

Name \_\_\_\_\_

## What if you had to buy American?

It might be supremely patriotic to stop purchasing imports, but the consequences for US consumers and the economy would be devastating.



Legions of patriotic Americans look for "made in USA" stickers before buying products, out of a desire to support the country's economy. But what if we all were restricted to purchasing only those goods that were made in America?

Our homes would be stripped virtually bare of telephones, televisions, toasters and other electronics, and many of our favorite foods and toys would be gone, too. Say goodbye to your coffee or tea, and forget about slicing bananas into your breakfast cereal -- all three would become prohibitively expensive if we relied on only Hawaii to grow tropical crops.

We'd have to trash our beloved Apple products because the iPod, iPad and MacBook aren't made in the U.S. Gasoline would double or triple in price, given that we now import more than 60% of our oil. And you couldn't propose to your true love with a diamond ring: There are no working diamond mines in the U.S.

Moreover, a complete end to imports would actually hurt the U.S. economy, because consumers and domestic companies would lose access to cheap goods. Trade protections, whether through tariffs or quotas, cost the economy roughly \$2 for every \$1 in additional profit for domestic producers, said Mark Perry, an economics professor at the University of Michigan-Flint and a visiting scholar at the [American Enterprise Institute](#), a conservative think tank.

"If we restricted trade to just the 50 states, what would happen immediately -- and would increase over time -- would be a huge reduction in our standard of living, because we wouldn't have access to the cheap goods we get from other countries," Perry said. "We also wouldn't have any export markets, so companies like Caterpillar and Microsoft would have a huge reduction in sales and workforce." (Microsoft is the publisher of MSN Money.)

.So what do we make of heartfelt pleas to save U.S. manufacturing by buying American, or the many websites that catalog U.S. sources for an array of products? Or the [Buy American Act](#), which curbs government purchases of products that are made overseas?

Do such efforts actually hurt the country they're trying to help?

### The argument for buying American

Marc Kruskol, 53, a publicist based in Palmdale, Calif., goes out of his way to purchase products that are made in the U.S. because of his concern over the decline in manufacturing employment.

"I truly believe that we could go a long way towards fixing the economy if we would just put people to work making things in this country that are made in other places," said Kruskol, who spends hours scouring made-in-America websites or visiting brick-and-mortar stores in search of U.S. products.

He recently spent \$10 on a pair of salad tongs made in America, which he tracked down in a restaurant supply store, after rejecting 99-cent foreign-made tongs. And he was happy to spend \$650 on a domestically produced barbecue grill rather than a \$450 imported one, just to support his countrymen.

But financial experts say that it's best for America if you buy the cheapest product you can find without sacrificing quality. Their explanation rests on the concept of efficient manufacturing. An efficient producer creates the most valuable goods with the least possible expense, selling those items at lower prices than competitors who are less efficient. A country benefits when its manufacturers become more efficient.

Name \_\_\_\_\_

## What if you HAD to buy American?

List 10 things you would have to live without if we bought ONLY American:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

What would be the price of gas?

What 2 US companies benefit from exports they sell to other countries:

Compare the purchases made by Marc Kruskol:

Item	US Cost	Foreign

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