

## **Local Production Means Jobs And Prosperity**



This article was written by Tom Chatham and originally published at <u>Project Chesapeake</u>

With over 93 million unemployed working age adults in America and the economy beginning to go negative again, if you are fortunate enough to have a job it may not last much longer. It is easy to keep a positive attitude about the economy when you get a paycheck every week but life after the paychecks stop will change your outlook a great deal. That is the reality that is about to overtake the working class in the coming months.

The primary mechanism that has tipped the economy onto a downhill trajectory is the route that circulating money has taken in the past few decades. In the past much of the money was kept in circulation in the local economy resulting in the creation of many local jobs. With the new corporate model, most of the profit is siphoned out of the local economy and goes to wall street profiteers. This has resulted in the destruction of many local jobs while the few at the top of the wealth pyramid get richer much faster as time goes on.

The only way a nation can maintain a middle class is to keep money circulating in the local arena. The lack of this local circulation has finally caught up to the middle class and it has begun to shrink at an alarming rate. If the corporate model plays out to the end, it will mean the total destruction of the middle class and the beginnings of a two tiered system where there are a few very wealthy persons lording over a very large poverty stricken majority. That is where we are heading.

When this happens the only thing that will restore a functional middle class is the recreation of the local economy where the vast majority of the money remains in the local economy. This will require the reestablishment of local businesses and craftsmen to create the items needed by the local community.

In most cases the service sectors of the economy can only function when sufficient excess wealth exists in the hands of workers that seek to improve their living conditions. Basic needs must be met first before

persons will seek any improvement in living conditions. This provides a road map of sorts for those that seek to create a stream of income in the local economy. The creation of physical goods that people need must be satisfied before the economy will demand the lesser wants of society.

As the basic needs of society are fulfilled, the income from these goods will slowly create more jobs and more demand from society. As the cycle continues it will slowly lift the economy and the living standards of the people. This is how the American economy was created from the beginning of settlement to the industrial base that we once had.

Wealth is created by raw materials, labor, skills and demand for goods. The corporate model has pushed the small businessman out of the market by utilizing mass production and cheap labor combined with cheap transportation systems to provide cheap goods to the masses. This model is destined to collapse at some point due to rising costs of labor, rising energy costs and unsustainable production systems.

Keeping these things in mind, if you need a job where one does not exist, you must create a job that produces a product that society must have to insure demand. As the basic needs of society are met, you can move into goods and services that are less of a need and more of a want by society. To become a successful independent businessman you must listen to the community and access its needs and wants to have the right products to sell.

The amount of destruction caused by the corporate model will determine where the starting point will be when a reset is required. It is also important to keep in mind that the lack of a rebuilt local economy will lead to a feudal type of society where the poor become serfs controlled by the few wealthy lords that control the wealth.

When a community lacks the ability to provide the things people need, they become easy prey for those that can get the goods society needs. People today are held captive by the financial system created by those with wealth. Debt is the control mechanism and when the current debt based system fails those with the remaining wealth will create another system to keep the poor subdued. It is inevitable unless communities do the hard work of creating their own economy and goods to maintain individual freedoms and keep the wealthy in their proper place.

For a community to recreate the local economy it must determine what resources it has, what resources it must get and what skilled labor they have in order to devise a functional system they can control. Much of this will be done on the individual level as people seek to use the resources and skills they have to provide for their families. This is the foundation of free market capitalism.

In 1776 America about 40% of men worked their own farm. Another 30% worked as laborers on farms. About 20% owned large farms or plantations. The remaining 10% or so who were professional businessmen frequently owned modest farms where they might raise a cow, some chickens and have a garden to provide for the home table. Even those townspeople that had no farm usually had a cow, some chickens and a kitchen garden for home use.

In those days nobody was completely self sufficient. Some people worked metal. Some grew fiber crops and others turned the fibers into cloth. In the process of providing for their families and selling any excess they produced, these people created the local economy. In early America unemployment was an almost unknown concept. Now, the social programs available to people make unemployment not only possible for the masses but it has become a socially acceptable situation. You must think in these terms if you desire to recreate the local economy not only for your benefit but for the benefit of the community as a whole.

To create your own job you must determine what skills you have that can be utilized for your benefit as well as can be sold for income. This will also entail an assessment of your available resources. To work for yourself you must also be ready to take advantage of any opportunities that present themselves.

Recently there has been an outbreak of avian flu in the poultry flocks in the upper Midwest. Millions of birds including many laying hens have been destroyed resulting in a disruption of the egg supply

nationwide. As a result of this a person with even a modest layer flock might find sale in the local economy where there once was no demand. The drought conditions in California are beginning to increase prices in produce grown there providing the local producer in other sections of the nation the opportunity to fill the local demand for some of those items.

Beef cattle numbers are at a 50 year low because of the drought conditions forcing ranchers to sell their herds. Last year a disease moved through the pig population in the central U.S killing millions of hogs meant for consumption. These problems provide the small local producer the opportunity to get back into the game locally where before they were unable to compete with the corporations.

In the event that the dollar crashes as many have predicted, it will make many of the imports we depend on too expensive for persons to buy. This would allow someone with some metal working and welding ability to make items now mostly imported such as garden tools.

A good businessman looks ahead to see what is coming and takes actions to utilize that knowledge to create wealth. The problems previously listed can provide the local businessman the opportunity to create local supply and develop markets during this time of disruptions to move the production base of the nation back to the local area where it belongs.

These are only some of the business opportunities that can be taken advantage of right now locally that can provide the local economy the ability to establish local markets and production assets that will benefit the community especially if things continue to deteriorate nationally in the future.

The failure to move production back to local communities will result in foreign corporations moving in when things deteriorate and establishing their own production systems that will once again siphon wealth out of the local community and send it to overseas entities. The buying spree by the Chinese in the past few years is proof of this possibility coming to pass.

The need for local production is more relevant now than it has ever been. Only those that make the leap now will have the opportunity to make a difference when things take a turn for the worse and people become desperate.

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