

NYT Column Supporting Free Trade Draws Sharp Criticism

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WASHINGTON _ A U.S. economist's support for free trade and opposition to compensating Americans hurt by it drew broad criticism on Sunday, possibly indicating that congressional ratification of pending trade agreements, including one with South Korea, may be tougher than expected.

In a New York Times column on Wednesday, Steven Landsburg, an economics professor at the University of Rochester, questioned why the government should compensate workers who lose jobs because of foreign competition from free trade.

"All economists know that when American jobs are outsourced, Americans as a group are net winners. What we lose through lower wages is more than offset by what we gain through lower prices," he wrote in his support of free trade.

"If you are forced to pay \$20 an hour to an American for goods you could have bought from a Mexican for \$5 an hour, you are being extorted. When a free trade agreement (FTA) allows you to buy from the Mexican after all, rejoice in your liberation," he wrote.

The U.S. has three free trade agreements -- with South Korea, Panama and Colombia -- awaiting congressional approval. The Congress endorsed an FTA with Peru last year, and it is expected to vote on the deal with Colombia next. The FTA with South Korea, which was signed after those with Panama and Colombia, is expected to come up for a vote last.

In rebuttals to Landsburg on Sunday's opinion page, one reader said while America may gain in numerical terms from free trade, it faces losses from a corroding sense of security and democracy.

"The efficiency-driven economy that Mr. Landsburg extols may produce a large monetary return, but it does not value what it cannot enumerate: the collective benefits that arise from broad optimism and confidence in a secure future for each person," wrote William Kessler of Seattle.

Scott Paul, director of the Alliance for American Manufacturing in Washington, cited a study that showed any increase in consumer prices was more than offset by economic activity that wages, business and profits contributed to the national economy.

"And so, despite Mr. Landsburg's attitude that workers should just get over it, the correct course for the country and its workers should be to strengthen domestic manufacturing, enforce fair trade laws and, with those steps, allow more Americans to share in the

benefits of the global economy," he said.

Yancy Hughes Dominick of Seattle argued there were more important things than lower prices and said she was willing to buy shampoo from a local pharmacy, even if it was more expensive than buying through the Internet or elsewhere.

"And I would be getting a great bargain -- not only shampoo, but also a community," she wrote.

However, Alex Nowrasteh, research associate at the Competitive Enterprise Institute in Washington, agreed with Landsburg, saying free trade guarantees intellectual and artistic progress.

"How many artists, academics and intellectuals would be around if we had to grow our own food and build our own houses?" he asked.

"Free trade makes artistic and intellectual pursuits possible. Intellectuals who disdain trade and its material progress do so at their own peril."