



Minnesota Fair Trade Coalition

AFFILIATE OF CITIZENS TRADE CAMPAIGN

For Immediate Release

Wednesday, October 22, 2008

Contact: Alicia Ranney, Minnesota Fair Trade Coalition

Phone: (612) 578-8266

Email: aranney@citizenstrade.org

Nearly Half a Million Minnesota Jobs Susceptible to Offshoring *Candidates Asked to Support Policy Solutions to Keep Jobs in Minnesota*

Minneapolis, MN – Nearly half a million Minnesota jobs are vulnerable to being sent overseas, highlighting the need for new trade and tax policies, said the Minnesota Fair Trade Coalition today. According to analysis by the Economic Policy Institute (EPI) from this year, at least 485,000 current Minnesota employees, or 19% of all Minnesota jobs, are considered “offshorable”.

“The continued outsourcing of Minnesota jobs is not inevitable,” said Alicia Ranney, Director of the Minnesota Fair Trade Coalition. “Failed trade policies like NAFTA give expansive protections to U.S. firms that ship investment and jobs offshore. If we change our trade policy, we can change the future, and keep jobs in the state rather than shipping them overseas.”

“For many years, white-collar workers have watched as blue-collar jobs have been shipped to Mexico, China, and beyond,” said Steve Hunter, Secretary Treasurer of Minnesota AFL-CIO. “Now it is white-collar workers whose jobs are being targeted for offshoring. Minnesota workers need join together to demand concrete solutions from our candidates before their only option is a job at Wal-Mart.”

On a national basis, the EPI data show that the workers most vulnerable to offshoring are those with a four-year college degree whose jobs pay \$8,000 -- or 14 percent more per year -- than nonoffshorable jobs. Even if these jobs are not actually offshored, they will still be subject to competition from lower-wage workers abroad and, consequently, the earnings in these occupations will lessen.

The EPI analysis shows that nearly one in five Minnesota jobs can easily be moved offshore. A surprising array of state jobs are at risk, including computer programmers and call-center operators, actuaries and accountants, editors and writers, drafters and graphic designers, underwriters and financial analysts, and even scientists and mathematicians. Most jobs done in front of a computer are vulnerable to offshoring.

To address the offshoring problem, the MN Fair Trade Coalition recommends state congressional members sign on in support of The TRADE Act – legislation introduced into Congress in June, and cosponsored by over seventy-five members of the house and Senate. In Minnesota, cosponsors include Representatives Peterson, Ellison, McCollum, Oberstar and Walz.

The TRADE Act requires a review of existing trade deals, including NAFTA, the World Trade Organization (WTO) and other major pacts, and sets forth what must and must not be included in future trade agreements. It also provides for the renegotiation of existing agreements and describes the key elements of a new trade negotiating and approval mechanism to replace Fast Track. This new system would enhance Congress' role in the formative aspects of agreements and promote future deals that could enjoy broad support among the American public.

“We cannot continue the same model of trade agreements over and over, and expect different results,” said Wade Luneburg, Political Director from UNITE-HERE Minnesota. “Political candidates need to provide a plan for changing our trade and economic policies to aggressively address the continued offshoring of Minnesota jobs.”

To find out more about how trade impacts jobs, family farms and other issues in Minnesota please join the MNFTC for a forum entitled “The Impacts of Trade,” next Tuesday, October 21st at Augsburg College for a Christiansen Center at 7pm.

Background on the data:

In his seminal 2007 work, Princeton economist and former Federal Reserve Vice Chairman Alan Blinder examined the tasks performed by Americans in hundreds of occupations and ranked those jobs on an “offshorability index,” identifying the jobs most vulnerable to offshoring. While many blue-collar or production jobs have long been recognized as offshorable, Blinder’s methodology allowed for an analysis of what workplace tasks in the service sectors, including high-paying jobs, were also vulnerable to being offshored. Particularly vulnerable are jobs that do not require on-site presence, so that the tasks involved can be accomplished by phone and especially over the Internet.

The analysis conducted by EPI applies Blinder’s methodology and assumptions to run the occupational categories and job numbers for this state. Blinder was attempting to estimate the number of jobs that were potentially offshorable. He found that 29 to 38 million American jobs could be offshored nationwide in the foreseeable future.

###

The Minnesota Fair Trade Coalition (MNFTC) is a coalition of environmental, family farm, faith, and labor groups working for trade policy that reflects the interests of the majority of working people.