editorial opinion

Dodge Main closing: Tip of recession's iceberg

The showroom was devoid of humanity. New, finely waxed autos glistened under the lights. The quiet was deafening. This was Dodge country.

Out from his office hobbled a very young salesman on crutches. We stood together gazing at the large luxurious St. Regis like two persons reminiscing over an old friend's grave.

The scene seemed frighteningly appropriate considering the financial state of Chrysler Corporation.

After a few minutes of bantering and some typical car buyer questions, the talk got down to money.

"I'll knock $1,000 right off the top," said the salesman. "Then we can go down from there."

LATER I LEARNED he hadn't sold a car for nearly a month. I also learned that I was the first person to drop by since 4 p.m. It was 8 p.m. when I walked through the door.

The potential demise of Chrysler is a sad and unnecessary tale. But come the end of this month, if Congress recesses without approving a financial aid package, the No. 3 American auto maker will be only a memory. It will be only a matter of time.

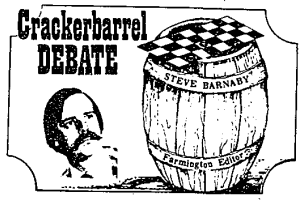
The early closing of the Dodge Main plant in Hamtramck tells us that. It is only the beginning of the financial woes that this state will see in the coming year.

We all will suffer. Just take a look at the facts as compiled in congressional hearings.

A COMPLETE SHUTDOWN of Chrysler would cost the state $57 million a year in increased public assistance payments, for starters.

Chrysler employs 51,000 workers in the city of Detroit, or about 12 percent of the city's total labor force. Of those, 37,000 are Detroiters, or 6.2 percent of all employed Detroiters.

Statewide, 73,000 current employees would lose their jobs with a resulting loss in payroll of $2.4 billion annually. Also statewide, 166,000 indirect jobs that are dependent on Chrysler would be lost.



There would be, at a minimum, an $11 billion reduction in the state's gross annual product. More than $3 billion in new capitilization would have to be brought into Michigan to reestablish a Chrysler-sized operation.

Local and state tax revenue loss would equal approximately $225 million the first year in income tax losses, decreased single business taxes and decreased sales tax revenues.

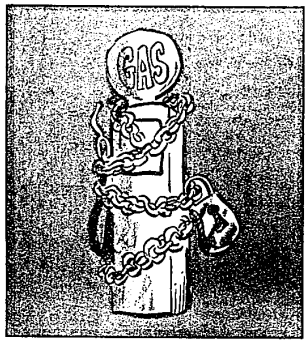
Detroit's tax base would be devastated. And suburbanites know that what happens to Detroit has a direct impact on their pocketbooks.

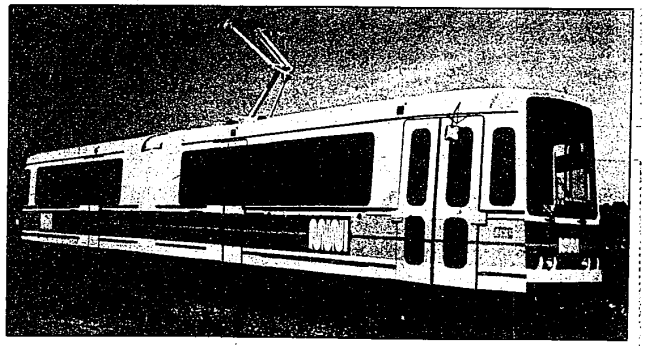
The 37,000 Detroiters who work for Chrysler paid $11.7 million in 1978 in income taxes to Detroit. This represented 8.8 percent of total income tax collections in 1978. Direct taxes to the city would be reduced by $31 million. This represents 8.6 percent of Detroit's annual tax revenue of $358 million.

MEANWHILE, THE obstinate free enterprisers keep turning the screws tighter — all in the name of the great American way of business. It is just baloney. Free enterprise is a myth.

But what isn't a myth is the ruin this state will find itself in if Congress doesn't come through for Michigan.

Transit line should be X-1 subway





Rapid transit deserves more serious thought than "It'll cost too much" or "Save Detroit."

Subway plans being pondered by the Southeastern Michigan Transportation Authority must be considered in context.

The handwriting is on the wall:

- Gasoline prices, which have practically tripled in six years, are likely to rise more. Land use plans can no longer be designed around 35-cent-a-gallon gasoline.
- Population in most southeast Michigan communities is stable or shrinking, figures from the Southeastern Michigan Council of Governments show plainly. "Growth" is largely an illusion.
- As a region, we have been following a "scorched earth" policy — abandoning school buildings, houses, churches, plants, sewer and water lines behind us and paving over farmland.

In short, the post-World War II boom — based on high population growth, cheap fuel, 5 percent mortgages and soaring productivity — is already over. The changes we face are profound and many.

Some of those changes involve regional public transportation.

THE SOUTHEASTERN Michigan Transportation Authority is due next week to adopt a 1990 public transportation plan. A cautious, moderate SEMTA board is aiming at a cautious, moderate goal — 5 to 8 percent of our trips by a public conveyance.

There is little controversy about most of the plan — traditional buses, light buses, commuter rail service, even the downtown people mover.

The thunder and lightning seem to be aimed mostly at a light rail plan for the Woodward corridor and whether some or all of it should be underground.

In our mind, the case for building an electric light rail line and placing it underground from downtown to McNichols is overwhelming.

This alternative, known as "X-1," makes far more sense than the M-1 subway-aerial plan tentatively approved by the SEMTA board. It is vastly superior to the other alternatives, which call for building at street level.

Again, the X-1 plan must be viewed in context. It is phase I of a transit line that should ultimately be extended into Oakland County. And other rapid transit lines in the northeast and western corridors should be considered for the 1990s and the early 21st century.

THE WOODWARD corridor was selected because, well, you have to start someplace, and it already has the most intense bus usage.

Many of us have ridden or remember the old Woodward streetcar. It was a relatively fast, pleasant ride, but the tracks did disrupt auto traffic; people and autos did get hit. Drive Woodward today between Grand Boulevard and McNichols and imagine eating up two lanes with rails and stations. No way.

Our sister suburb of Highland Park objects vehemently, and with good reason, to the aerial line visualized in the M-1 alternative. Again, the best argument is to drive the route and imagine an elevated line. No, the line shouldn't be elevated.

Instead, the line should be underground, out of the weather, out of the traffic, free to hit top speed 12 months of the year. And it so happens that Woodward is built on a gravel glacial deposit that would be fairly easy to drill through during construction — no blasting through rock, as in New York, Washington and San Francisco.

The station plans we have seen are design masterpieces for a) cheapness of operation and b) public safety. SEMTA's subway would be safer than street corner bus stops, even safer than your own car.

WE HAVE HEARD a lot about spending too much on the transportation plan. The real danger is that we might spend too little on public transit.

The entire X-1 package — big buses, little buses, trains, people mover and light rail line — carries a pricetag, in inflated dollars, of $1.4 billion.

That amounts to about $350 per person in the region, and over a decade. Contrast that to the $5,000 to $10,000 pricetag for a car. And bear in mind that *not* developing the transit system will *not reduce taxes.*

We will have to pay some operating taxes. The price tag, whether we use only buses or move forward into rapid transit, will be $66 million a year by 1990. That's $13 or $14 a person annually, or less than one tank of gasoline today.

THE SEMTA BOARD, however, must consider politics, too, when it adopts a 1990 plan.

No 1990 plan should be finally approved until there is clear progress toward SEMTA's absorption of the D-DOT, the Detroit bus system. Two overlapping bus systems are wasteful.

And we strongly suspect complaining Detroit bus riders would be better served by SEMTA's prompt and well-maintained buses than by the present D-DOT.

There should be clear agreement that the Woodward line will be extended to completion before other rapid transit lines are started inside Detroit.

Finally, apportionment of the SEMTA board must be on the constitutional basis of "one person, one vote."

Our region cannot afford to mourn for the bygone days of cheap land, cheap gasoline and cheap money. We need to move toward 1990 with the X-1 subway, commuter rail and bus plan.

We are already years behind.

Cheaper from Taiwan

the stroller

W.W. Edgar

Just a few weeks ago, The Stroller was invited by a relative to tour a small manufacturing plant he was managing up along the St. Clair River.

It had been years since The Stroller had as much as stuck his head in a machine shop.

As a young fellow he had been employed in the shops back home, but one morning, after a rather rugged time on the night shift, he had closed his tool box. That morning he opened a window and tossed the tools into the Lehigh River, vowing never again to work in a machine shop.

So it was with some curiosity that The Stroller accepted the invitation. He was anxious to see what changes had taken place in the past half century. He was especially anxious to see a motor lathe of the type he had operated so long ago.

He had been on the tour only a few moments when he spotted a shiny new machine off in a corner. It was the latest model lathe.

"It's brand new," my guide said. "We just purchased it from Taiwan."

"TAIWAN?" The Stroller asked in surprise. "Why did you have to go all the way over there for it?"

"We could have purchased it over here," he answered, "but the workmanship would not have been as good, it would have been more expensive and we would have had to wait months for delivery. From Taiwan we got it right away."

What a shock. But that was not all. As we toured this thriving little plant, The Stroller was shown all sorts of modern machinery, most of it imported from across the seas.

This set The Stroller to wondering: could this importing of machinery be part of the rason for the long lines of unemployed in this country?

So he decided to keep his eyes and ears open.

IF THE IMPORTED machinery in the little shop was a shock, he was due for some more.

Strolling along one of the wide aisles of a shopping center one day, he came across a display of men's shoes. They were the most modern with the high wooden heels, and he wondered where they were made.

Stamped on the space between the heel and the sole were the words "Made in Taiwan."

Later on, growing more curious, he found all sorts of items — shirts made in the Middle East, silks from Hong Kong and all sorts of dinner ware — all stamped "made in Japan."

IT WAS SIMILAR in the radio and television department. The most modern TV sets came from Japan. So did the calculators.

Up to now he hadn't paid much attention to the new model autos. But with his curiosity aroused The Stroller began to take notice of the number of foreign cars on the highways. And magazine ads tell how much more efficient the little foreign cars are and how much more mileage they get.

As he paged through the magazines, he recalled his tour of the little shop up on the St. Clair, and the shoe display in the shopping center. He couldn't help wondering what had happened to "American know-how."

It used to be that the United States showed the way to the world. Somehow things have changed and such tabs as "Made in Taiwan" or "Made in Japan" have taken over.

It's no wonder the lines of unemployed in this country are growing longer.

Those sick latecomers

by HENRY M. HOGAN JR.

No matter what society does in the way of laws, rules or tradition, there will always be someone who arrives late.

As ironic as it may seem, society encourages people not to arrive on time. It is proper to be socially late at a party so as not to be the first to arrive (although someone has to be first), yet it wastes the time of those who are trying to make the most of their time.

I once thought the late comer was an arrogant person who felt his time was more important than other people's, so if he arrived late he was maximizing his time while wasting others'.

AFTER STUDYING the problem, I finally decided it was a disease. Most late comers are unaware of the inconvenience they cause. It is not usually an overt, conscious act.

But for some reason, it is always the same people who run into accidents or have other excuses which justify, to them, their habitual, untimely arrival.

Because they have a disease, we should treat late comers kindly.

We probably should even set up a fund to investigate why some people are late-prone.

This will give science an opportunity to tell us that it is somehow related to our early toilet training.

To finance the research, we could do a couple of things. We could have a $100-a-plate ball, which would serve a late supper. We could also send out a fund letter which included little seals that contributors could paste on the backs of letters directed to habitual late comers.

Instead of Christmas or Easter seals, we could call them New Orleans seals, in honor of the famous battle that took place in the South several days after the War of 1812 ended. You see, the message that the war was over was late in arriving.

WE COULD set up LA. This group would comfort the habitual late comer when he got the urge to be "just a little bit late." LA would stand for Late comers Anonymous.

We could get the watch industry to manufacture watches that are always 10 minutes fast so that late comers could be fooled into arriving promptly.

The research possibilities in the field are unlimited.

It is high time we devoted our energies to efforts that really counted. If we could cut down every late coming by five minutes, we would be able to accomplish in a seven-hour day that which now takes eight hours.

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