

National Economic Suicide: The U.S. Trade Deficit With China Just Hit A New Record High

By [Michael Snyder](#)

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Did you know that we buy nearly five times as much stuff from the Chinese as they buy from us? According to government numbers that were just released, we imported 44.9 billion dollars worth of stuff from China in September but we only exported 9.3 billion dollars worth of stuff to them. And this is not happening because our economy is so much larger than China's. In fact, the IMF says that [China now has the largest economy on the entire planet](#) on a purchasing power basis. No, the truth is that this is happening because our economy is broken. Every month, we consume far more wealth than we produce. Because the outflow of money is far greater than the inflow, we have to go to major exporting nations and beg them to lend our dollars back to us so that we can pay our bills. Meanwhile, the quality of the jobs in this country [continues to go down](#) and our formerly great manufacturing cities [are rotting and decaying](#). We are committing national economic suicide, and most Americans don't seem to care.

Barack Obama is constantly hyping a "manufacturing resurgence" in America, but the numbers don't lie. In September, our manufactured goods trade deficit with the rest of the world soared to a new all-time record high of 69.16 billion dollars. For the year, we are nearly 12 percent ahead of last year's record pace.

When we buy far more things than we sell, we get poorer as a nation.

How do you think that we ever got into a position of owing China more than a trillion dollars?

We just kept buying far more from them than they bought from us, and their money just kept piling up. Now it has gotten to the point where our politicians literally beg them to lend our money back to us. They are the head and we are the tail.

And we did this to ourselves.

Once upon a time, the United States was the greatest manufacturing powerhouse that the world had ever seen. But now China manufactures [more stuff than us](#) and China also accounts for [more total global trade](#) (imports plus exports) than us.

This should never have happened. Several decades ago, the Chinese economy was a complete joke. But decades of incredibly foolish decisions by our politicians have resulted in the loss of tens of thousands of manufacturing facilities, millions of good paying jobs and the destruction of vast stretches of our economic infrastructure.

During the same time frame, gleaming new manufacturing facilities have gone up all over

China.

China is literally wiping the floor with us on the global economic stage and most Americans don't even understand what is happening. Here is more on the trade deficit numbers that were just released from [the RealityChek Blog](#)...

>The China goods deficit of \$35.56 billion blew past the old mark of \$30.86 billion, set in July, by 15.23 percent. The new deficit also represented a 17.77 percent increase over the August level of \$30.20 billion.

>U.S. goods exports to the still strongly growing Chinese economy fell on month in September from \$9.63 billion to \$9.33 billion (3.12 percent). U.S. merchandise imports from China jumped by 12.70 percent over August levels, from \$39.83 billion to \$44.89 billion – itself an all-time high.

>The U.S. goods deficit with China this year is now so far running 5.62 percent ahead of 2014's record pace.

>The longstanding U.S. manufacturing trade shortfall shot up from \$59.10 billion in August to \$69.16 billion in September. This 17.02 percent jump resulted in a beat of the old record of \$67.33 billion, also set in July, by 2.72 percent.

And it isn't just cheap plastic trinkets that China is selling to us.

In fact, their number one export to us is computer equipment.

Meanwhile, one of our main exports to them is "scrap and trash".

For much more on how China is absolutely dominating us, please see my previous article entitled "[Not Just The Largest Economy – Here Are 26 Other Ways China Has Surpassed America](#)".

Sadly, there are a couple of factors that will probably make our trade deficit with the rest of the world even worse in the months ahead.

Number one, the [currency war](#) that I wrote about earlier this week will probably push the U.S. dollar even higher against the yen and the euro.

You might think that a rising dollar sounds good, but the truth is that it will make our exports less competitive in the global marketplace.

Nations such as Japan devalue their currencies so that they can sell more stuff to us. But that hurts our own domestic industries. And when our own domestic industries suffer, that means less jobs for American workers.

Secondly, the collapse in the price of oil could have very serious implications for the shale oil industry.

In recent years, the shale oil revolution has caused local economic booms in states such as Texas and North Dakota. But shale oil tends to be quite expensive to extract. As I write this, the price of U.S. oil has fallen to about 77 dollars a barrel. If it stays at that level or keeps going down, shale oil production in the United States will slow down dramatically.

In other words, a lot of these shale oil “boom towns” could go “bust” very rapidly.

If that happens, the amount of oil that we import will rise substantially and that will add to our overall trade deficit.

But of course the biggest factor fueling our trade deficit is that the vast majority of Americans simply do not care that we are committing national economic suicide.

When we buy products made in America, we support American businesses and American workers.

When we buy products made overseas, we hurt American businesses, we kill American jobs and we make ourselves poorer as a nation.

Of course there is nothing wrong with buying a foreign-made product once in a while. But this holiday season, most people will fill their shopping carts to the brim with foreign-made goods without even thinking twice about it.

The next time that you go into a huge retail establishment such as Wal-Mart, start picking up products and look to see where they were made.

I think that you will be shocked at how few of them are actually made inside the United States.

When are Americans going to get sick and tired of making China wealthier at our expense?

We are willing participants in the destruction of the U.S. economy, and yet only a small minority of people seem to care.

What is it going to take for people to finally wake up?

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Articles by: [Michael Snyder](#)

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