



Written by [Thomas Sowell](#) on May 6, 2012

Exporting Jobs

A small headline in the 2nd section of the *Wall Street Journal* [April 27] told a bigger story than a lot of front page banner headlines. It said, "[U.S. Firms Add Jobs, but Mostly Overseas.](#)"

Just as there is no free lunch, there is no free class warfare. Some people may be inspired by President Obama's talk about making "the rich" pay their undefined "fair share" of taxes, or taking away corporations' "tax breaks." But talk is not always cheap. It can be very costly to those working people who are looking for jobs that the Obama administration's anti-business policies are driving overseas.



According to the *Wall Street Journal*, "Thirty-five big U.S.-based multinational companies added jobs much faster than other U.S. employers in the past two years, but nearly three-fourths of those jobs were overseas." All these companies have at least 50,000 employees, so we are talking about a lot of jobs for foreigners with American companies overseas.

If the *Wall Street Journal* can figure this out, it seems certain that the President of the United States has economic advisers who can figure out the same thing. But that does not mean that the president is interested in the same thing.

In this, as in so much else, Barack Obama is interested in Barack Obama. Whatever bad effects his policies may have for others, those policies have had a track record of political success for many politicians in many places.

To put it bluntly, killing the goose that lays the golden egg is a viable political strategy, provided the goose doesn't die before the next election. In this case, the goose simply lays its golden eggs somewhere else, so there is no political danger to President Obama.

Unemployment may remain a problem to many Americans, but that only provides another occasion for the Obama administration to show its "compassion" with extended unemployment benefits, more food stamps and various interventions to save home buyers from mortgage foreclosure. This can easily be a winning political strategy.

Franklin D. Roosevelt won his biggest landslide victory after his first term in office, during which the unemployment rate was never less than twice what it has been under Barack Obama.

The "smart money" inside the Beltway says that a high unemployment rate spells doom at the polls for a president. But history says that people who are getting government handouts tend to vote for whoever is doing the handing out.

The Obama administration has turned this into a handout state that breaks all previous records. Lofty rhetoric about "stimulus," "shovel-ready projects," "green jobs" or "investment" in "the industries of the future" all give political cover to what is plain old handouts to people who are likely to vote to re-elect



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Obama.

At the local level as well, history shows that some of the most successful politicians have been people who ruined the local economy and chased job-creating businesses away. Mayor Coleman Young of Detroit in the 1970s and 1980s was not worried when affluent whites began moving out of the city in response to his policies, because they were people who were likely to vote against him if they stayed.

Of course they took their taxes, their investment money and the jobs they created with them. But that was Detroit's problem, not Coleman Young's problem. Barack Obama may win re-election by turning the United States into Detroit writ large.

Something similar happened in earlier times, when James Michael Curley served 4 terms as mayor of Boston, and 2 terms in prison. As the non-Irish left the city, in response to Curley's policies, that increased Curley's likelihood of being re-elected.

This kind of cynical politics is even more likely to succeed when political opponents fail to articulate their case to the public. And Republicans are notorious for neglecting articulation.

The phrase "tax cuts for the rich" has been repeated endlessly by Democrats without one Republican that I know of saying, "Folks, I don't lie awake at night worrying about millionaires' tax problems. Millionaires have lawyers and accountants who get paid to do that. But I do worry about jobs being lost to millions of American workers because we make the business climate here worse than in other countries. That's a high price to pay for rhetoric."

The case can be made. But somebody has to make the case.

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