

JEFF JACOBY

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The old delusion of protectionism

By Jeff Jacoby, Globe Columnist | January 10, 2010

WHEN SENATOR Byron Dorgan of North Dakota announced his support for Barack Obama's presidential campaign in 2008, he told reporters that a key factor in his endorsement was that Obama "[has always opposed NAFTA](#)" - the North American Free Trade Agreement linking Canada, Mexico, and the United States. Dorgan is a strident protectionist, so there was nothing unusual about his slap at NAFTA. Except this: The same week that Dorgan came out for Obama, the US Commercial Service reported that North Dakota had ranked [first in the nation for export growth](#) the previous year. And the top destinations for the North Dakota merchandise exported in 2007? Canada and Mexico.

International commerce has been good to Dorgan's state. [According to the International Trade Administration](#), exports sustain one-seventh of all manufacturing jobs in North Dakota, while foreign companies employ another 8,300 people there. In 2008, nearly 900 North Dakota firms earned revenues of \$2.8 billion from sales to customers in other countries. Why would a senator whose state has benefited so handsomely from trading across borders believe that opposition to free trade is somehow in his constituents' interest? Or a quality to seek in presidential candidates?

Dorgan - who announced on Tuesday that he will not seek reelection this year - is far from alone in his antipathy to the free movement of goods and services across borders. In a cab from the airport to my office recently, I listened to a cabbie complain bitterly about all the Toyotas and Hondas on the highway. I tried to assure him that most of the "foreign" cars he was looking at [were assembled in the United States](#), but there was no mollifying him. Americans, he told me, had no business buying cars from Japan.

In my e-mail inbox, meanwhile, the subject line of a new message exhorts me to "BUY AMERICAN!!!" When I open it, I am reminded that "every little thing we buy or do affects someone else - even their job," and that I should avoid products manufactured abroad and buy only those made in the United States. Among the items to be shunned: Bounce dryer sheets (allegedly made in Canada), GE lightbulbs (Mexico), and Apache hose fittings (China).

It is certainly true that people's jobs are affected by consumers' choices. If customers stay away in droves from Chinese hose attachments, it might well mean more work for an American hose and belting manufacturer. But why stop there? In addition to boycotting goods and services made in other countries, let's avoid spending money on products from other *states*. Those of us who live in Massachusetts should refuse to buy dryer sheets from California, Ohio lightbulbs, and hoses made in California. My Boston cabbie should be curling his lip at cars made not just by companies headquartered in Japan or Germany, but by those based in Michigan, too.

Crazy? Of course. Refusing to trade across state lines wouldn't make us economically stronger. It would make us weaker, condemning us to higher prices, less variety, reduced purchasing power, and inferior quality. Granted, such protectionism might work to the advantage of a few local producers. But it would do so only by depriving everyone else of economic opportunity and improved quality of life. To turn state borders into trade barriers would be irrational and self-defeating.

What protectionists never seem to grasp is that it is no less irrational and self-defeating to treat the borders of countries as barriers to trade. Free trade isn't a battle that countries (or states) win or lose. It is a human right - the liberty to engage in voluntary transactions that leave both participants better off. If John wants to sell something that Mary wants to buy, it should make no difference to the lawfulness of their exchange whether they are residents of different neighborhoods, different states, or different nations.

"Trade barriers," writes the Cato Institute's Dan Griswold in "[Mad About Trade](#)," an astute and absorbing new book, "rob people of the rightful fruits of their own labor, distributing the spoils to other people with no moral claim to the confiscated wealth other than political power."

Protectionism, an old delusion, enriches the few at the expense of the many. The blessings of free trade, by contrast, uplift all of us - even the departing senator from North Dakota, whether he knows it or not.

Jeff Jacoby can be reached at jacoby@globe.com. ■

