

Last Days for an Exhausted Lie?

02-28-2020

The markets had their worst week since 2008 with the fastest reversal from robust to correction. Friday's late recovery from the worst day of the week, possibly because of leaked news that the Fed was prepared to act, minimized losses to 11% of share value. We now enter a weekend where the standard lies about the 'core strength' of the economy tests its competitiveness against an advancing uncontrolled pandemic.

As noted in earlier articles it is generally unknown that diseases like flu are not simply acts of nature outside of human culpability. The way animals and plants are genetically engineered and then raised with drug and chemical treatments plays a decisive role in the appearance of many influenza type diseases, not to mention the poisoning of humans with hormones and antibiotics implanted in the foods that they consume.

So the emerging world health crisis is likely a case of the chicken (or hog, or snake) coming home to roost on a sick economy with an inadequate health care system to combat it.

Wasn't it brilliant of advanced capitalism's -- everything for the maximization of the rate of profit reason for existence -- to shift the bulk of their manufacturing to low wage highly skilled countries like China? Whether it's for food or human made goods, concentration and cheap costs prevails. What is best for humans is whatever profit drive of capitalism decides. With so much of the world's buying and selling generated by the Chinese economy a catastrophic medical condition that began in China is also infecting the world economy.

Trump's Commerce secretary had the bad taste to muse on whether China's crisis might help American manufacturing. US manufacturing output declined 1.9% last year. There was never any real growth since the crisis. Growth was flat from 2010 to 2018 and then a 3 out of 4 quarter slide last year. Output per worker hour is in decline and the number of jobs, 17.6 million in the late 90's, is now only 12.9 million. Along with the unemployed workers went 90,000 factories. In the past industrial workers were the highest paid of the working class, but now thanks to low multi-tiered wages systems foisted upon workers by class-traitor union bosses those in other forms of production receive higher wages. In addition, no manufacturing goods to sell has greatly

contributed to the tripling of the non-oil goods trade deficit since 2000.

Perhaps the greatest of the false positives regarding the economy is the supposedly robust jobs market and low unemployment rate. Much has been written about that in the past, but the latest exposure of the nonsense beneath the reports is the BLS's restructuring of previous reports by actually checking out state unemployment compensation applications for a true number. Last year they had to deduct 20% from the total (a half million workers) because the original numbers are from Establishment Survey, and with great shock they learned that the Establishment lies. The BLS just released adjusted figures from 2017 through 2019. 300,000 new jobs per month is borderline for decent jobs figure. Below that to 200,000 means a stagnant growth economy. Below that means a crumbling economy. The total was 6.334 million new jobs. That averages to just 175,000 per month. That's bad enough, and when considering the low quality of most jobs, by one metric only 1 in 25 is a full-time good paying job with benefits, one can easily understand the prevailing damn the system attitude of the working class.

Economic Info

- Millions of businesses are threatened with collapse because of the Covid-19 crisis. A survey by the Chinese Small and Medium Enterprises reported that 60% of respondents said they could only cover expenses for 1 or 2 months. With this type of business making up 60% of the economy and 80% of the jobs, a rapid return to normality is a critical issue for China and the world.
- Mexico reported that its economy declined 0.5% in the 4th quarter. With the third quarter also declining, Mexico is now in technical recession.

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