

Anaconda 'Mothballs' 95-Year-Old Smelter

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ANACONDA, Mont. (UPI) — Townspeople in this western Montana town of 9,000 were stunned today by the Anaconda Copper Co.'s announcement that it was shutting down a 95-year-old smelter — the area's chief industry.

"It's a sad situation," said Gene Lutey, president of the Anaconda Chamber of Commerce.

Four-fifths of the jobs in Anaconda are linked to the 95-year-old smelter that is to be "moth-balled and maintained," according to a company announcement at a Helena news conference Monday. Lutey said he wouldn't be surprised if 90 percent of Anaconda's businesses go bankrupt because of the decision.

Monday's announcement "stunned" Lutey, he said, and apparently hit thousands of others the same way, including Montana's government leaders.

"I am shocked and angered that the Anaconda Company has pulled the plug on communities where it has operated profitably for almost 100 years," said Lt. Gov. Ted Schwinden, who was serving as acting governor when he got the news Monday morning.

"This difficult decision," said the otherwise matter-of-fact company announcement, was reached after "exhausting every option available" to bring the Anaconda smelter into compliance with clean-air standards.

James L. Marvin, president of the company that was bought by Atlantic Richfield Co. in 1976, said the cost of achieving environmental compliance would be "prohibitive."

"The agonizing facts are we see no viable option at this time, other than to suspend operations at these two locations" — the smelter in Anaconda and an electrolytic refinery in Great Falls.

Fifteen hundred workers — 1,000 at Anaconda, 500 at Great Falls — will lose their jobs because of the closures.

They will be afforded severance and pension benefits, Marvin said, and a \$5 million "community readjustment fund," at the company's expense, will be used to help the impacted communities.

"The management of Anaconda delivered the worst possible news," Schwinden remarked after he learned first-hand from company officials of the planned pullout. Marvin and others represent-

ing the copper firm met with Schwinden at the Capitol in Helena only an hour before the public announcement at the 25-minute news conference.

Schwinden accused the company of a "failure to reinvest a portion of the billions it has earned in Montana ..."

"For years," he said, "the company took the money and ran. The decision today is literally a tragic chapter in the long history of industrial exploitation of the people and resources of Montana."

The Anaconda Co. was formed in Montana after the discovery of copper at Butte nearly 100 years ago. The company's influence was such that it was instrumental not only in the state's economy but also in its politics: Winners of important elections often had the company's backing.

As late as the 1950s, the Anaconda Co. owned newspapers in four of Montana's five largest cities.

That is all changed.

"We're dealing with an oil company now," is how Rep. Pat Williams, D-Mont., sees it. "And I'm not sure ARCO can find Montana on a map."

Williams grew up in the nearby copper-mining town of Butte.