

# Readers Report

## CORRECTIONS & CLARIFICATIONS

In "Tractor plows ahead" (Inside Wall Street, Nov. 29), the ticker symbol for Tractor Supply Co. should read TSCO. And in "Why a suitor may click on TheStreet.com," the symbol for TheStreet.com Inc. should be TSCM.

The table accompanying "Minimum wage: The states get it" (Social Issues, Nov. 29) should have noted that Maine's minimum wage increased to \$6.35 on Oct. 1 and will rise to \$6.50 on Oct. 1, 2005.

In the table accompanying "The salts of the seas" (Personal Business, Dec. 6), we misspelled Belamandil Flor de Sal, a sea salt from Portugal's Algarve.

(Princeton), Douglas Irwin (Dartmouth College), T.N. Srinivasan (Yale University), Robert Staiger (Wisconsin), and David Weinstein (Columbia).

**NO INDUSTRY BUILDS** wealth the way manufacturing does, with its layers of added value. By letting China gut American manufacturing by manipulating its currency, dumping goods, and counterfeiting everything that is American, we've become a *papier mâché* economy needed by the world only for consumption. There is nothing we can do that the Chinese can't do now at one-tenth the cost, and this paints a bleak future for America.

-Raymond Santilli  
Oklahoma City

**A WAY TO SLOW** the outsourcing of U.S. white-collar jobs is to increase the H1-B visa quotas for white-collar professionals from India and China. The presence of increased H1-B job opportunities will drive up Indian and Chinese domestic wage rates for white-collar professionals from good educational institutions. This will decrease outsourcing of white-collar jobs to India and China while increasing competition for American workers and increasing U.S. gross domestic product through the economic multiplier effect.

-Arun Khanna  
Butler University  
Indianapolis

**PAUL MAGNUSSON'S** "How to level the playing field" (Special Report, Dec. 6) points out that the balance-of-trade deficit includes borrowing foreign capital to the tune of \$413 billion, our budget shortfall. The current-account deficit, now headed for \$620 billion this year, measures trade

and capital flow, like a bank account. Americans do not save, and they consume more than they make. We are borrowing against our future. Replacing the income tax with a consumption tax is one change that will increase our savings rate, increasing our "bank account" for investment and job creation.

Magnusson also proposed enforcing trade laws more aggressively. The example he used was the semiconductor trade agreement in the mid-1980s. It disadvantaged a much larger segment of industry and increased prices about eightfold overnight to consumers of semiconductors. And it resulted in leaving U.S. companies less competitive and creating large windfall profits to Japanese manufacturers.

-Chris Quackenbush  
Miamisburg, Ohio

Editor's note: The writer is former chair of the Silicon Valley Council of the American Electronics Assn.

**I PROPOSE A VERSATILE** and flexible instrument that can pull this country out of the quicksand of the current-account deficits. It involves the U.S. setting an upper boundary on the allowed annual trade deficit in consumer goods for each country or group of countries. Under my plan, Congress sets annual limits on the trade deficit, and the President allocates the deficit among trading partners. A country may exceed its limit if its government pays to the government of the U.S. a stipulated percentage (up to the full amount) of the excess deficit in consumer goods. Both the number and zeal of customs inspectors dedicated to accepting goods from a country would directly depend on this country's relevant behavior.

-Vladimir A. Masch  
Warren, N.J.

**WE WILL NEVER** reduce or eliminate our trade deficit as long as we continue to export industries instead of the products of industry. As Henry Ford said: "There is one rule for industrialists and that is: Make the best quality of goods possible at the lowest cost possible, paying the highest wages possible."

-Eric Dalton  
Germantown, Tenn.

**I AM NO** economist. I am, however, alarmed by the rapid change in thinking in the States. As a Chinese, I want to share with you some history. The decline of China's power, starting from roughly 1400 onwards, was in large part due to its closed-door, trade-with-none policy. The rise of modern China is due to its open-