

Editorial

'The Dog Ate The Jobs'

Or rather, in the case of the ever-more-bungling President George W. Bush, "China ate our jobs." This latest teleprompter card handed to "Trilby" Bush, by Svengalis Cheney and Rove, is potentially as insane as the Cheney-acs' current project of testing their preventive war doctrine in Iraq; or Cheney's and Rove's domestic war on California, aimed at installing a muscle-man geek as governor by stealing a phony election. The President's absurd public attempt to blame the value of China's currency for the wreckage of the U.S. industrial economy; and the Treasury Secretary's "Snow Job" trying to browbeat all Asia into floating their currencies for the benefit of Bush's re-election campaign; have already failed. China's leadership, to whom a stable currency policy is essential to its ongoing industrial and infrastructural development, has said no. But the Cheney-acs are increasing the pressure, pushing Bush to make more public demands for China to float its currency, and throwing masses of speculative money into bets that it will.

The Administration's attempt to force-float and/or dramatically upvalue all the major Asian currencies—in midst of a potential nuclear-war crisis in Korea—is an act of sheer policy desperation. If successful, it would set off a wave of inflation throughout Asia, and could do far worse. It is clear how strongly the region's governments oppose this lunacy, if even the Australian Finance Minister Peter Costello warned against it on Sept. 4, remembering how the floating of the Thai baht triggered the devastating 1997-98 Asian financial crisis. Corporations doing business in Asia, including American firms, oppose it. The *International Herald Tribune* warned on Sept. 4 that "China's financial system remains fragile, and sudden currency volatility could lead to a banking crisis that could spell disaster for the world economy." The same editorial noted that China's imports are, in any case, already growing faster than its exports, and the trend will continue as it pursues its policy of investing in internal economic development.

The United States economy lost another 95,000 jobs in August, defying the guesses of "experts" and giving the lie to the latest round of "recovery around the corner" hype. The jobs which have disappeared from the economy now total 700,000 for 2003 so far; 3 million since the beginning of 2001; of which 2.5 million were manufacturing jobs. Manufacturing employment is now down to 10% of the employed American labor force. The U.S. labor force itself has now shrunk in size by 600,000 people in just July and August, continuing the alarming trend of the unemployed giving up the search for work, or "employing themselves" in such occupations as searching the Internet trying to find work for their friends and neighbors. The labor market has revisited the "hard times" state of the 1930s Great Depression.

This cause of this calamity has nothing to do with China's policies, but everything to do with the last 30 years' G-8 policies of deindustrialization, globalization, and the "New Economy" and consumer-economy bubbles. NASA employment has dropped by 25% in the last decade; has the space agency moved to China? American machine-tool industry employment has virtually completely disappeared; are we buying precision machine tools from China? The United States is not building any high-speed rail (but eliminating it), nor adding to and modernizing its power transmission grid, nor building nuclear power plants, nor developing vitally-needed new water management and supply systems; is this because China is exporting hydroelectric dams to us?

The stark fact which the President's Svengalis would hide is that those 2.5 million lost manufacturing jobs are *permanently* lost, unless the President fires Haliburton looter Cheney and completely changes the axioms of American economic policy. Lyndon LaRouche's proposed "Super TVA" program of high-technology infrastructure rebuilding with government credits, will do the job. Otherwise, Bush may as well blame the dog, as blame China.