

SOLAR MAKER'S BANKRUPTCY CASTS SHADOW ON OBAMA VISION (dpa) - Along the famed 880 freeway that defines the eastern edge of Silicon Valley, the gleaming black glass buildings of Solyndra have long symbolized the high tech region's love affair with the next wave of clean energy innovation. Cars filled the parking lot late at night and on weekends, as workers toiled away in the sprawling offices and hulking fabrication plant, hoping that the company's thin-film silicon technology would vault Solyndra to the top of the world solar league ahead of rivals from China and their cheaper photovoltaic modules. Lots of people bought into the Solyndra dream including venture capitalists who invested an estimated 1 billion dollars in the company. More importantly, US President Barack Obama chose Solyndra as a poster child for his ideas about how a high-tech clean energy sector could lead the US from its economic doldrums. He visited the impressive plant in May 2010 and authorized more than 560 million dollars in guarantees for the sexy solar start-up. This week, it all went wrong. On Wednesday, the company announced it was declaring bankruptcy, firing 1,100 workers and suspending operations immediately. "Despite strong growth in the first half of 2011 and traction in North America with a number of orders for very large commercial rooftops, Solyndra could not achieve full-scale operations rapidly enough to compete in the near term with the resources of larger foreign manufacturers," the company said. "This competitive challenge was exacerbated by a global oversupply of solar panels and a severe compression of prices." Meanwhile, Obama is set to unveil his job creation plans to Congress on September 8, in an attempt to recast the economic debate ahead of his 2012 re-election campaign, which looks to be a long road with unemployment stubbornly lingering around 9 per cent. "It is clear that Solyndra was a dubious investment," Congressman Fred Upton of Michigan and fellow Representative Cliff Stearns of Florida said in a joint statement. The company "is just the latest casualty of the Obama administration's failed stimulus." It wasn't just opposition politicians who were moaning. "This points to the continuing and festering problem in our country: complete atrophy of the manufacturing muscle," wailed one reader in a local Silicon Valley newspaper. Obama spokesman Eric Schultz insisted that the president's clean-energy jobs policy remains viable despite the Solyndra debacle.