

A job is outsourced when an American employer hires a worker in a foreign country to perform the job in the worker's home country.

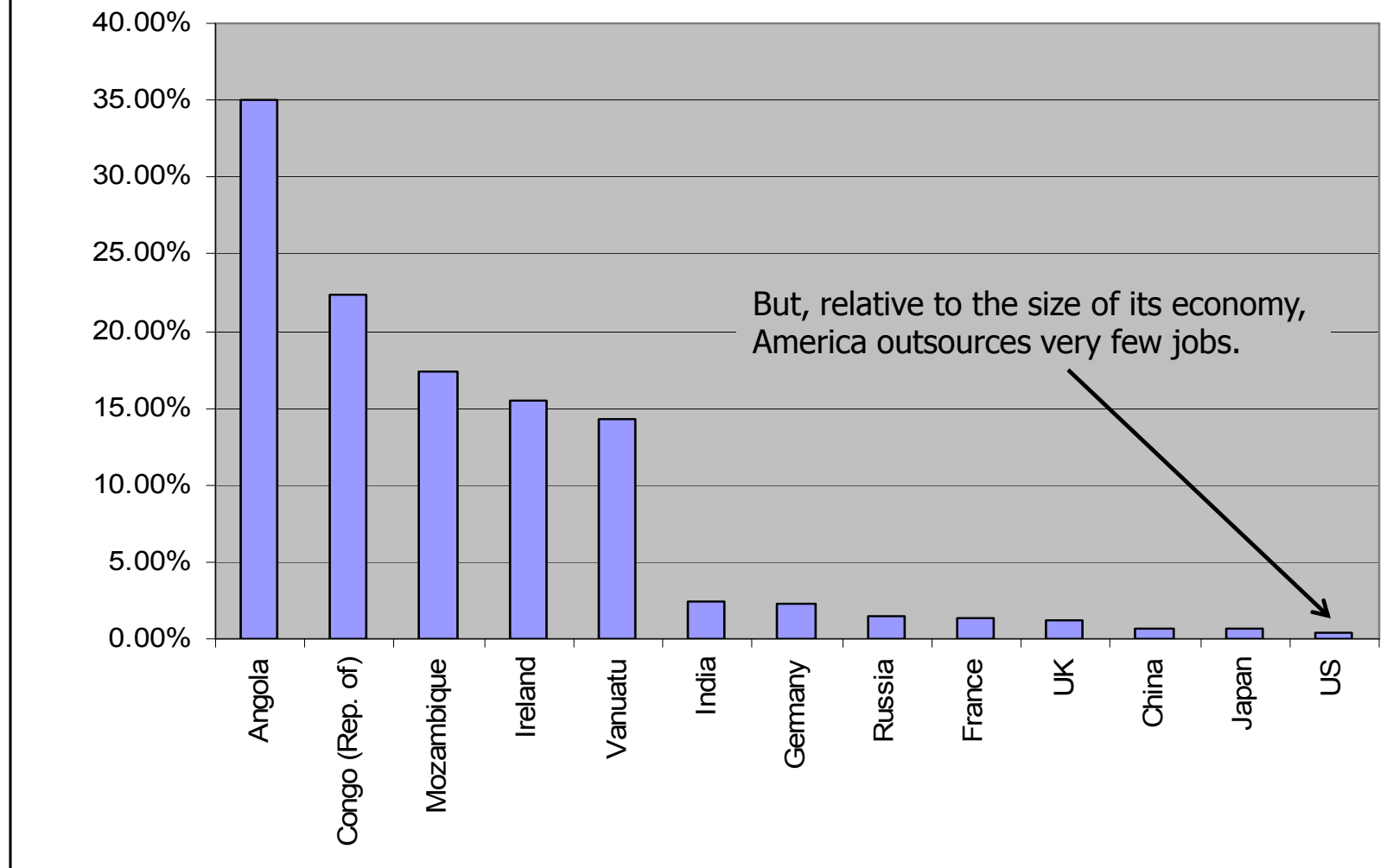
Outsourcing is a substitute for immigration. With immigration, the foreign worker comes to America to take a job. With outsourcing, the American job goes to the foreigner's country to be filled by the foreign worker.

Wages Paid to Outsourced Labor



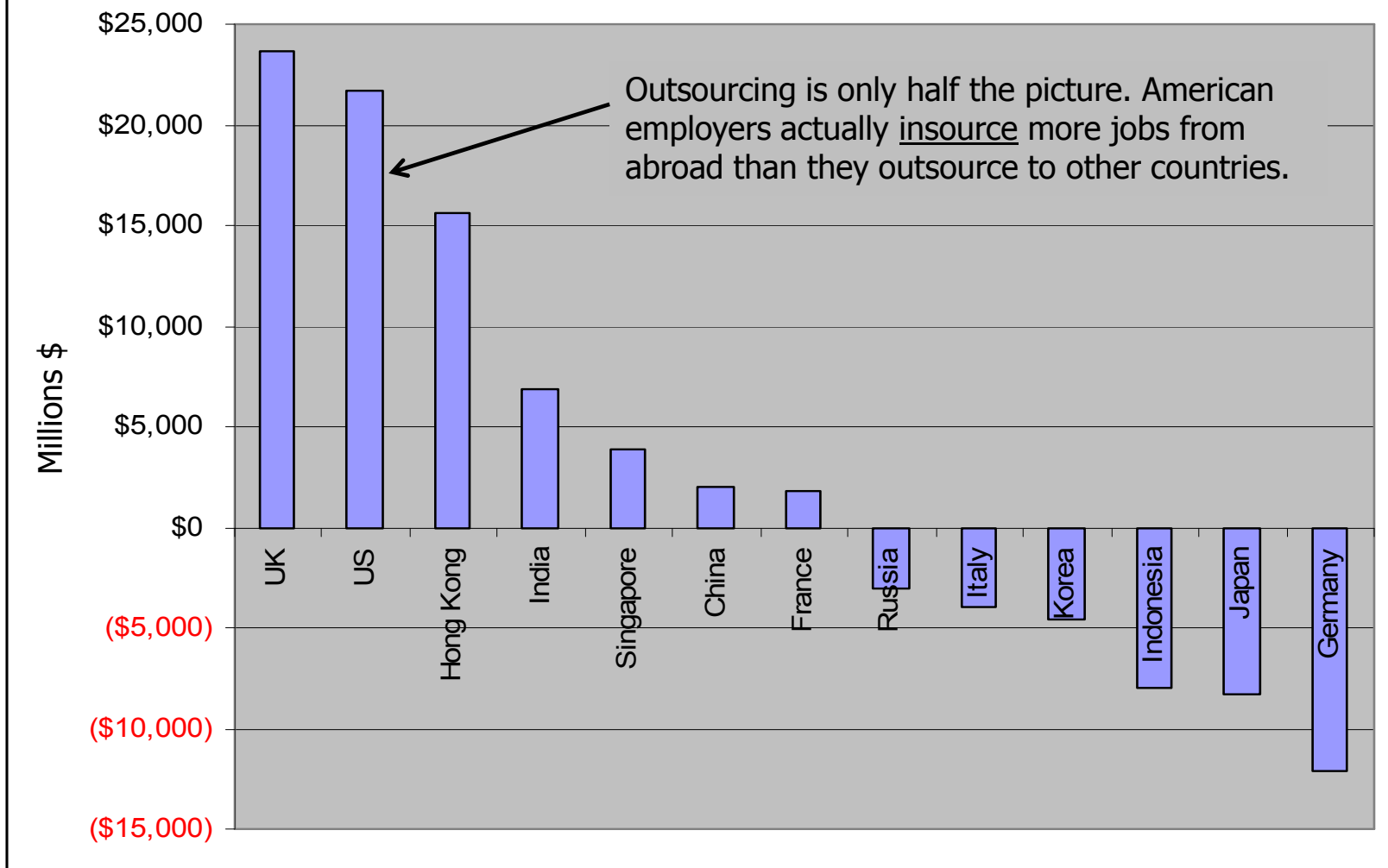
Source: Balance of Payment Statistics Yearbook, IMF, 2002.

Outsourced Labor Relative to GDP



Source: Balance of Payment Statistics Yearbook, IMF, 2002.

Outsourced Labor Versus Insourced Labor



Source: Balance of Payment Statistics Yearbook, IMF, 2002.