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A World of Hurt

As jobs go offshore, older workers are hardest hit.

Fewer cars in the parking lot, fewer machines on the plant floor: hundreds of jobs have moved to Brazil from a Johnson & Johnson plant in North Brunswick, New Jersey, and the signs are hard to miss. By the end of the year, Fred Rush, 57, a 30-year machine operator and president of his local union, will be among those gone. "It's devastating," he says. "Most of us won't find jobs making the money we make now."

Nearly 540,000 service jobs will leave the U.S. in 2004, and older workers will feel the pain most. It's the usual problems: employers are wary of high salaries and health-care costs, and they assume that younger candidates have more energy and better tech skills. Outsourcing may actually create jobs in the U.S. by saving companies money, some studies suggest. But that offers little solace to the unemployed. Mark Goulston, M.D., an executive with Sherwood Partners, a Los Angeles-based management-consulting firm, recalls an over-50 worker whose job was sent overseas. "He said, 'Do you know what a shower is? It's where grown men go to cry when they're afraid they can't care for their families.'"

Older workers could be key swing voters in the presidential elections. If blue-collar boomers continue to feel threatened by outsourcing, they'll lean toward John Kerry over President Bush, reports Ayres McHenry & Associates, a Virginia research firm. Kerry says that he would eliminate tax loopholes that make it cheaper for U.S. companies to move operations overseas and require that firms use U.S. workers to fill federal contracts.

Wondering if your job could be next? Some red flags: the tasks you handle are routine, require little specialized knowledge, and can be completed over a phone or computer. To protect yourself, it's critical that you continually update and improve your skills.—Karen Kroll