

Election 2016 Executive Summary

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"The Problem"

Real Wages Up After WW2 Then Flat as Profit Soared

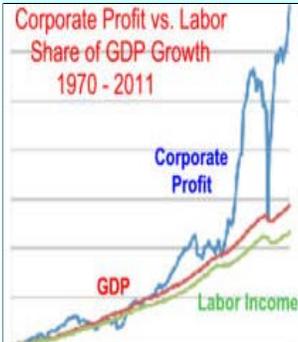


WW 2 generated savings, pent-up demand and few foreign competitors leading to 25 years of high profits, higher wages and cooperative unions. [Income Inequality](#) was not a problem.

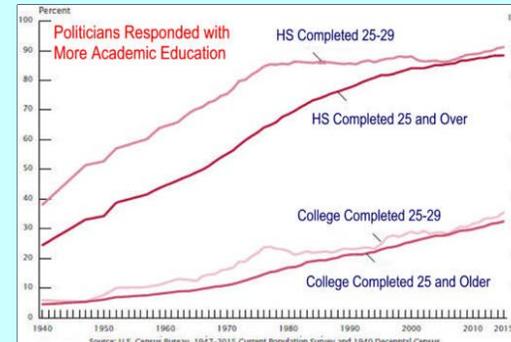
Oil Embargos and Competition Began early 1970's Wage Stagnation Japan's competitive manufacturing sector increased competition which caused stagnate Rust Belt wages and employment plus it put pressure on profit. Japan manufacturers got lucky when gas efficient small green cars required a change in the U.S. manufacturing process. Detroit responded by protecting profits with less product quality improving capital investment. Unions leaders protect their positions and current worker wages by accepting a [two-tier wage system](#). It minimized new worker wages. Feeling political pressure Japan built many modern U.S. plants.

Historic Solutions

Our [Democratic Federalist Capitalistic Republic](#) Responded with Three Solutions



Solution #1 Worked as American Business responded quickly and won the battle with labor. US companies was able to competed very well in a flat world by immediately using technology, outsourcing to Asia, Mexico...and by keeping wage increases low. Then twenty-first century war expenditures helped profit recover after a [dot-com bubble](#) recession and even The Great Recession could not stop their dominance over labor. [Source](#) Total compensation has done better although Obama Care gave companies an opportunity to again lower compensation. [Source](#) More [Data 1](#) [Data 2](#)



Solutions # 2 and #3 Did Not Work as Politicians failed. More academic education for everyone only increased the supply of educated workers relative to demand. This drove all wages down. [Free Trade](#) did not increase the number of jobs and programs to retrain and help relocate displaced workers failed. See [How Bad is the Job Market for College Grads](#) and [Free Trade Analysis](#)

Proposed Solutions

Business did well with their part of the problem but created the need of finding a better workable solution which allows business to compete internationally in our [ever changing Flat World](#) without putting a severe burden on middle income earners. See [Economic Normality 1945-2015](#). This is an intriguing problem because our economy can produce what we need without very many middle workers meaning there are no jobs. See the Jobs and Success section of [Leaders Educational Observations Throughout History](#).

Our Academically Centered Education System must change from maximizing the math and verbal education of all students to maximizing a [student's Special Intelligence](#), that which they do well. See 10 of the [Ten Commandments of Education](#).

Free Trade requires more protection for workers displaced for extended periods. Those still displaced or under employed at fifty-five should be eligible for Social Security and Medicare. In a Republic we do not vote people into poorer economic situations so TPP needs a rider to [increase payroll taxes](#).

Our Representative Democracy must utilize to the maximum a [Federalist Approach](#) using regulated capitalism to solve these issues for our Republic.