

Wisconsin FAIR TRADE Coalition

WFTC: Trade Questions for 2008 Presidential Candidates

2008 Presidential Candidate Questionnaire

Candidate Name: _____ Barack Obama _____

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WFTC is asking candidates questions to determine who is the most focused on addressing the trade crisis effectively -- by rejecting further agreements based on the failed NAFTA model, renegotiating existing agreements and promoting a new responsible trade and globalization model.

The following questionnaire will be shared with Wisconsin Fair Trade Coalition partners in the labor, environmental, family farm and faith communities. **We strongly encourage you to supplement answers with additional explanations, information and rationale.**

Please respond by emailing info@wisconsinfairtrade.org or faxing to 414-344-1645.

NAFTA Style Trade Agreements

We believe the NAFTA model has failed the U.S. and our trading partners. During the NAFTA era, we have seen one out of every four U.S. manufacturing jobs destroyed and real wages decline. NAFTA incentivizes offshoring by providing foreign investors special protections that eliminate the risks of moving to low-wage countries. It has resulted in scores of attacks on our domestic environmental, health and safety laws upon which communities rely. NAFTA bans buy-America initiatives, and limits our ability to inspect for the safety of children's toys or the food supply. The NAFTA-model pacts such as CAFTA and various other free trade agreements simply replicate these problems.

1. Will you commit to renegotiate NAFTA and CAFTA, during your first term of office, to meet the standards you lay out for future agreements?

Please Circle One: **Yes** No

Additional Comments:

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. While NAFTA gave broad rights to

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investors, it paid only lip service to the rights of labor and the importance of environmental protection. Ten years later CAFTA – the Central American Free Trade Agreement – had many of the same problems, which is why I voted against it. We must add binding obligations to the NAFTA agreement to protect the right to collective bargaining and other core labor standards recognized by the International Labor Organization. Similarly, we must 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.

2. As a Senator, if the vote came up today, would you support the Panama Free Trade Agreement?

Please Circle One: **Yes** **No**

Additional Comments:

Miguel Gonzalez Pinzon is the President of the Panamanian National Assembly. Gonzalez is under indictment in the U.S. for the murder of U.S. Army Sgt. Zak Hernandez Laponte and the attempted murder of U.S. Army Sgt. Ronald Marshall on June 10, 1992. Until that situation is resolved, we cannot support any trade agreement with Panama.

3. As a Senator, if the vote came up today, would you support the South Korea Free Trade Agreement?

Please Circle One: **Yes** **No**

Additional Comments:

I opposed the South Korea FTA. The Administration negotiated the agreement without consideration for thousands of working Americans and the communities that they live in. Specifically, the participation of workers in the American auto industry in considering the outcomes of this agreement went unsolicited and their legitimate concerns unaddressed. This Administration failed them because it ignored them. That is not the government they deserve.

While the agreement would lead to a significant increase in wealth for banks, telecommunications firms, and some in corporate agriculture, it fails to ensure that all U.S. products -- especially our cars and trucks, but our rice and beef producers as well -- receive fair treatment in that market. Our employers and workers can compete against employers and workers everywhere in the world, but they should not be exposed to competition against governments systematically discriminating against our products. And no Administration should ignore entire sectors of our economy and the needs of American communities in negotiating trade agreements.

We have an \$11 billion deficit in automotive trade with Korea. Last year, Korea sold 700,000 vehicles in the U.S.; the U.S. sold only 4,556 in Korea. The average level of automotive imports

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in the 30 OECD countries of US cars is over 40%. Korea's auto import rate of U.S. cars of 3.6% puts it at 30th out of 30 OECD countries. And it's not just that Koreans do not like American cars, this is the result of a centralized regulatory and tax structure that discriminates against our cars.

In the US-Korea FTA, we agree to open up our market to their cars and trucks completely. And South Korea agreed to change some of its practices, but the FTA does not make it possible to enforce those commitments. South Korea and the United States agreed to create a special dispute settlement mechanism for the commitments in the FTA. If a special panel finds that Korea has reneged on its commitments, the panel can permit the United States to return or "snap-back" the auto tariff from zero to 2.5% in the case of the United States but the 25% tariff on light trucks could never snap back.

The auto industry and its unions neither trust the Korean government nor do they believe the concessions made are adequate. They also do not trust this Administration to use the tools the deal includes protecting the auto industry from unfair Korean practices and history is on their side. I will not support this agreement.

4. Will you commit to considering emergency policies to bring our trade deficit into balance, including addressing currency manipulation, eliminating tax breaks for off shoring production, and exploring other options, such as an import surcharge?

Please Circle One: **Yes** No

Additional Comments:

As a Senator, I have cosponsored legislation to fight currency manipulation, bring our trade deficit into balance, and eliminate tax breaks for offshore production. I have coauthored and championed Patriot Employer legislation to reward companies creating jobs at home and treating their workers fairly. And as President, I will close tax loopholes and incentive that rewards companies for shipping jobs overseas.

WTO "Doha Round"

5. Will you commit to oppose the current direction of the WTO "Doha Round" and to call for a new direction in global trade talks to prioritize protections for workers, the poor, public health and the environment, and to ensure that global trade rules do not undermine the ability of governments to regulate in the public interest?

Please Circle One: **Yes** No

Additional Comments:

I support ensuring that future WTO negotiations are productive and fair to working people and the environment. I believe that we can work within the framework of the WTO to ensure our international standards for workers, poor nations, public health, and the environment are all

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improved. And we must ensure that global trade rules allow governments to pass nondiscriminatory laws and regulations that are in the public interest.

Fast Track

Fast Track, also known as “Trade Promotion Authority” allowed past administrations to negotiate trade deals and sign them before Congress ever got to vote. It concentrates power in a small agency where corporate lobbyists have set the agenda away from democratic oversight. Since Fast Track was enacted, we have run up a steadily growing trade deficit and wages for American workers have been stagnant. Thankfully, TPA authority expired in July 2007.

6. If elected President, would you seek an elimination of the Fast Track process?

Please Circle One: **Yes** **No**

Additional Comments:

I will not support extension of the existing Fast Track process that expired. I have not and would not support renewing Trade Promotion Authority for this President. The current Fast Track process does not mandate that agreements include binding labor and environmental protections nor does it give an adequate role to Congress in the selection and design of agreements. I will work with Congressional leaders to ensure that any new TPA authority fix these basic failings and open up the process to the American people for their participation and scrutiny.

Labor Provisions

7. Will you insist that any new trade agreement include in its core text the five basic internationally-recognized core labor rights as stated in International Labor Organization (ILO) conventions? These rights deal with freedom of association; the right to organize and bargain collectively; the elimination of all forms of forced or compulsory labor; the effective abolition of child labor; the elimination of the worst forms of child labor; and the elimination of discrimination with respect to employment and occupation.

Please Circle One: **Yes** **No**

Additional Comments:

The rights listed are human rights and I will fight to have them included in any agreement my Administration negotiates and their inclusion must be required as part of any future TPA authority extended to any new President.

8. Will you insist that failing to meet and follow these worker rights standards must be subject to the same dispute resolution and enforcement mechanisms and penalties currently used to enforce intellectual property and other commercial provisions in trade agreements?

Please Circle One: **Yes** **No**

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Additional Comments:

The rights of working people should be equal to those of commercial interests and their protections in trade agreements should be the same. Again, this was a fundamental failing in the NAFTA and CAFTA agreements.

Environmental Provisions

9. Multilateral Environmental Agreements (MEAs) allow nations to follow their own environmental, health and safety standards adopted in reliance on the precautionary principle, thereby recognizing the legitimate rights of governments to protect their public health, safety and environment. Will you insist that any new trade agreement must incorporate requirements to adopt and enforce major multilateral environmental agreements, which comprise the global consensus on basic environmental protection?

Please Circle One: **Yes** No

Additional Comments:

Trade agreements cannot allow firms abroad to compete by gaining a cost advantage through environmental degradation. The protection of the environment must be at the core of our global economic strategy.

10. Will you insist that failing to meet such standards must be subject to the same dispute resolution and enforcement mechanisms and penalties currently used to enforce intellectual property and other commercial provisions in trade agreements?

Please Circle One: **Yes** No

Additional Comments:

The protection of the environment is just as critical as the protection of commercial interest and must be subject to the same mechanism for protection.

Agricultural Provisions

11. Will you insist upon trade agreements that secure family farmers' livelihoods by offering fair prices for their products, that support measures to safeguard the health of rural communities, and that ensure the right of farm laborers to fair wages, contracts, and safe working conditions?

Please Circle One: **Yes** No

Additional Comments:

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Foreign Investor Rights

Existing trade deals like NAFTA and CAFTA give foreign investors greater rights than U.S. residents or businesses. These trade agreements allow foreign businesses to bypass the courts and directly sue the United States in foreign trade tribunals. These pacts empower foreign investors to challenge our U.S. environmental, zoning, health and safety laws before U.N. and World Bank tribunals to demand compensation in taxpayer dollars. Since CAFTA, agreements have extended such foreign investor rights to enforcement for timber, mining, construction and other concession contracts with the U.S. Federal government.

12. Will your administration ensure future trade agreements do not include private investor-state enforcement systems and also ensure that state-state investment rules do not grant foreign investors and overseas companies greater rights than U.S. residents or businesses?

Please Circle One: **Yes** No

Additional Comments:

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. And I will never agree to granting foreign investors any rights in the U.S. greater than those of Americans. Our judicial system is strong and gives everyone conducting business in the United States recourse in our courts. The tribunal system was created to ensure that our investors would have access to similar protection abroad. I understand the concerns surrounding this issue, and am committed to working to address them.

I attest that these answers represent my beliefs, are now part of the public record, and may be used by the WFTC to keep member groups and the public informed about trade issues.

Signature**Date**

Thank you for your willingness to fill out our questionnaire. We would like to act as a resource of information to you and your campaign. We look forward to working with you over the period of your candidacy, and thereafter.