Made in the USA Reports

A Publication of the Made in the USA Foundation

Vol. 28 No. 5 © Made in the USA Foundation--May, 2016

Trade Deficits Shrink Middle Class, Increase Income Inequality

Made in the USA Foundation Chairman Joel D. Joseph appeared on the national Thom Hartmann television show discussing his new book, *Inequality in America: 10 Causes and 10 Cures.* The primary cause of income inequality in America is the loss of three plus million manufacturing jobs over the last twenty years. The book is available on the Made in the USA Foundation website, www.madeusafdn.org, at bookstores, Amazon.com, in hardcover and electronic formats. You can watch the program by clicking below:
Part 1-- https://www.youtube.com/watch?v=uTdImGSAUiA
Part 2--https://youtu.be/awTrfYo_4zw

Memorial Day Thoughts

By Joel D. Joseph, Chairman, Made in the USA Foundation

On this Memorial Day, my thoughts turned toward our military and the vulnerability that it has because of our reliance on imported weapons. We face conflicts with China over its development in the South China Sea and with Russian in the Ukraine and in Syria. Why are we dependent on military supplies from our two biggest adversaries? And why are we dependent on other nations when we have the capability to supply the military with all of its needs?

The United States is now dependent on Russian rocket engines to launch military satellites, and relies on Chinese rocket fuel for Hellfire missiles. This not only weakens the U.S. economy, it directly threatens our national defense.

Dependence on Russia

The United States military has been significantly weakened, not by the Iraq or Afghani wars, but by its own reliance on foreign suppliers of rocket engines, fuel and other critical military parts. The Defense Department signed a contract with United Launch Alliance LLC, a partnership of Lockheed Martin and Boeing. United Launch Alliances uses Russian-made RD-180 engines on Atlas V rockets. Russia recently cutoff our supply of these engines in retaliation for our refusal to buy other Russian products.

Space Exploration Company, known as Spacex, a relatively new American rocket manufacturer, supplies NASA with rockets, produces rocket engines in the United States. A recent study by NASA and the Air Force finds that it cost about $440 million for SpaceX to get from a blank sheet of paper to the first Falcon 9 launch, a small fraction of the cost of NASA launches. SpaceX was the first private company to launch a rocket that docked with the International Space Station.

The Defense Department should require all of its rockets to be made in the United States and should consider using smaller, more efficient companies like SpaceX to keep costs in line.

The Department of Defense signed three contracts to purchase Mi-17 helicopters from Russian for use by the Afghan Air Force. By the end of 2016, Afghanistan's air force is due to have 86 Russian-made Mi-17 helicopters. Most of the helicopters were purchased by the United States from Rosoboronexport, the same state weapons exporter that continues to arm the Syrian government of Bashar al-Assad.

Hellfire

The AGM-114 Hellfire is an air-to-surface missile developed primarily for anti-armor use. It was originally developed under the name *Helicopter Launched, Fire and Forget Missile*, which led to the acronym "Hellfire" that became the missile's formal name. Hellfire missiles are a widely used, reliable, and effective weapons launched from attack helicopters and unmanned drones. This missile is the primary 100-pound class air-to-ground precision weapon used by the armed forces of the United States.

The U.S. military is completely dependent on a single Chinese company (1,2,4 Butanetriol) for the chemical needed to produce the solid rocket fuel used to propel Hellfire missiles. Hellfire missiles are a critical component in America's arsenal.

We Cannot Rely on Europe Either

Swiss company Micro Crystal AG, refused to supply piezoelectric timing crystals for the guidance system of the JDAM (Joint Direct Attack Munition) smart bomb during the 2003 Iraq War.

In 2005, the Navy chose an international group primarily composed of British and Italian manufacturers to build the next presidential helicopter, even though Sikorsky Aircraft, an American defense contractor, had manufactured the familiar Marine One helicopter since the Eisenhower years. Only several months earlier, the Brazilian jet maker Embraer was awarded a $6 billion contract to build the new Aerial Common Sensor reconnaissance aircraft.

Even the pistols and medium machine guns our Marines and soldiers are using on the battlefield today are no longer American-made. The 240G machine gun that replaced the venerable M-60, the standard machine gun from Vietnam to the first Gulf War, is manufactured by Fabrique Nationale, a Belgian company.

Common Sense Dictates,
"Thou Shall Not Rely on Russia and China or Any Other Nation"

Retired Brigadier General John Adams wrote a report recently titled, ***Remaking American Security: Supply Chain Vulnerabilities & National Security Risks Across the U.S. Defense Industrial Base.*** General Adams said, "America's vulnerability today is frightening. This report is a wake-up call for America to pay attention to the growing threat posed by the steady deterioration of our defense industrial base. Excessive and unwise outsourcing of American manufacturing to other nations weakens America's military capability. As a soldier, I've witnessed firsthand the importance of our nation's ability to rapidly produce and field a sophisticated array of capabilities. There is a real risk that supply chain

vulnerabilities will hamper our response to future threats."

The *Buy American Act* prohibits imported purchases by the government for products such as Russian rockets and Chinese fuel. Importing these crucial products also violates principles of common sense that we should not be reliant on supplies from countries that may be in a shooting war against the United States or our allies. Let's put common sense and independence back into the Pentagon's thinking and protect the brave men and women that we celebrate on Memorial Day, and create jobs that veterans will be proud to have.

American-Made Menswear Manufacturers

Suits
Antonio Azzuolo
Band of Outsiders
Brooks Brothers
Hart Schaffner & Marx
Haspel
Hickey Freeman
J. Press
Jack Spade
Loden Dager
Martin Greenfield Clothiers
Oxxford
Southwick
Thom Brown

Dress Shirts
American Apparel
Andrew David
Brooks Brothers
Civilianaire
Commonswealth Proper
Gitman Brothers
Hamilton Shirts
Heathered Gingham
J. Wingfield
Mason & Buck
Mercer & Sons
Todd Shelton

Ties
American Apparel
David Hart & Co
Fishbone Slim Ties

Footwear
Danner
Allen Edmonds
Alden
Chipewaw Boots
Cove Shoe Co
Quoddy
E. Vogel
Limmer Boots
Oak Street Bootmakers
Okabashi
Red Wing
Rancourt & Co
Perry Ercolino
Russell Mocassin Co
Townview Leather
The Stronghold

Belts
Brighton
Cause and Effect
Soleso
Trafalgar
Vanson Leathers
Welch Co. (suspenders)
Wiley Belts

Outerwear
Beyond Clothing
Centralia Knitting Mills
Cockpit
Crate
Crescent Down Works

General Knot Co.
Robert Talbot
The Hill Side
Vineyard Vines

Polo Shirts
American Apparel
Fairway and Greene
James Perse

Dress Pants
Bill's Khakis
Grown & Sewn
Hertling Trousers
Todd Shelton

Jeans
3 x 1
AG Jeans
American Apparel
Athletic Wear
Baldwin Denim
Civilianaire
Earl's Apparel
Earnest Sewn
Homage
Hudson
Imogene Willie
J Brand
Jean Shop
Jones Thin NC Organic Raw Denim
Left Field
Marine Layer
Outlier
Paige Premium Denim
Pointer Brand
Public School
Rag & Bone
Raleigh Denim
Rising Sun
Rogan
Round House
RRI
Ruell andRray
Tellason
Texas Jeans

Outerwear
Ebbet Fields Flannels
Engineered Garments
Fulsus
Langlitz Leathers
Schott Leather Jackets
Spiewak Golden Fleece
Sterlingwear
Western Mountaineering

Sox
Darn Tough
Fox River Mills
Thorlo
Wigwam

Bathing Suits
Birdwell Beach Britches
Savage

Pajamas and Robes
Bed Head
Vermont Flannel

Athletic Wear
All American Apparel
Yoga Smoga