# The Presidential Debate

# We Didn't Have

by Phyllis Schlafly October 31, 1996

The presidential campaign has generated a lot of talk about moving America into the 21st century. But neither candidate addressed the fundamental issue: Will average Americans then enjoy a higher or a lower standard of living?

Some sobering answers are provided in a shocking book published this week, called "America: Who Stole the Dream?" (Andrews & McMeel). It predicts that America will sink into the economic status of a Third World nation (like India).

The Pulitzer-prize winning authors, Donald L. Barlett and James B. Steele, are reporters for the Philadelphia Inquirer. Their book is a documented expansion of a ten-part series serialized in newspapers in September.

The book is bound to stir up controversy, not just because it runs counter to politically correct government-can-solve all-problems optimism. The book targets the sacred cow of "free trade," which has become a mantra of a strange-bedfellow coalition of old-right libertarians, Silicon Valley's nouveau riche supporting Clinton, multinational corporations riding the bulls in the stock market, and politicians of both parties who receive contributions from the above.

And don't overlook those who are making such big money in faraway places like Indonesia and Korea that they can write checks for $200,000 and $400,000 to the Democratic National Committee.

The advocates of free trade constantly try to paint themselves as supporters of less government and more free market, and describe their opponents as favoring more government regulation. That's false. The benefits of what is called free trade are the direct result of federal trade and tax laws that are skewed to benefit some interests at the expense of others.

These laws (mostly designed by highly-paid lobbyists) have silently restructured our economy through trade treaties (falsely called "agreements" so they wouldn't have to muster a two-thirds majority in the

U.S. Senate), high income and estate taxes on the middle class, and virtually unrestricted immigration.

The result has been the destruction of a large part of our manufacturing base and the massive loss of jobs that can support a family.

The new trade laws started with Nixon's Trade Reform Act of 1973. They continued with the Trade Agreements Act of 1979, the Trade and Tariff Act of 1984, the Omnibus Trade and Competitiveness Act of 1988, the NAFTA (North American Free Trade Agreement) deal of 1993, and the GATT (General Agreement on Tariffs and Trade) pact of 1994.

When NAFTA and GATT were moving through Congress, the media waxed eloquent about how Mexico would be such a large and profitable market for U.S. exports. It has proved just the reverse. Our $16 million merchandise trade deficit with Mexico has hit an all-time high, and Mexican imports are putting American tomato, avocado, citrus, olive and nut farmers out of business.

In 1955, the personal income tax shielded 50 percent of a family of four's income. Now it shields only 25 percent.

If wages for middle Americans had risen at the same rate as their taxes, the median family income would now be $93,000 instead of the $39,000 that it is. Furthermore, the average household income of $39,000 now requires a two-spouse income, whereas in 1955, one wage earner could support a family.

The free trade lobbyists have kept taxes high on the average worker in order to subsidize both imports of foreign products, which drive American industries out of business, and imports of foreign workers, who take jobs from Americans. Bartlett and Steele show how entire industries have been rigged to hire foreign workers (often disguised as "temporary") on the false claim that there are no qualified Americans.

Since 1990, six million legal immigrants have been brought into the U.S. work force, many in managerial and professional jobs. This exceeds the number of out-of-work Americans in 46 states.

U.S. corporations find this very profitable because they don't pay full-time wages and benefits. The immigrants can be a burden to the U.S. taxpayers, too, because, with their low-paid, part-time work, they can qualify for the federal earned income credit, a form of welfare paid to low-paid workers.

Bartlett and Steele's economic and tax data show that the most promising job prospects for Americans in the year 2000 are as cashiers, janitors, waiters, and prison guards. Meanwhile, accountants and nurses are coming in from the Philippines, civil engineers to design roads and bridges from Iran, apparel industry workers from Cambodia and China, computer programmers from India, and health care aides from Russia.

Wal-Mart today employs about the same number of workers who held good jobs with the big three automakers in 1975. But 30 percent of Wal-Mart employees work only part-time, and the majority of its full-time workers earn only a dollar or two above the minimum wage, with no health benefits or pensions.

Barlett and Steele provide a mountain of evidence that all this couldn't have happened by accident. It must have been planned that way.