

- Exporting and importing is a zero sum and no income (hypothesis)
- We lost jobs but that doesn't mean they are really gone it's like churning with every job lost was there a churning effect
- Technology effects the global economy
- The assembly line now is mostly machines compared to Henry Ford's Assembly line
- Technology replaces the need to work we become more efficient with everything we do
- Trans-Pacific partnership is a thing but has stopped due to certain people not wanting to continue trade
- We're importing more than we are exporting but if you just focus on the minus you're missing out on 2 trillion dollars of trade
- Even though we stopped trade with these countries it won't stop the progress
- There is a decline in the amount of land used or agriculture
- We have more than double the world's population
- We had a 4 percent agriculture increase and we had about a 120 percent increase of our population
- Our auto industry has decreases only 10 percent decline in automobile making which isn't bad considering there are 30 percent fewer auto jobs.
- The reason for this is because of technology
- Purchasing power has increased the middle class wages has taken a hit in wages over the last 30 years but it is finally come back up.
- The dollars power to purchase something has increased.

Jaclyn Bogdan
10/26

WHY TRADE IS GOOD FOR THE WORLD

With greater trade comes greater wealth

- More trade=greater productivity

- Decreasing impoverishments

Hypothesis- exporting + importing is zero sum game

- Not well supported hypothesis

- Must be losing out to your country

Ex of losing out is jobs

- If one job is lost another is made (churning)

Job loss is a very dynamic process

- Its not stagnant

Technology is also a contributor

- There might be some advantages to slowing down technology advancements

The impact on trade often is confused on the impact of technology

Technology replaces the need to work

It is a lot easier to measure trade than technology

Can back out of trade negotiations

The US trades with other TPP (trans pacific partnership) countries

- TPP-Canada, Mexico, Japan

The us is importing 900 billion dollars, and exporting 740 billion dollars

We are importing more than we are exporting

- Running about 100 billion dollar trade deficit

- Total annual budget is 3 trillion dollars

US total of trade our exports are about 45% is going to TPP

- Getting more money from these exports

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Dante Camacho

The hypothesis is that exporting and importing is a zero sum game. It's the idea that if we import more than we export in trade deals then we're losing out.

Sometimes when we say we "lose jobs" we might just be churning jobs. Other jobs have been created and other things have been created that bring new job sectors come from loss of jobs. You can't just talk about losses you have to address the churning effect.

Job loss is a very dynamic process, it's not static.

Technology also has a big impact on the job losses. As technology changes and some products become obsolete, developing the new technology requires new skills.

Even if you pull out of trade agreements, if the negotiations have already been made the trading will still go on, it just won't advance without the agreement in place.

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Matthew Dresselhouse

Class Notes for 10/26:

- The world is more open to trade from the 1960s to now.
- Some people claim that the United States is losing the trade war because we import more than export.
- We aren't necessarily losing jobs, we are "churning" them by creating new jobs.
- The impact of technology affects job loss; it replaces the need to work.
- US trade with TPP countries has still gone up, even with a trade deficit. In the next few years, there will still be more wealth being generated from trade.
- There has been a 4% increase (36% to 37.5%) of agricultural land increase and a 120% population increase from 1960s to now.
- We have become more efficient with GDP production from energy use (5.5 to 7.8) from 1990 until 2014.
- About 20% of job loss has been due to trade, 80% has been from technology advances.
- Since 1994, there has been a 10% decrease in automobile GDP contribution with 30% less automating jobs.
- Due to trade, our purchasing power has increased for the middle class since 2016. For the past 30 years, it was stagnant or slightly declining.
- Wages do not represent our prosperity; the dollar's power to purchase things have increased, meaning you can buy more stuff because goods are becoming cheaper. Clothes and house furnishings costs the same as what they did in 1986 real-dollars.

Submit Notes for extra credit: 10/26 Class Session: Noah Johnson

Trade

- More trade, more productivity
- GDP per capita rises
- Poverty is on the decline
- There is a correlation with the increase in trade, and the decrease in impoverishment

Mutuality Not Zero Sum

- Importing more than exporting – we lose out, zero sum
- We import more from China, than we export to them
- In that case, people say we're losing jobs
- Jobs are “churning”. Ex: lost wagon wheel, gained jobs in other areas that we needed

With Every job that seems lost, was there a churning effect?

- Job loss is very dynamic, NOT static

Impact of Trade

- Sometimes the impact of trade on jobs gets confused with the impact of technology
- Without borders opening to trade, you don't get things like economies of scale; Target, Walmart
- We like to make things more efficiently, and because we're so efficient, jobs are churned
- Populists like to rail against trade, and appear to people in the sense that “technology is bad, the past is good”

TPP

- S. Imports around \$900 Billion dollars, and export around \$750 Billion dollars
- Running about a \$150 Billion-dollar trade deficit
- 45% of all our exports are going to the TPP countries
- Even if the deficit stays the same, wealth will increase
- ALL mutual gains

World View

- We have produced more people – increase in consumption
- About 120% increase in World's Population
- % of agricultural land is decreasing
- Energy Efficiency has increased

Based on scholarly analysis, 4 out of 5 job losses are because of technology

- Starting in 2016, we've seen an uptick in the wages of the median earner (middle –

class worker)

- Wages don't indicate our prosperity
- Purchasing Power
- 220% Decline in the burden of purchasing our necessities

10/26 notes

- Greater trade= more productivity and more wealth in the world
- Poverty is on the decline in global economy
- Exporting and importing is NOT a zero sum
 - If we import more than we are exporting, we must be losing something
 - Usually saying we are losing jobs
 - There is not proof of this
 - Some believe this theory (ex trump)
 - This isn't actually happening; the job may go somewhere else but that can create a new job
- Technology effects the global economy not just trade
- Jobs are created because we are so good at advancing
- Technology replaces the need for work
- People who complain about trade are playing on people's intuition that change is bad
- Technology and trade are not a zero-sum game
- We're importing \$900 billion
 - Exporting \$740 Billion
 - We are running a deficit with all the nations with the pacific trading countries
 - \$160 billion trade deficit but as a percent of the economic activity that is going on, it is not that significant
 - this is not a zero sum- all of this economic activity is wealth
- 45% of all of our exports are going to these transpacific trade countries
- with growth of trade and technological advancement there is a decline in the amount of land being used for agriculture
 - we have more than doubled the world's population
 - 4% increase in land being used for agriculture while we have a 120% increase in the world's population- this is because of trade
- there is more clean water with more trade
- energy efficiency has gone up drastically with the increase of trade
- US auto industry since 1994 has been a 10% decline in GDP contribution but 30% fewer auto-making jobs
 - Technology is the reason for this- making automobiles with technology and less workers
- Purchasing power- ours has increased
 - Early 2016- uptick in the wage of the median earner
 - Middle class has taken a hit in wage in the last 30 years and is now coming back up
 - Clothes and furniture cost the same as they did in 1986 now
 - Our dollar is going further
 - 220% decline in that purchasing burden
 - you can buy more now

- people in Africa are freer now than they were
 - living under more democracy

Submit Notes for extra credit: 10/26 Class Session:

Christopher Morales

10/26/17

- Poverty is on a decline
- Mutuality not zero-sum
- We import more to china than we export
- Jobs return in other ways
- We are always innovating
- Technology keeps changing jobs and creates new projects and job types
- US trade with TPP
- Were importing more that exporting were running a defecate
- Us total trade exports 45% of all of are goods are going to TPP countries
- We have Doubled the world population
- We had a 4% increase in agriculture land being use since 1996
- We had 12% increase in population
- Since 1994 there has been a 10% decline in the auto motive industry
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Submit Notes for extra credit: 10/26 Class Session:

Harrison Rego

- with more trade is more productivity
- poverty is on the decline
- ”mutuality not zero sum”
- importing more than exporting has a zero sum gain
- missing out
- no proof of this, many other factors at play?
- churning jobs not losing jobs
- job loss is a very dynamic process
- things like technology have caused jobs to be lost
- even countries like china and germany are affected by technology
- without borders opening up to trade things like walmart and target would not exist
- US importing \$9 billion and exporting \$740 billion
- US exports 45% go to trans pacific countries
- everyone's gaining
- even if deficit stays the same growth will still take place
- less land has be used for agriculture
- we have more than doubled the world population since the 60s
- 4% increase in agriculture but roughly 120% increase in population
- 10% decline of auto industry
- 30% fewer auto making jobs
- technology is the main culprit for job loss
- early 2016 to now middle class wages have gone up
- clothes and house furnishing are main necessities to purchase
- 220% decline in purchasing

