

FOIA MARKER

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Labor Pre Meet

5/26/99

4FL-CIO

at

Why does manufacturing matter
Trade Deficit

manuf production vs.
manuf employment

- restructuring in manufacturing
new kinds of industry.
- modern manufac is more dependent on inputs
of other industry
↳ input/output to look at
US labor component.
- ~~for~~ Wage premium associated with ~~desirable~~ manufacturing
↳ 8-9% premium
has been fairly stable over time
- Wage inequality growing in manufac → skill composition
- Services wage for goods supported by exports was slightly
above avg manuf wage
- 18 mio manuf jobs out of 120 mil jobs

Wage premium
employment mix - male, unskilled, minority: female
employment (numbers) levels $\rightarrow$ this sector has been partic
upt for certain sectors

changes in employment $\rightarrow$ decompose it into
changes in { demand
trade
productivity } | analyze volatility
of these changes

$\exists$ huge decline for black men

Notion $\rightarrow$ int'l comparisons re manuf,
jobs, growth

- ① what is manuf - how is changing
- ② employment opps in manuf
- ③ wage behavior in manuf
- ④ productivity/output.

Trade deficit allows us to invest more $\rightarrow$ manufacturing

40% of pump in trade deficit from auto industry

~~the~~

manufacturing has always been more
cyclical than the economy in general
look at manufacturing composition since 50s (not 80s)

change in trade balance as countercyclical

talk about fiscal policy mistakes in 80s