

Press Release

For Immediate Release

Monday, January 26th, 2009

**Statement from CTC National Director Andy Gussert on
NAFTA Style Problems Imbedded within Bush Trade Agreements**

We are all eager to support trade agreements that benefit a majority of workers, farmers, small businesses and consumers. We all want to pass future trade agreements that work to achieve larger societal goals of economic justice, poverty alleviation, healthy communities, pollution reduction, human rights and a sound environment. Unfortunately, past trade pacts including the North American Free Trade Agreement (NAFTA) and the Central America Free Trade Agreement (CAFTA) have not met these basic goals.

The language of the Korea, Panama and Colombia Trade Agreements negotiated by President Bush mirrors many of most problematic provisions from the failed pacts above, and must be reworked. While there have been improvements, many of the most serious problems of the previous failed trade agreements are replicated in the three Bush FTAs. Our failure to remove these problematic provisions means these pacts will not pass the most conservative “do no further harm” test, dooming us to repeat past policy mistakes.

Eighteen years of failed trade policy has given broad, expansive new rights to foreign corporations, allowing them to challenge American environmental and public health standards. This failure has flooded the U.S. with unsafe food and product imports. It has devastated developing nations by forcing millions of family farmers off of their land, creating poverty, despair and mass migration.

Some of the problematic language remaining from the NAFTA/CAFTA model includes:

Foreign-Investor Rights: The investment chapters of the three Bush FTAs still afford foreign investors greater rights than those enjoyed by U.S. investors. These three pacts’ foreign-investor chapters contain the same provisions from CAFTA that led many Democrats to oppose that pact, and that President-elect Obama cited as problematic during the campaign. Such provisions promote off-shoring, and subject our domestic environmental, zoning, health and public interest policies to challenge by foreign investors in foreign tribunals.

Food-Safety Provisions: The Bush introduced FTAs still contain language requiring the United States to limit import inspection and accept imported food that does not meet our domestic safety standards.

Procurement Provisions: The procurement rules in the Bush trade agenda subject many common federal and state procurement policies to challenge. These procurement rules continue the NAFTA/CAFTA ban on anti-off-shoring and Buy America policies, and expose U.S. renewable-

energy, recycled-content and other environmental safety requirements to challenge. These terms must be changed to provide the policy space for the many exciting “Green Economy” proposals promoted by President Obama during his campaign.

Agriculture Provisions: The three Bush FTAs contain the NAFTA-style agriculture trade rules that have simultaneously undermined U.S. producers’ ability to earn a fair price for their crops at home and in the global marketplace. Multinational grain-trading and food-processing companies have made enormous profits, while farmers on both ends have been hurt. If this model is continued, hunger is projected to increase, along with illicit drug cultivation, and undocumented migration. Moreover, it would be an extension of the race to the bottom in commodity prices, pitting farmer against farmer and country against country to see who can produce food the cheapest, regardless of labor, environment or food-safety standards.

Access to Medicines: While the most egregious CAFTA-based terms limiting access to affordable medicines have been removed, the texts of the three agreements still include NAFTA-style terms that undermine the right to affordable medicines that were contained in the WTO’s Doha Declaration.

Citizens Trade Campaign believes trade agreements should work to serve the interests of a majority of the world’s people on issues such as jobs, wages, public health, the environment, human rights, food safety and access to essential services. We look forward to working with members of Congress and the Obama Administration to create a new American trade policy that can ensure that future trade agreements obtain broad support.

Citizens Trade Campaign (CTC) is a coalition of faith, family farm, labor, consumer and environmental organizations with over 14 million combined members. Our 18 national organizations, over 400 state and local affiliates, and state coalitions are united in a common belief that international trade and investment are not ends unto themselves, but instead must be viewed as a means for achieving greater societal goals. Formed in 1992 to reform NAFTA, we support trade policy that reflects the interests of a majority of people in America, and across the world.

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