

Senate Democrats Propose a "Better Deal" for American Jobs

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Last week, Senate Democrats released their "Better Deal on Trade and Jobs" trade policy statement. The seven point platform is aimed at preventing outsourcing of American jobs and increasing American exports.

The white paper describes the policy as putting "workers and small businesses first, ahead of corporate special interests." It aims to "fundamentally transform" American trade policies to "combat those countries that try to cheat on trade," singling out both China and Russia.

The plan would greatly increase federal scrutiny of foreign trade and investment by American corporations. Perhaps most significantly, it proposes the creation of an American Jobs Security Council, which would review any potential purchase of an American company by a foreign entity, and would have the authority to stop the deal if it determined that it would have a detrimental economic impact, such as the loss of American jobs.

Also notable is the plan's contention that the U.S. Trade Representative and the World Trade Organization are ineffective at combatting trade cheating. In response, it proposes the appointment of an Independent Trade Prosecutor, which would evaluate possible trade violations, and impose retaliations without authorization from the WTO.

Other proposals include renegotiating NAFTA to require stronger, enforceable labor standards to drive up global wages and increase market access for American exports, as well as tax policies that would punish outsourcing. In the government contracting space, it proposes requiring government projects only hire U.S. companies using U.S. labor, and requiring federal agencies to consider a company's record of outsourcing jobs when awarding government contracts.

The platform is seen as a move to recapture some of the voters who were swayed by Trump's antiglobalization platform in 2016. Overall, it presents a message that is far more populist and protectionist than has been voiced by Democratic candidates and lawmakers in the recent past. Whether the shift succeeds at recapturing votes in the 2018 midterm elections remains to be seen.