

If We Want Good Trade Agreements, We Need to Take Control of the Process

One of the truest rules of politics is "Them that write the rules, rule..."

1. Since 1974, many of the worst U.S. trade agreements, including NAFTA and WTO, have been negotiated using a process called "Fast Track." When Richard Nixon was president, he cooked up Fast Track as a way for him to seize more power from Congress and the public. **The U.S. Constitution gives Congress exclusive authority "to regulate commerce with foreign nations" (Article I-8).** Fast Track is a mechanism that delegates away to the Executive Branch this congressional authority for setting trade terms, as well as other powers. With Fast Track, Executive Branch negotiators advised by corporations – 500 business representatives have *official* trade advisor status – make U.S. trade policy. Fast Track is like a legislative luge run. No matter what garbage is in a trade, it hurtles through Congress by sheer force of gravity. In fact, most Members of Congress' role is *too late*: a "yes or no" vote on a completed, signed agreement and thousands of changes to U.S. law to comply with the agreement. State officials have no role even though "trade" pacts broadly invade their regulatory authority. Fast Track was used for NAFTA, WTO and other race-to-the-bottom deals.

2. Congress, State Officials and the public are handcuffed and cannot hold U.S. negotiators accountable during trade talks while a gang of corporate lobbyists call the shots. In one lump sum, Fast Track delegates Congress' constitutional authority *to set the substantive rules* for international commerce. Congress lists "negotiating objectives," but these are not mandatory or enforceable. Fast Track grants have had negotiating objectives on labor rights that were ignored! (In fact, the 1988 Fast Track used for NAFTA explicitly required labor rights be included in trade agreements!) Fast Track establishes the "trade advisory committees" that have 500 business reps and a dozen labor reps. Fast Track permits the Executive Branch to **sign trade agreements before Congress votes on them.** Fast Track empowers the Executive Branch to write implementing legislation, circumvent normal congressional committee reviews and have a guaranteed floor vote 90 days after submission on a bill that will change thousands of federal laws to conform them to an agreement's terms. Finally, when the trade agreement comes to Congress, Fast Track rules forbids any amendments and permits only 20 hours of debate on whatever signed, done deal the administration brings back and all the U.S. law changes to implement it.

3. The result is retrograde trade agreements that are killing the U.S. middle class while increasing poverty and instability overseas. Some people call Fast Track a "legislative laxative" in recognition of the nature of the trade pacts that come out of the process. After a decade-plus of the NAFTA-WTO trade model Fast Track put into place, we've seen over 3 million U.S. manufacturing jobs killed, our staggering 1993 trade deficit of \$95 billion explode to \$717 billion in 2005, U.S. real median wages scarcely above 1972 levels and median household income actually declining the past 4 years!

4. Replacing the outdated Fast Track with a good process to get good trade agreements. Fast Track was designed 30 years ago as a way to deal with traditional tariff and quota-focused trade deals. Today's "trade" agreements affect a broad range of domestic non-trade issues like local prevailing wage laws, Buy-America procurement, food safety, zoning, the environment and even local tax laws. Congress, state officials and the public need a new modern procedure for developing U.S. trade policy that is appropriate to the reality of 21st century globalization agreements. **We need a mechanism that provides a steering wheel and emergency brakes on U.S. negotiators.** This is needed to ensure future pacts contain terms beneficial to most Americans. See the other side of this page for some principles for designing such a new trade negotiating system that can deliver trade policy that works for the majority. With a new forward-looking trade negotiating process, we can ensure U.S. trade expansion policy meets the needs of working families and small businesses.

Replace Outdated Fast Track to Get Trade Policy that Works for Working Families

For More Information and to Get Involved: Public Citizen's Global Trade Watch www.tradewatch.org or contact cslevin@citizen.org or 202-546-4996