Plain Talk

A Return to Bedford Falls

COLUMN BY ROB BUKSAR

I've been in business most of my life—profit is not a dirty word. I can remember, as I'm sure you can, the catch phrase, "If it's good for GM, it's good for America." These days if it's good for GM, Wal-mart, or IBM, is it really good for America?

Under the present circumstances with our foreign entanglements, when "win-fall" corporate profits are realized, what happens? Do more opportunities avail themselves for the American Dream to be realized? Except in rare circumstances, a handful of CEO's and a bunch of foreigners are becoming wildly wealthy, the rest of the nation gets cheap consumer goods and the opportunity to get further in debt by borrowing back our dollars from the Europeans and Asians.

I would like to bring a particular news event to your attention. Perchance you missed it. Friday, November 19 Federal Reserve Chairman Alan Greenspan fired a shot across the bow of countries sending cheap goods to the U.S. by warning that there is a limit to the way this country's huge trade shortfall is being financed. Greenspan was speaking at a bank conference in Germany.

"The question now confronting us is how large a current account deficit in the United States can be financed," he said. "As the trade deficit grows, more dollars depart American shores, foreign investors have recycled this money through buying U.S. treasury debt vehicles or other investments. Such torrents of foreign money have helped keep interest rates low and buoyed the dollar and stock market. But Greenspan was pointing to a day of reckoning that might not be far down the road. Simply put, we're buying far too much off-shore. We get all the cheap parts and consumer goods, the boys off-shore get all our money. It gets really crazy when you realize the money we're using to buy all this stuff is being borrowed from the same people selling it. Such a deal!

History tells us it's just not prudent waiting for Uncle Sam to do something. Our government tends to wait until we're way over our heads before action is taken to one degree or another. I believe individual business owners and consumers alike are going to have to become committees of one.

I don't kid myself. The genie is out of the bottle and there is no putting him back. Every dollar any of us can save strengthens us. As individuals and business owners we find ourselves squeezed by forces largely outside of our direct control that demand daily that we, in turn, squeeze our purchasing for better margins. It simply isn't reasonable to expect any one person or business to fall on their sword and sacrifice their ability to eek out a living for the sake of the viability of other individuals and businesses who may or may not be prepared to make similar sacrifices themselves—even if we understood that in some indirect way our long-term survival is related to everyone else's.

Many of you will object that you just don't have the time to call around hunting for U.S. product. Face it, a significant number of U.S. manufacturers are already gone and many of those remaining are waning. At some level I believe most want to buy American whenever possible. Yet many of you will object that you just don't have the time to call around hunting for competitive U.S. product to hobble together an order for the parts you need. You would if you could, but it's all you can do to keep up as it is. Good intentions not withstanding, one stop shopping is a powerful lure even if it is counterproductive to the industry and country.

Alan Greenspan, not me, has informed the entire planet's economic community that the U.S. cannot continue down its present economic path. We are going broke in short order.

This is not about assigning blame. For all concerned at all levels, we need to support our domestic manufacturing. First, let us acknowledge there simply aren't as many around as their used to be. Let us also acknowledge that they too must keep an eye on margins and time in order to be able to provide the service levels they do and stock the depth of inventory that they have and still be able to keep themselves afloat.

There's a famous Jimmy Stewart movie played frequently around Christmas called "It's a Wonderful Life." Like myself, I'm sure most of you have seen it many times. I ask that you all give it one more look but from the standpoint of economics. Mr. Potter is a hard core, unfeeling, uncaring bottom line capitalist with his view of the world. The Bailey's are also capitalists but a whole lot more human in their approach to business. George Bailey gets a chance to see what the world would be like if no one considered how the welfare of the community effects the welfare of the individual. In the end, he rejects the nightmare of Pottersville and returns to Bedford Falls. Speaking for myself, given the same choice, I want to live in Bedford Falls too.

I know you care and I know you know this is vital to the entire country. I can't help to think that it's possible for each of us to seek out U.S. product wherever practical and still be able to make a living. I also think that suppliers and distributors should be able to supply U.S. product where practical and still be able to turn profits.

Please try to buy American when practical and possible. And by the way, direct any disagreements, different perspectives, nasty phone calls and letters to Alan Greenspan. Maybe he doesn't know what he's talking about either.

May God bless the small American businessman and please sober-up the deluded American public.

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