

Is China the boogeyman ?

害怕中国？

# Did China steal jobs from the US?

## Part 5: Progress requires change, for jobs, companies, society in general

*The process of progress, which is vital to making life better, longer, and more fulfilling, involves old jobs, companies, products and services being replaced with new ones.*

### Not just jobs are lost. Companies fail as well.

In 1975, there were 5 companies related to metal production (steel, aluminum, nickel, etc.) among the Dow Jones Industrial Average's 30 companies. By 2013, there were none. The phrase "creative destruction" has been used to describe the process whereby an economy, as it grows and evolves, replaces the old with the new. Less farmers, more factories. Then less factories, more services. Not only are jobs lost, but companies as well.

### Lower costs leads to more R&D

When consumers spend less on some products (like clothing), whether due to cost savings from productivity or trade, they have more to spend on new products (like digital devices or advanced medical care). That demand in turn feeds the R&D which develops new products and services. With the highest per capita GDP and most innovative major economy in the world, R&D, along with investment capital, another byproduct of increased productivity, is critical to America's economic success.

### Progress is rare in the world

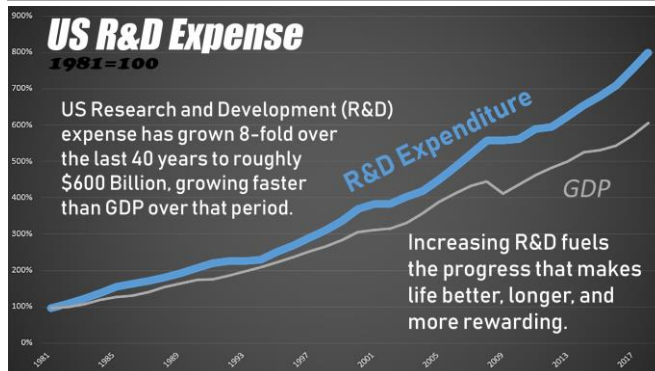
Too often progress is taken for granted. We forget that, even with its challenges, the US is still doing better economically than virtually every other country in the world. 85% of the people in the world live in countries that haven't progressed far enough to be able to develop a better life for people. Life without progress is not easy.

### In countries without progress...

- **6 million** children die from malnutrition before their 5th birthday.



*70% of startups fail within 5 years.  
Even industry titans disappear as the economy evolves.*



*Cost savings enables demand for new products which funds R&D, critical for a growing economy & rising incomes.*



## In countries without progress (cont)...

- **300 to 500 million** people are infected with malaria. 3 three million people.
- **800+ million** people go to bed hungry every day...300 million are children.
- **2.6 billion+** people-40 per cent of the world's population-do not have basic sanitation
- **1+ billion** people still use unsafe sources of drinking water.
- **5 million** people, mostly children, die each year from water-borne diseases.

## Progress makes life better.

Americans have benefited tremendously from economic and technological progress. There is a process to that progress—increased productivity, resources devoted to new technology, products and services, old jobs and companies are phased out, replaced by new ones. Higher incomes, longer, healthier lives, and richer more diverse lives, all depend on that progress.

## Impeding progress has a cost.

Using tariffs and other means to “save jobs” generally results in slower growth, fewer new jobs, lower incomes, less progress overall. We should be careful taking any steps that impede the process of growth and progress, mindful of the costs.

For sure there are many positive steps that could be taken, like decreasing spending and debt levels in the US, reversing the cycle of poverty, making K-12 education world class, like America’s universities. But any other steps should be taken with caution, wary of the cost involved.

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A Century of Change In America	1915	2015
Life expectancy, years	55	79
Work-related deaths, per 100K people	61	3.3
Incidence of Typhoid Fever, per 100K	100	<1
% Personal Expenditures on Food	33	16
% Personal Expenditures on Clothing	13	3
% Personal Expenditures on Transportation	7	20
% Personal Expenditures on Housing	25	40
% of adults completing high school	18	86
% Working in agriculture	31	2
% Working in manufacturing	>38	21

*For Americans economic progress has led to a longer, healthier life, and a richer, more diverse life. Jobs are different, and safer, too.*

*We work differently, in safer, more diverse and rewarding jobs.*



*We live longer, and healthier, than before*



*We live richer, better lives*



*Solving problems we couldn't solve before*

