

RESOLUTION 8

WORKING PEOPLE WILL LEAD THE FIGHT FOR A GLOBAL NEW DEAL ON TRADE

The evidence is clear: trade deals—both in the United States and globally—are failing working people. They are corporate-driven and have reduced the share of national income going to working families, as corporate and Wall Street interests capture an ever-greater share.¹ Beginning with the North American Free Trade Agreement, the United States has negotiated trade agreements to advance the interests of corporations that have no allegiance to the country or U.S. workers. NAFTA, along with later trade agreements, was designed to lower wages and reduce the ability of America's working class to join in unions and negotiate a fair return on their work.²

For years, the AFL-CIO and its affiliates and allies in the environmental, human rights, faith, small business, farm and ranch communities have been advancing a people-centered trade policy to create shared gains for those whose labor creates society's wealth. Those recommendations consistently have been ignored without being given fair consideration, as Wall Street and the global business community have been allowed to write trade rules.

Administrations that would not allow banks to write banking rules or oil companies to write clean water rules *carte blanche* have been content to let corporations that offshore jobs and production write the rules of trade. Congress was complicit in granting fast track trade authority, and every administration has given the special interest business lobbyists an inside track on influencing the process. For a quarter-century, global companies and those who do their bidding in Congress have promised that the benefits of trade eventually will trickle down to working families, but the reality is that wealth has been concentrating in the hands of wealthy elites instead.

When the current administration announced it would embark on NAFTA renegotiations, we were hopeful and submitted "Making NAFTA Work for Working People," a detailed and substantive set of recommendations in 18 key areas, including:

- Transparency and democratization of the negotiations process;
- Fundamental human rights and the adoption of international labor standards, including but not limited to fair pay for North America's working families, the right to join together in a union and negotiate with employers, and freedom from discrimination and exploitation of any kind;
- Stronger rules to promote U.S. content in traded goods and help reduce the trade deficit;
- The elimination of special rights and perks for foreign investors, including the undemocratic Investor-State Dispute Settlement system;
- The removal of unduly restrictive monopoly protections for brand-name pharmaceutical companies that gouge working families;
- Rules to address currency misalignment, overcapacity and other trade abuses;
- Elimination of rules that weaken "Buy American" policies;
- Reinstatement of country of origin labeling and other reforms to preserve the freedom to regulate;
- Protections for working people whose incomes rely on copyrights;
- Elimination of rules that promote privatization and threaten vital public services;
- Better tools to protect working families' sensitive data in the global economy; and
- Empowering the United States to impose its safety standards on foreign bus and trucking operations without fear of reprisal.³

Unfortunately, the administration has not made trade negotiations more transparent, so we know too little about whether this time, finally, the needs of families will take precedence over the desire of companies to empower and enrich themselves at the expense of working people.

Regardless of whether the administration keeps its promise to dramatically overhaul NAFTA, we will continue to fight for fair trade based on prior AFL-CIO resolutions⁴ and our recent NAFTA submission.

Two-thirds of America's working people lose \$2,000 annually due to bad trade policies. We have suffered a cumulative loss of more than 5 million jobs due to failed trade relationships and ballooning trade deficits with China, Japan, Korea and Mexico. Auto-sector job losses have disproportionately impacted people of color, and women have been overrepresented among those who lost jobs in import-competing manufacturing more broadly, particularly in the 1990s.

Women, people of color and those with less formal education have a harder time finding a new job after being laid off due to trade. Whether in service or manufacturing, public or private sector, coastal or middle America, we are all at risk of losing economic ground due to corporate trade rules. It is time for America's labor movement and its allies to join together in a strategic and coordinated fight to end corporate control of trade, and create a fair and just alternative for working people around the world.

We no longer can afford a short-term, whack-a-mole approach to attacking trade deals one by one. Nor can we afford to allow the myth to continue that only manufacturing workers in the northern states were hurt by NAFTA. We must engage in comprehensive economic education with union members and the communities where working people live so that everyone understands the future of our great country is at stake. We no longer can afford—as families, as a society or a global community—to allow the current rules to prevail. We must replace existing trade and investment deals with deals that prioritize economic justice and sustainable growth.

As part of this effort, we commit to:

- Educate all working people about the causes and effects of NAFTA and other U.S. trade policies,

emphasizing that bad trade deals hurt all of us—not just manufacturing workers, but workers in all sectors and regions, and workers of all genders, colors and backgrounds;

- Report and publicize the impact of NAFTA and other failed trade policies on the quality of life for North America's working people, including the effect on jobs, wages and negotiating power;
- Demonstrate and publicize the dangers of the secret negotiation process;
- Engage elected officials, policymakers and opinion leaders in a fact-based conversation about why the realities of trade, not trade theory, must be the basis of all trade policy;
- Call out those elected officials who stand with corporations rather than working families on trade;
- Develop and execute joint strategies with labor movements and allies in Mexico and Canada to ensure that meaningful and effective protections and higher standards for all working people are at the core of any changes to NAFTA;
- Embark on a NAFTA and Trade bus tour to bring the truth about trade to working people in every sector and industry in our economy;
- Engage working people who have been disconnected from formal employment, because corporate trade rules have helped empower employers to abandon the responsibilities of their role;
- Utilize all available strategies, including public and social media, to broaden the base of popular engagement and advance our vision of a people-centered NAFTA;
- Continue efforts to put in place a package of new rules that empower working people to benefit from and make the most out of international trade and investment, including:
 - Effectively addressing currency manipulation and misalignment;
 - Expand and enhance skills training for all working people, not just those whose jobs have been displaced by trade; and
 - Strengthen trade enforcement, including against those who abuse or allow the abuse of working people and our precious planet.

¹ See, e.g., Capaldo, Jeronim et al., "Trading Down: Unemployment, Inequality and Other Risks of the Trans-Pacific Partnership Agreement," Global Development and Environment Institute

Working Paper No. 16–01, January 2016. Available at: www.ase.tufts.edu/gdae/Pubs/wp/16-01Capaldo-IzurietaTPP.pdf; and Capaldo, Jeronim, “The Trans-Atlantic Trade and Investment Partnership: European Disintegration, Unemployment and Instability,” Global Development and Environment Institute Working Paper No. 14–03, October 2014. Available at: www.ase.tufts.edu/gdae/Pubs/wp/14-03CapaldoTIP.pdf.

2 Baker, Dean, “NAFTA Lowered Wages, as It Was Supposed to Do,” The New York Times, Dec. 5, 2013. Available at: www.nytimes.com/roomfordebate/2013/11/24/what-weve-learned-from-nafta/nafta-lowered-wages-as-it-was-supposed-to-do, and Faux, Jeff, “NAFTA’s Impact on U.S. Workers,” EPI Working Economics Blog, Dec. 9, 2013. Available at: www.epi.org/blog/naftas-impact-workers/.

3 The complete document is available to the public and can be accessed at: https://aflcio.org/sites/default/files/2017-06/NAFTA%20Negotiating%20Recommendations%20from%20AFL-CIO%20%28Witness%3DTLee%29%20Jun2017%20%28PDF%29_0.pdf; a two-page summary can be accessed at: https://aflcio.org/sites/default/files/2017-06/FINAL_NAFTA_2pager_0.pdf.

4 See, e.g., Resolution No. 12, “America and the World Need a New Approach to Globalization and Trade,” 2013, <https://aflcio.org/resolution/resolution-12-america-and-world-need-new-approach-trade-and-globalization>.