Finally – a new vision for trade

By Barb Kucera, Workday editor June 4, 2008

MINNEAPOLIS - For years, fair trade advocates have fought unfair deals that shipped U.S. jobs abroad and undermined worker rights and the environment. Now, for the first time, they are putting forth comprehensive legislation to overhaul U.S. trade policy and create a new vision for the global economy.

During a telephone conference call Wednesday, key members of Congress announced they have introduced the Trade Reform, Accountability, Development, and Employment (TRADE) Act. The landmark bill would mandate reviews of all existing trade pacts, establish labor, environmental and public safety standards, protect workers in developing nations and help restore Congressional oversight of future trade agreements.

"The TRADE Act will help Congress and the White House craft a trade agreement that benefits workers, business owners, and our country," said Senator Sherrod Brown, D-Ohio, chief sponsor in the Senate. "We want trade, and we want more of it. The TRADE Act is a critical first step on a new path for trade."

Added Rep. Mike Michaud, D-Maine, chief House sponsor: "We're not opposed to trade. We're for trade, but we want to change the model."

The TRADE Act would:

- Require a comprehensive review of existing trade agreements with an emphasis on economic results, enforcement and compliance, and an analysis of non-tariff provisions in trade agreements;
- Spell out standards for labor and environmental protections, food and product safety, national security exceptions, and remedies that must be included in new trade pacts;
- Set requirements with respect to public services, farm policy, investment, government procurement, and affordable medicines that have been incorporated in trade agreements;
- Set up commissions for monitoring and enforcing the standards in new trade agreements.
- Require the president to submit plans for renegotiating current trade pacts such as NAFTA (the North American Free Trade Agreement) and GATT (the General Agreement on Tariffs and Trade) to put them in line with standards outlined in the act.
- Eliminate the use of "fast track" under which Congress is prohibited from amending trade agreements and restore Congressional oversight of trade deals.

Stemming the loss of jobs

Sponsors said the legislation is needed to end the outsourcing of thousands of jobs and the growing U.S. trade deficit, which now stands at \$800 billion. An estimated 13,000 jobs are lost for every \$1 billion in the deficit, translating to more than 10 million jobs, they said.

Under the TRADE Act, the United States would have "trade agreements not written for multinational investors" but instead "written for working families and for our communities," said Michaud.

Rep. Phil Hare, D-Ill., one of 52 House co-sponsors, said he was acting on behalf of 1,600 workers in his district who lost their jobs when Maytag moved its largest manufacturing plant from Illinois to Mexico.

"I've seen good-paying jobs leave this country for no reason other than corporate greed," Hare said.

So far two members of the Minnesota Congressional delegation – Democrats Keith Ellison and Collin Peterson – have signed on as co-sponsors of the TRADE Act.

A pro-trade movement

While workers in other countries have fought for fair trade for decades, the fair trade movement did not really take off in the United States until the debate over NAFTA in the early 1990s. Since then, fair trade advocates have tried, with some success, to stop a succession of trade deals that ensure corporate profits but do nothing to help workers or the environment.

The pinnacle of the movement may have been the 1999 protests that disrupted the World Trade Organization meeting in Seattle. Union members and environmentalists ("Teamsters and turtles") came together from around the world to demand a new vision for the global economy.

In the process, fair trade advocates have been unfairly labeled as "anti-trade" and "anti-globalization," said Lori Wallach, director of Public Citizen's Global Trade Watch division. The proposed TRADE Act is pro-trade and marks a "concrete new way forward" for the movement, she said.

The plan resulted from discussions among a broad coalition that included organized labor, environmentalists, faith and community groups, human rights organizations, farmers, small businesspeople, consumer advocates and others, Brown said. New members of Congress elected in 2006 on a fair trade platform also played a significant role.

"Any new idea as big as this won't pass this year," Brown noted. "It takes a while." He

said he had discussed the TRADE Act with Democratic presidential candidate Barack Obama and "He's clearly on board on many elements of this."