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## Wars, Debt and Outsourcing

The World is Uniting Against the Bush Imperium

By Paul Craig Roberts

**04/25/06** -- -- Is the United States a superpower? I think not. Consider these facts:

The financial position of the US has declined dramatically. The US is heavily indebted, both government and consumers. The US trade deficit both in absolute size and as a percentage of GDP is unprecedented, reaching more than \$800 billion in 2005 and accumulating to \$4.5 trillion since 1990. With US job growth falling behind population growth and with no growth in consumer real incomes, the US economy is driven by expanding consumer debt. Saving rates are low or negative.

The federal budget is deep in the red, adding to America's dependency on debt. The US cannot even go to war unless foreigners are willing to finance it.

Our biggest bankers are China and Japan, both of whom could cause the US serious financial problems if they wished. A country whose financial affairs are in the hands of foreigners is not a superpower.

The US is heavily dependent on imports for manufactured goods, including advanced technology products. In 2005 US dependency (in dollar amounts) on imported manufactured goods was twice as large as US dependency on imported oil. In the 21st century the US has experienced a rapid increase in dependency on imports of advanced technology products. A country dependent on foreigners for manufactures and advanced technology products is not a superpower.

Because of jobs offshoring and illegal immigration, US consumers create jobs for foreigners, not for Americans. Bureau of Labor Statistics jobs reports document the loss of manufacturing jobs and the inability of the US economy to create jobs in categories other than domestic "hands on" services. According to a March 2006 report from the Center for Immigration Studies, most of these jobs are going to immigrants: "Between March 2000 and March 2005 only 9 percent of the net

increase in jobs for adults (18 to 64) went to natives. This is striking because natives accounted for 61 percent of the net increase in the overall size of the 18 to 64 year old population."

A country that cannot create jobs for its native born population is not a superpower.

In an interview in the April 17 Manufacturing & Technology News, former TCI and Global Crossing CEO Leo Hindery said that the incentives of globalization have disconnected US corporations from US interests. "No economy," Hindery said, "can survive the offshoring of both manufacturing and services concurrently. In fact, no society can even take excessive offshoring of manufacturing alone." According to Hindery, offshoring serves the short-term interests of shareholders and executive pay at the long-term expense of US economic strength.

Hindery notes that in 1981 the Business Roundtable defined its constituency as employees, shareholders, community, customers, and the nation." Today the constituency is quarterly earnings. A country whose business class has no sense of the nation is not a superpower.

By launching a war of aggression on the basis of lies and fabricated "intelligence," the Bush regime violated the Nuremberg standard established by the US and international law. Extensive civilian casualties and infrastructure destruction in Iraq, along with the torture of detainees in concentration camps and an ever-changing excuse for the war have destroyed the soft power and moral leadership that provided the diplomatic foundation for America's superpower status. A country that is no longer respected or trusted and which promises yet more war isolates itself from cooperation from the rest of the world. An isolated country is not a superpower.

A country that fears small, distant countries to such an extent that it utilizes military in place of diplomatic means is not a superpower. The entire world knows that the US is not a superpower when its entire available military force is tied down by a small lightly armed insurgency drawn from a Sunni population of a mere 5 million people.

Neoconservatives think the US is a superpower because of its military weapons and nuclear missiles. However, as the Iraqi resistance has demonstrated, America's superior military firepower is not enough to prevail in fourth generation warfare. The Bush regime has reached this conclusion itself, which is why it increasingly speaks of attacking Iran with nuclear weapons.

The US is the only country to have used nuclear weapons against an opponent. If six decades after nuking Japan the US again resorts to the use of nuclear weapons, it will establish itself as a pariah, war criminal state under the control of insane

people. Any sympathy that might still exist for the US would immediately disappear, and the world would unite against America.

A country against which the world is united is not a superpower.

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