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May Day - "Workers of the World, Equate!"

In my brief encounters with the natural sciences, it appeared that processes in nature tended toward equilibrium. In biology, "osmosis" describes the movement of a substance through a "permeable membrane" from a location of high concentration to a location of low concentration, until the concentration is equal in both locations. Similarly, in chemistry, "diffusion" describes the movement of molecules from high concentration to low concentration until equilibrium. And in physics, "entropy" describes "the tendency for all matter and energy in the universe to evolve toward a state of inert uniformity." (American Heritage Dictionary)

Thus even in globalized economics. In the United States, from 1945 to 1975, the Greatest Generation built a huge accumulation of capital. American rubber workers, steelworkers, auto workers, and public employees then took a well-earned "30 and out" retirement and moved from producing capital to drawing down their accumulated savings. Many members of my own Boomer Generation tried for the "drawing down" phase without serving the "producing" phase, and many succeeded. This left the United States holding a high concentration of capital and a low concentration of individuals willing to work manufacturing. Enter "osmosis", and the capital flows away from the high concentration while the workers flow towards the low concentration, through the "permeable membrane" of the United States border.

Absent political interference with the flow of resources, meaning capital and labor, Old American Capital continues to drain to Riyadh and Singapore and Shanghai, while New American Labor continues to enter from any country from which it can escape. Even with attempted political interference in that flow the track record of legalisms versus the laws of economics favors economics.

So the outlook continues to be, capital goes to less-expensive labor markets to build production facilities, probably increasing labor incomes in those areas and increasing demand for consumer goods and a higher standard of living and higher wages. And less-expensive labor continues to come to existing capital, probably diluting the remaining wage availability in old production areas, generally reducing the buying power of those remaining wages for individuals and causing individuals to reduce their personal standard of living.

It's unlikely the laws of economics can be disregarded so as to not result in a significant, meaningful decrease in the standard of living in the United States. What persons of good will should aim for is finding an equilibrium standard of living where there is not an unconscionable disparity between living in one country or another. It is to be hoped that such an equilibrium may be reached somewhere around the current standard in Mexico, rather than the current

standard in Guatemala, or even worse in Thailand, or even worse in Zimbabwe.

I'd like to take suggestions from the readers (actually I'd like to see if there are readers of this column) as to what the components of an equilibrium standard of living might be, so I can beat this gloomy economic stuff closer to death in a future column. I'm starting my list of components with indoor plumbing and Internet access, but that might be optimistic. Any suggestions will be welcome, please email to PortaDem @ AOL .com.

- Christopher J. Mallin, Old Country Lawyer