

Trade Policy

I'm writing this document in the early spring of 2016. People are trying to understand the popularity of both Bernie Sanders and Donald Trump. One of the themes that both are emphasizing is the effect of open trade policies on America's working class.

Many American companies have moved manufacturing jobs overseas to take advantage of lower costs. Some of the difference in cost is due to lower wages but there are other factors that add cost to American-made goods such as health care, pollution controls, and safe working conditions.

First, I propose to remove the cost of providing health care from companies and transfer it to the government.

Second, I propose that an international body be created that compares standards of pollution control and worker health and safety and quantifies the difference by creating an adjustment factor for each country. Individual companies in a foreign country could apply for a separate assessment to qualify for a smaller adjustment factor.

A policy of "Level Playing Field" would be implemented that uses this adjustment factor to impose a tariff on goods from other countries. The intended effects of this policy would be to allow American companies to compete more fairly and to encourage other countries and/or the companies within those countries to adopt better pollution controls and provide safer and healthier working conditions.