

The Hidden Cost of a Container Terminal

The North Carolina State Ports Authority plans the North Carolina International Terminal at Southport to be a "center of global shipping." What they mean is a center of global receiving. For the primary purpose of the container terminal proposed for Southport is receipt of manufactured goods from Asia, particularly China.

This is typical of container terminals. There is substantial imbalance of imports and exports at all terminals. Nationally, approximately one-third of containers are shipped out empty. Those that are full usually contain scrap metal, scrap paper and other commodities of low value. Incoming containers contain manufactured goods, goods that were once made in USA—in North Carolina.

In 2010 the Economic Policy Institute (www.epi.org) released a briefing paper, number 260, with this title:

UNFAIR CHINA TRADE COSTS LOCAL JOBS 2.4 Million Jobs Lost, Thousands Displaced in Every U.S. Congressional District

Among the facts reported are these:

- The U.S. trade deficit with China in 2008 was \$270,500,000,000.
- This trade deficit has caused 2.4 million workers in the United States to lose their jobs or be displaced between 2001 and 2008.
- 95,100 of those lost jobs were in North Carolina, 2.3% of total State employment.
- North Carolina lost 15,300 jobs in 2008 alone due to the trade deficit.

Two-thirds of the jobs lost were in manufacturing, which tends to provide higher wages and benefits than other occupations. North Carolina is bearing more than its share of the job loss. Only six states, all much more populous, have lost more jobs to the trade deficit with China.

The American Manufacturing Trade Action Coalition (www.amtadc.org) released a report in May, 2008, specific to North Carolina, focusing on the loss of jobs in manufacturing and retarded economic growth due to trade deficits. That report points out that, although most of the people losing manufacturing jobs eventually found other work, the new jobs offered lower pay and fewer benefits than jobs in manufacturing. For example, the average annual pay in manufacturing is \$58,516, while the average pay in state and local government is \$45,099. The average for health care is \$41,406. Construction, \$45,034. Retail, \$27,667.

