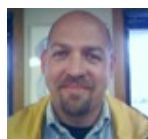


# TRADE MATTERS

***First-Hand Accounts of Why President Obama  
and Members of Congress Should Keep Their  
Promises on Trade Policy Reform***

The Trade Stories Project



## Important Promises

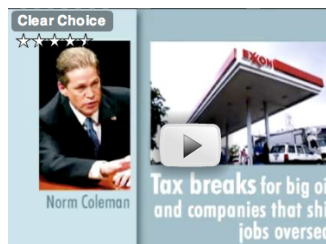
*“One of the first things I’ll do as President will be to call the Prime Minister of Canada and the President of Mexico and work with them to fix NAFTA. We’ll add binding obligations to protect the right to collective bargaining and other core labor standards recognized by the International Labor Organization. And I will add enforceable measures to NAFTA, the World Trade Organization, CAFTA and other Free Trade Agreements currently in effect. Similarly, we should add binding environmental standards so that companies from one country cannot gain an economic advantage by destroying the environment. And we should amend NAFTA to make clear that fair laws and regulations written to protect citizens in any of the three countries cannot be overridden simply at the request of foreign investors.”*

— Barack Obama, campaigning during the Iowa Caucus

National polling results released by the Pew Research Center in May 2008 found, “There is now broad agreement that free trade negatively affects wages, jobs and economic growth in America. By greater than six-to-one, the public says free trade agreements result in job loss rather than in new jobs.”

Americans’ strong disaffection towards existing trade policy was specifically targeted on the campaign trail by Barack Obama and dozens of newly-elected U.S. Senators and Representatives. The repeated promises they made on trade at that time were some of the most concrete economic policy proposals made available to the electorate.

Keeping these trade promises is not only good politics. It is good public policy. In this pamphlet, displaced workers from around the country explain how the NAFTA model of trade has affected their families and communities, and why trade reform is necessary for the country’s economic well-being.



*Numerous television ads and mailers by President Obama and others in the 2008 elections featured strong fair trade messaging.*

## Candidate Obama's Statements on Trade

**NAFTA and CAFTA:** The President repeatedly said he supported renegotiating these and other free trade agreements.

**Panama, Colombia and South Korea FTAs:** The President said he opposed these pending free trade agreements negotiated by the Bush administration.

**Labor Rights:** The President said he will require new trade agreements to include labor standards based on the core ILO Conventions.

**Environmental Protection:** The President said he will require new trade agreements to include enforceable environmental standards.

**Consumer Safety:** The President said he will require new trade agreements ensure that imported products, including food and toys, meet U.S. safety standards.

**Procurement:** The President said he supported renegotiating trade agreements to allow for "Buy America" procurement policies.

**Agricultural Dumping:** The President said he supported the right of developing countries to protect small farmers from agricultural dumping.

**Investment:** The President said he supported eliminating trade provisions that grant foreign investors greater rights than U.S. residents.

## Meanwhile, Jobs Continue to Be Lost to NAFTA...



### Victor Pierce

*Victor worked for the Freightliner Truck Plant in Portland, Oregon for 15 years before losing his job in February 2009 as the company continued shifting production to Mexico under NAFTA.*

"It really hurts. It hurts the whole structure of [the state's] economics. And it hurts the families and people who were working and depending on that for sustenance and a quality of life that we've had ever since Freightliner started..."

"Politicians who support NAFTA may have at one time been ignorant in a lot of ways as to what was being presented to them and why. The policies were generally driven by companies and corporations, and then presented to elected officials. I guess anybody can get stoked one way or another.

"Now we have to come to a place and say, 'Are those elected officials putting blinders on in continuing to work for the big corporations, or are they coming to an understanding that change needs to happen?'"

## Trade-Related Job Loss Affects Entire Communities



**Meghan Cofield**

*Meghan lost her job of 13-years at a Delphi auto parts plant in Dayton, Ohio.*

"The last job I was on, they sold the technology to China because it was actually a profitable job. But they sold the technology and they were sending that over there from under us. Several of the other profitable jobs I've had over the years, once the job started being pretty profitable, they'd send them overseas or they'd send them to Mexico..."

"Five Delphi plants have closed. It's the major source of business in this city. There's all the suppliers, too. Coating companies. Stamping companies. So many different little businesses that were tied to those plants."



**Ken Love**

*Ken is a pastor a Kerr Presbyterian Church in Pittsburgh, Pennsylvania. He worked for General Motors for 23 years before his plant moved production out of the country. He took a 60 percent pay cut after losing his manufacturing job.*

"The plant closing affected my family, community and co-workers. Even the small businesses were at a loss. For example, a small family-owned bar around the corner from the plant that depends on the workers for lunch and drinks after work slowly went downhill."



**Joy Guterrez**

*Joy worked at the J.R. Simplot potato processing plant in Hermiston, Oregon for nearly 27 years before it moved abroad under NAFTA.*

"The closure is really going to hurt the school system because [the plant] put in a lot of money in taxes and stuff. The school systems here are already hurting. They paid like \$800,000 a quarter on taxes, so that's a lot of money that's been taken out of the area..."

"Without us—without the little people—this country wouldn't have nothing. It is us that make the country run, and we should have a say in it."

## The Threat of Offshoring Alone Can Hurt Workers



### Mary McCormick

*Mary made automotive parts for TRW in Houston, Minnesota for three years. The whole time her bosses used the threat of offshoring to get employees to work more for less.*

"They kept telling us that this job [would be sent to Mexico] if we didn't keep doing it faster and faster and faster and faster."

"They'd give us numbers to meet. Then when we'd meet the numbers, they'd take people away and they'd still want us to meet those numbers or even higher numbers. So, for instance, our job started out with 13 people. It got knocked down to 12 people. Then it was ten people. Then you're at eight people. Now it's six people. But they still wanted us to make the same numbers as when we were at 13."

"There was a point where it was everyday you heard, 'If you don't do this, it's going to Mexico.'"

## Many Jobs that Are Lost Aren't Being Replaced



### Gayleen Spooner

*Gayleen has worked in mills her entire adult life. She lost her 8-year job at the Pinkham Lumber sawmill in Ashland, Maine when it closed due to imports under NAFTA in 2008.*

"It's scary because, in this area, there's not a log of jobs. [Those jobs that do exist] pay a lot less than what we were making... You've got Wal-Mart and the stores, but

they only pay about \$8-an-hour...

"I'm afraid that all the young people are going to end up leaving because there's no jobs or opportunities here. We're building a new school, but there's the fear, 'Are we going to have any kids to put in it?' The young people are moving away."

### Never Liked NAFTA

"I voted against CAFTA and never supported NAFTA. NAFTA's shortcomings were evident when signed and we must now amend the agreement to fix them."

— Barack Obama, March '08

## Working People in Mexico Are Also Hurt by NAFTA



**Olivia Perez**

*Olivia is a 22-year old immigrant who moved with her mothers and sisters from a rural village in Michoacán, Mexico in 2005 to the small town of Milbridge, Maine. Since her arrival, she has worked in a seafood processing plant, harvested blueberries and worked in a migrant health clinic. She is currently a nursing student.*

“We should get rid of NAFTA... Look, they can say, ‘Mexico’s ending up with all the jobs,’ but that doesn’t count for much. You go, for example, to where all the manufacturing plants are, and for whatever reason, the workers are getting paid very, very low wages, and lots work more than eight hours a day. Without health insurance... And they’re in an environment that’s not suitable for working.”



**Hector de la Cueva**

*Hector is a former autoworker who made parts for Ford at a plant in Mexico where several workers were shot for trying to form an independent union. He is currently the general coordinator for the Center for Labor Investigation and Union Assessment in Mexico City.*

“Free trade agreements function like transnational blackmail against workers.

“They say to U.S. and Canadian workers, ‘If you don’t accept less rights and lower salaries, then your jobs will come to Mexico, or to other countries, like Honduras, Guatemala, wherever.’ They tell us, the Mexican workers and South workers, that if we don’t accept our miserable salaries, very bad conditions and no rights, then the jobs will never come.”

### Opposed to Ag Dumping

Question: “Do you support the right of developing countries to protect small farmers from agricultural product dumping?”

Answer: “Yes. All countries should be able to protect themselves from dumping.”

— Barack Obama, May '08



## Gustavo Lopez Pozos

*Gustavo's family has farmed the same land in the village of Toluca de Guadalupe in central Mexico for generations. Subsidized agricultural imports from the United States under NAFTA have dramatically reduced the price his family receives for their crops.*

"My grandparents were some of the founders of this community. We've been here since 1935. Before that, my family were workers in the local hacienda...

"The biggest effect that NAFTA has had is that our crops aren't worth anything anymore... All the young people look at it and say, 'Well, I invested 5,000 pesos in the crops, and at the end of the year, sold them for 8,000 pesos. At the end of the day, it's just not worth it.' ...

"In this particular community, it has been in the past ten or twelve years that migration has really taken off. About 30 percent of the young people from Toluca de Guadalupe have left for the United States. About 40 percent have gone to work in the maquiladoras. So it is only about 30 percent that are left in the countryside.

"Things are changing a lot. We're losing our roots, we're losing our culture, and we're seeing a disintegration of the family. What we see is that the parents leave, and the children are being raised by their grandparents. A lot of times, we'll end up seeing increased drug and alcohol use...

"We know that a lot of people look down on campesinos and think that we're stupid, or we're dirty, or we smell bad because we work with our hands in the countryside... I would ask you to look with your hearts to other people down here as your brothers and sisters. It's the only way to construct a world in which we're all equal."

### NAFTA and Migration

"Not only did [NAFTA] have an adverse affect on certain communities that saw jobs move down to Mexico, but, for example, our agricultural section pretty much devastated a much less efficient Mexican farming system...

"As a practical matter, those are millions of people in Mexico who are displaced. Many of whom now are moving up to the United States, contributing to the immigration concerns that people are feeling. And so, those human factors should be taken into account."

— Barack Obama, June '08

## Just Providing More Education Isn't Enough



### **Mitch Besser**

*Mitch is a high-tech worker from Lake Oswego, Oregon with a Masters in Software Design and Development and more than 20 years of experience in the sector. He has had a difficult time finding steady employment.*

“High tech is often presented as a field where displaced workers can find a six-figure salary with minimal training. If you

work in high-tech industries it is extremely likely you will be threatened with having your job sent overseas. Companies across the board are looking globally for the cheapest sources of labor they can find.”



### **Bill Johnson**

*Bill worked in Salem, Oregon as a purchasing agent for InFocus, a company that designs digital projectors. He has been an engineer for some of the biggest corporations in the world.*

“You started to see not only the laborers’ jobs go away, but the supervisors’ jobs... They gave me three weeks worth of notice, in which my position and basically the entire

purchasing department would be moving to Singapore and they would begin purchasing from there.

“But in that two to three weeks, they said, ‘We’re going to have two people from Singapore come over here and you’re going to train them how to do your job.’ So they basically hired two people for what they were paying me, which I guess they felt would be more efficient.”

### **Jim Scheet**

*Jim moved his family out-of-state in search of work after losing his job making circuit boards at TTM/Tyco Electronics in Dallas, Oregon in 2007.*

“[Staying in the area] was never a question because it was just a given that the job market was dead... In my opinion, retraining would have just left me waiting a year or two and then competing for the same lack of jobs with the same people. It would have just delayed the inevitable. My only option was to move so I could support my family.”



### **Rennie Sawade**

*Rennie is a software engineer from Seattle, Washington with 20 years of experience. He works on short-term contracts because he is unable to find permanent employment.*

"I remember when I was going to college in the '80s over there in Michigan, you would hear that manufacturing is going downhill in this country, manufacturing is being outsourced, and we need to adjust by getting into these high tech jobs..."

"I find it interesting that I'm kind of in the same situations as the autoworkers were in, with all the outsourcing going on. It's just kind of the same problems all over again. It's important to understand that when you open the markets, it's not just products going back and forth, they're also talking about labor..."

"Companies like Microsoft used to be U.S. companies, but are now international companies that have no ties to any particular nation. They're free to shop and find the cheapest labor they can around the world. And they basically use that against us here in this country. They use it as a tool to depress wages here..."

"I wish [elected officials] would do what they said they were going to do before they were elected, which is put a stop to new trade agreements, and step back and take a look at the ones that were already passed, and renegotiate those trade agreements."

### **Commitment to American Workers**

"Barack Obama and Joe Biden believe that trade with foreign nations should strengthen the American economy and create more American jobs. They will stand firm against agreements that undermine our economic security..."

"Barack Obama and Joe Biden believe that companies should not get billions of dollars in tax deductions for moving their operations overseas. They will fight to ensure that public contracts are awarded to companies that are committed to American workers."

— Obama-Biden Transition Team Website, January '09

## Consumer Safety Jeopardized by Current Trade Deals

### Joe Logan



*Joe is a 5<sup>th</sup> generation family farmer from northeast Ohio and former president of the Ohio Farmers Union. He currently manages the Agriculture Program at the Ohio Environmental Council.*

"I have traditionally been a dairy farmer... We used to use an antibiotic in this country called chloramphenicol... About 15 years ago, the FDA took it off the market abruptly and immediately... They discovered it caused aplastic anemia, which is a form of leukemia, in children. Even just touching it would expose one to that problem... Veterinarians couldn't even prescribe it if they thought it was the only antibiotic that would work. It was completely off the market.

"I thought the company that made it had ceased production and that the supplies were all gone and that the world was safe from chloramphenicol. I read in the paper a few months ago that shrimp coming from Southeast Asia and South America is now contaminated with chloramphenicol. Turns out that as our natural fish populations have dwindled because of industrial harvesting, and fish farming has become widespread in Southeast Asia and South America, waters become contaminated of course, then the large fish farming and agribusiness conglomerates start to add antibiotics in order to keep those fish stores more healthy.

"Knowing how dangerous this compound is, one wonders how it gets onto our shores. The reality is that since those agricultural products meet the standards in that exporting country, whether that is Argentina, or Panama, or Indonesia, or Vietnam, we cannot stop them at our borders, or it is an 'unfair trade' penalty and the U.S. could be sued for not accepting their products. So it brings this unfairness and inequity in trade standards."

### Herbert Needleman, M.D.



*Herbert is a University of Pittsburgh professor who has pioneered research and treatments on lead poisoning since the 1970s.*

"Products we made safe through regulation of U.S. manufacturers are coming in poisonous through a back door in trade policy... Decades of progress through research have been reversed."

# Family Farms Are Also in Jeopardy



**Mark Wettstein**

*Mark's family has been growing sugar beets and other crops in for more than 60 years. They've had to abandon some crops due to NAFTA, and are worried about CAFTA's potential long-term impact on their main source of income.*

"We can raise sugar beets as cheap as anywhere in the world, but the problem is that you're not working with a level playing field. When you've got some 8-9 year old kid who can go out and harvest that crop with a machete all day long and get paid \$2 a day, that's pretty hard to compete against that kind of wages — and they don't have the medical. They don't have to worry about insurance. They don't have the minimum wage."



**Robin Froerer**

*Robin owns a clothing store in rural eastern Oregon. When the local food processing plant cut back its operations due to competition from imports, she saw a drop in business.*

"I think NAFTA has been a terrible thing for our country. To me, farming and agriculture is what it affects the most. That is the very foundation of our country.

They're crumbling it. It scares me to realize that we'll be dependant on another country for all our food and everything. That's where we're headed."

## Product Safety

Question: "Will you insist that future trade agreements require imported products, including food and toys, to meet U.S. safety standards?"

Answer: "Yes."

— Barack Obama, May '08

## Foreign Investor Privileges

"With regards to provisions in several FTAs that give foreign investors the right to sue governments directly in foreign tribunals, I will ensure that this right is strictly limited and will fully exempt any law or regulation written to protect public safety or promote the public interest. Our judicial system is strong and gives everyone conducting business in the United States recourse in our courts."

— Barack Obama,  
December '07

## Current Policies Are Causing Real Suffering

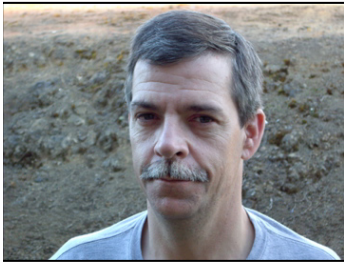


### Bruce Bostick

*When Bruce's Ohio employer, Lorain Works steel company, went into bankruptcy in competition from imports, many long-time employees at or near retirement had a significant portion of their pensions taken from them.*

"It's pretty damn hard to exist when you don't have money to spend... It's extremely difficult. I can't get my truck serviced. I don't have healthcare and that's terrifying... It's just hard to function..."

"I saw five suicides when I was working. It's just very, very hard to see the entire structure of the community, of friends and people you knew and respect, people who have struggled their whole lives, just wiped out."

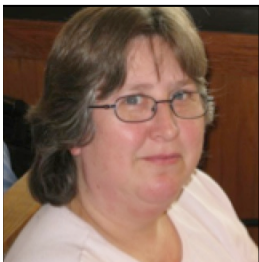


### William Kemp

*William was one of the top sales representatives at the Dell Call Center in Roseburg, Oregon. He and more than 250 co-workers lost their jobs when the plant closed, relocating many positions to El Salvador.*

"I lost my medical insurance. I had to use my 401(k) to live off of. They did offer severance, which we were grateful for.

"I'm 41, so I had to redirect my whole entire life again. Having to go back to school. Taking care of my kids. Being on unemployment. All of that stuff takes a toll on the family... We were all in depression."



### Wanda Boehmke

*Wanda worked at a Minnesota manufacturing plant off-and-on since the early 1980s, until it moved to Mexico in 2008. She made parts for Whirlpool refrigerators, Hoover vacuum cleaners and American cars.*

"It's been stressful at home. We fight over money. My husband farms and farm prices aren't any better. It's a lot of stress."

## The Existing Trade Model Holds No Promise



### Sherry Klein

*Sherry lost her position at the TRW Automotive Plant in Minnesota in the summer of 2008 when her job was relocated to Reynosa, Mexico. She currently seeks work as a temp.*

"Why are these companies getting these tax breaks for taking our jobs out of the country? I mean, to me that's ridiculous. How can I buy the product that's going to be shipped back into this country if I don't have a damn job? They don't get this? You're not helping the economy by making the rich richer."



### Kevin Holmes

*Kevin worked at several Maine shoe factories and 18-and-a-half years at the Eastern Fine Paper Mill in Brewer, Maine before it shut down in January of 2004. Since then he's held several lower wage jobs but was laid off again this spring when his company downsized.*

"Everything seems to be against the working people. You can't let the rich go without because, you know, they're used to this standard of living ...(Laughs)... right? But since us poor working slobs are used to having nothing anyway, well, we can have a little less, right? That seems to be the attitude.

"You gotta wonder what these people are thinking, like CEOs and stuff who are making absurd amounts of money. Henry Ford understood you had to pay your workers a decent wage, if you're gonna sell cars. You know, you gotta pay your workers a decent wage or they won't be able to buy one.

"You cannot continue to keep throwing people out of work, or paying them poverty wages, and then expect them to turn around and buy your products."

### Good for Everybody

"[NAFTA renegotiation] should reflect the basic principle that trade agreements should not just be good for Wall Street, they should also be good for Main Street. The problem that we've had is that we've had corporate lobbyists often involved in negotiating these trade agreements, but... ordinary working people have not been involved. We've got to make sure that our agreements are good for everybody"

— Barack Obama, August '07

## More Important Promises

### U.S. Senators Who Ran on “Fair Trade” in 2008

Senator Mark Begich (D-AK)	Senator Jeanne Shaheen (D-NH)
Senator Al Franken (D-MN)	Senator Mark Udall (D-CO)
Senator Kay Hagen (D-NC)	Senator Tom Udall (D-NM)
Senator Jeff Merkley (D-OR)	

### U.S. Representatives Who Ran on “Fair Trade” in 2008

Rep. John Alder (D-NJ)	Rep. Michael McMahon (D-NY)
Rep. Steve Austria (R-OH)	Rep. Wal Minnick (D-ID)
Rep. John Boccieri (D-OH)	Rep. Tom Perriello (D-VA)
Rep. Bobby Bright (D-AL)	Rep. Gary Peters (D-MI)
Rep. Jason Chaffetz (R-UT)	Rep. Chellie Pingree (D-ME)
Rep. Travis Childers (D-MS)	Rep. Jared Polis (D-CO)
Rep. Gerry Connolly (D-VA)	Rep. Bill Posey (R-FL)
Rep. Kathy Dahlkemper (D-PA)	Rep. Mark Schauer (D-MI)
Rep. Steve Driehaus (D-OH)	Rep. Harry Teague (D-NM)
Rep. Donna Edwards (D-MD)	Rep. Dina Titus (D-NV)
Rep. Bill Foster (D-IL)	Rep. Paul Tonko (D-NY)
Rep. Marcia Fudge (D-OH)	
Rep. Alan Grayson (D-FL)	
Rep. Debbie Halvorson (D-IL)	
Rep. Martin Heinrich (D-NM)	
Rep. Jim Himes (D-CT)	
Rep. Duncan Hunter (R-CA)	
Rep. Ann Kirkpatrick (D-AZ)	
Rep. Mary Jo Kilroy (D-OH)	
Rep. Larry Kissel (D-NC)	
Rep. Suzanne Kosmas (D-FL)	
Rep. Ben Lujan (D-NM)	
Rep. Betsy Markey (D-CO)	
Rep. Dan Maffei (D-NY)	
Rep. Erica Massa (D-NY)	

#### Contact Information

Reach any U.S. Senator or Representative by calling the Congressional Switchboard at:

(202) 224-3121

Leave comments for President Obama at:

(202) 456-1111

Write to the office of the U.S. Trade Representative online at:

<http://www.ustr.gov/about-us/contact-us/your-comment>

### **The 2008 Democratic Party Platform's Vision of Trade and the Economy**

"We believe that trade should strengthen the American economy and create more American jobs, while also laying a foundation for democratic, equitable, and sustainable growth around the world...

"Trade policy must be an integral part of an overall national economic strategy that delivers on the promise of good jobs at home and shared prosperity abroad. We will enforce trade laws and safeguard our workers, businesses, and farmers from unfair trade practices — including currency manipulation, lax consumer standards, illegal subsidies, and violations of workers' rights and environmental standards. We must also show leadership at the World Trade Organization to improve transparency and accountability, and to ensure it acts effectively to stop countries from continuing unfair government subsidies to foreign exporters and non-tariff barriers on U.S. exports...

"We will not negotiate bilateral trade agreements that stop the government from protecting the environment, food safety, or the health of its citizens; give greater rights to foreign investors than to U.S. investors; require the privatization of our vital public services; or prevent developing country governments from adopting humanitarian licensing policies to improve access to life-saving medications.

"We will work with Canada and Mexico to amend the North American Free Trade Agreement so that it works better for all three North American countries...

"We will end tax breaks for companies that ship American jobs overseas, and provide incentives for companies that keep and maintain good jobs here in the United States."

## **The TRADE Act (HR.3012)**

The 2009 Trade Reform, Accountability, Development and Employment Act — or TRADE Act, for short — is comprehensive trade reform legislation that addresses public demand for change and would uphold the trade promises made by many during the 2008 elections. As of August 1, 2009 it had 116 Congressional cosponsors, but had not yet been embraced by the President.

The TRADE Act establishes clear criteria for what must and must not be in any future trade agreement regarding issues like labor, the environment, human rights, agriculture, investor rights, public services, access to medicine and consumer safety. It also establishes a clear process for reviewing and renegotiating existing trade deals, and reestablishes Congressional authority and public oversight in the trade policymaking process.

## **We Need Fair Trade Now**

In August 2007, then-candidate Barack Obama said, “Globalization is creating winners and losers. The problem is that it’s the same winners and the same losers each and every time.”

Who wins and who loses as a result of international trade is a direct result of trade policies put into place by elected officials. The stories collected in this booklet offer a view into the lives of people who have been harmed by existing U.S. trade policy and who are eager for change.

It is time to address the imbalances in existing trade policy and to commit unswervingly to comprehensive trade reform. Voices highlighted in the Trade Stories Project join with the majority of the American electorate in calling upon President Obama and other elected officials to stay true to their campaign promises, continue renouncing the failed trade agreements of the past and pursue equitable, sustainable and fair trade policies for the future.

***The Trade Stories Project*** is a collaborative effort to compile and share the stories of workers, migrants, farmers, small business owners and others who have typically been excluded from trade policy debates.

Participating organizations include:

Maine Fair Trade Campaign  
Minnesota Fair Trade Coalition  
Ohio Conference on Fair Trade  
Oregon Fair Trade Campaign  
Washington Fair Trade Coalition

[www.tradestories.org](http://www.tradestories.org)