

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

**Source:** <http://sci.tech-archive.net/Archive/sci.econ/2005-03/1962.html>

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**From:** Chris\_Cdn (forex73\_at\_yahoo.ca)

**Date:** 03/16/05

Date: Wed, 16 Mar 2005 23:45:21 GMT

<cliff84373@yahoo.co.uk> wrote in message

news:1111000637.656802.174850@o13g2000cwo.googlegroups.com...

> *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.*

>

> *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.*

>

> *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.*

>

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

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> [http://biz.yahoo.com/ap/050316/gm\\_outlook\\_9.html](http://biz.yahoo.com/ap/050316/gm_outlook_9.html)

> [http://biz.yahoo.com/ap/050316/wall\\_street\\_16.html](http://biz.yahoo.com/ap/050316/wall_street_16.html)

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

<http://business.updates.com/clickthru.aspx?typeid=33&siteid=2&orgid=12091&storyid=436902>

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Maybe if GM built a car worth buying, they could correct this trend.

How can they even hope to compete with Japanese and European car makers when "TPI" passes for advanced technology on a GM car.