



Reckoning to Revival

How American Workers
Rebuilt an Industry

Keith Naughton, Bloomberg News

RECKONING TO REVIVAL

Since 1996, Bloomberg Press has published books for financial professionals, as well as books of general interest in investing, economics, current affairs, and policy affecting investors and business people. Titles are written by well-known practitioners, BLOOMBERG NEWS® reporters and columnists, and other leading authorities and journalists. Bloomberg Press books have been translated into more than 20 languages.

For a list of available titles, please visit our Web site at www.wiley.com/go/bloombergpress.

RECKONING TO REVIVAL

How American Workers Rebuilt
an Industry

Keith Naughton
Bloomberg News

WILEY | Bloomberg
PRESS

Cover image: Floto + Warner:OTTO

Copyright © 2014 by Bloomberg L.P. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey.

This work was previously published by Bloomberg News in 2013 and 2014.

Published simultaneously in Canada.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the Web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit www.wiley.com.

Library of Congress Cataloging-in-Publication Data:

ISBN 978-1-118-93657-3 (ePDF)

ISBN 978-1-118-93656-6 (ePub)

ISBN 978-1-119-04673-8 (e-eMobi)

ISBN 978-1-119-04674-5 (e-ePub)

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1

Contents

INTRODUCTION	
How U.S. Workers Rebuilt an Industry	vii
CHAPTER 1	
Buckle Up: The Potholes Stay Where They Are	1
CHAPTER 2	
Off-Road: The SUV's Ride from Peak to Valley	7
CHAPTER 3	
Recalculating: Failed Talks and an Italian Wedding	11
CHAPTER 4	
Rearview: Obstacles Closer Than They Appear	17
CHAPTER 5	
Done Dealership: Collateral Damage to a War Hero	21
CHAPTER 6	
Idling: Father and Son Live Through Layoffs	25
CHAPTER 7	
Recall: Insourcing Workers from Detroit	29
CHAPTER 8	
Trim: Moving the Assembly Line Outside	33
CHAPTER 9	
High Gear: A New Jeep Every Minute	39
CHAPTER 10	
Differential: The Divide over Wages	45
CHAPTER 11	
Ignition: "Isn't That What America Is All About?"	51
Post-Crash Site: Five Scenes of a New Life	55
Index	63

