

Re: GM Getting Flogged -- What's Wrong With America?

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From: Swiss Observer (*dpeck_at_iprolink.ch*)

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On Wed, 16 Mar 2005 20:51:07 GMT, Chuck Feney
<iron.heart@Halliburton.> wrote:

>On 16 Mar 2005 11:17:17 -0800, "cliff84373@yahoo.co.uk"

><cliff84373@yahoo.co.uk> wrote:

>

>>I remember when I was a kid there was a cartoon character in Li'l
>>Abner named "General Bullmoose". He used to be fond of saying things
>>like, "What's good for General Bullmoose is good for the USA". General
>>Bullmoose, of course, was a fictitious name for General Motors. In
>>those days GM was the largest corporation in the U.S. Now our largest
>>corporation is Exxon Mobil, a corporation whos future is based on a
>>non-renewable resource.

>>

>>GM is down 4.43 or 13% in todays trading after stunning the market by
>>slashing first-quarter earnings estimates to a loss of \$1.50 a share
>>and cutting its 2005 earnings outlook by more than one half. GM's
>>profit fell 37% in the fourth quarter. Their bonds are evidently
>>selling at or near junk interest rates. The rest of the stock market,
>>by the way, seems to be stalled probably due to inflation worries.

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>>In the meantime the Commerce Department recently reported that the U.S.
>>deficit in the broadest measure of international trade soared to a
>>record \$665.9 billion last year, 25.5 percent above the previous record
>>set in 2003. Obviously, the world isn't exactly clamouring to buy our
>>stuff even with the low value of the dollar.

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>>So, what's wrong with GM? Obviously they have a problem with high labor
>>prices. They also have a problem with health care costs. As I recall,
>>health care for the retirees actually costs GM more than the steel that
>>goes into their automobiles.

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>>What else is wrong with GM? For that matter, what's wrong with America?

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>>

>They bet the farm on beasts like the Hummer, which ain't too smart

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>with \$2.25 gas and burger-flipping jobs.

>

>Meanwhile, America, obeying the exhortation and following the example

>of its great leader, went shopping – on credit.

It's a very sorrowful situation to have got themselves into, and one grieves for the little people who should have known better but got seduced by the corporate advertising. It's all coming down like a house of cards now (the Senate basically voted to end the passenger rail system just two hours ago), and now all the credit card companies can wreak havoc on the bankrupted families.

"Another fine mess you've got us into", as Ollie used to say.