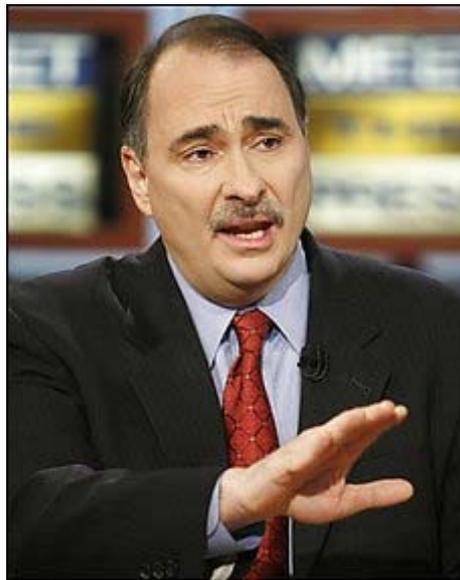


White House won't appoint a 'car czar'

Kendra Marr and Neil Irwin



In this photograph provided by "Meet the Press," White House senior adviser David Axelrod appears on "Meet the Press" Sunday, Feb. 15, 2009, at the NBC studios in Washington.

(AP Photo/Meet The Press, Alex Wong) (Alex Wong - AP)

As major U.S. auto companies approach a crucial deadline for submitting a plan to save themselves, the Obama administration has elected not to name any individual car czar to oversee their restructuring, instead planning to rely on a range of senior officials.

General Motors and Chrysler, which received \$17.4 billion in federal loans last year, are required to submit so-called viability plans tomorrow, which will help shape the terms of any future government, though they have not reached agreement on concessions from their bondholders and United Auto Workers that would be key to developing a long-term business plan.

The Bush administration had indicated an inclination to appoint a car czar, or senior government official to negotiate between the automakers and other parties involved.

The Obama administration will has decided to go a different direction, a senior administration official said last night, instead naming Treasury Secretary Timothy F. Geithner to oversee a broad effort including many parts of the government to manage the automakers' restructuring.

The official said that Ron Bloom is joining the Treasury Department as a senior adviser, and will play a major role representing the government.

Bloom was once a corporate restructuring expert with investment bank Lazard Freres and with labor unions. He more recently has advised the U.S. Steelworkers.

The Obama administration officials involved intend to work through the companies' restructuring proposals in the coming weeks, demanding progress before the end of March, the official said.

Making the rounds on the morning news talk shows yesterday, White House senior adviser David Axelrod called for a broad restructuring of the auto industry.

"We need a thriving auto industry in this country," Axelrod said on "Fox News Sunday." "There are millions of jobs that rely on it, not just in the auto industry itself, not just in the Big Three, but in all kinds of related spinoff businesses. So we have a vested interest in seeing the auto industry continue."

GM and Chrysler are racing to finalize their plans but have yet to reach agreements on concessions with bondholders and the UAW.

Talks with the union broke off Friday before the two sides resumed negotiations yesterday afternoon.

"Chrysler LLC is currently meeting with the UAW. The Company is working diligently on its viability plan and will submit it by its deadline on February 17," spokeswoman Shawn Morgan said in a statement. GM declined to comment on the talks.

Failure to win concessions, and obtain government aid, could force the firms into bankruptcy.

In an interview on NBC's "Meet the Press," Axelrod said any restructuring is "going to require sacrifice not just from the autoworkers, but also from creditors, from shareholders and the executives who run the company, and everyone's going to have to get together here to build companies that can compete in the future."

Detroit's auto executives have previously ruled out Chapter 11 restructuring, saying people would not buy cars from a bankrupt company.

Facing the lowest U.S. vehicle sales in more than two decades, GM and Chrysler are battling a steep decline in consumer confidence.

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