

US and Iran: Now What?

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Following Trump's order to murder an Iranian general and 6 bystanders near him last week at Baghdad airport, the world awaited a likely Iranian response. Local idiots began reporting about the return of a draft thus elevating Iran into a far-reaching world military force. Even serious sources discussed the possibility of a World War 3 as the great powers take sides. Instead Iran made a token missile attack on American bases in Baghdad that made sure no one would be injured, and everything seemed to be winding down.

But soon after the missile launch an Ukrainian passenger plane departing from Tehran for Kiviv crashed shortly after takeoff. All 176 aboard were killed. It didn't take long for Western powers to report that Iran must have mistakenly shot it down with a missile.

That is a possibility. The Iranian were no doubt on alert for a US/Allied counter attack. No prominent mention that it could also have been just that: A US/Allied tit for tat wanting to have the last word on who attacks whom.

After the US support of Iraq's war against Iran took a turn for the worse and Iran managed to counter attack and occupy parts of Iraq, the US sent a naval force and land troops in support of Iraq. During that incursion a US Navy cruiser shot down an Iranian civilian plane carrying more than 200 people on a pilgrimage to Mecca. The crime was initially covered with a mass of false reporting: the plane had departed from its 20 mile flight path and veered toward the cruiser; that it had a military transponder, possibly because sale of spare parts had been blocked by the US and others. In fact, the plane was within its flight path and gaining altitude, and it had a proper transponder.

Nothing happened to the mass murderer commanding that ship – Will Rogers, really, except this one never saw a civilian plane that he didn't like to shoot down. Responsible people in matters like the Ukrainian plane tragedy would do well to withhold blame until a thorough investigation has been completed. It's a sign of the sad state of the world that such tragedies which should only be the result of mechanical accident are so often deliberate or accidental mass murder.

Economic Info

-- In November we once again were presented with a sign that America was positively emerging from the slump. The BLS jobs number was well above expectations at 256,000 and, more importantly, hourly wage growth was 0.3% higher. But then, as usual, the fly decides to inspect the ointment, and today we learn that December jobs growth was only 145,000 and hourly wage growth 0.1%. Factory orders were down -0.7% for November from +0.2% the previous

month. But there is always something positive to point to: ADP jobs figure for December was almost 80,000 higher than the previous month.

-- Capitalists and their mouthpieces love to lie about wages because if the truth were told there would scarcely be any real purchasing power wage growth. The big lie is that it grew 3.1% last year; but that is not adjusted for inflation. Using the preferred PCE (Personal Consumption Expenditure) price index it comes in at 1.45%, and it's even less when the official CPI is applied. The official wage report is based only on those fully employed. That leaves out 50-60 million of part-time, temp, gig, and the like workers who typically earn much less per hour not counted.

So what was the wage gain for American workers over the past 40 Years. According to the Economic Policy Institute, between 1979 and 2019 worker productivity increased by 70% while wage growth totaled 12%. That comes to 0.3% per year. The Chairman of the US Chamber of Commerce Executive Committee was quoted last month saying: *"We're in a place where people's lives have not been made better off"*. To which he added *"A good portion of the public has lost faith in the capitalist system"*.

-- The British Retail Consortium reported that total retail sales fell 0.1% last year. That's the first yearly decline since 1995. But that's only something to do with business and says little about the overall economic health of capitalism.

-- Japan's economy is largely based on industry. Thus a decline in production of 7.7% in October and 8.1% in November is very significant, in fact, both are the worst months since early 2013.

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