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 Com­
merce.

Four-fifths of the jobs in
Anaconda are linked to the
95-year-old smelter that is to
be "moth-balled and main­
tained," according to a com­
pany announcement at a
Helena news conference Mon­
day. Lutey said he wouldn't
be surprised if 90 percent of
Anaconda's businesses go
bankrupt because of the de­
cision.

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

"I am shocked and angered
that the Anaconda Company
has pulled the plug on com­
unities 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 morn­
ing.

"This difficult decision," said
the otherwise matter-of­
fact company announcement,
was reached after "exhaust­
ing 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 "pro­
hibitive."

"The agonizing facts are we
see no viable option at this
time, other than to suspend
operations at these two loca­
tions" — 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 readjust­
ment fund," at the com­
pany's expense, will be used
to help the impacted com­
unities.

"The management of
Anaconda delivered the worst
possible news," Schwinden
remarked after he learned
first-hand from company of­
ficials 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 Mon­
tana ..."

"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 com­
pany's backing.

As late as the 1950s, the
Anaconda Co. owned
newspapers in four of Mon­
tana'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.