

Something's Rotten in Hondo

George Mackee thought of himself as bright, energetic and with lots of potential. "So why is this happening to me?" he thought. George, with his wife, Mary and his two children, had moved to Hondo, Texas, from El Paso four years earlier and was now the manager of the Ardnak Plastics plant in Hondo, a small plant that manufactured plastic parts for small equipment. The plant employed several hundred workers, which was a substantial portion of the population of Hondo. Ardnak Plastics Inc, had several other small plants the size of Hondo's. George had a good relationship with Bill, his boss, in Austin, Texas.

THE EMISSIONS PROBLEM

One of the problems George's plant had was that the smokestack emissions were consistently above EPA guidelines. Several months ago, George got a call from Bill stating that the EPA had contacted him about the problem and fines would be levied. George admitted the situation was a continual problem, but because headquarters would not invest in new smokestack scrubbers, he didn't know what to do. Bill replied by saying that margins were at their limits and there was no money for new scrubbers. Besides, Bill commented, other plants were in worse shape than his and they were passing EPA standards.

A QUESTIONABLE SOLUTION

George ended the conversation by assuring Bill that he would look into the matter. He immediately started calling his contemporaries at other Ardnak plants. He found they were scheduling their heavy emissions work at night so that during the day, when the EPA took their sporadic readings, they were within standards. George contemplated this option, even though it would result in increasing air contamination levels.

THE DOUBLE BIND

A month went by, and George still had not found a solution. The phone rang; it was Bill. Bill expressed his displeasure with the new fines for the month and reminded George that there were very few jobs out in the industry. That's when Bill dropped the whole thing into George's lap. Bill had been speaking to the Mexican government and had received assurances that no such clean air restrictions would be imposed on Ardnak if they relocated 15 miles south of Hondo in Mexico. However, Ardnak must hire Mexican workers. Bill explained that the reason for relocating would be to eliminate the EPA problems. Bill told George he had one week to decide whether to eliminate the fines by correcting the current problems or by relocating.

George knew that relocating the plant on the Mexican side would devastate the infrastructure of the city of Hondo and would continue to put contaminants into the air on the U.S. side. When he mentioned the possibility to Mary, she reinforced other concerns. She did not want him to be responsible for the loss of jobs of their friends and extended families.