

American Carnage-On Tariffs



American Carnage

There was another time in history when Republicans believed that tariffs would improve the economy by protecting “U.S. businesses and farmers from foreign competition” (See [How Tariffs Under the Smoot-Hawley Act Triggered a Trade War | HISTORY](#)). It was at the onset of the Great Depression. Herbert Hoover, a Republican, signed a Republican bill called the Smoot-Hawley Act. While there are academic debates about whether or not it was the cause of the Great Depression, it is certainly thought to have been a contributing factor to exacerbating the effects and length of the Great Depression. It set off a trade war – the rhyme of history. During the Great Depression, private banknotes played a significant role in the economy. Before the establishment of the Federal Reserve System in 1914, private banks issued their own currency, known as banknotes. These notes were used as a medium of exchange and were accepted as currency by the public. However, the value of these notes depended on the issuing bank's solvency and reputation. When the stock market crashed in 1929, it triggered a series of events that led to widespread bank failures. As the economy worsened, people lost confidence in the banking system and began to withdraw their deposits *en masse*, leading to bank runs. Banks, which typically held only a fraction of their deposits in cash, were unable to meet the sudden demand for withdrawals. This forced them to liquidate assets at a loss, further exacerbating their financial troubles. The first wave of bank runs began in the fall of 1930, followed by additional waves in 1931 and 1932. These bank failures had a devastating impact on the economy, wiping out the savings of millions of Americans and leading to a severe contraction in credit availability. The collapse of the banking system was a significant factor in deepening and prolonging the Great Depression ([How Bank Failures Contributed to the Great Depression | HISTORY](#), [Bank Run - Definition & The Great Depression](#), [Banking Panics of 1930-31 | Federal Reserve History](#)). Well, we do not have fake currencies at this point or do we? Trump is in love with his Trump crypto currency based in Argentina (See [‘Historic Grift’: Trump’s Memecoin Creates \\$14B Out of Nothing](#)). It was made to finance payoffs (Trump’s favorite), fraud and all kinds of black-capitalistic-market practices. I would say that untraceable crypto currency could likely be a modern-day rhyme of banknotes which immediately preceded the Great Depression. But let’s get back to tariffs.

Trump’s stated justification for imposing Tariffs was:

- 1) to keep Fentanyl from coming into the United States,

2) to bring manufacturing back to the United States.

The ugly truth about fentanyl is not “radical leftist Democrats” which is an oxymoron if you know anything about real radical leftists. The truth is it boils down to the tried-and-true tenants of red-blooded American spun capitalism – supply and demand. If a market is created by consumers and ‘regulations’ are enacted to stop the flow of fentanyl, the market will simply do what it always does in these cases – double-down on a black market. History has proven over and over again that if we buy it, it will come. In the pantheon of history’s tragedies the holy dollar is king along with all the other vices of human frailty (see [Why Trump’s tariffs can’t solve America’s fentanyl crisis - EconoTimes](#)). If we forget history, we are condemned to repeat it. The attempt to stop access to addiction does not cure addiction. Anyone that thinks that is very naïve about the root cause of addiction. This is only yet a new marketing fabrication of Trump to achieve his real goals which I will get into later.

The other ugly truth about “radical leftist terrorists” is that they allowed manufacturing to leave the United States. Echoes from the past tell us that Hitler's belief that manufacturing was leaving Germany was tied to his broader economic and ideological goals. He aimed for autarky, or national economic self-sufficiency, to reduce reliance on foreign imports and ensure that Germany could sustain itself, especially in times of war. This belief was part of his broader strategy to prepare Germany for military conflict and to create a self-sufficient economy (See [Hitler’s Confidential Memo on Autarky \(August 1936\) | German History in Documents and Images](#)). Trump’s mysterious alliance with Putin and against our democratic allies makes one wonder what the ultimate goal would be if he were serious about bringing manufacturing back the United States. In any case, I think at the present his current ambitions are much more centered on his own wealth rather than that of the United States. In any case, my concern here is why “radical leftist terrorists” – Democrats supposedly caused manufacturing to leave the United States.

“Radical leftist terrorists” posing as the ‘way too sensitive woke crowd’ are not why manufacturing left the United States. I was there in the middle of it in the 90’s when the great retreat began. Why? Because of pure-breed, American bourne, capitalism. I started with U.S. Robotics, a modem manufacturer, in the early 90’s. I started out as hardware/software engineering in engineering services and testing. The company started out small but over the course of the 90’s became the world’s largest modem manufacturer. Upper management’s job is to increase profit. We were own manufacturer in Skokie, Illinois. Cost reduction was always a goal of upper management. It quickly became apparent that our most high volume and stable products could be manufactured in the far East much cheaper than in the United States. And this had nothing to do with unions. We had no unions – ever. The ugly and awkward truth is that the success of the United States economy has lifted the living standards of our citizens to historic pinnacles.

We cannot manufacture products cheap enough here because we cannot compete salary-wise with the rest of the world. And for all you immigrant-haters out there, that is the real reason we have an immigrant problem – not because of Biden and “radical left Democrats”. Statistically, if we could get down to the truth, it would be hard-pressed to find anyone that has never used an undocumented immigrant for some job, housekeeping, roofing, painting, etc. Why? Because of leftist Democrats – NO! Listen, I started as a roofer in Louisiana with my dad. I have known a lot of trades people. Most of them never filed tax returns. Many trades people love Trump. But they are the first to use illegal immigrants when they need something cheap. There are those like my dad which paid taxes and ran multiple crews, and they tend to be more successful than lone trades folks. The bottom line is money talks and bullshit walks. Its capitalism baby...that is why manufacturing left the United States. Don’t kid yourself. And Pandora’s Box has been opened. It is called the world economy. Isolationism is some kind of dangerous

illusion of a not-so-grand past. Even if somehow magically tariffs brought jobs back the United States. Upper management would not allow it. Profit drives capitalism. Why would upper management take an unnecessary hit on the top line? Well, maybe they could get undocumented workers like chicken processing companies but manufacturers that need skills like engineering would have to use the EB-3 visa. Did you know that the EB-3 visa also allows unskilled workers to stay in the United States and work? Also, ask Trump about his H-2B workers.

Trump's businesses, including his Mar-a-Lago estate, have relied heavily on H-2B visas to hire seasonal foreign workers. These visas are designed for temporary non-agricultural employment and are used when there are not enough qualified and willing U.S. workers available. In 2017, during his presidency, Trump approved an additional 15,000 H-2B visas for seasonal foreign workers, raising the annual cap from 66,000 to 81,000. This move was intended to help American businesses that depend on seasonal labor. In 2023, Mar-a-Lago hired more than 100 foreign workers for various positions, including waiters, housekeepers, and cooks. Despite Trump's stance on tightening immigration policies, his businesses have continued to rely on foreign labor to fill these roles (See [Trump approves 15,000 extra visas for seasonal foreign workers during 'Made in America' week | The Independent | The Independent, Donald Trump Can't Find Enough Americans to Work at Mar-a-Lago - Newsweek](#)). So, even Trump the supposed capitalist extraordinaire that went bankrupt six times cannot resist the siren's call of making a buck.

American's have been sold a huge bill of snake-oil goods by the corruptor and chief. In an intractable world economy, we will never be able to bring manufacturing back to the United States like his mythical 'good-ol' days' informs us. Capitalism will not allow. In a way we are victims of our own success. Well, at least before Trump came along. Trump's sirens song will only lead our ship into the rocks of history. Relentless following of the Pied Piper will likely lead to either nuclear annihilation or climate change disaster. Hey, but the short-term capitalists will have made a buck on the backs of all of us while they like Slim Pickens famously ride the atomic bomb down in the classic film "Dr. Strangelove or: How I Learned to Stop Worrying and Love the Bomb." Buckle Up!