

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

Douglas J. McCarron

General President

February 22, 2011

U.S. House of Representatives
Washington, DC 20515

Dear Representative;

On behalf of the United Brotherhood of Carpenters (UBC), North America's largest construction trade union, I am writing to express our strong opposition to the proposed US – Korea Free Trade Agreement.

For over two decades the US government under presidents of both parties has promoted the deregulation of our foreign trade through such measures as the North America Free Trade Agreement, the World Trade Organization and the wholesale opening up of the US market to China. With each submission to the Congress, we have been assured that these agreements would improve our trade balance and result in a net gain of higher wage jobs. Any unemployment, we were told, would be more than offset by our comparative advantage in making higher technology products with more value-added.

Instead, our trade deficit has grown enormously, displacing millions of American jobs, undercutting wages, and dramatically reducing the future competitiveness of our national economy. Because the trade deficit has had to be financed, the resulting debt to China and the rest of the world has weakened American influence and eroded our sovereignty. We have been running a chronic deficit in high technology products for almost a decade.

The UBC has many members who work in America's industrial sector. They have seen the devastation that these trade deals have unleashed on workers and communities. And all of our members understand that our labor markets are interconnected, so that the impact of shrinking manufacturing industries will jeopardize the jobs and incomes of all American workers.

We were told that Korea Free Trade Agreement would be different. And we recognize that the Obama Administration has made some attempt to change the original wording agreed to by the Bush Administration in 2007. But after three years of negotiating, the agreement remains essentially the same as its predecessors.

For example, the text:


- Has no effective labor standards, essentially denying the application of the bare minimum worker rights established by the International Labor Organization. The poor record of the Korean government in jailing and repressing their own citizens for attempting to exercise basic collective bargaining rights and systematically weakening labor law, is well known. Approving this agreement is a huge incentive for that government to continue exploiting their own labor to in order to increase their exports to the US.
- Maintains the notorious NAFTA'CAFTA provisions allowing foreign companies to challenge US financial, labor, environmental and other regulations on the grounds that they may be discriminatory.
- Constrains the United States' ability to enact financial reforms -- such as banning risky financial transactions, limiting financial firm size or imposing firewalls -- subject to legal challenge by foreign firms.

It is therefore predictable that this agreement will cost Americans more jobs and put downward pressure on their wages. The Economic Policy Institute estimates that at least 159,000 jobs will be lost. The International Trade Commission, well known for support of trade deregulation, concedes that there will be job losses. Even in good times, it makes little sense to vote for an agreement that is sure to be a net job loss. At a time when the most optimistic economists are projecting a long period of high unemployment, our members – and we believe most Americans -- would see such a vote as contrary to economic common sense.

Our members support balanced trade with other nations. But they strongly object to trade agreements that stack the deck against the America worker

We respectfully urge you to vote against this bill.

Sincerely;


Douglas J. McCarron
General President