



## Restoring the American Dream Through Fair Trade, not Free Trade

*March 6, 2007*

**WHEREAS**, the Change to Win unions, which consist of the United Brotherhood of Carpenters, International Brotherhood of Teamsters, Laborers' International Union of North America, Service Employees International Union, UNITE HERE, United Farm Workers and United Food and Commercial Workers, believe that a "fair trade" model can increase the living standards of workers in America and around the world;

**WHEREAS**, the "free trade" model in place over the last 30 years, which has resulted in trade agreements such as NAFTA and CAFTA negotiated under the Fast Track system and the creation of the World Trade Organization (WTO), primarily benefits multinational corporations and the world's elite at the expense of democratic principles and economic justice for working families, family farmers and domestic producers around the globe, and the environment and public health;

**WHEREAS**, under the "free trade" model the American Dream is fading fast for millions of workers as the U.S. economy has gone from a trade balance to an \$800 billion trade deficit; exports have displaced some 7 million U.S. jobs, many in the manufacturing sector; 28 million to 42 million jobs in finance, information technology, engineering, marketing and other high-tech and service-sector industries are at risk of being off-shored; and U.S. workers wages have remained stagnant as productivity has dramatically increased and corporate profits soared;

**WHEREAS**, the "free trade" model pits U.S. workers in a race-to-the-bottom against workers making poverty wages in the developing world where independent labor unions are restricted or outlawed, and it allows companies to threaten plant shutdowns in the United States and abroad if workers try to unionize and demand better wages and working conditions;

**WHEREAS**, Fast Track removes Congress' ability to determine the substantive rules for international commerce, which is authority granted exclusively to Congress under the Constitution, and thus empowers the Executive Branch to select with which countries the United States negotiates, determine the contents of agreements, and sign and enter into agreements before Congress has any vote on the matter;

**WHEREAS**, when Fast Track was developed it was to expedite trade agreements on a narrow set of issues related to tariffs and quotas, but today's agreements have a profound effect on non-tariff issues such as workers' rights and human rights, access to affordable health care and drugs, environmental and

food safety protections, prevailing wage laws, government procurement policies, limits on corporations seeking to off-shore production, local land use and zoning policy and more, making Fast Track an outdated and inappropriate negotiating mechanism;

**WHEREAS**, on-going WTO expansion negotiations, cynically dubbed the Doha Development Round, which are subject to existing Fast Track procedures, if completed would pose significant new threats to U.S. manufacturing and service-sector employment and have been projected by the World Bank to cause net economic damage to the majority of developing countries, including all of the volatile Middle East, Sub-Saharan Africa, the Caribbean and Central America while primarily benefiting China, Brazil and a few large developing nations;

**NOW, THEREFORE BE IT RESOLVED**, that the current failed “free trade” model of negotiating trade agreements must be replaced with a “fair trade” model;

**BE IT FURTHER RESOLVED**, that the Change to Win unions oppose renewal of Fast Track trade negotiating authority because it cannot be “fixed” and it is not necessary to facilitate trade negotiations, as shown by the Clinton Administration, which negotiated numerous agreements, when it did not have Fast Track authority, including the U.S.-Jordan Free Trade Agreement;

**BE IT FURTHER RESOLVED**, that Change to Win unions are resolute that if Congress establishes a future process authorizing Executive Branch trade negotiations and providing for an expedited Congressional vote on such agreements it be a “fair trade” process that:

- Restores balance between Congress and the Executive Branch with respect to trade negotiations, consistent with the intent of the U.S. Constitution, to ensure that trade agreements meet the interests of U.S. workers, firms and farmers while promoting global growth, economic stability and environmental protection;
- Restores Congress’ right to decide with which countries it is in our national interest to negotiate new trade agreements by establishing readiness criteria that prospective negotiation partners must meet;
- Requires mandatory, binding negotiating objectives in trade agreements:
  - Requiring that countries maintain and enforce core International Labor Organization (ILO) standards and core Multilateral Environmental Agreement (MEA) requirements, and that these standards are enforced equally with commercial provisions; and
  - Specifying what cannot be in any trade agreements, such as procurement rules that undermine anti-offshoring and prevailing wage policies, special rights for foreign investors, including operation of critical U.S. infrastructure, patent extensions that undermine access to affordable medicine, or mandatory privatization or deregulation requirements;
- Requires Congress to vote on a trade agreement *before* it can be signed to ensure that congressional objectives have been met;
- Enhances congressional participation, review and oversight throughout trade negotiations by establishing a new congressional committee review process that empowers Congress to determine whether objectives have been met and a trade agreement is ready for Congress’ consideration under expedited rules;

- Requires oversight on the effects of and the operation of past agreements with a mechanism to ensure that Congress can hold negotiators accountable to fix problems by reopening trade agreements;

**BE IT FURTHER RESOLVED**, that Change to Win unions call on Congress to reject the “free trade” agreements pursued under Fast Track that are pending or under negotiation with Colombia, Peru, Panama, South Korea and other countries, unless these pacts include in the agreements’ core texts strong ILO standards and MEA standards; and unless these pacts do not include procurement rules that threaten prevailing wage policy, new rights for Dubai World Ports to seek compensation in international tribunals for U.S. government denial of access to run U.S. ports, stronger rights for foreign investors operating within the United States than are provided to U.S. residents under the Constitution, drug patent extensions for pharmaceutical companies that limit access to generic drugs, and provisions requiring the United States to import food not meeting our safety standards; and

**FINALLY, BE IT RESOLVED**, that Change to Win unions call on Congress to reject the Colombia-U.S. Free Trade Agreement as negotiations should never have been initiated with Colombia, which has the world’s highest rate of union member murders, including 60 unionists assassinated in 2006 alone with government impunity if not complicity.