



Minnesota Fair Trade Coalition

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Working to create, promote and support fair trade policy and a just global economy

FOR IMMEDIATE RELEASE
Thursday, June 17, 2010

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President Obama Begins First Major First Trade Negotiations as Trans-Pacific Partnership Countries Meet In U.S. This Week

Diverse MN Coalition Backs Obama Promise of Trade Reform State Leaders Call for a ‘New Deal or No Deal’ in TPP Talks

MINNEAPOLIS – Trade negotiators from the U.S. and seven Asian and Latin American countries are meeting in San Francisco this week to begin the first major trade talks since President Obama first took office. These proposed Trans-Pacific Partnership (TPP) discussions are being closely watched as the forum where the administration will first define a trade policy.

A central question surrounding negotiations is whether the TPP will encompass substantial reform commitments made by the President during his campaign, or instead become a continuation of the unpopular North American Free Trade Agreement (NAFTA), which passed in 1993 and served as the default template for modeling American trade agreements under the Bush Administration.

“Trade is good, and we want more of it,” said Russell Hess, Secretary-Treasurer of Southeast Area Labor Council. “But if we want to pass a deal the public can support, and a majority of congress can get behind, it needs to look more like Obama trade promises, and less like NAFTA.”

The Southeast Area Labor Council is one of 38 state groups in the Minnesota Fair Trade Coalition, a diverse coalition of labor, environmental, religious, family farm and civil society organizations united in the pursuit of economic, social and environmental justice in trade policy.

“NAFTA and CAFTA were failed experiments,” said Jessica Lettween, Director of Minnesota Fair Trade Coalition. “They overpromised, underperformed, and it is time to craft a more balanced way to expand trade.” Other state leaders also encouraged reform, noting these TPP talks provide a long overdue opportunity to fix the failures of the past, and lay out a new framework for the future.

Minnesota lost over 50,300 total manufacturing jobs (or 14.3 percent) during the NAFTA-WTO period (1993-2009), according the Bureau of Labor Statistics. The Economic Policy Institute found that 19,278 additional manufacturing jobs could have been supported in Minnesota between 1993-2004 with balanced trade among NAFTA countries alone, and an additional 58,700 manufacturing jobs could have been supported during the same period with balanced trade with China alone.

Under past NAFTA-style agriculture trade rules, multinational grain trading and food processing companies have made enormous profits while farmers in America and abroad have been hurt. “Using NAFTA as a template for the TPP will increase hunger, encourage immigration and continue the race to the bottom for commodity prices,” said Doug Peterson, President of Minnesota Farmer’s Union. “The TPP can’t simply be another deal that pits farmer against farmer and country against country to see who can produce food the cheapest, regardless of standards on labor, the environment or food safety.”

State leaders are encouraging our negotiators to follow the Trade Reform, Accountability, Development and Employment (TRADE) Act as a roadmap for TPP negotiations. “The TRADE Act can serve as a blueprint for building the TPP,” added Steve Hunter, Secretary-Treasurer of MN AFL-CIO. “It lays out what a good trade agreement should look like, and has the backing of a majority of the majority of congress.” Over 143 members of the U.S. House, from both parties, have cosponsored the legislation, including Minnesota Representatives Ellison, McCollum, Oberstar, Peterson, and Walz.

“We want a trade agreement that can pass through Congress,” concluded Lettween. “President Obama should craft a new trade agreement that can last, rather than one that looks like the past.”

The TPP involves eight nations: Australia, Brunei, Chile, New Zealand, Peru, Singapore, Vietnam, and the U.S. Negotiations are being held at Intercontinental Hotel in San Francisco. While no text has been released, these countries are discussing bringing in additional countries.

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During his 2008 campaign, President Obama outlined new specific rules for American trade agreements that would prioritize working people, the environment, family farms and consumers. He articulated detailed commitments within six candidate questionnaires, the presidential platform language on trade, and several speeches on the trail. Details are at www.citizenstrade.org/hope.php

The MN Fair Trade Coalition members 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 other societal goals such as economic justice, human rights, healthy communities, and a sound environment.