American Chamber Decides To Fight Moves Against Outsourcing

Washington, April 16 (NNN): The US Chamber of Commerce, the apex body of American business representing some three million companies, has decided to fight the gathering legislative moves against outsourcing of jobs to India and other low-cost nations around the world.

The chamber has released a detailed report that to reject the notion and the ongoing campaign against outsourcing and warned that the US will end up paying a heavy price if it enacted laws to halt the movement of jobs.

The report has summarily rejected the charge that US companies were selling out America’s future by moving jobs overseas. The impact of outsourcing on US jobs has been overstated, it said and pointed out that even the projected flight of 3.3 million jobs by 2015 will be a small percentage of an economy that employs 138.3 million.

In a key finding, the report highlights the point that the US is a net gainer on the jobs front because of the free trade policies thus far with a $ 60 billion surplus in services trade. Foreign investors have created 6.4 million jobs directly, apart from the tens of millions of jobs they indirectly support.

“Foreign competitors and trading partners cannot defeat the United States. Only the United States can defeat the United States -- by making the wrong choices at this critical crossroads in history,” the report added.

Significantly, apart from highlighting the dangers of the restrictive proposals, the chamber makes a strong pitch for expanding the H-1B and other work visa programmes to meet the US’s shortage of skilled manpower. It has urged the Congress to approve immigration reforms to create guest worker programmes and legalize undocumented workers.

“The chamber’s message is clear: The US must be able to source around the world to stay competitive in the global economy and the business community will fight any attempts by our government to restrict outsourcing,” chamber president Thomas Donohue told a news conference.

Putting it bluntly, Donohue said: “The alarms being sounded about the loss of jobs to foreign countries are motivated by political need rather than facts.”
To create jobs, the US must maintain its open door policies vis-à-vis the world economy, Donohue said adding: “Isolationist measures designed to restrict trade and punish companies for sourcing must be defeated.”

He also stressed that besides making US firms competitive, outsourcing creates export markets for American products.

The chamber’s report comes at a time when some 80 bills are pending before the US Congress and the various State Legislatures as the high-decibel political campaign enters penultimate phase in the run-up to the November elections.