



[LatelineNews: 2004-11-18] WASHINGTON - Opponents of outsourcing were convinced anger among voters over the loss of U.S. jobs overseas would help drive President Bush from office. Now he's been reelected, they say worse is to come.

"George Bush seems to have no interest whatsoever in addressing any of the aspects of the outsourcing issue, other than to accelerate and welcome the trend," said Thea Lee, chief international economist for the AFL-CIO labor group.

Lee, who helped campaign for defeated Democratic candidate Sen. John Kerry, said there may well be a surge in outsourcing to countries like India and China, where labor is cheaper, before Bush even begins his second term. "We may even see it in the next couple of months, because we had heard anecdotal stories that **some companies were holding off on major layoff announcements and outsourcing decisions until after the election because they knew it was a potentially politically explosive issue,**" Lee said.

But Bruce Josten, executive vice-president for government affairs at the U.S. Chamber of Commerce, said it is not the occupant of the White House, but rather U.S. appetite for a skilled work force that is powering the outsourcing trend.

"I don't think it matters who is elected president. Outsourcing is a reality globally," Josten said. "I suspect the driver of it is the large, talented, skilled, highly educated pool of workers (overseas). And I think at the end of the day, the deciding factor is going to be that, more than anything else," he added, citing a steady drop in the number of science graduates in the United States compared to a boom in India and China.

A study by Harvard economist Richard Freeman found 700,000 Chinese graduated with a Bachelor of Science in engineering in 2003, compared to just 60,000 in the United States.

LOOKING FOR SOMEONE TO BLAME

While Kerry had promised to cut corporate taxes and create a jobs tax credit for manufacturers who produce in America, Bush said he would spend \$500 million on education and training to improve worker skills for new jobs. Kerry urged more work on ways to measure outsourcing since few experts agree on how many U.S. jobs are being shifted offshore and no comprehensive government data exist.

While an oft-cited study by Forrester Research forecast that more than 3 million service jobs will move offshore by 2015, a government report in June found only 2.5 percent of first-quarter mass layoffs were due to offshore outsourcing, suggesting national hand-wringing over the issue was overdone.

Still, unemployed workers like Keith Adams, laid off nearly a year ago after 20 years at AT&T Corp. in Cincinnati, are convinced Bush has not done enough to protect U.S. jobs. Adams is particularly bitter because his state of Ohio, which lost more jobs during Bush's first term than most, was instrumental in the president's victory. "My reaction is of deep disappointment," said Adams, who, while president of the Local 4351 Communications Workers of America trade union, watched a dozen jobs being sent to Bangalore before his own vanished last December.

"Was Kerry going to fix it? Not necessarily, I wouldn't think he would. But he was at least going to level the playing field," Adams said, arguing that Bush has not doing enough to force trading partners to eliminate tariffs on U.S. goods and services, leaving Americans at a disadvantage.

"I wish I could have voted more."