
February 20, 2004

OP-ED COLUMNIST

Dark Side of Free Trade

By **BOB HERBERT**

The classic story of the American economy is a saga about an ever-expanding middle class that systematically absorbs the responsible, hard-working families from the lower economic groups. It's about the young people of each successive generation doing better than their parents' generation. The plotline is supposed to be a proud model for the rest of the world.

One of the reasons there is so much unease among voters this year is the fact that this story no longer rings so true. Books based on its plotline are increasingly being placed in the stacks labeled "fantasy."

The middle class is in trouble. Globalization and outsourcing are hot topics in this election season because so many middle-class Americans, instead of having the luxury of looking ahead to a brighter future for the next generation, are worried about slipping into a lower economic segment themselves.

This is happening in the middle of an economic expansion, which should tell us that the terrain has changed. In terms of job creation, it's the weakest expansion on record. The multinationals and the stock market are doing just fine. But American workers are caught in a cruel squeeze between corporations bent on extracting every last ounce of productivity from their U.S. employees and a vast new globalized work force that is eager and well able to do the jobs of American workers at a fraction of the pay.

The sense of anxiety is growing and has crossed party lines. "We are losing the information-age jobs that were supposed to take the place of all the offshored manufacturing and industrial jobs," said John Pardon, an information technology worker from Dayton, Ohio. Mr. Pardon described himself as a moderate conservative, a longtime Republican voter who has become "alienated from the Republican Party and the Bush administration" over the jobs issue.

Mr. Pardon does not buy the rhetoric of the free-trade crusaders, who declare, as a matter of faith, that the wholesale shipment of jobs overseas is good for Americans who have to work for a living.

"There aren't any new middle-class 'postindustrial' or information-age jobs for displaced information-age workers," he told me. "There are no opportunities to 'move up the food chain' or 'leverage our experience' into higher value-added jobs."

The simple truth, as Mr. Pardon and so many others have found through hard experience, is that enormous numbers of well-educated, highly skilled white-collar workers are having tremendous trouble finding the kind of high-level employment they've been trained for and the kind of pay they feel they deserve.

The knee-jerk advocates of unrestrained trade always insist that it will result in new, more sophisticated and ever more highly paid employment in the U.S. We can ship all these nasty jobs (like computer programming) overseas so Americans can concentrate on the more important, more creative tasks. That great day is always just over the horizon. And those great jobs are never described in detail.

These advocates are sounding more and more like the hapless Mr. Micawber in "David Copperfield," who could never be swayed from his good-natured belief that something would "turn up."

We've allowed the multinationals to run wild and never cared enough to step in when the people losing their jobs, or getting their wages and benefits squeezed, were of the lower-paid variety. Now the middle class is being targeted, and the panic is setting in.

No one really knows what to do — not the president, not John Kerry or John Edwards, and most of all not the economists and other advocates who have been so certain about the benefits for American working men and women of unrestrained trade and globalization.

What happens when the combination of corporate indifference and the globalized pressure on jobs and wages becomes so intense it weakens the very foundations of the American standard of living?

The fact that this critically important issue is finally becoming an important part of the national conversation is, to borrow a phrase used in another context by the chairman of the president's Council of Economic Advisers, "a good thing."

Perhaps an honest search for solutions will follow.

[Copyright 2004 The New York Times Company](#) | [Home](#) | [Privacy Policy](#) | [Search](#) | [Corrections](#) | [Help](#) | [Back to Top](#)