

H.R. 3012 – Trade Reform, Accountability, Development and Employment Act of 2010

The TRADE Act: Comprehensive Reform We Can Believe In!

The Fight for Fair Trade is on: here's *the* tool for comprehensive reform of WTO & NAFTA

The TRADE Act is trade reform you can believe in! Two of Congress' leading fair-trade champions – Sen. Sherrod Brown (D-Ohio) and Rep. Mike Michaud (D-Maine) – have worked with an array of labor, environmental, consumer, faith and family-farm organizations to develop legislation that offers a progressive path to a new trade and globalization policy. This initiative sets forth **what we are for** – what a good trade agreement must and must not include. Plus, it shuts down the bogus claim that we are anti-trade or have no alternative vision because we oppose the North American Free Trade Agreement (NAFTA) & World Trade Organization (WTO) model that benefits the largest multinational corporations at the expense of workers, family farmers, food & product safety, the environment and human rights in the U.S. and around the world.

Passing the TRADE Act would move America to a new trade and globalization policy

The TRADE Act requires a **review** of existing trade pacts, including NAFTA, the WTO and other major pacts, and sets forth **what must and must not be included in future trade pacts**. It also provides for the **renegotiation** of existing trade agreements and describes the key elements of a **new trade negotiating and approval mechanism to replace Fast Track** – the undemocratic negotiating system that got us into WTO and NAFTA – that would enhance Congress' role in the formative aspects of agreements and promote future deals that could enjoy broad support among the American public.

The TRADE Act shifts the debate to discussing a **new trade and globalization model**. If passed, it will move us past the repeated defensive fights against bad agreements. It also helps realize the campaign promises made by President Obama and the 72 fair-trade congress members newly elected in 2006 and 2008 that replaced advocates of the failed status-quo policies. One of our nation's greatest challenges is to create new rules for globalization that ensure economic security and the creation of quality jobs here, while offering opportunities for sustainable development in poor countries. Such rules would counter rising income inequality and the threats our current policies pose to national security, our shared global environment, public health and safety, and democratic accountability. We must take action *now* to shape the future debate.

Here is what the TRADE Act includes:

Review: Requires the Government Accountability Office (GAO) to conduct a comprehensive review of existing major trade pacts by June 10, 2010, including economic outcomes in the U.S. and abroad and various security, human rights, social and environmental indicators. The GAO must also report on how the current pacts measure up against the bill's listing of what must and must not be included in future U.S. trade agreements.

What Must and Must Not Be in All Agreements: Sets forth the food and product safety, environmental and labor standards; federalism protections; agriculture rules; national security

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exceptions; and currency anti-manipulation and trade remedy rules that must be included in all American trade pacts. And, because WTO-NAFTA-model trade agreements extend far beyond traditional trade matters, this section also lists what *cannot* be included in future American trade agreements, including service sector privatization and deregulation requirements; bans on Buy American and anti-sweat shop or environmental procurement policies; new rights and privileges for foreign investors to promote offshoring and expose domestic health and environmental laws to attacks in foreign tribunals; and special protections for Big Pharma to limit affordable access of generic medicines. (These outrages are in WTO, NAFTA and similar pacts.)

Renegotiation: Requires the president to submit renegotiation plans to Congress to remedy the gaps identified by the GAO between our current pacts and the criteria for good agreements listed in the bill *prior* to negotiating new agreements and prior to congressional consideration of pending agreements.

Expanding Congressional Oversight: Establishes a committee of the chairs and ranking members of all congressional committees whose jurisdiction is implicated by today's expansive "trade" pacts to review the renegotiation plan.

Replacing Fast Track: Lays out criteria for a new mechanism to replace the anti-democratic Fast Track negotiating process. To obtain agreements that benefit a wider array of interests, this new process includes Congress setting readiness criteria to select future negotiating partners; mandatory negotiating objectives based on the Section 4 criteria of what must be and must not be in future trade pacts; and the requirements that Congress must certify that the objectives were met, and then vote on an agreement *before* it can be signed.

Support for the 2008 TRADE Act:

- AFL-CIO
- Change to Win
- Communications Workers of America (CWA)
- American Federation of State, County and Municipal Workers (AFSCME)
- International Association of Machinists and Aerospace Workers (IAM)
- International Brotherhood of Boilermakers
- International Brotherhood of Electrical Workers (IBEW)
- International Brotherhood of Teamsters (IBT)
- International Union of Painters and Allied Trades
- United Steelworkers (USW)
- Sierra Club
- National Farmers Union
- National Family Farm Coalition
- UNITE-HERE
- United Methodist Church General Board of Church and Society
- Friends of the Earth
- Public Citizen
- Citizens Trade Campaign
- Institute for Agriculture and Trade Policy
- Americans for Democratic Action

The TRADE Act: Change We Can Believe in!