

Engineered Economic Chaos, "Fake Shortages". Collapse in Industrial Production

Whistleblower: Los Angeles Port Worker Says Shortages Are Fake!

By <u>Prof Michel Chossudovsky</u> and <u>Stew Peters</u> Global Research, October 14, 2021 Region: <u>USA</u> Theme: <u>Global Economy</u>

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The global economy is in crisis. The Covid-19 Lockdown policies have triggered a process of Worldwide economic destabilization which directly affects both "Supply" and "Demand" relations. It's the most serious economic crisis in World history affecting simultaneously more than a 150 countries.

Worldwide, large sectors of industry, agriculture and urban services stand idle. The lockdown policies initiated in March 2020 have triggered bankruptcies and unemployment, which in turn have been conducive to a process of disengagement of human resources (labor) and productive assets from the economic landscape.

The freeze of air-travel, the contraction in international commodity trade in the course of 2020-2021 has also contributed to a massive decline in production and investment.

The Crisis in International Commodity Trade

The crisis in container trade has also led to major shortages in the availability of staple food commodities such as rice, sugar, soya beans, etc. which in turn has triggered inflationary hikes at the retail level. India, which is the second largest exporter of sugar experienced a collapse of approximately <u>80% in its sugar exports</u>.

Shortage in the Availability of Semi-conductors

The automobile industry experienced a decline in production of 15% in 2020. The evidence suggests a much larger decline in 2021, largely affecting production in Japan, South Korea and China.

This decline has been accentuated by a shortage in the availability of semi-conductors:

"Automakers, which rely on dozens of chips to build a single vehicle, have been particularly hard hit, forced to halt production lines globally as they await chip supplies.

The debacle is likely to cost the auto industry \$450 billion in global sales ... In September 2021 Toyota <u>was forced to slash production</u> at 14 factories in Japan over a lack of semiconductors. Some of the cuts will continue into October due to a lack of components from Southeast Asia, <u>Toyota has said</u>." (<u>Washington Post</u>, September 2021)

<u>All automobile companies have been affected:</u>

Since 2021, there have been several instances of production standstill in the automotive industry. The Volkswagen subsidiary Skoda, for example, estimates that

there were 100,000 cars that they could not manufacture in 2021⁶.

Across the entire industry, an estimated 7.7 million fewer vehicles were produced in the same year-on-year period. This corresponds to a monetary value of about 210 million

USD⁷. Due to the complexity of the production chains described above, it will take time even after production capacities have recovered until output in the automotive industry is at pre-crisis level once again.

The resulting lead times of six to nine months for complex microchips affect the entire supply chain, making it noticeably more difficult for the whole industry to respond to fluctuations in demand.

Some car manufacturers have therefore started to stockpile chips in preparation for

future fluctuations (just-in-case instead of just-in-time production)⁹. However, the limited shelf life of a microchip makes this a temporary solution at best.

Engineered chaos in industrial production? From one day to the the next Japan's automobile industry is in crisis.

Semiconductors constitute a strategic commodity, used in a variety of sectors including electronics, medical devices, electronic and communications networks etc.

There are indications of possible manipulations, which have led to artificial shortages of semiconductors affecting a number of key sectors of the global economy.

There are geopolitical implications. The World's largest semiconductor producer which was has been routinely trading with China is Taiwan Semiconductor Manufacturing Company (TSMC).

In a strategic decision, the US has pressured the Taiwan government with a view to relocating its plant to the U.S. in a joint venture arrangement.

From the very outset of the Covid Crisis in January 2020, the Big Money elites have been involved in the broader process of manipulation of financial, commodity and energy markets as well as the disruption of air transportation. (For details, see <u>Michel Chossudovsky's E</u> <u>Book</u>, Chapters IV, V, XIII)

This diabolical plan from the outset has been to bankrupt entire sectors of the "Real Economy" with a view to restructuring and appropriating the productive assets of bankrupt companies. According to <u>F. William Engdahl</u>:

The price of energy from all sources conventional is exploding globally. Far from accidental, it is a well-orchestrated plan to collapse the industrial world economy that has already been weakened dramatically by almost two years of ridiculous covid quarantine and related measures.

View this important report by Stew Peters, which confirms that shortages are being created deliberately.

VIDEO

An anonymous worker from the Port of Los Angeles came forward on "The Stew Peters Show" to confirm what we have all suspected.

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