



Congress of the United States
House of Representatives
Washington, DC 20515

March 2, 2004

Hamburger Flipping Flashback #2

Real Quote from 1984:

"We have the worst trade deficit in history. We're extracting jobs every day. We're shifting them overseas every single day..."

AFL-CIO's Murray Seeger, October 1984

Dear Colleague:

The quote at the top comes from a news program discussion about the trade deficit's relationship to the economy. Back in 1984, protectionist voices were claiming that international trade would cripple the American economy. Unfortunately, we are hearing the same claims coming back today, even after twenty years of impressive economic expansion.

Real Evidence from 20 Years of Growth:

40 million new jobs were created between 1984 and 2004. And real GDP grew, on average, two percentage points faster in years when the trade deficit expanded, compared to years when it shrank (3.5 percent growth v. 1.5 percent growth, respectively).

We cannot heed new protectionist warnings that trade in goods and services will lead to economic doom and gloom. Twenty years of experience has proven that trade is not taking us down the road of economic collapse. Skilled Americans are able to innovate, create and compete in the modern open economy. Closing our doors to the world will only turn back the clock on our astounding progress.

Sincerely,

A handwritten signature in blue ink that reads "David Dreier".

David Dreier