

# U.S.-Peru trade pact gets mixed reaction from labor

Congress is on track to approve a foreign trade agreement that, for the first time ever, contains enforceable workers' rights protections. That's something the union movement has been demanding for years, and yet the U.S.-Peru Trade Promotion Agreement has gotten mixed reactions from U.S. unions.

The AFL-CIO is neither supporting nor opposing the treaty, though some of its affiliate unions have taken stands. The American Federation of Television and Radio Artists (AFTRA), American Federation of Musicians (AFM), and the Screen Actors' Guild (SAG) are supporting the agreement because it would require Peru to better enforce copyright protections that benefit union actors and musicians. The International Association of Machinists is opposed to it, on the other hand, arguing that the United States should undertake a strategic review of all past trade agreements before engaging in any new agreements. Unions in the Change to Win labor federation are also opposed to the Peru deal.

Most Peruvian labor and farmers organizations also oppose the treaty.

Peruvian products already enter the United States virtually tariff-free under the Andean Trade Preference Act, which gives four South American countries open access to U.S. markets, in return for their cooperation in combatting drug trafficking. The new agreement will drop Peruvian tariffs on U.S. goods and services, and add numerous investor rights and intellectual property protections along the lines of NAFTA.

When the Peru agreement was first negotiated by the Bush Administration, it looked a lot like NAFTA and CAFTA, treaties with Mexico and Central America that Congress approved despite vigorous opposition from unions. But Democrats took control of the House and Senate at the beginning of this year, and signaled to the Bush Administration that they wouldn't rat-



Above, sixteen activists from Portland Jobs with Justice and the Portland Central America Solidarity Committee occupy the lobby of Congressman Earl Blumenauer's Portland office Sept. 17 to demand he vote "no" on a trade agreement with Peru. Participants included several union activists and two elected union leaders: Richard Beetle, business manager of Laborers Local 483, and Madelyn Elder, president of Communications Workers of America Local 7901. When protesters began blocking the entryway, police were called and four were arrested: Laurie King, Pete Shaw, Daniel Denvir and Amanda Shank. Blumenauer voted for the treaty in a committee meeting the following day.

ify any trade treaty unless enforceable workers rights and environmental protection provisions were added. To the surprise of many, the White House conceded the point, and quickly negotiated the additional clauses on treaties with Peru, Panama, South Korea and Colombia.

The labor rights part of the treaty requires that both Peru and the United States enforce the "core" labor standards of the International Labor Organization, including a ban on forced labor or child labor, protection against discrimination, and the right of workers to unionize. If either country fails to enforce these rights, the other country can file a trade complaint, which could in

theory lead to trade sanctions.

But several other provisions in the treaty drew criticism from the AFL-CIO, including a ban on any new law requiring a government to buy only domestic-made goods or services; and the right of foreign corporations to sue the government (that would give foreign in-

vestors greater rights than U.S. investors have under the U.S. Constitution.) Such provisions have become standard in the so-called "free trade" agreements the United States now has with 15 countries.

Passage of the Peru agreement seems assured. The treaty passed the

House Ways and Means Committee by unanimous voice vote Sept. 25 and is expected to get a vote on the House floor some time this month; it would then go before the Senate.

Oregon Congressman Earl Blumenauer, a Democrat, sits on Ways and Means and voted yes.

"It contains what people back home told me they wanted," Blumenauer told the NW Labor Press, referring to the workers' rights and environmental protections.

One day prior to the vote, community activists and several local labor leaders staged a sit-in in Blumenauer's Portland office; four were arrested and charged with criminal trespass.

Thea Lee, the national AFL-CIO's trade policy expert, said the treaty isn't likely to have much impact on jobs in the United States because Peru has such a small economy.

But for the activists who took over Blumenauer's office, the impact on Peru mattered. The United States subsidizes corn and rice farmers in a way that Peru can't afford to, so when Peru drops import barriers, farmers there will lose their livelihoods, perhaps even migrating to the United States, protesters said.

Not to worry, says Blumenauer: The Peru agreement phases out food import barriers over a 17-year period; and political momentum is building to eliminate farm subsidies, which are a drain on taxpayers.

The treaty with Panama is also expected to pass, though it hadn't come up for a committee vote as of press time.

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