When Americans No Longer Own America

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by Thom Hartmann

The Dubai Ports World deal is waking Americans up to a painful reality: So-called "conservatives" and "flat world" globalists have bankrupted our nation for their own bag of silver, and in the process are selling off America.

Through a combination of the "Fast Track" authority pushed for by Reagan and GHW Bush, sweetheart trade deals involving "most favored nation status" for dictatorships like China, and Clinton pushing us into NAFTA and the WTO (via GATT), we've abandoned the principles of tariff-based trade that built American industry and kept us strong for over 200 years.

The old concept was that if there was a dollar's worth of labor in a pair of shoes made in the USA, and somebody wanted to import shoes from China where there may only be ten cents worth of labor in those shoes, we'd level the playing field for labor by putting a 90-cent import tariff on each pair of shoes. Companies could choose to make their products here or overseas, but the ultimate cost of labor would be the same.

Then came the flat-worlders, led by misguided true believers and promoted by multinational corporations. Do away with those tariffs, they said, because they "restrain trade." Let everything in, and tax nothing. The result has been an explosion of cheap goods coming into our nation, and the loss of millions of good manufacturing jobs and thousands of manufacturing companies. Entire industry sectors have been wiped out.

These policies have kneecapped the American middle class. Our nation's largest employer has gone from being the unionized General Motors to the poverty-wages Wal-Mart. Americans have gone from having a net savings rate around 10 percent in the 1970s to a minus .5 percent in 2005 - meaning that they're going into debt or selling off their assets just to maintain their lifestyle.

At the same time, federal policy has been to do the same thing at a national level. Because our so-called "free trade" policies have left us with an over $700 billion annual trade deficit, other countries are sitting on huge piles of the dollars we gave them to buy their stuff (via Wal-Mart and other "low cost" retailers). But we no longer manufacture anything they want to buy with those dollars.

So instead of buying our manufactured goods, they are doing what we used to do with Third World nations - they are buying us, the USA, chunk by chunk. In particular, they want to buy things in America that will continue to produce profits, and then to take those profits overseas where they're invested to make other nations strong. The "things" they're buying are, by and large, corporations, utilities, and natural resources.

Back in the pre-Reagan days, American companies made profits that were distributed among Americans. They used their profits to build more factories, or diversify into other businesses. The profits stayed in America.

Today, foreigners awash with our consumer dollars are on a two-decades-long buying spree. The UK's BP bought Amoco for $48 billion - now Amoco's profits go to England. Deutsche Telekom bought VoiceStream Wireless, so their profits go to Germany, which is where most of the profits from Random House, Allied Signal, Chrysler, Doubleday, Cyprus Amax's US Coal Mining Operations, GTE/Sylvania, and Westinghouse's Power Generation profits go as well. Ralston Purina's profits go to Switzerland, along with Gerber's; TransAmerica's profits go to The Netherlands, while John Hancock Insurance's profits go to Canada. Even American Bankers Insurance Group is owned now by Fortis AG in Belgium.

Foreign companies are buying up our water systems, our power generating systems, our mines, and our few remaining factories. All because "flat world" so-called "free trade" policies have turned us from a nation of wealthy producers into a nation of indebted consumers, leaving the world awash in dollars that are most easily used to buy off big chunks of America. As www.economyincrisis.com notes, US Government statistics indicate the following percentages of foreign ownership of American industry:

· Sound recording industries - 97%
· Commodity contracts dealing and brokerage - 79%
· Motion picture and sound recording industries - 75%
· Metal ore mining - 65%
· Motion picture and video industries - 64%
· Wineries and distilleries - 64%
· Database, directory, and other publishers - 63%
· Book publishers - 63%
· Cement, concrete, lime, and gypsum product - 62%
· Engine, turbine and power transmission equipment - 57%
· Rubber product - 53%
· Nonmetallic mineral product manufacturing - 53%
· Plastics and rubber products manufacturing - 52%
· Plastics product - 51%
· Other insurance related activities - 51%
· Boiler, tank, and shipping container - 50%
· Glass and glass product - 48%
· Coal mining - 48%
· Sugar and confectionery product - 48%
· Nonmetallic mineral mining and quarrying - 47%
· Advertising and related services - 41%
· Pharmaceutical and medicine - 40%
· Clay, refractory, and other nonmetallic mineral products - 40%
· Securities brokerage - 38%
· Other general purpose machinery - 37%
· Audio and video equipment mfg and reproducing magnetic and optical media - 36%
· Support activities for mining - 36%
· Soap, cleaning compound, and toilet preparation - 32%
· Chemical manufacturing - 30%
· Industrial machinery - 30%
· Securities, commodity contracts, and other financial investments and related activities - 30%
· Other food - 29%
· Motor vehicles and parts - 29%
· Machinery manufacturing - 28%
· Other electrical equipment and component - 28%
· Securities and commodity exchanges and other financial investment activities - 27%
· Architectural, engineering, and related services - 26%
· Credit card issuing and other consumer credit - 26%
· Petroleum refineries (including integrated) - 25%
· Navigational, measuring, electromedical, and control instruments - 25%
· Petroleum and coal products manufacturing - 25%
· Transportation equipment manufacturing - 25%
· Commercial and service industry machinery - 25%
· Basic chemical - 24%
· Investment banking and securities dealing - 24%
· Semiconductor and other electronic component - 23%
· Paint, coating, and adhesive - 22%
· Printing and related support activities - 21%
· Chemical product and preparation - 20%
· Iron, steel mills, and steel products - 20%
· Agriculture, construction, and mining machinery - 20%
· Publishing industries - 20%
· Medical equipment and supplies - 20%

Thus it shouldn't surprise us that the cons have sold off our ports as well, and will defend it to the bitter end. They truly believe that a "New World Order" with multinational corporations in charge instead of sovereign governments will be the answer to the problem of world instability. And therefore they must do away with quaint things like unions, a healthy middle class, and, ultimately, democracy.

The "security" implications of turning our ports over to the UAE are just the latest nail in what the cons hope will be the coffin of American democracy and the American middle class. Today's conservatives believe in rule by inherited wealth and an internationalist corporate elite, and things like a politically aroused citizenry and a healthy democracy are pesky distractions.

Everything today is driven by profits for multinationals, supported by the lawmaking power of the WTO. Thus, parts for our missiles are now made in China, a country that last year threatened us with nuclear weapons. Our oil comes from a country that birthed a Wahabist movement that ultimately led to 14 Saudi citizens flying jetliners into the World Trade buildings and the Pentagon. Germans now own the Chrysler auto assembly lines that turned out tanks to use against Germany in WWII. And the price of labor in America is being held down by over ten million illegal workers, a situation that was impossible twenty-five years ago when unions were the first bulwark against dilution of the American labor force.

When Thomas Jefferson wrote of King George III in the Declaration of Independence, "He has combined with others to subject us to a jurisdiction foreign to our constitutions and unacknowledged by our laws, giving his assent to their acts of pretended legislation…" he just as easily could have been writing of the World Trade Organization, which now has the legal authority to force the United States to overturn laws passed at both local, state, and federal levels with dictates devised by tribunals made up of representatives of multinational corporations. If Dubai loses in the American Congress, their next stop will almost certainly be the WTO.

As Simon Romero and Heather Timmons noted in The New York Times on 24 February 2006, "the international shipping business has evolved in recent years to include many more containers with consumer goods, in addition to old-fashioned bulk commodities, and that has helped lift profit margins to 30 percent, from the single digits. These smartly managed foreign operators now manage about 80 percent of port terminals in the United States."

And those 30 percent profits from American port operations now going to Great Britain will probably soon go to the United Arab Emirates, a nation with tight interconnections to both the Bush administration and the Bush family.

Ultimately, it's not about security -- it's about money. In the multinational corporatocracy's "flat world," money trumps the national good, community concerns, labor interests, and the environment. NAFTA, CAFTA, and WTO tribunals can - and regularly do - strike down local and national laws. Thomas Paine's "Rights of Man" are replaced by Antonin Scalia's "Rights of Corporate Persons."

Profits even trump the desire for good enough port security to avoid disasters that may lead to war. After all, as Judith Miller wrote in The New York Times on January 30, 1991, quoting a local in Saudi Arabia: "War is good for business."

Source: www.economyincrisis.org

Return To Home Page