

EVEN THE ROPE WE'RE HANGING OURSELVES WITH IS MADE IN CHINA.

Today, and tomorrow, and each day thereafter this nation must raise \$2 billion from foreign creditors. \$700 billion a year—just to cover our annual trade deficit. From somebody somewhere we must borrow or sell off assets totaling \$700 billion a year. Who do we turn to? Primarily the central bankers of China or Japan, or oil-rich autocrats. We are dependent on the kindness of strangers.

Other countries export goods; we export debt and jobs. Since 2000 we've lost one out of five manufacturing jobs. Fully twenty million jobs are at risk. For those that remain, wages and benefits actually declined over the last eight years—a record in futility. We are now running a deficit with China in high technology goods. Mexico now exports 50% more cars to the US than we export to the entire world. The noose is tightening.

For three decades—whether the federal budget was in deficit or in surplus, whether the dollar was strong or weak—these deficits kept rising. They can no longer be sustained. Foreign central banks, gorging on US dollars, have set up sovereign investment funds to buy into strategic US companies. We are in danger of becoming, as Warren Buffett warns, “a nation of sharecroppers.”

Global economic integration is a fact of life. Let's shut down the fraudulent argument between “free trade” and “protectionism” and forge a global strategy that works for working people, not just for the multinationals:

Start by slashing our trade deficit (nearly half of it's from oil) with a concerted drive for energy independence, investing in renewable energy technologies and making the US a leader of innovative manufacturing once again;

Second: Invest in life-long education and training and build the most modern and efficient infrastructure to increase our competitiveness;

Third: Regulate our commerce with mercantilist nations like China, while pushing for global rules on labor rights and environmental protection that will lift standards up around the world instead of driving them down here.

#4 IN A SERIES > A DEBATE WORTHY OF A GREAT NATION IN TROUBLE

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