

---

Subject: Re: Empire

Posted by [Wayne Parham](#) on Thu, 29 May 2025 14:48:58 GMT

[View Forum Message](#) <> [Reply to Message](#)

---

I totally agree with you, Bruce.

And an extra mention on the tariff stuff. It's tricky but, in my opinion, we probably have needed to do something about the trade imbalances for decades.

Fair trade is a good thing. But lopsided trade is just stupid for us to have allowed. Not sure why we allowed it for so long. Now it feels very difficult to "dial it back." It's looks pretty tricky.

And another adjacent matter - protectionism. I used to have a laissez-faire attitude towards that. I thought there was no need to protect an American industry. When we make the best stuff at the best price, no problem.

Even when the Japanese started beating us with better cars in the late 1970s, I thought that was our own fault. We were making junk and their cars were better. German cars were better too. My opinion back then was that we needed to get off our butts and design and build better cars. I thought we made better cars for decades, especially in the 1960s. My opinion was that we just needed to rise to the challenge of the 1970s and 1980s.

Eventually we self-corrected. Our car manufacturers did begin making better cars and by the 1990s, we were competitive again. So the beating we took in the 1980s was really a self-inflicted wound. Too much government pressure to shift design goals in the 1970s, and too slow to respond by the car manufacturers.

At least that's how I saw it.

But I see something else now. The Chinese government subsidizes a market, taking a loss in that market for a lengthy period of time. Essentially, the American companies producing products in the market China wants to control are under economic attack. It is economic siege warfare.

In the beginning of the siege period, Americans (and people in other countries, for that matter) - both individuals and companies needing supplies - shift from buying American products under siege and instead purchase the low-cost Chinese products. Often times, the Chinese products are of poor quality because the Chinese have little experience at first. But the cost is so low, American companies buying the inferior import products will make do with it. In many cases, it is repaired, retooled or otherwise made serviceable after import. The cost is so low, it is still economically viable.

After a while, the American companies making products in the market under attack slow production or cease entirely. We have lost a lot of industries that way in the last few decades. China has successfully monopolized several markets using that strategy.

And now that I look back, I realize the situation in Japan was somewhat similar in the 1960s and

1970s. It wasn't done exactly the same way - Japan wasn't subsidizing their industries - America did it as economic assistance. We were still helping Japan get on its feet after WWII.

I'm not sure I feel the same way about that as I do about the invasive market take-overs that China has done. But the results to the American economy were probably the same. American car companies eventually came back after a pretty bad beating, but the American consumer electronics market really never recovered.

So I think we must be much more careful in the matters of trade going forward. I like it when we can be helpful, as I think was initially the case in Japan. But I also think we have to protect our own interests. Otherwise, we'll find ourselves being unable to do things we once were great at. We'll be "out of shape."

---