

## **FTAA- a gamble stacked against migrant communities**

*By Karl Flecker, Polaris Institute (www.polarisinstitute.org)*

Tomas Ramirez is just trying to beat the odds.

He has tried and failed to cross the fence separating Tijuana from San Diego 8 times. Tomas is one of 1.5 million Mexicans [\[i\]](#) arrested every year trying to cross the US border in hopes of finding better employment and make a better future for himself. According to US Immigration and Naturalization Service (INS) there are more than 6 million undocumented immigrants living in the US. Mexico is the leading country of origin, with nearly 3 million or 54%. [\[ii\]](#)

Tomas' attempt to defy the odds means trying by whatever means possible to join the 125 million people worldwide who move from one country to another.[\[iii\]](#)

What drives him and the others? After political violence, the leading reason is the problem of unemployment.

Tomas is part of the 40% of Mexico's 100 million people who live in poverty, 25% of whom live in extreme poverty. No surprise really since the minimum wage is around \$3.50/day. The increased border industry that the North American Free Trade Agreement (NAFTA) brought did not include prosperity. Instead 8 million Mexicans have fallen from the middle class into poverty during 8 years of NAFTA. In addition NAFTA has brought 44 tons of hazardous waste every day, into the region that is improperly disposed. Birth defects have increased dramatically. In year one of the heralded NAFTA, 15 babies were born without brains! Hepatitis is two or three times the national average, due to lack of sewage treatment and safe drinking water.[\[iv\]](#)

Tomas has come to believe that taking his chances 'jumping the fence', perhaps getting into a good school and getting a good job in the United States is a better option than the grinding poverty that surrounds his world now.

Taking his chances, means:

Ø Not being one of 100's of migrants who die trying. Last year nearly 400 migrants died in the crossing up sharply from over 200 from the previous year. 37% of these deaths were from heat exposure, while 25% were from drowning.[\[v\]](#)

Ø Avoiding injury from falling off the 15-foot fences separating him from the US.

Ø Dodging the hundreds of border patrol agents, or city police who reportedly beat migrants and steal their money.

Ø Hiring a 'coyote' to safely guide him across and hope that the smuggler will not steal his money, leave him to die or be caught in the desert.

Naturally he'd rather stay in Mexico his home -- go to school with his friends and be with his family, but he knows already at the age of 15, that such a simple future is not waiting for him in his neighborhood.

NAFTA was of course supposed to make life better for Tomas and his neighbors –spread the prosperity around, lift our collective economic lifeboats... remember? Instead the last decade of trade and investment liberalization has already caused great suffering in Latin America.

Ø Interest rates on debt payments have soared from 3 percent in 1980 to over 20 percent today.

Ø Latin America, as a region, has the highest rate of inequitable income distribution in the world.

Ø 90 million Latin Americans are poor and 105 million have no access to healthcare at all.

Ø Child labor has increased dramatically-now at least 19 million children are working in horrible conditions.

Ø After swallowing its free market medicine, it now has a poverty rate higher than it was in 1980 and the buying power of Latin American workers is 27 percent lower.

Ø Eighty-five percent of all job growth has been in the precarious sector with no benefits or protections[[vi](#)]

What could be worse?

Try expanding this failed NAFTA model to another 31 countries in North, Central and South America and the Caribbean. The result will likely be to speed up the race to the bottom. An expanded NAFTA called FTAA –Free Trade Area of the America’s has been under quiet development since 1994.

More recently, 34 leaders of the nations of the Western Hemisphere (except Cuba) quietly agreed to the creation of a basic structure that will enable their governments to conduct formal FTAA negotiations.

The objective is to have a deal that will progressively eliminate barriers to trade and investment among the participating countries by the year 2005 or sooner.

To get the details together, a high level committee has been formed called a Trade Negotiations Committee (TNC) with participation of senior Ministers responsible for Trade from each partaking country. In addition nine negotiating groups were formed to deal with major areas to be covered by the agreement, which have the capacity to affect every area of peoples’ lives. The areas are: agriculture, public services like healthcare, education, environmental and water services, investment, dispute settlement, intellectual property rights, subsidies and anti-dumping, competition policy, government procurement and market access.

We would never know it from news reports, but the working groups have been meeting regularly since 1999 to lay out their country positions on these issues and to develop treaty language. From the beginning, big corporations and their lackeys have been part of the process. In the US, a variety of corporate committees advise the American negotiators. Over 500 corporate suits have security clearance and access to the FTAA negotiating documents.[[vii](#)]

Although it is based on the model of the North American Free Trade Agreement it goes far beyond NAFTA in its scope and power. The FTAA, as it now stands, would introduce into the Western Hemisphere all the disciplines of the proposed services agreement of the World Trade Organization (WTO) - the General Agreement on Trade in Services (GATS) - with the powers of

the failed Multilateral Agreement on Investment (MAI). The result would be to create a new trade powerhouse with sweeping new authority over every aspect of our lives.

The mission of the FTAA Negotiation Group on Services is massive. Nothing less than setting new rules that will restrict all levels of government regulatory regimes so that corporations can freely trade and profit in the delivery of a multitude of services, throughout the region. [\[viii\]](#)

The FTAA is meant to be compatible with the General Agreement on Trade in Services (GATS), which is being negotiated under the World Trade Organization's supervision.

The GATS (perhaps more accurately described as the Greedy Attack on our Towns Services) deal limits signatory governments' ability to deliver services to its citizens, while enabling transnational corporations to deliver them instead—for a price. The list is huge and is meant to get more comprehensive over time. [\[ix\]](#)

The FTAA services intends to apply to all laws, rules, and official regulatory acts that affect the trade in services that can be taken by any level of government. It also intends to apply to all measures taken by non-governmental institutions at all levels of government when they are acting under powers granted to them by government authorities. The FTAA working group says a service agreement should have "universal coverage of all service sectors." While governments can have the right to regulate these services, they could do so only in ways that are compatible with the established rules of the agreement.

This working group will be deciding on rules that have the capacity to affect Tomas' desire to migrate into the US. This is because migration of people means business; big business and corporations want a piece of it. [\[x\]](#)

Tomas' economic need to migrate to the US is not unique. Consider that although Mexico is the leading country of origin for undocumented immigrants, (over 80% of all undocumented immigrants are from countries in the Western Hemisphere) the vast majority of documented immigrants originate from many of the same countries. Mexico being number one of 20 source countries. [\[xi\]](#)

So how does the desire of economic migrants like Tomas translate into corporate interest and profits?

Consider the following opportunities:

Ø All Western Hemisphere countries are concerned about the national affects of large-scale migration of people looking for work. The US in particular is not keen on unregulated movement of people from Mexico and to a great extent has militarized its immigration policy. So providing border services that regulate the flow of people on behalf of governments translates into big bucks. Setting up border patrol for a 2,100-mile border between the US and Mexico has already meant spending multi-millions of dollars for infrared cameras, sensors and employing border agents. [\[xii\]](#) Imagine the range of human rights issues that legitimately motivate migrants (political violence, religious persecution etc) becoming subsumed to corporate directives more concerned with providing high security. [\[xiii\]](#)

Ø Permitting the movement of some immigrant labor, particularly desperate workers aids corporate interests who prefer to negotiate wages with a surplus and compliant labor force.[\[xiv\]](#)

Many of the countries in the FTAA, principally Mexico will of course want to see a deal that enables freer movement of its young workers into the US and Canada rather than restricting them. The Mexican President Vincent Fox has already argued that there is enough demand in the US labor market for more openness for Mexican workers. It is conceivable that corporations could be interested in the business of providing temporary visas and facilitating all of the services associated with providing a 'just in time work force'. Companies adept in bio-infomatics for example could set up shops on the borders of all the FTAA players. It could be a scene not unlike the days of the slave traders who profited from the 'recruitment and transport' of millions of Africans!

Ø Immigrants, who are able to remain in their new country and contribute to the economy, can also receive a range of social services (e.g. language and job training, education, healthcare)[\[xv\]](#) to assist with adjustment and integration into their new communities.

Ø Under an FTAA services like immigrant and temporary work service agencies could be open to privatization and cross border delivery by for-profit operations. Corporations who recognize the market available to them could move in to deliver these services and receive 'national treatment'. Which means that corporations from FTAA countries must be treated the same as domestic and local service providers. Worse still, if the FTAA adopts the Commercial Presence rules being pushed in the GATS, (which enable an 'investor' from one country to set establish a presence in any other treaty signing countries) then, not only can a corporation compete against a public service supplier, but also for the public funds that are received by these institutions! An important question that remains undecided in the current trade deal is whether or not the FTAA will cover cross-border trade in services using the NAFTA approach or whether it will use the GATS approach for addressing services which would include the movement of people.

According to Sherry Stephenson, Deputy Director for Trade of the Organization of American States this critical issue will be decided by the Services negotiating group FTAA.[\[xvi\]](#) To help make this decision the players in the FTAA negotiations asked for an inventory of the national measures each country have that affects (read as impedes) trade in services. We can expect that each country's national regulations and laws pertaining to immigration will be examined and be up for modification in order to facilitate greater ease in the cross border trade of relevant services to immigrants or migrant workers.

Deputy Director of Trade Stephenson is explicit about this; saying, "since services do not face trade barriers in the form of border tariffs or taxes, market access is restricted through national regulations. Thus the liberalization of trade in services implies modifications of national laws and regulations, which make these negotiations more difficult and sensitive for governments."[\[xvii\]](#)

It wouldn't be a surprise given how these players operate to soon see treaty language that readily accepts the arrival of certain immigrants. High on the list will be migrants with corporate business interests; investment capital or professionals and technologically skilled workers that are in high demand and/or which can be obtained at cheaper wage rates. Others like Tomas –

economic migrants may be welcome but undoubtedly in pre-determined numbers and likely only on temporary visas that provide minimal rights while enabling corporations to maximize control of their workers for a variety of 'just in time corporate operations.'

In Canada and the US this type of employment, low-wage contract, temporary or self-employed work commonly known as contingent work has grown substantially in the last decade.[\[xviii\]](#) It is also no surprise to see how racially polarized this category of work has become. New immigrants are typically streamed into non-standard work by employment and training programs and because of systemic discrimination throughout the labor market. In a recent study in Canada this polarization was most notable for immigrant women of color and selective streaming was also found in a recent US study resulting in disproportionate work opportunities for African American compared to whites.[\[xix\]](#)

In the US, whites dominate the white-collar job categories while people of color are concentrated in the blue collar and service sector categories.[\[xx\]](#) Similarly in Canada, people of color dominate the lowest paying, least secure occupational categories –which are service sector in nature.[\[xxi\]](#)

It is no irony that that these corporate trade deals which tend to cast migrant workers as economic units either delivering or receiving services finds linguistic roots in the old French for service or the Latin servitium from servus meaning 'slave'[\[xxii\]](#)

Under the terms, which the emerging FTAA deal is rooted in, beating the odds for Tomas and other migrants is worse than poor. In fact the whole process is an unconscionable denial of human rights and there is no possible collaboration to make this trade pact acceptable.

Fortunately, more and more people throughout the Americas and around the world agree and are opposed to corporate rule making that profits the few and denies the many. In places like Seattle, Washington, Windsor, Calgary, Prague, Madrid, India collective voices are making it clear that the world of international trade can't be the exclusive domain of corporate suits, trade hacks and power brokers.

Tomas' best bet for an improved future begins by joining with these growing and diverse communities that are demanding an end to secretive and exclusive negotiations that put profits ahead of people and human rights.

It is time now to establish a new and truly public process that will develop prosperous ties between our countries based on a different set of fundamental assumptions, such as the United Nations Universal Declaration of Human Rights.

It is time for a new international trading system based on the foundations of democracy, sustainability, diversity and development that recognize historic and systemic inequities between nations and peoples.

Much alternative work has already been done in these areas. Some important principles worth attention are;

- Ø Future international trade treaties must address both the human rights concerns related to immigration and regulations on cross-border labor mobility.
- Ø Human national immigration laws must be enacted with the participation of migrants' and non-governmental organizations, and development experts. These must be implemented and evaluated in phases.
- Ø Immigrant workers need to have the same rights and working conditions as workers in their host country, regardless of immigration status. Employer's who take advantage of worker's immigration status with sub-standard working conditions or wage level will be severely penalized.
- Ø Governments should prohibit the use of violence or excessive force in their implementation of national immigration laws and policies. Commissions with the NGO participation should be established to monitor these laws and ensure adherence to human rights covenants.
- Ø International support for focused development programs that improve meaningful domestic employment opportunities in nations that are major net exporters of labor must be designed and implemented as part of trade agreements.
- Ø Flexibility must be part of agreements to accommodate the regional situations in different countries, the governing tenants must be to equalize labor rights, and social security upwards rather than harmonizing to the lowest denominator.
- Ø Instruments like the "International Convention on the Protection of the Rights of all Migrant Workers and Members of their Families" along with other covenants on human rights provide the template for a legal framework that will make trade and financial agreements acceptable to the citizens of the world.[\[xxiii\]](#)

Saying no to the FTAA is the first and best bet for immigrants and migrant workers like Tomas. We can and must do better.

Karl Flecker  
 Education Coordinator  
 Polaris Institute  
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[\[ednref1\]](#)i. The News, Mexico City, Dec.18, 2000 "Migrants Brave Death for 'American Dream'  
 E. Fullerton -Reuters

[\[ednref2\]](#)ii.INS summary report on Illegal alien resident population  
[www.ins.udoj.gov/graphics/about/statistics/illegalalien/index.htm](http://www.ins.udoj.gov/graphics/about/statistics/illegalalien/index.htm)

[\[iii\]](#) Alternatives for the Americas pg. 41

[\[iv\]](#) FTAA: Unveiling "NAFTA for the America's" [www.tradewatch.org/FTAA/factsheet.htm](http://www.tradewatch.org/FTAA/factsheet.htm)

[\[v\]](#) US Immigration and Naturalization Service Data from Oct. 1,1999 & September 30,2000

[\[vi\]](#) FTAA and the threat to social programs, environmental sustainability and social justice in Canada and the Americas. Maude Barlow Jan, 2001 [www.canadians.org](http://www.canadians.org)

[\[vii\]](#) Public Citizen, December 4 Campaign Inquiry for NAFTA for the America's bulletin.

[\[viii\]](#) The mandate of this groups reads, "To establish disciplines to progressively liberalize trade in services, so as to permit the achievement of hemispheric trade area under conditions of certainty and transparency" and to develop a framework "incorporating comprehensive rights and obligations in services."

[ix] Included are: healthcare, hospital care, home care, dental care, childcare, elder care, education, primary, secondary, post-secondary, museums, libraries, law, social assistance, architecture, energy, water services, environmental protection services, real estate, insurance, tourism, postal services, transportation, publishing, broadcasting and many others.

[x] The compendium entitled “Provision on Trade in Services in Trade & Integration Agreements of the Western Hemisphere” on the OAS web site that is used by FTAA Service negotiators provides examples specifically related to the ‘ movement of persons and customs procedures’ in existing bilateral agreements and partial scope agreements. Check out <http://www.sice.oas.org/services/english/sv%5Fp3.asp>, specifically ACE/8, which mentions the adoption of measures to facilitate the transit of persons, or ACE/27, which mentions Cooperation Agreements in the distinct productive, industrial, commercial and service sectors. The countries to this one agree to ‘establish cooperation mechanisms for the promotion and development of trade, among them the improvement of customs procedures, and transport networks.’

[xi] In October 1996, 15 countries were each the source of 50,000 or more undocumented immigrants. The top five countries are geographically close to the United States--Mexico, El Salvador, Guatemala, Canada, and Haiti. Of the top 15 countries, only the Philippines and Poland are outside the Western Hemisphere. INS Illegal Alien Resident population Summary report.

Of the 660,477 documented immigrants to the US in 1998, the vast majority came from North America, the Caribbean, and Central & South America. Mexico again held #1 of 20 countries. INS Annual report July 1999,

[xii] In 1994 Operation Gatekeeper in San Diego was launched a multi-million dollar border patrol program.

[xiii] Even if ‘essential security interests’ are cited to contest to this point as in the GATT exemptions, it will still result in an competitive advantage for government spending on national security/military contracts-which typically fall into the pockets of large TNC’s.

[xiv] Studies show that immigrants live in a lower-income situation for an average of 10 years before they reach the average income levels for the new host country. Cdn Council on Research Development report. Fall 2000 (look for US data to augment this point)

[xv] The age demographic is another angle to consider as it relates to services and labor pool parameters. The bulk of admitted immigrants into the US by age in 1998 were between 15-29 yr. 213,360 in 1980, the groups on either side of this age bracket were also substantial 129,291/under 15 and 177,942 between 30-44. The vast majority 66% admitted between ages 16-64 has no or did not report an occupation.

[xvi] The State of the FTAA negotiations at the turn of the Millennium, S. Stephenson March 25,2000 pg. 14

[xvii] Ibid.

[xviii] In Canada in the last ten years the largest proportion of job growth 39.6% has been in this area. The Face of Globalization: Women working by A. De Wolf, Cdn Women Studies Journal Fall 2000 In the US the same situation exists, The temp help industry is among the fastest-growing segment of the economy 1 in 8 new jobs since 84 is temp. “What’s wrong with temp work?” [www.fairjobs.org/report/mass/summ.php](http://www.fairjobs.org/report/mass/summ.php)

[xix] Ornstien and Nunes/Selgman studies cited in The Face of Globalization: Women working by A. De Wolf, Cdn Women Studies Journal Fall 2000

[xx] How Capitalism Underdeveloped Black America, M. Marable Bureau of the Census [www.census.gov](http://www.census.gov)

[\[xxi\]](#) HRDC –Labor Standards and workplace equity.

[\[xxii\]](#) GATS Sequel to Seattle How the World Trade Organizations new ‘services’ negotiations threaten democracy. S. Sinclair

[\[xxiii\]](#) Building a People’s Hemispheric Agreement: Alternative for the Americas. Alliance for Responsible Trade. Chapters 3 & 5