours. Future plans aim to shrink the time to under four hours.

But to begin to seriously compete with the one-hour plane journey, travel time would have to go down to three hours, some experts say, leveling the playing field when factoring in the extra time to clear airport security.

By car, the trip can be done in about five hours. But to pry more people away from the door-to-door convenience of car travel you must have frequent trains, at least one an hour, said Burns, the rail consultant. Amtrak currently has six runs a day on the route.

A new generation of bi-level passenger cars for Amtrak's Midwest and California corridors is slated to be built at an Illinois plant operated by the U.S. subsidiary of Nippon-Sharyo, the company that makes Japan's bullet trains. And an entirely new fleet of locomotives also could be on the way, replacing designs that have been based on freight locomotives for decades.

10/22/2012 10:00:00 AM

ARCI: Rail-car orders, deliveries dropped in 3Q

In the third quarter, rail-car orders fell to 15,151 units compared with 16,434 units in the second quarter and 12,473 units in the first quarter, according to the American Railway Car Institute Committee (ARCI) of the Railway Supply Institute Inc. Orders previously totaled 16,434 in fourth-quarter 2011 and 20,165 in third-quarter 2011.

Third-quarter car deliveries totaled 12,346 units, down from 17,927 units in the second quarter and 16,816 units in the first quarter. Deliveries previously totaled 16,693 units and 12,519 units in fourth- and third-quarter 2011, respectively.

ARCI also reports that the rail-car backlog stood at 61,400 units on Oct. 1 versus 58,674 units on July 1, 60,191 units on April 1 and 64,575 units on Dec. 31, 2011.

10/22/2012 12:00:00 PM

U.S. Class I workforce was a bit smaller in September, STB data shows

The U.S. Class I workforce shrank slightly last month. As of mid-September, the large roads employed 160,428 people, down 1.4 percent from August's level, according to Surface Transportation Board data.

On a month-over-month basis, only the transportation (other than train and engine) workforce registered a gain, increasing 2.2 percent to 6,817. Compared with August levels, the number of professional and administrative staff declined 2.2 percent to 13,669; executives, officials and staff assistants decreased 1.8 percent to 9,599; maintenance-of-way and structures employees dropped 1.8 percent to 36,784; transportation (T&E) ranks contracted 1.8 percent to 63,957; and maintenance of equipment and stores workers dipped 0.2 percent to 29,602.

On a year-over-year basis, the total workforce grew slightly, by 0.1 percent. Only two segments posted declines: professional and administrative staff at 1.6 percent, and transportation (T&E) at 0.7 percent. The number of executives, officials and staff assistants expanded 2.8 percent; transportation (other than T&E) workers climbed 1.6 percent; maintenance of equipment and stores employees increased 0.8 percent; and maintenance-of-way and structures ranks rose 0.6 percent.

October 23, 2012

PRESIDENT STANDS UP TO CHINA, FOR AUTO WORKERS

Official Statement of Teamsters General President Jim Hoffa

(WASHINGTON) – "Last night's debate offered a clear view into the differences between President Obama and Mitt Romney on issues of importance to working families. Romney's weak attempts to deflect attention from his positions on China and the auto bailout are just two of the best examples.

"Right now, Mitt Romney's Bain Capital is forcing American workers at Sensata in Freeport, Illinois to train their Chinese replacements as the equipment is boxed up and the plant is moved to China. This isn't the first time a Bain company has been off-shored and it certainly isn't the last.

"And despite his constant equivocations on the campaign trail, Mitt Romney was loud and clear in his opposition to the President's plan to save the auto industry at the time. He said to let Detroit go bankrupt. He didn't stand up for working families then and he isn't standing up for working families now. This is the same Mitt Romney who recently recounted a 'humorous' story about his father shutting down an auto plant and laying off thousands of workers.

"President Obama is standing up to China and stood up for auto workers and working families across our great nation. I applaud him for giving a voice to those who otherwise would remain silent."

Founded in 1903, the International Brotherhood of Teamsters represents 1.4 million hardworking men and women throughout the United States, Canada and Puerto Rico. Visit www.teamster.org for more information. Follow us on Twitter @Teamsters and on Facebook at www.facebook.com/teamsters.

10/23/2012 9:30:00 AM

CN posts solid 3Q financial results, appoints Drysdale as investor relations VP

Strong petroleum and chemicals business, and healthy coal and fertilizer traffic helped propel CN's financial performance in the third quarter.

The railroad's revenue rose 8 percent to $2.5 billion, operating income increased 5 percent to $985 million, net income inched up about 1 percent to $664 million and diluted earnings per share climbed 10 percent to $1.38 compared with third-quarter 2011 results (all figures are in Canadian dollars). In addition, volume increased 3 percent to 1.3 million units.

The Class I's operating ratio rose 1.3 points year over year, but to a still-sterling 60.6.

"CN's focus on operational and service excellence helped the company post a solid third-quarter performance," said CN President and Chief Executive Officer Claude Mongeau in a prepared statement. "We continued to improve service and were able to make solid progress in our key velocity, efficiency and safety metrics across our network."

The Class I registered revenue gains in all seven of its business sectors: petroleum and chemicals, 15 percent to $416 million; coal (driven by metallurgical coal traffic), 13 percent to $187 million; grain and fertilizers, 10 percent to $368 million; automotive, 9 percent to $127 million; metals and minerals, 7 percent to $293 million; intermodal, 6 percent to $510 million;

and forest products, 3 percent to $336 million. In addition, revenue ton-miles rose 7 percent and freight revenue per ton-mile increased 2 percent.

Petroleum and chemicals business primarily was driven by higher shipments of crude oil originating in western Canada, said Mongeau.

"CN's crude oil volume in the quarter rose to a run rate of 40,000 carloads on an annualized basis," he said.

However, quarterly operating expenses climbed 10 percent to $1.5 billion, mainly due to higher labor and fringe benefits, and purchased services and material costs, as well as increased volume-related fuel costs.

Looking ahead to the remainder of 2012 and beyond, CN expects to increase revenue slightly faster than general growth in the North American economy in part because of the railroad's "agenda of supply chain collaboration," said Mongeau, adding that the Class I will accommodate the revenue growth at a "low incremental cost."

"While cautious about the strength of the economy, we see continued opportunities to grow our business in the longer term," he said.

Meanwhile, CN announced today that Janet Drysdale will become vice president of investor relations on Dec. 1 to succeed Robert Noorigian, who plans to retire at year's end.

Most recently director of economics and strategy, Drysdale joined CN in 1996. She has held positions of increasing responsibility in sales and marketing and financial planning, and was a senior investor relations manager for about four years.

Noorigian also joined CN in 1996. He previously was director of investor relations at Southern Pacific Railway and Union Pacific Corp.

"Bob has been a trusted partner and adviser to CN leaders since [1996], and to me personally throughout my entire career at CN," said Mongeau. "He has provided CN valuable guidance regarding our position in international equity markets and deftly managed CN's relationship with investors."

10/24/2012 9:30:00 AM

Weak coal, merchandise volumes too much for NS to overcome in 3Q

Coal volume that tumbled 14 percent year over year hit Norfolk Southern Corp.'s financial results hard in the third quarter. And that impact was exacerbated by a 7 percent drop in export coal traffic and a 1 percent dip in merchandise volume compared with third-quarter 2011 levels, including a 7 percent decline in metals and construction traffic due to weaker highway and commercial construction activity, NS senior executives said yesterday afternoon during a 3Q earnings conference.

Overall, operating revenue declined 7 percent to $2.7 billion, revenue per unit decreased 5 percent to $1,509, volume dipped 1 percent to 1.79 million units, income from railway operations dropped 22 percent to $731 million, net income plunged 27 percent to $402 million and diluted earnings per share fell 22 percent to $1.24. In addition, NS' operating ratio climbed 5.4 points to 72.9.

As NS had announced in late September, third-quarter earnings fell below last year's level primarily because of coal and merchandise volume declines, and lower fuel surcharge revenue, said Chairman, President and Chief Executive Officer Wick Moorman.

"Third-quarter results reflect weak market conditions," he said, adding that record intermodal volumes partially offset the revenue and income declines.

Even frac sand volume declined in the quarter because drilling activity declined in the Marcellus and Utica shales. Active rig counts in Ohio, Pennsylvania and West Virginia dropped 27 percent.

"Low natural gas prices prompted operators to reduce dry gas production," said Executive Vice President and Chief Marketing Officer Don Seale. "The decline is most pronounced in Pennsylvania, which represents our largest market for the Marcellus and Utica shales, where rig counts fell by over 40 percent, or 56 rigs, since the third quarter of 2011."

Despite the weaker top line, NS held down the bottom line as operating expenses increased only about 1 percent to $1.9 billion, primarily because operations are fluid and efficient, said Moorman.

"While productivity-related efficiency enabled us to do a good job of expense control as related to inflation, the decrease in these expenses, obviously, could not offset the revenue declines," he said.

By sector, coal revenue tumbled 22 percent to $701 million, general merchandise revenue dipped 1 percent to $1.4 billion and intermodal revenue rose 3 percent to a quarterly record $567 million as intermodal volume increased 5 percent to a quarterly record 867,100 units. Ongoing highway conversions and tightening truck capacity helped drive domestic intermodal business, said Seale.

Soft traffic in September accounted for more than 90 percent of the entire third-quarter volume decline as coal and merchandise carloads materially weakened through the month, he said. Those weakening trends likely will carry over through the foreseeable future, said Seale.

"We expect that volume trends in the fourth quarter will be somewhat reflective of those we saw in September, as we work our way through material softening in several of our key markets," he said.

Although the headwinds NS is facing will continue "largely unabated" through the fourth quarter and into the first half of next year, senior execs are optimistic about the railroad's prospects, said Moorman.

"While our outlook for the next few quarters is guarded, over the longer term, we feel confident that we can continue to deliver high levels of service to our customers and superior returns to our shareholders," he said. "We remain focused on controlling costs while continuing to …

invest in projects that will support future growth."

NS also announced that it topped all railroads in the 2012 *Newsweek* Green Rankings released this week and moved up 217 spots from its 2011 ranking to 181 on *Newsweek*'s U.S. 500 list. The Class I also ranked eighth on the U.S. transportation and logistics sector list and was 300th on the Global 500 list. All the rankings recognize companies' environmental efforts.

The U.S. transportation and logistics sector list also includes Union Pacific Railroad at No. 10 (and No. 246 on the top 500 list) and CSX Corp. at No. 11 (and No. 253 among the top 500). United Parcel Service tops the sector list, which also includes J.B. Hunt Transport Services at No. 18.

10/24/2012 10:00:00 AM

CP: 3Q financial results show 'momentum is building'

Canadian Pacific released its third-quarter financial results this morning and the figures drive home one overriding theme, according to senior executives: Progress is under way.

Total revenue rose 8 percent to $1.5 billion, operating income increased 6 percent to $376 million, net income jumped 20 percent to $224 million and diluted earnings per share climbed 18 percent to $1.30 compared with third-quarter 2011 results (all figures are in Canadian dollars). In addition, volume increased 3 percent to 687,000 units and the operating ratio dropped 1.7 points to 74.1.

"Momentum is building at Canadian Pacific. We have implemented new services, closed terminals and certain yard operations, and we've put a new leadership team in place," said CP President and Chief Executive Officer E. Hunter Harrison in a prepared statement.

In terms of freight revenue by sector, automotive revenue soared 31 percent to $105 million, industrial and consumer products revenue climbed 24 percent to $329 million, coal revenue rose 10 percent to $161 million, intermodal revenue increased 7 percent to $363 million, grain revenue inched up 2 percent to $296 million, sulphur and fertilizers revenue plunged 19 percent to $111 million and forest products revenue declined 4 percent to $49 million.

Operating expenses increased 6 percent to $1.1 billion primarily because of higher compensation and benefits, purchased services and depreciation/amortization costs. Fuel costs fell from $238 million in the year-ago period to $232 million.

"The team has made significant progress on operational improvements, controlling costs and on delivering results. And this is just the beginning," said Harrison.

10/25/2012 9:30:00 AM

STB blesses BNSF's plan to purchase Nebraska Northeastern line

On Oct. 18, the Surface Transportation Board (STB) issued a decision that allows BNSF Railway Co. to acquire and operate a 120.4-mile line between Ferry Station and O'Neill, Neb., that's owned by Nebraska Northeastern Railway Co., subject to standard employee protective conditions.

BNSF entered into a purchase agreement with Nebraska Northeastern in July through which the Class I would reacquire the line — which formerly was owned by the Burlington Northern Railroad — and recommence common-carrier operations on it.

Purchasing the line from Nebraska Northeastern would strengthen the Class I's agricultural products franchise in the region, BNSF officials said in their STB filing. About 99 percent of the short line's traffic consists of grain or grain products, according to the Class I. Nebraska Northeastern also serves three major ethanol production facilities.

Two shippers transport goods on the line under BNSF's grain-shuttle program, which enables shippers to transport dedicated 110-car unit grain trains between their facilities and the railroad's grain shuttle destination network.

"BNSF asserts that integrating [Nebraska Northeastern's] operation … would produce a seamless operation for shippers, allowing them to take full advantage of BNSF's exclusive destination network for grain and grain products," STB officials wrote in the decision. "BNSF also claims that it would be able to improve service to shippers by removing the Sioux City-area interchange with [Nebraska Northeastern], thereby eliminating interchange costs and any associated delays."

BNSF plans to selectively increase train speeds on the line from 10 mph to 25 mph by replacing older rail. Higher train speeds, along with a plan to originate and terminate all operations on the line out of the Class I's Sioux City yard, would allow traffic on the route to make faster and more efficient connections to BNSF trains in Sioux City, BNSF officials said.

The STB's exemption for the transaction takes effect on Nov. 17. Petitions to stay must be filed by Nov. 2 and petitions to reopen the proceeding must be filed by Nov. 13, according to the STB.

Breaking News Alert
The New York Times
Friday, October 26, 2012 -- 8:41 AM EDT

U.S. Economy Grew at 2% Annual Rate in 3rd Quarter

The United States economy grew at a annual rate of 2 percent in the third quarter, as more positive consumer activity and a ealthier housing sector outweighed the effects of the drought, caution on the part of businesses and weaker exports.

The new figure, released by the Commerce Department on Friday, is the government's first estimate of growth in the third quarter. The economy grew at a 1.3 percent pace of growth in the second quarter of 2012, and by a 2 percent rate in the first quarter.

The report, stronger than expected, came amid fears that companies are clamping down on pending in the face of fiscal uncertainty in Washington, a recession in parts of Europe and a deceleration in demand from China. Some economists fear all these factors will keep a lid on any pickup in growth in the final quarter of 2012 and the first quarter of 2013.

No Denial: 'Son Of Detroit' Profited from Bailout - and Jobs Shipped to China

By Joe Conason

October 26, 2012

"I'm a son of Detroit. I was born in Detroit. My dad was head of a car company. I like American cars," said Mitt Romney on Monday night when he met with President Obama to discuss foreign policy. "And I would do nothing to hurt the U.S. auto industry."

That might be considered true — unless moving the most important American auto parts manufacturer to China counts as hurting the U.S. auto industry. But those words now stand as one of Romney's most glaring falsehoods in the final debate.

Romney's defensive statement came in response to a remark by Obama noting that the Republican nominee is "familiar with jobs being shipped overseas because you invested in companies that were shipping jobs overseas." Moments later, he added: "If we had taken your advice, Governor Romney, about our auto industry, we'd be buying cars from China instead of selling cars to China."

Most viewers had little idea what Obama was talking about or why Romney felt the need to rebut him so specifically. But their coded exchange almost certainly referred to an investigative report that broke wide on the Internet, without much attention from the mainstream media so far — Greg Palast's article in The Nation magazine, exposing Romney's huge profits from Delphi, a crucial auto parts company, that moved nearly all of its jobs to China after taking billions in auto bailout moneyfrom the Treasury.

As Palast reported, the Romneys made millions from that intricate deal, put together by one of his main campaign donors, billionaire investor Paul Singer — through a "vulture fund," known as Elliot Management. Having bought up Delphi at fire-sale prices, Singer and his partners essentially blackmailed the Treasury into paying them billions so that Delphi would keep supplying parts to General Motors and Chrysler.

They stiffed the company's pensioners, pocketed the bailout funds and moved all but four of the firm's 29 plants to China.

The neglect of the Delphi story by mainstream and even progressive outlets such as MSNBC has been remarkable, particularly because neither Romney nor his campaign has denied it. If anything, a statement issued by the campaign to The Hill, a Washington publication, seemed to confirm Palast's reporting by attempting to deflect blame onto the Obama administration: Romney's campaign did not deny that he profited from the auto bailout in an email to The Hill Wednesday afternoon, but it said the report showed the Detroit intervention was "misguided."

"The report states that Delphi had 29 U.S. plants before the misguided Obama auto bailout and just four after. Is this really what the president views as success?" Romney spokeswoman Michele Davis said.

"Mitt Romney would have taken a different path to turning around the auto industry," Davis continued. "As president, Mitt Romney will create jobs and give American workers the recovery they deserve."

Taking Delphi bankrupt under the management of Singer and Romney's other partners didn't create jobs or security for Delphi's American workers. After taking nearly $13 billion in bailout financing from the Treasury — with the support of Rep. Paul Ryan, who has also received generous support from Singer — the new Delphi management abrogated the company's pensions, closed all those U.S. plants and moved production to China. And so far, Romney has escaped any questions about why he and Ann Romney invested their millions with vulture investors who used taxpayer funds to destroy American jobs.