Ships Passing in the Night

We all are familiar with the expression "ships passing in the night." It is a ghostly thing to watch, for those who have been on ships passing in the night. Today, ships carrying goods to the United States from foreign countries, with empty ships returning to their mostly Asian ports, pass in the day and night.

I remember as a little kid, my father used to love to take us up to West Point to see the Navy Reserve fleet. This was a fleet of ships, mostly cargo ships, put in mothballs in case the United States ever faced a crisis like World War II. I do not know if that vast array of ships is still parked outside of the West Point facility, but I do remember that it was a sight to behold. It represented strength, reserve and resolve of the United States of America never again to be caught with its guard down.

Today, the news is populated by stories of "thousands" of ships awaiting entry to U.S. ports in California. Whether it is really thousands, is irrelevant. What is important is that those ships are loaded with furniture, auto parts, textiles and other items made by foreign workers earning $.25 per hour or less.

There is enough blame to go around for the delay in receiving our foreign opiate. It is common to blame the problem on Covid-19 and the Delta variant. It was expected by the brilliant policymakers in Washington, D.C. that there would be a recession because of Covid, but instead people sat at home, took their free government money and bought foreign-made goods.

Within the last 30 years, Bill Clinton and George Bush, sometimes together, campaigned for the international trade deals which have placed United States manufacturing offshore. None of those treaties seriously restrict how little foreign workers can be paid.

What was the theory of our politicians as to why trade deals were a good idea which virtually forced American companies offshore and flooded U.S. markets with Asian-made goods? One popular theory was that the foreign nations would grow rich on American purchases and buy our stuff in return. Really? A Malaysian making $.25 per hour will buy U.S. raised pork, especially if he/she is a Muslim? This theory can be called, staying with the maritime nomenclature, "a rising tide that lifts all boats." Actually, a rising tide does not lift all boats, but the heck with reality. The concept was that if foreign nations made products for the U.S. market very inexpensively, Americans would have more disposable income for other things and foreigners would have lots of dough that they made from the United States.

The problem with the theory is that it did not work. The people that got rich on the U.S. overseas were those who controlled the economy of Vietnam, Taiwan, Malaysia, China and the rest. It was not the workers for sure. The only people who got rich on U.S. dollars were those who did not need the money anyway.

Another argument for the damaging trade deals made by our leaders was that international trade was good for the spread of Democracy and the world be united by economic co-advantages. It turned out to be bunk. The fact that foreigners were making lots of money off U.S. purchases, while driving down wages in the United States, did not do anything for Democracy or world unity. Quite the contrary. Free trade made some of the worst people in the world more rich and therefore more able to cause disruption in the world community. All one has to do is look at most of the Arab countries, who are filthy rich with oil. The money that they made off of the United States' appetite for petroleum created some of the wealthiest sheiks in the world and provided plenty of money for terrorists' activities against the United States.

The elephant in the closet is that big business, given its incestuous relationship with the United States and governments around the world, wanted to produce items cheaply in order to flood the United States and other western markets. Big corporations do not have a heart and do not worry about the long-term benefit of the population. They are concerned with stockholder equity, driven by increasing profits. Capitalism is a great engine for success, so long as somebody is at the driver's wheel.

Take a small example from my own experience: I, together with some brilliant and wonderful people at the Pennsylvania College of Technology, developed a maritime electronic homing device. It was a really cool idea and it had not been previously marketed. When it came time to consider manufacturing the product, the only option was China. There was simply no one in the United States with the technology, ability or supply source to build the small electronic product at a reasonable cost. Since we did not want imported Chinese goods, the idea withered on the vine.

U.S. ability to make products has virtually disappeared. Furniture used to be made in the southern part of the United States, but now that is mostly overseas. Electronics and clothing are virtually all made overseas.

My good friend, now deceased, Larry Pollack, ran a factory in Williamsport, Pennsylvania. Larry refused to outsource manufacturing of clothing products offshore. He thought there was a market for those who were willing to pay a little bit more money and buy good quality American goods. Unfortunately, Larry was wrong and died impoverished as a result of his patriotism.

The international trade deals the United States has made, are a disaster, and are unfortunately no longer talked about, certainly not in this Administration. President Trump attempted a rebellion against foreign-made goods and the advantages given to other nations under the trade treaties which the United States agreed to. Unfortunately, Trump's style obscured the legitimacy of his concerns.

The best way to eliminate the congestion at the seaport in California is to make goods in the United States. All our trade treaties need to be subjected to the test of equality. Are there provisions in those treaties for comparable wages, healthcare benefits and a social safety net that American workers enjoy? Is unionization allowed in the countries where products are imported from? Do employees have the right to move within the labor force of the foreign country which supplies our needs? If there is not

fairness and equality within those contesting for the American dollar, there will never be economic security for the United States.

Nothing could be dumber than the United States handing out checks beginning with the Covid-19 crisis, which were tied to nothing. At the King of Prussia Mall, the most high-end stores were packed with people spending their stimulus money, not on food or necessary clothing, but on items from abroad that they would never otherwise have the money to buy. No doubt some of that money was properly used, but all should have been tied to a specific need.

The food stamps program was developed by a prominent African American legislator because she understood that the government could not just give people money and hope that it was spent for legitimate items. The United States of America, to pay for its recent mistakes and unnecessary largesse, intends to impose a broad array of taxes more intended to change the social culture of this country, than to pay any debt.

Regardless of one's political ideology, the accounting and economic policy of this country is not based on common sense, experience or the best interests of the United States of America. Keeping the current course, we will wind up no differently than Brazil, Greece and other nations that was more interested in lining the pockets of those in control of the government than in establishing a well ordered and balanced society.

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