

In the late 70's large corporations began moving jobs overseas eventually decimating America's world class manufacturing system. Corporate heads argued that companies owed their primary allegiance to stockholders and not to employees; and that companies needed to seek lower labor costs to maximize their profits. I think it is fair to argue that there is a structural flaw in modern American capitalism. Tremendous income gains are going to those in the top 20 percent, but prospects are diminishing for those in the middle and working classes.

There are those who will totally dismiss the premise that American capitalism is a failing system. They maintain that it is still the most successful economic system in the world and still a model for the rest of the world's developed nations. Well, unfortunately that belief is wrong, wrong and totally wrong. If we really want to see the system of capitalism that works for the good of a country and its people, we must look to another nation – Germany.

There are many reasons why Germany's manufacturing sector and economy are so strong but it's mainly because that country's corporations and government fully realize that it's the nation's workers that deserve the most credit. Germany has refused to follow the way of the U.S. in transferring most of its manufacturing to China. It values its workers, provides them with the new skills necessary to compete globally, and pays them well – very well in fact!

American CEOs would find it very difficult to understand how Germany has been able to create a manufacturing atmosphere in which unions, management, and government can work closely together in meeting common objectives.

As American capitalism has undergone its transformation, thousands of plants have been closed, millions of U.S workers have lost their jobs, but one group has greatly benefited from what has happened. A 2016 Bloomberg survey of CEO pay around the world found that the average salary of a U.S. CEO was almost \$17 million putting them in a class by themselves. The question we should be asking is why in the world do they deserve so much in salary for outsourcing our jobs?

Capitalism, American style is, from my perspective, the primary root cause of much of the inequality and inequity of wealth, power and income that is present in America today. Capitalism, German style, should now be considered as the model for the world; the way true capitalism should be practiced and used to be practiced in the America when I was growing up.