“Ballad of the Global Worker” *The Economist* 09-20-1997

1. According to the article, how does the plight of unskilled workers manifest itself differently in Europe than in the United States?

2. What is widely blamed for the downward pressure on the employment prospects of unskilled workers?

3. This simple view misguided because there is a strong relationship between pay and ______________. Developing country workers who are paid a tenth of rich country wages usually turn out to be ________________.

4. Imports from countries that are relatively abundant in unskilled labor depress the wage paid to unskilled workers by acting like an increase in the supply of _________________.

5. What is a major downside of using increased trade protection to preserve the wages of unskilled workers?

6. Jagdish Bhagwati argues that trade is not responsible for lowering the wages of unskilled workers due to what missing link? Adrian Wood argues that import competition could lower wages of unskilled workers by encouraging the introduction of _________________.

7. What observation about gross domestic products (GDP) suggests that opening up trade with poor countries is likely to have little effect on wages in rich countries?

8. What other forces could increase wage inequality?