

## **TIME FOR CHANGE.....**

### **The Bush legacy - economic decline.**

Watching the primary election activities during the last weeks, I have gained confidence that America will finally emerge from the morass of the last seven years. Hopefully there will be a major change and the U.S. will regain the respect of the world that has been lost due the policies of the present administration.

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- [Exporting our jobs - Walmart the worst](#)
- [The Bush legacy](#)
- [Worst president?](#)

**In particular I am encouraged by the interest being shown by young people**, by their participation in the debates and actually turning out to vote, first in Iowa. then in New Hampshire, then in all the following primaries. It was reported that overall participation in the debates and the caucuses (in Iowa) and in the primary elections was much higher this year than in any preceding primaries. It was interesting that in most states the votes cast in the Democratic primaries were double those cast for all Republican candidates. I hope that this new political awareness will continue through the coming elections and on into the future. I believe that the low participation of younger voters and of the independents in the 2004 elections was the major reason for the re-election of George Bush in 2004, particularly in view of the high turnout of Christian fundamentalists in the key states of Ohio and Florida.

**One cannot blame congress and government for everything negative** that is happening to the nation as a whole. **Every one of us bears some responsibility.**

Compared with Europeans, Americans have a much lower attachment to the nation as a whole. For example, Americans rarely look at labels of origin when buying anything, whether high dollar items such as cars, or low value items like lingerie or shirts. All they are interested in is the price tag. Most American companies are interested only in short range profits, they do not consider any long range effects of their decisions. These attitudes have attributed significantly to the loss of American jobs, the closing of American companies, and the disastrous increase in the **negative balance of trade, now running at over 750 BILLION dollars per year.** It's hard to believe that in 1975 the US balance of trade was still a positive 12 Bln\$, the following year it slipped to negative 6 Bln\$ and has been getting progressively worse ever since.

In contrast European and Japanese consumers tend to buy locally produced goods whenever possible. European and Japanese companies pay much more attention to long term effects, invest heavily in research and normally avoid rash short term decisions. Agreed, the manufacture of labor-intensive products, such as printed circuit boards or clothes have always tended to shift to places where wages are lower. But shifting the manufacturing of low labor content products, such as plastic or metal extrusions, makes little sense. Unfortunately, tax incentives that were originally intended to encourage American exports, now provide American companies with incentives to move operations offshore. They need to be repealed, or at least modified.

**Germany is a country with high labor costs, but manufacturing companies are presently booming there** and they are hiring new employees. Contrast that with the USA!. Even when German companies move high labor content jobs out of Germany, they usually move them to

countries close by, such as Romania or Turkey, countries that purchase German products in large quantities. For America it makes sense to build manufacturing plants in Central and South America, because increasing those economies helps the American economy as well. Instead American companies are now closing plants that they had built in Mexico and moving operations to China to gain a couple of extra points in their short-term profits. Long range this is ridiculous. Already manufacturing costs in China are increasing and any short term advantage will soon be lost.

The present Republican administration has done its part to encourage the loss of manufacturing jobs by encouraging imports, reducing import barriers, cutting back on customs and FDA inspectors.

No wonder we have suffered recently from a rash of recalls of contaminated foods, poisonous drugs and defective toys. The administration has not increased any tariffs on Chinese goods to pressure China to reduce its high tariffs on American products, or to force compliance with American product specifications. Contrast that with the Bush administration's angry reaction to French opposition to the invasion of Iraq - it immediately imposed a tariff on many French products!

Both Bush and Cheney have publicly praised **Walmart** holding the company up as an example of a good American business, not paying any attention to Walmart's poor labor relations or that Walmart itself is the largest single importer of Chinese products - accounting for 12% of all American imports. Currently Walmart alone imports from China more than Germany, Holland and Belgium combined! This does not include all the imports of Walmart's suppliers - American owned companies that have been forced to move production operations to China because of Walmart's predatory purchasing practises. Walmart has done more than any other company to close American manufacturing operations and move them to China. This has been done by forcing suppliers to continually reduce prices to the point that several were driven into bankruptcy, others just to stay in business moved production to China - with the assistance of Walmart executives.

I have voted the Republican ticket ever since I was first able to vote in 1960. That is until the year 2000. That year I watched all the debates, and watched Bush stumble through his responses and outline positions. Some I supported, but most I opposed. As a result I decided to switch my vote to Al Gore. Unfortunately George W. Bush got elected and proved me so right!

Among his first acts after Inauguration (consistent with his statements during the debates):

- renouncing the Kyoto agreement to reduce pollution and global warming,
- renouncing the Anti-Ballistic Missile Treaty with the Soviet Union,
- consistently opposed any legislation reducing pollution levels on the basis that this would hurt business.

George W. Bush keeps telling the nation about the great strides the economy has made during his presidency. However the facts speak for themselves (except for 2008 estimates, all numbers from official U.S.Census Bureau data - <http://www.census.gov/>).

- the Government Budget has changed from a 6% surplus to a deficit of 6% of G.D.P.  
[In 2000 +236.2bln\$ surplus; In 2008 --239.4 bln\$ deficit (est)],  
in part due to the massive tax reductions for corporations and higher income individuals,
- the National Debt has increased from 57.9% of G.D.P.in 2000 to a projected 68.2% (the highest since the end of the Korean War)
- Balance of payments in foreign trade has worsened from -3.5% to -6% (of GDP),  
[2000 negative -BLN\$379.8; in 2006\* negative -bln\$758.5]
- median family income has dropped from \$57,508 in 2000 to \$56,194 in 2005\*,  
However in the same time the number of families with income above \$100,000 increased from 21.5%

to 21.8%,

- number of unemployed has changed from . 4.0% in 2000 to 4.6% in 2006\*, however for salaried workers it increased from 3.8% to 4.8% in same period and average number of workers out of work for more than 27 weeks increased from 12.6% to 16.8%,
- number of people below poverty level has changed from 11.3% in 2000 to 12.6% in 2005\*,
- number of children below poverty level has changed from 15.6% in 2000 to 17.1% in 2005\*, (\* = last year for which statistics are available).

And, of course, George Bush and Dick Cheney embroiled the nation in the **war in Iraq**, based on false pretences (there is ample evidence that intelligence reports, denying that Saddam Hussein possessed weapons of mass destruction, or that he was in any way involved with terrorist, plots against the U.S, were suppressed.) This war has enraged Muslims around the world providing added fuel for terrorist organizations. And it has cost the lives of close to 4.000 Allied soldiers, about the same number of Allied civilians and tens of thousands innocent Iraqi civilians, not speaking of the great numbers of wounded and the cost to the U.S. taxpayers of close to a trillion dollars.

At the same time American attention was directed away from Afghanistan, even though Bin Laden and the leadership of Al Queda were still at large and busy organizing more terrorist attacks.

Remember - in contrast with Iraq - **the intervention in Afghanistan after 9/11 was carried out with full support of the United Nations and of all our Allies,**

**History will decide whether George W. Bush was the worst president of the last 100 years. What do you think? Go to the Guest Book at <http://biega.com> and let me know.**

Earlier historians have claimed that Warren Harding was the worst U.S. president since WWI. He was famous for the Teapot Dome scandal. However, in spite of his ineptitude, during his presidency the National Debt was reduced, and the nation was enjoying a period of prosperity..

Others have claimed that Richard Nixon was the worst president in the same 100 years. He was not a pleasant person, and engaged in the totally unnecessary Watergate scandal.which forced him to resign. However,

- He got The U.S. out of the disastrous Vietnam War (started by his Democratic predecessor),
- eliminated the military draft,
- restored diplomatic relations with China,
- used the power of his office to force the [rapid desegregation of southern schools](#),
- pushed through the Clean Air Act, opposed by fellow Republicans and industry leaders,
- created the Family Assistance Plan, which unfortunately, under congressional pressure, died after Watergate,
- attempted a major improvement of public welfare programs, rejected by congress.

By the way, our family has never purchased a non-American car or major appliance. Only once I bought a minor item at Walmart (only to find I could have obtained the same item cheaper at a local hardware store!)

text extracted from: <http://biega.com> - February 9, 2008

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## RECOMMENDED LINKS

<http://www.census.gov/compendia/statab/> - 2008 Statistical Abstract of the U.S. Census Bureau  
<http://www.ontheissues.org/default.htm> - On the issues - What political leaders have to say  
<http://www.fastcompany.com/magazine/77/walmart.html> - About Walmart.