



June 22, 2007

Dear Member of Congress,

We write, as organizations and social movements in the United States working on issues related to women's economic, social and political equality, to express:

- our concern that the compromise reached between a small group of Senior Democrats and the Administration does not go far enough to correct the harmful impact on women of the proposed free trade agreements (FTAs) with Peru and Panama; does not address the systemic problems with the free trade model; will likely be unenforceable; and should not give support to renewal of "fast track" Trade Promotion Authority (TPA);
- our opposition to the pending trade agreements with Peru and Panama;
- our opposition to the reauthorization of "fast track" TPA which is the architecture for this flawed trade policy.

Women and their essential economic and social contributions to societies continue to be invisible and ignored in trade discourse and negotiations. Social custom, cultural norms and role expectations place women at the center of social reproduction—the care of the family and community well-being. In addition women have increasingly moved into the paid economy. In 2004, 1.2 billion of the world's 2.9 billion workers (40 percent) were women, representing a worldwide increase of nearly 200 million women in paid employment in the past ten years. The percentage of women in poor countries in light manufacturing and in export agriculture, the sectors most affected by trade agreements, is even higher.

The current trade framework provided in TPA and realized in the proposed agreements with Panama and Peru will continue a trade agenda that assaults women's economic, social and political rights, supporting unequal structures of power, loss of livelihoods, deterioration in public health and shrinking policy space.

The President's trade agenda has, and will continue to:

- **Increase unemployment and worker exploitation, especially of women.** Gender discrimination surrounds women in the workplace. In addition to low wages and poor working conditions, women are often subjected to the insulting practices of pregnancy tests and sexual harassment. Post the U.S.-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA), many women workers in Central America remain relegated to the textile industry, making high priced clothing for export for pennies an hour, working in dangerous, unsanitary conditions and facing ongoing discrimination in the workplace. Free trade has not bolstered the rights of these workers nor improved their chances of making a living wage. A similar growth in women's employment in sweatshops was seen in Mexico, Jordan, and Singapore after signing free trade agreements with the U.S. In the U.S. more and more women are forced to accept

temporary or contract employment with low wages, few benefits, and few protections as trade rules favor corporate interests.

While we recognize and appreciate the inclusion of language prohibiting discrimination in the workplace for the first time in US trade agreements, recent history on enforcement of these agreements has been extremely troubling. The U.S.-Jordan FTA, for example, did not prevent the widespread trafficking and exploitation of women workers from Asia in Jordan's sweatshops. A more comprehensive examination of trade's effects on women workers is needed to ensure that any new language on discrimination is relevant.

- **Destroy local farm economies.** Fast track TPA removes Congress' substantive oversight obligations, resulting in agricultural trade policy that has damaged U.S. farm families and developing country farmers, producers and providers. Poorly designed trade policies that are based on the deregulation of agriculture are worsening women's livelihoods in terms of their access to resources, markets and control over their food. U.S. policies have resulted in the export of U.S. agricultural products at below the cost of production, i.e. dumping. The structurally depressed dumping prices have undermined the ability of developing countries to feed their people and to create rural employment. In least developed countries and in many developing countries, women are the majority of farmers and provide as much as 80 percent of food intake. They are negatively impacted by trade policies that undermine local production and food security. U.S. agricultural trade policy must be overhauled, but cannot be under the procedural strictures of fast track.
- **Decrease women's access to essential public goods and services.** Public investment in education, health care, and public utilities like water, sanitation and electricity, and ensuring women's access to these services have historically been key factors in helping women move out of poverty. U.S. trade agreements advance the privatization and deregulation of these services making them only available to those who can pay – excluding those who need them most, increasing women's work burden, and limiting women's opportunity.
- **Threaten public health.** Despite great resistance among health care advocates, the U.S. continues to demand that pharmaceutical profits are given more concern than access to life-saving medicines. While the U.S. Gender and Trade Network (USGTN) supports the inclusion of the public health "Side Letter" into the text of the FTA, we remain concerned that the intellectual property rules demanded by the U.S. in FTA agreements raise the cost of life-saving medicines and limit the availability of both generic and brand name medicines. The compromise language for revisions to the Peru and Panama FTAs does not adequately address this problem. The U.S.' continuing support for data exclusivity in patents will inhibit significant new efforts toward improving public health or guaranteeing access to affordable essential medicines. Furthermore, the commitment to public health requires more than minimal support for affordable essential medicines, but must also ensure that trade agreements do not frustrate access to health care services, clean water, proper sanitation, and adequate nutrition. Women often carry the burden for caring for sick and dying family members. The most grave example has been the feminization of the AIDS epidemic with women representing a growing number of new cases – here in the U.S. and in developing countries.
- **Exclude civil society and Congressional representatives from participating in trade decision-making.** USGTN is deeply concerned that the compromise language was reached with input from only a few stakeholders within Congress and civil society. This lack of participation and transparency is indicative of the major flaws in the current mechanisms for drafting trade policy. The very design of TPA overrides Congressional oversight of trade negotiations, strictly limits Congressional debate, and prohibits amendments. It only makes suggestions, without mandate, for negotiating objectives for the U.S. Trade Representative

(USTR). TPA has greatly weakened our democratic course of action. Despite growing criticism of the 12 years of NAFTA, there has been no change to the model. In fact it has become more aggressive. Women are insisting that the democratic balance of power be restored and that our democratic rights of representation by Congress be reclaimed.

Now is not the time to rush ahead with more of the very policies that offer little economic gains to the U.S. yet greatly hinder U.S. credibility in the world. Growing resistance among governments and civil society in the Global South gives further evidence that the TPA model for trade is leaving too many behind. It is time to pause and seriously reconsider the direction of U.S. trade policy and return to a more democratic model. We need a new mechanism to do this.

We, and our allies, seek a trade policy that puts social well-being and human rights at the center. Trade is not an end in itself, but a vehicle for social and economic development. Trade agreements in service of development foster sustainable livelihoods and decent work for all members of society, social cohesion and authentic democratic processes that enable all people to be social, political and economic subjects of their own lives and the life of their societies.

Sincerely,

The following Members of USGTN:

Action Aid USA  
American Friends Service Committee  
Center of Concern  
Institute for Agriculture and Trade Policy  
International Labor Rights Fund  
NETWORK: A National Catholic Social Justice Lobby

Allies:

Chicago Religious Leadership Network on Latin America  
Labor-Religion Coalition of New York State / Economic Justice for All  
Maryknoll Office for Global Concerns  
Medical Mission Sisters, Philadelphia Justice and Peace Commission  
Mennonite Central Committee - Washington Office  
National Organization for Women (NOW)  
National Women's Health Network  
Praja Abhilasha (Sri Lanka)  
Presbyterian Hunger Program, Joining Hands San Francisco  
Quixote Center/Haiti Reborn  
SHARE Foundation: Building a New El Salvador Today  
Student Trade Justice Campaign  
Voices on the Border  
WIDE - Globalising Gender Equality and Social Justice (European Union)