

Soros Speaks

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George Soros, the cosmopolitan 'humanist' who thought nothing of raking in a billion dollars on one short bet, wants the American state to control investment in China by its unregulated (greedy) capitalists. He had in mind a particular proposal: *'The BlackRock initiative imperils the national security interests of the US and other democracies because the money invested in China will help prop up President Xi's regime, which is repressive at home and aggressive abroad. Congress should pass legislation empowering the Securities and Exchange Commission to limit the flow of funds to China. The effort ought to enjoy bipartisan support'*

As it happened President Xi acted before President Biden could petition Congress, and rejected the BlackRock plan. What's happening in the current turmoil is that the US and its allies came to recognize that the mad greed of their capitalists is not only making Chinese and private capitalism rich but it has also allowed the Chinese state capitalists to become both rich and militarily powerful.

Since capitalists supposedly love competition the US and friends had to invent a non-existent military threat in order to economically isolate China as much as possible. Many on the pseudo left are rightly concerned that there is a madness in American policy - the drive toward borderless exploitation, may have catastrophic consequences.

Neo-Stalinists (such as Michael Hudson in his recent work: *Super-Imperialism: The Economic Strategy of American Empire*) have come to the defense of China. They claim that China's rulers realize they have neglected the super exploited industrial and rural workers and now plan to build a domestic economy around them that will generate a home based wealth significant enough to free them from kowtowing to foreign rivals.

Xi should study fellow autocrat Mussolini's plan to create a similar autarchic economy when anti-fascist nations tried to limit necessary imports. China is a much stronger and richer nation because it formed an economic alliance with the west. With much of its GDP derived

from doing business with the outside world, and with a great deal of foreign investment abroad, a predominantly domestic economy would be a disaster.

Another flaw in the plan is that a middle class of semi-parasites was deliberately created as a barrier between the ruling elite and the always rebellious exploited masses. A stock exchange was created primarily for them to enjoy indirectly the benefits of enriching oneself from the labor of others. They have been watching the Shanghai exchange floating around 3500 for many months while markets in the west have been regularly setting new highs. That cannot please them.

Xi can control the working masses (perhaps) with police and military force, but using such force against the middle class and private capitalist responsible for most of the GDP would be a fatal mistake.

China News

American unions opposed China's admission to the World Trade Organization because the shift of much manufacturing to China will result in the loss of high paying American manufacturing jobs, a huge increase in the trade deficit, and a weakening of the dollar.

American capital wanted this deal and had their official talkers dismiss concerns of a substantial job loss. But the Economic Policy Institutes analysis determined that based on 13,000 jobs lost per billion dollar manufactured imports the US has already lost 880,000 manufacturing jobs and projects another 817,000 lost over 10 years after China became a full member of the WTO.

As for the trade deficit in goods it did rise from \$68.7 billion in 1999 to \$418.2 billion in 2018. That would normally cause a decline in the value of the dollar making goods imported from China more expensive and less competitive. China prevented that by having its central banks buy trillions of dollars of American bonds and the like which preserved the high value of the dollar.

The official determination of manufacturing job loss is 3.5 million from 1999 thru 2007, and another 2.3 million from that year to 2010 - that attributed mainly due to the recession. A reliable source attributes 2 million of the lost jobs to trade with China. If anyone is still

mystified by a broad based sense of malaise and fear of living conditions continuing to worsen, they should now know that it is due to American capitalists selling their jobs to increase their profits, and they should stop being loyal and passive to a system that doesn't give a damn about them.

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