

International Trade Alert

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Obama Nominates Key 2nd Term Trade Positions

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Yesterday, President Obama put forth nominations for two posts critical to the trade community - U.S. Trade Representative and Secretary of Commerce - rounding out personnel announcements made this week that include the Secretary of Transportation nomination.

For U.S. Trade Representative (USTR), the President nominated Michael Froman, current Deputy National Security Adviser for International Economic Affairs. Froman, a former Clinton Administration official, is currently responsible for a diverse trade portfolio that includes energy and development issues. Froman was considered instrumental in congressional approval of bilateral trade pacts with South Korea, Colombia, and Panama during Obama's first term. He has experience representing the U.S. in international trade forums, including the G8 and G20. Froman's prior industry experience includes a role as managing director at Citigroup, where he oversaw infrastructure and development investments in emerging markets.

As the liaison between the White House and USTR on trade policy and initiatives such as the Trans-Pacific Partnership (TPP) and future negotiations of the Trans-Atlantic Trade and Investment Partnership, Froman's nomination is noteworthy; the 90-day Congressional consultation period leading up to the negotiations began on April 24, three days after the TPP announced that Japan will join the U.S. in the negotiations. In today's press conference Obama called Froman a "tough negotiator." Froman is expected to lead a trade agenda consistent with Obama's first administration, focusing on trade finance, exporting services, and regional initiatives, like the TPP, over multilateral talks like the Doha Round.

The President also selected Penny Pritzker, a Chicago-based hotel industry executive, as Secretary of Commerce. She was a national finance chair on the President's 2008 presidential campaign, a member of his Council on Jobs and Competitiveness and Economic Recovery Advisory Board, and until recently served on the Chicago Board of Education. The nomination was apparently stalled by extensive vetting of Pritzker's extensive family business, which includes the Hyatt Hotel chain. Pritzker will likely aim to repair the administration's strained relationship with the business community and revive the agency, which has operated without a Secretary since John Bryson resigned in June 2012. Her experience as a member of the President's Council on Jobs and Competitiveness positions her well to seek to advance the administration's National Export Initiative, which was announced in 2010 but is expected to become a policy priority during Obama's second term.

On April 29, Obama nominated Anthony R. Foxx, mayor of Charlotte, North Carolina, to head the Department of Transportation. Foxx is credited with creating jobs with transit infrastructure projects, including an electric tram service, expansion of the city's light rail, and the addition of an airport runway.

These three nominations, if confirmed by the Senate, will round out Obama's second-term cabinet by filling important trade roles left vacant. During yesterday's press conference, Obama urged the Senate to confirm both Pritzker and Froman "without delay." Pritzker's confirmation may garner Senate opposition over her family's ownership of collapsed sub-prime lender Superior Bank, and federal lawsuits against her family over offshore tax shelters.

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