We may be about to shoot ourselves in the foot -- or maybe the chest -- on trade. In the name of "fair trade," we may punish our own exporters. In 2005 worldwide exports exceeded $10 trillion. Since 1980 they've more than tripled while the overall global economy doubled. Like it or not, massive international flows of goods and services (aka "globalization") underpin all modern economies. Supply chains have dispersed. We can accept this reality and try to benefit from it. Or we can rail against it. We seem to be edging toward railing.

Just last week Democratic congressional leaders signaled that they may oppose new trade agreements with Colombia and Peru. Who, if anyone, would benefit is unclear. As The Post reported, the agreements' darkened prospects have already led to layoffs in Colombia. In the United States, manufacturers believe the agreements would expand their exports. Peru's tariffs average about 10 percent, Colombia's about 11 percent, says Frank Vargo of the National Association of Manufacturers. Most of these would go to zero under the agreements.

We are dealing with something new here. It transcends traditional protectionism, which tries to shield specific industries and workers from imports. It's trade obstructionism: a reflexive reaction against almost any trade agreement. The idea is that much trade is inherently "unfair." Multinational companies use it to ship U.S. jobs abroad; other countries compete unfairly with low wages and substandard labor practices. (Indeed, lax labor standards are cited to oppose the Peruvian and Colombian agreements.) Vast U.S. trade deficits measure the destructiveness. If trade is so unfair, why encourage more of it?

Much of this indictment is wrong or wildly exaggerated. For example, American trade deficits haven't destroyed U.S. job creation by sending work abroad. Consider: From 1980 to 2006, the trade deficit jumped from $19 billion to an estimated $786 billion, or from less than 1 percent of gross domestic product to about 6 percent. Still, employment in the same period rose from 99 million to 145 million. Job creation defies the trade deficits, whose causes lie largely beyond our control and have little to do with "unfair" trade practices.

Faster economic growth in the United States than in many of our major trading partners has stunted our exports and increased our imports. Likewise, the dollar's role as the main global currency -- used for trade and international investment -- has kept its exchange rate high. Companies, individuals and governments hold on to dollars rather than selling. This makes U.S. exports more expensive and imports cheaper. To be sure, that puts U.S. factory workers and farmers at a disadvantage on world markets. The disadvantage is compounded when some countries (China) keep their currencies artificially undervalued.
Inevitably, some jobs move abroad and some factories close because of import competition.

But there are also larger truths. One is that China's surging exports have (so far) come mostly at the expense of other Asian countries. Goods once shipped from Taiwan or Thailand now arrive from China. Another truth is that U.S. jobs are destroyed for many reasons -- new domestic competition, new technologies, changing consumer tastes, the business cycle. A remarkable statistic: Every three months, 7 million to 8 million U.S. jobs disappear and roughly an equal or greater number are created. Trade is a relatively minor factor in job loss.

It is, however, an easy scapegoat. It enables critics to blame foreigners and suggest a solution: restrict trade. "Economic change is disruptive," says economist Douglas Irwin of Dartmouth College. "If the cause is technology, you can't do much about it." Globalization becomes a convenient explanation for many economic discontents, from job insecurity to squeezed living standards.

Hence, trade obstructionism.

The timing could not be worse. The U.S. economy is moving away from growth led by housing and consumer spending. American consumers have borrowed heavily, if not overborrowed. The Federal Reserve reports that household debt is a record 134 percent of household disposable income. As Americans curb their borrowing, consumer and home purchases are slowing. Something will have to replace that spending if the economy is to continue to expand. The obvious candidates are exports and investment (in factories, machinery) related to exports.

Some of this shift may occur naturally from a cheaper dollar and faster economic growth abroad. But it would be insane to hamper our export prospects -- exactly what trade obstructionism threatens. The world is quietly retreating from a multilateral trading system, in which all countries simultaneously reduce trade barriers. The latest multilateral trade talks (the Doha round) are suspended, perhaps permanently; meanwhile, there are now more than 200 country-to-country and regional trade agreements. The United States has 13. But to negotiate more of them, the president needs "trade promotion authority," and President Bush's expires in June.

If it's not renewed -- a good possibility -- the United States will in effect prevent itself from negotiating new trade agreements while other countries are busily doing so. The European Union is negotiating with India. The 10 members of the Association of Southeast Asian Nations are negotiating with Japan, South Korea and Australia. The hallmark of these agreements is that they discriminate against outsiders. So American exporters would face higher tariffs than many of their international competitors. "If we take ourselves out of the trade negotiation game, U.S. exporters will be the losers," says Gary Horlick, a leading trade lawyer.
The next Congress must decide whether it embraces the symbolism or the reality of trade. If it chooses symbolism, it will perversely harm many of the workers it's trying to help.