

FTAA - COMMITTEE OF GOVERNMENT REPRESENTATIVES ON THE PARTICIPATION OF CIVIL SOCIETY

COVER SHEET

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ISSUES ADDRESSED (Check all that apply)

<input type="checkbox"/> Agriculture	<input type="checkbox"/> Subsidies, Antidumping and	<input checked="" type="checkbox"/>
<input type="checkbox"/> Countervailing Duties	<input type="checkbox"/> Civil Society	<input checked="" type="checkbox"/>
<input type="checkbox"/> Competition Policy	<input type="checkbox"/> Electronic Commerce	<input type="checkbox"/>
<input type="checkbox"/> Dispute Settlement	<input checked="" type="checkbox"/> Smaller Economies	<input type="checkbox"/>
<input type="checkbox"/> Government Procurement	<input checked="" type="checkbox"/> The FTAA Process	<input checked="" type="checkbox"/>
<input type="checkbox"/> Intellectual Property Rights	<input checked="" type="checkbox"/> Other:	<input type="checkbox"/>
<input type="checkbox"/> Investment	<input checked="" type="checkbox"/> <i>Labor rights</i>	<input type="checkbox"/>
<input type="checkbox"/> Market Access	<input checked="" type="checkbox"/> <i>environmental protection</i>	<input type="checkbox"/>
<input type="checkbox"/> Services	<input checked="" type="checkbox"/> <i>transparency</i>	<input type="checkbox"/>

EXECUTIVE SUMMARY - 2 pages maximum - (see Open Invitation):

**Executive Summary of the Comments of the
American Federation of Labor and Congress of Industrial Organizations
to the Committee of Government Representatives on the
Participation of Civil Society
in the Free Trade Area of the Americas
September 29, 2000**

The AFL-CIO continues to take a keen interest in the hemispheric negotiations toward the FTAA, as rules governing international trade and investment affect the living standards and communities of working people all over the hemisphere. As the San Jose Ministerial Declaration states, "the negotiation of the FTAA shall take into account the broad social and economic agenda contained in the Miami Declaration of Principles and Plan of Action *with a view to contributing to raising living standards, to improving the working condition of all people in the Americas and better protecting the environment*" (emphasis added).

This goal should be at the center of the FTAA negotiations.

The San Jose Declaration further asserts that "The negotiations will be transparent," and "welcome[s] the interests and concerns that different sectors of society have expressed in relation to the FTAA."

Unfortunately, we see few signs that the FTAA process has fulfilled these mandates. No negotiating groups have been established to address the crucial issues of workers' rights and environmental protections, nor have these issues been addressed in the majority of the negotiating groups. The negotiation process has fallen far short of "transparency," in that most country positions and draft texts have not been made consistently available to the public.

If the negotiations continue along their current path, they will yield an agreement that undermines workers' rights and the environment, exacerbates inequality in the hemisphere, constrains the ability of governments to regulate in the interest of public health and the environment, as well as an agreement that will face fierce public opposition in many countries.

The AFL-CIO would like to reiterate and expand upon the position we outlined in our earlier submission. We believe that the FTAA must incorporate:

- enforceable worker rights and environmental standards in its core;
- measures to ensure that countries retain the ability to regulate the flow of speculative capital in order to protect their economies from excessive volatility;
- debt relief measures that will improve the ability of the developing countries to fund education, health care, and infrastructure needs, thereby contributing to closing the gap between rich and poor nations, and reducing inequality within nations;

- equitable and transparent market access rules that allow for effective protection against import surges; and
- a transparent, inclusive, and democratic process, both for the negotiation of the FTAA and for its eventual implementation.

In addition, ongoing FTAA negotiations on investment, services, government procurement, and intellectual property must not undermine the ability of governments to enact and enforce legitimate regulations in the public interest:

- investment rules should not discipline so-called indirect expropriations, should rely on government-to-government rather than investor-to-state dispute resolution, and should contain a broad carve-out allowing governments to regulate corporate behavior to protect the economic, social, and health and safety interests of their citizens;
- services rules should be negotiated sector by sector, should not apply to public services, and should not include commitments on temporary work visas until these visa programs are revised to protect the rights of all workers;
- government procurement rules should allow federal, state and local preferences for domestic purchases to continue and should give governments scope to serve important public policy aims such as environmental protection, economic development and social justice, and respect for human rights and worker rights; and
- intellectual property provisions should allow governments to limit patent protection in order to protect public health and safety, especially patents on life-saving medicines and life forms.

The internationally recognized core labor rights include the freedom of association, right to organize and bargain collectively, a minimum age for the employment of children, and prohibitions on forced labor and employment discrimination. Commitment to observing these core labor rights, in addition to adequate enforcement of each country's own labor laws, should be a condition of entry into the FTAA, and appropriate enforcement mechanisms must be established to ensure that countries adhere to core labor standards and effectively enforce their own labor laws. Non-compliance must be remedied, as would be the case for violation of any other portion of the agreement.

The FTAA must not simply replicate the failed trade policies of the past, but must incorporate what we have learned about the problems and weaknesses of the current system. In our view, the success or failure of the FTAA will hinge on governments' willingness and ability to craft an economic integration agreement that appropriately addresses the social dimension of trade and investment, as well as commercial elements. We look forward to a productive and constructive dialogue.