

Ex-commerce secretary reveals real problems in economy

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Former U.S. Commerce Secretary Barbara Franklin says free trade is good for the United States and for job creation, but she warns anemic economic growth and the failure to provide for workers who lose their jobs as a result of trade deals need to be addressed immediately.

Trade is becoming a much bigger issue in 2016 than in most presidential campaign years. Presumptive Republican presidential nominee Donald Trump frequently criticizes America's existing trade arrangements with the likes of China, Japan and Mexico and vows to renegotiate them. Independent-turned-Democrat candidate Sen. Bernie Sanders is often very critical of free trade in general. Even Hillary Clinton, who has long been a free-trade advocate, now opposes the Trans-Pacific Partnership, or TPP.

But what is the view of someone who has been in high-level trade talks? Franklin told WND and Radio America trade policy may need improving, but she insisted it's only part of the overall economic problem.

"I think it's not one simple thing here," said Franklin, who served as U.S. commerce secretary from 1992-1993 in the final year of the George H.W. Bush administration.

"I think it's a mix of things. It's trade, but it's economic growth," Franklin said. "It's whether we have too much regulation. We have a tax code that's outdated. We've got a bunch of things here that I really think need to be looked at afresh."

She said weak economic expansion is a major hindrance to job creation.

"Part of the problem when you come to job loss has to do with our economy and the fact that it has been growing quite sluggishly," Franklin said. "We really do need stronger growth in the U.S., at least three percent GDP growth and hopefully more. We're not getting it, and I think some of that reflects governmental policies or lack of policies that would be meant to stimulate economic growth."

While free trade has taken some hard punches in this campaign, Franklin said trade is still a big positive for the U.S.

"I'm very concerned that trade has got such a black eye in this campaign and that we have

just lost the idea that started centuries ago that blossoming trade really does help economic growth," Franklin said.

Listen to the WND/Radio America interview with former U.S. Commerce Secretary Barbara Franklin:

Barbara Franklin says weak economic expansion is a major hindrance to job creation



But she fully acknowledges the frustration that voters are expressing over trade.

"What we're hearing now has to do with job loss, and that's the part of this I think we really need to address," Franklin said.

She said the government is supposed to be there for people whose jobs are eliminated by free-trade deals.

"So what do we do about the jobs issue?" Franklin asked. "There are trade assistance programs that are typically federally funded but administered by the state that are meant to help those who are dislocated by trade."

However, she said multiple problems with those programs need to be resolved, starting with where exactly people ought to go for assistance.

"For those who have been dislocated by trade and have lost a job, they've first got to find the right place in the state bureaucracy to go and make the claim," Franklin said.

But was the job lost directly as a result of trade?

"I think it's hard to tell whether the trade agreements did actually lose all of the jobs that those candidates are talking about," Franklin said.

She said that is often a stumbling block for those suddenly out of work.

"What is happening here is that those programs that were meant to help those who have lost jobs because of a trade agreement just aren't working. That's my bottom line here," she said.

Franklin hopes the next president takes the time to focus on people impacted negatively by trade deals and cleans up the system. She also said the next president has the opportunity to take a different approach to trade policy. She said that will really be determined by presidential appointees, who will do the real work of establishing trade policy.

Will they be able to renegotiate some of the high-profile deals that Trump often mentions?

"I would have a question as to whether we could go back and renegotiate that and whether the other countries in the mix would agree with that. I don't know. I suppose the new president might want to do that. I don't know what the answer would be," Franklin said.

She said the answer to that question from America's key trading partners may determine many things.

"If the answer is no and we really can't renegotiate, then I think [TPP] should be passed by our Congress. We should think ahead to what might be the next such agreement and make sure that if we're changing our mindset, and we want to be a little stiffer in one place or another, that those messages are handled by our negotiators," said Franklin, who notes that a major deal with European nations, the Trans-Atlantic Trade and Investment Partnership, is also being negotiated right now.

One idea Franklin rejects outright is Trump's suggestion that tariffs be applied against nations taking advantage of the U.S. on trade policy.

"There would just be confusion and concern, and I just don't think that's a very practical thing to be doing," Franklin said. "And I'm hopeful that the rhetoric about doing things like that will quiet down."

Instead, she wants to hear how the remaining candidates plan to revitalize the economy.

"Some of the job creation issue comes right back to economic growth," Franklin said. "How would those candidates work to accelerate economic growth so that there would be the opportunity for more job creation?"

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