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2008's biggest business stories

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The near-collapse of the domestic auto industry leading to a dramatic federal rescue topped the list of most important Michigan business stories of 2008.

A Free Press panel of business and economic experts ranked the credit crunch and related collapse in housing values as the second-most important Michigan business story of the year.

The panel ranked the plunge in stock market values as the third-most important business story touching Michigan this year.

Only one news story won the unanimous votes of all judges, and that was the ongoing fight for survival of General Motors Corp., Ford Motor Co. and Chrysler LLC in the wake of a national recession and collapse in auto sales.

The automotive troubles led to a dramatic showdown in Washington, D.C., in which the Detroit Three CEOs pleaded for aid, and in turn were scolded by members of Congress for, among other reasons, flying in corporate jets for their first appearance.

When Congress balked at providing aid to the automakers, President George W. Bush directed the granting of loans this month to GM and Chrysler. Ford has asked only for access to credit if needed, something that has not been addressed, but the story continues into 2009.

The panel's consensus choices rounding out the top five business stories of the year were the State of Michigan's ongoing budget woes, including the unpopularity of the new Michigan Business Tax, and the further erosion of Michigan's labor markets that saw the state's unemployment rate rise to 9.6% in November.

The Free Press panel of experts this year included portfolio manager David Sowerby of Bloomfield Hills-based Loomis Sayles & Co.; Ken Rogers, executive director of Troy-based Automation Alley, an economic development agency; Sarah Hubbard, vice president for governmental relations of the Detroit Regional Chamber; Patrick Anderson, a consultant with the East Lansing-based Anderson Economic Group; William Morris, lecturer at the U-M-Dearborn School of Management; Charles Ballard, professor of economics at Michigan State University, and Dana Johnson, senior economist of Comerica Inc.

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