

Outsourcing jobs leaves the American white-collar worker behind

June 13 2008

Outsourcing might be good for American corporations, but it's not necessarily good for American workers, and it's likely to be bad for the American economy, even in the long run.

The revised edition of *Outsourcing America: The True Cost of Shipping Jobs Overseas and What Can Be Done about It* (AMACOM) written by Ron Hira, assistant professor of public policy at Rochester Institute of Technology, and Anil Hira, professor of political science at Simon Fraser University in Vancouver, brings attention to the voiceless white-collar American worker.

Moving jobs overseas is reshaping the American economy to suit corporate America. It also compromises American workers, the authors maintain. The trend has increased significantly since *Outsourcing America* was first published in 2005 and now includes different skill levels and types of jobs, says Ron Hira.

Released this spring, *Outsourcing America* updates the outsourcing debate and critically assesses the role corporations play in setting policy for high-skill immigration and outsourcing, the practice of moving American jobs across national borders. The authors also look at outsourcing trends in Europe, Canada and Australia, and other developed countries.

Outsourcing America closely examines the message businesses send when they threaten to outsource more jobs if not allowed to import cheaper

guest workers.

"What they're saying is that increasing the guest worker program (H-1B and L-1 visa programs) will keep jobs here and save jobs from being offshored," says RIT's Hira. "When in reality those programs are being used to do knowledge transfer to transfer jobs overseas. The business community is on the one hand saying outsourcing is good, and on the other using the threat of outsourcing to change immigration policy. It's quite clever."

Instead of American companies competing against foreign rivals—which was the case in the 1980s when American semiconductor, auto and steel manufacturers lost market share to Japanese manufacturers—companies are now pitting their American workers against their overseas counterparts. According to Hira, this changes the political dynamics, but more importantly, changes which policies will be effective.

The white-collar worker has no representation in the outsourcing debate controlled by business interests, he notes. Likewise, the U.S. government has taken no policy response to outsourcing, an issue that has surfaced in the 2008 election season.

"The presidential candidates have tried to use the issue of outsourcing to their advantage, but once you cut through the rhetoric, there isn't much substance behind the policy proposals from either candidate," Hira says.

The authors recommend establishing a new organizational institution that represents American workers, something akin to the influential AARP, but on issues that directly affect the workplace.

"We don't have an organization for people who work," Hira says.

"There's almost no awareness even that people aren't represented in Washington. And I don't see anybody talking about it."

Source: Rochester Institute of Technology

Citation: Outsourcing jobs leaves the American white-collar worker behind (2008, June 13)
retrieved 2 May 2024 from

<https://phys.org/news/2008-06-outsourcing-jobs-american-white-collar-worker.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.