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Resources to Track Trade-Related Job Loss for Your State and District

Nearly five million American manufacturing jobs – one out of every four – have been lost since implementation of the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO).[1] Since NAFTA took effect, over 60,000 American manufacturing facilities have closed.[2]

Growing trade deficits post-NAFTA, WTO and other Free Trade Agreements (FTAs) drive job loss: Under the NAFTA-WTO model, U.S. manufacturing imports have soared while growth of U.S. manufacturing exports has slowed. The growth of the U.S. trade deficit with China since that country entered the WTO in 2001 has had a devastating effect on U.S. workers and the domestic economy: between 2001 and 2011, 2.7 million U.S. jobs were lost or displaced.[3] Growth in U.S. manufacturing exports to Canada and Mexico since NAFTA has been less than half the rate in the years before NAFTA.[4] Overall, the inflation-adjusted U.S. trade deficit with Canada of $29.1 billion and the $2.5 billion surplus with Mexico in 1993 (the year before NAFTA took effect) turned into a combined NAFTA trade deficit of $181 billion by 2012 – a real increase in the "NAFTA deficit" of 580 percent.[5] The Economic Policy Institute (EPI) estimated that the NAFTA deficit had eliminated about one million net American jobs by 2004.[6] EPI estimated that 7 million *additional* American manufacturing jobs could have been supported if U.S. trade policy had not led to increased trade deficits.[7] The aggregate U.S. trade deficit with countries that are party to NAFTA-style FTAs has ballooned, while actually decreasing with other countries. The inflation-adjusted aggregate trade deficit with FTA partners has *increased* by over $144 billion – a 441 percent jump – since the FTAs were implemented. By contrast, the aggregate trade deficit with all non-FTA countries has *decreased* by over $55 billion during the comparable period – a 7 percent drop.[8]

Devastation of U.S. manufacturing drives down wages, erodes tax base, heightens inequality: Despite major gains in American worker productivity, real median wages hover at 1979 levels.[9] Government data shows that two out of every five displaced manufacturing workers who were rehired in 2012 experienced wage reductions of more than 20 percent.[10] Such middle class wage losses have helped push inequality to levels not seen since the robber baron era.[11] With the loss of manufacturing, tax revenue that could have funded social services or local infrastructure projects has declined,[12] while displaced workers have turned to ever-shrinking welfare programs.[13] This has resulted in the virtual collapse of some local governments in areas hardest hit.[14]

For detailed data on trade-related job loss, visit Public Citizen's Trade Data Center
www.citizen.org/trade-data-center

- Find regularly updated data on the total number of manufacturing jobs lost in your state.
- Track some of the specific, factory-by-factory, trade-related job losses in your area, as counted by the Department of Labor's Trade Adjustment Assistance program.
- See the number of jobs in your area that are threatened by particular NAFTA-style deals and estimates of job loss by state from China trade and NAFTA.

ENDNOTES

[1] Bureau of Labor Statistics, Current Employment Statistics survey, series ID CES3000000001, manufacturing industry. 2012.
[2] U.S. Bureau of Labor Statistics, "Quarterly Census of Employment and Wages," County High Level Excel Files, manufacturing, number of establishments. Comparison between levels in fourth quarter of 1993 with first quarter of 2012. Accessed on January 11, 2013, Available at ftp://ftp.bls.gov/pub/special.requests/cew.
[3] Robert E. Scott, "The China Toll: Growing U.S. Trade Deficit with China Cost More than 2.7 Million Jobs between 2001 and 2011 with Job Losses in Every State," Economic Policy Institute, Briefing Paper #323, September 2011. Available online in a format that allows search of China trade job loss by state at American Alliance of Manufacturing http://www.americanmanufacturing.org/china-job-loss.
[4] Manufacturing exports are defined as NAIC 31, 32, and 33 from 1997-2011, and as SIC 2 and 3 from 1989-1996. (Pre-1989 data is not available.) U.S. International Trade Commission, "Interactive Tariff and Trade Dataweb," accessed March 1, 2013. Available at: http://dataweb.usitc.gov.
[5] U.S. International Trade Commission Dataweb. Exports are domestic exports and imports are imports for consumption. Figures from 1993 are adjusted to 2012 dollars using the CPI-U-RS from the Congressional Budget Office.
[6] Robert E. Scott, Carlos Salas, and Bruce Campbell, "Revisiting NAFTA: Still Not Working for North America's Workers," Economic Policy Institute Briefing Paper 171, September 2006.
[7] Lawrence Mishel, Jared Bernstein, and Sylvia Allegretto, *State of Working America 2006-2007*, (Washington, D.C.: EPI, 2006), Table 3.30, at 175.
[8] Author's calculations, based on data from U.S. International Trade Commission, "Interactive Tariff and Trade Dataweb," accessed January 11, 2013. Available at: http://dataweb.usitc.gov. The year of comparison for non-FTA countries is the median date of entry for existing U.S. FTAs, which is 2006.
[9] U.S. Bureau of Labor Statistics, "Weekly and Hourly Earnings Data from the Current Population Survey," Series ID LEU0252881600, extracted January 2013. Available at: http://data.bls.gov.
[10] Bureau of Labor Statistics, "Displaced Workers Summary," Table 7, U.S. Department of Labor, Aug. 24, 2012. Available at: http://www.bls.gov/news.release/disp.nr0.htm.
[11] *See* Thomas Piketty and Emmanuel Saez, "The Evolution of Top Incomes: A Historical and International Perspective," National Bureau of Economic Research Paper 11955, January 2006; numbers updated through 2011 in a January 2013 extract, available at: http://www.econ.berkeley.edu/~saez/.
[12] Corliss Lentz, "Why Some Communities Pay More Than Others? The Example of Illinois Teachers," *Public Administration Review*, 58:2, March-April 1998. This study shows that high levels of manufacturing employment are associated with higher starting salaries for public school educators.
[13] David Brady and Michael Wallace, "Deindustrialization and Poverty: Manufacturing Decline and AFDC Recipiency in Lake County, Indiana, 1964-93," *Sociological Forum*, 2001.
[14] Robert Forrant, "Greater Springfield Deindustrialization: Staggering Job Loss, A Shrinking Revenue Base, and Grinding Decline," U of Massachusetts-Lowell Paper, April 2005.