

AN ALTERNATIVE APPROACH TO TRADE AND
MANAGING GLOBALIZATION: WPPs INSTEAD OF TPP

WAGE PROMOTION PARTNERSHIPS (WPPs)

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A Trade Agenda to Grow the Middle² Class: Wage Promotion Partnerships

- ▶ Fair and balanced trade
- ▶ Growing wages at home and in our partners
- ▶ Partnering to boost global growth
- ▶ Domestic measures to make workers and communities whole

Fair and Balanced Trade

- ▶ Permanently set aside the Trade Promotion Partnership
- ▶ “U.S. Trade Prosecutor’s Office”—self-initiated anti-dumping cases (e.g., in paper, rubber, aluminum, glass)
- ▶ Fair currency values (Buffett proposal or alternative; see Rob Scott of Economic Policy Institute for options)
- ▶ Voluntary Trade Readjustment Under Managed Production (TRUMP) in auto sector. Echoes of Reagan auto VRA but...
 - ▶ Track content not vehicles assembled
 - ▶ Continental negotiations (North America-Asia) to increase North American production then negotiate within North America
- ▶ Modify NAFTA rules for buses (plus add U.S. & Mexico labor provisions) to increase driver wages in both countries

Growing Wages at Home and in Our Partners

- ▶ Baseline data on wages/compensation in manufacturing
- ▶ Negotiate targets for wage/compensation increases in manufacturing in each country
- ▶ Domestic measures determined by each partner to achieve targets
- ▶ Annual reporting of wages/compensation

U.S. Domestic Manufacturing Wage Options

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- ▶ **GUARANTEE** that manufacturing workers generally share in the benefits of trade
 - ▶ Manufacturing-specific minimum wages that could vary by county; scheduled increases (e.g., a minimum of 1.5% annually plus inflation adjustments)
 - ▶ Minimum wage standards for apprenticeship graduates tied to program length, skill level
- ▶ Company-level continental works councils in North America (OTA *US-Mexico Trade 1992*)

Partnering to Boost Global Growth

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- ▶ Annual infrastructure investment commitments by each partner
- ▶ Financing for global infrastructure investments

Domestic Measures to Make Workers and Communities Whole

- ▶ Target infrastructure \$ to areas w/dislocation
- ▶ Expand Appalachian Regional Commission to “Manufacturing Region’s Commission” with additional resources
- ▶ Trade Adjustment Assistance benefits for all workers within regions with significant trade-displacement of workers, not just those directly displaced by trade