

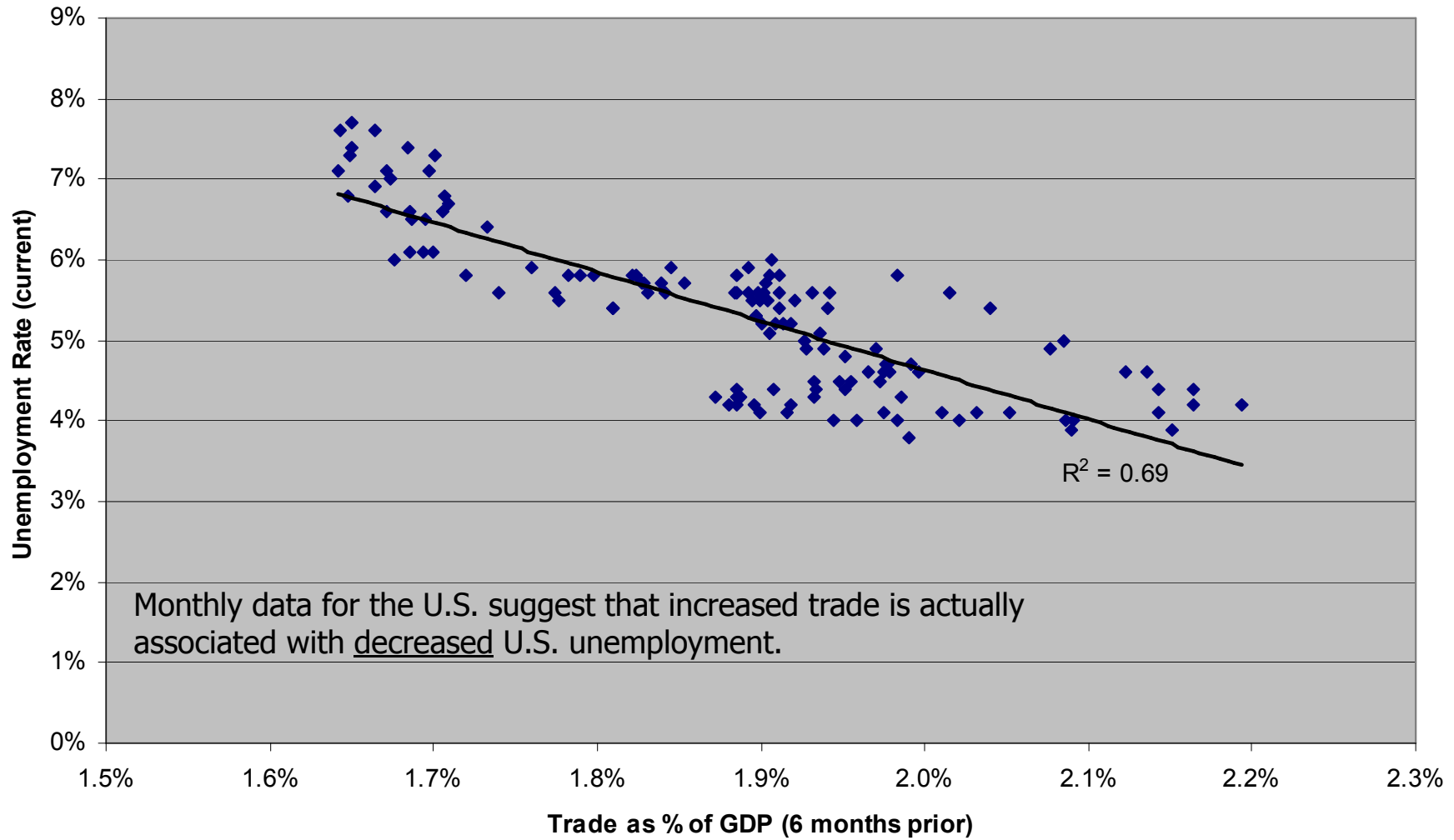
Conventional wisdom suggests:

Increased trade leads to unemployment of U.S. workers as foreign competition destroys American jobs.

Economic theory suggests:

Loss of American jobs due to foreign imports is only half of the story. Increased trade also implies increased U.S. exports. The increase in U.S. exports creates American jobs.

July 1992 - March 2003

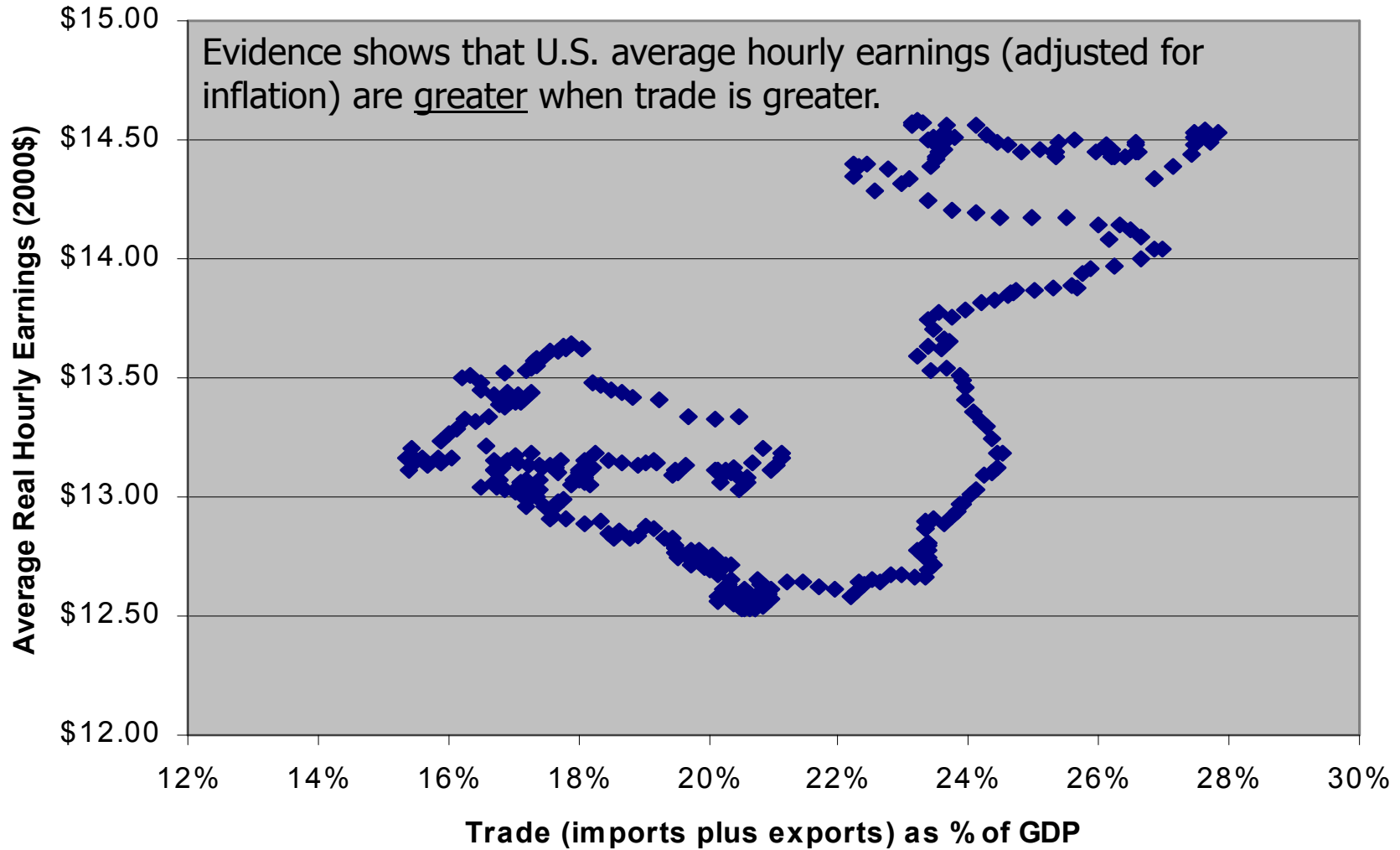


Source: Bureau of Labor Statistics, and Bureau of Economic Analysis

Counter-argument:

OK, maybe more trade does decrease the U.S. unemployment rate, but trade replaces high paying U.S. jobs with low paying U.S. jobs.

January 1975 to June 2006



Source: Bureau of Labor Statistics, and Bureau of Economic Analysis