

Illinois Job Losses Since NAFTA And The Impact the Korea Trade Deal Will Have If Passed

On December 3, 2010, President Obama decided to take ownership of South Korea free trade agreement, which had originally been negotiated by President George W. Bush. Although he had promised to make major fixes on the Korea trade deal, Obama's administration merely tweaked the "cars and cows" market access, leaving in tact a trade deal embodying the NAFTA template. If Congress decides to pass the Korea trade deal, Illinois and the rest of the country will once again risk job losses and a major trade deficit.

- **JOB VULNERABLE TO KOREA TRADE DEAL** – According to the U.S. International Trade Commission, workers in well-paying manufacturing sectors may be harmed by the Korea trade deal, including the motor vehicle and electronic equipment industries. In **Illinois** alone, there are **144,993** workers employed in **4,907** establishments in the textile, metal, electronic and motor vehicles equipment industries that are at risk if the Korea trade deal is passed.
- **LOSS OF MANUFACTURING JOBS**- The state of Illinois lost about **301,467** manufacturing jobs and the country as a whole lost about 5 million manufacturing jobs during the NAFTA-WTO period (1994-2009).
- **TRADE DEFICIT DESTROYS JOBS NATIONWIDE** – The ballooning trade deficit – both with NAFTA countries and the world at large – during the NAFTA-WTO period also represents millions in lost manufacturing jobs. Since the U.S. began implementing NAFTA-style trade pacts in 1994, the country has **lost 4.9 million manufacturing** jobs. The Economic Policy Institute predicts that the Korea trade deal will increase the annual U.S. trade deficit with Korea by \$13.9 billion over the next seven years. This predicted rise in the deficit would lead to the displacement of **159,000 net U.S jobs**.
- **CERTIFIED JOBS DISPLACED DUE TO IMPORTS/OUTSOURCING** – As certified by the Department of Labor's difficult-to-qualify-for Trade Adjustment Assistance program, **91,133** workers in the Illinois have lost their jobs due to imports or outsourcing since the implementation of NAFTA.
- **TRADE POLICY HOLDS DOWN WAGES** – While these job losses greatly affect many of American and Illinois families, *all* families are affected by the stagnation of wages brought on by our trade policy. Taking a longer view of trade policy dating back to the initial Fast Track – conceived by President Nixon in 1973 as a way to grab Congress' constitutional authority over trade policy – **U.S. wages for the median worker are only a nickel higher today relative to then, despite a near doubling of productivity.**
- When the direct costs of our trade policy are combined with indirect costs – such as corporations' threats to relocate to avoid wage increases demanded by unions – **our trade policy is clearly a net negative for workers in Illinois and across the United States.**

The NAFTA Clone “Free Trade” Deal with Korea Threatening Jobs, the Economy, Security & the Environment

Americans are fed up with the NAFTA-style trade deals that have devastated communities and the environment. That’s why it’s so surprising that President Obama - who campaigned against these flawed pacts - says he’ll submit a Bush-negotiated, NAFTA-style deal with South Korea to Congress early this year. Our best chance to pressure the administration to deliver the true fair trade agenda Obama promised is to get Congress to reject the unfair trade deal with Korea. Here are the key facts you need to know about this pact, and how you can take action!

Bad for Jobs & the Economy

The Korea trade deal is based on NAFTA, which has been disastrous for working families. Since NAFTA went into effect in 1994, the U.S. has lost over 4.9 million manufacturing jobs. That’s one out of every three. Now, the Economic Policy Institute estimates that the Korea pact will increase the U.S. trade deficit by nearly \$14 billion, and destroy at least another 159,000 net American jobs. Even the U.S. government’s own official study assessing the pact showed that it would further increase our job-killing trade deficit!

Bad for the Environment

The Korea trade deal contains the NAFTA-style foreign investor rights that empower corporations to directly challenge our environmental, health and other public interest laws in foreign tribunals, and be compensated with taxpayer dollars. These rules have no place in a so-called “trade” deal - they’re just the latest way multinational corporations are hurting Main Street and begging for handouts.

Bad for Reining in Wall Street

For years, big Wall Street banks have pushed for provisions in NAFTA-style trade deals that limit the regulation they will face. Now, Wall Street wrecked the global economy, putting millions out of work. But the Korea trade pact still has these dangerous limits on our ability to keep big banks in line that were negotiated before the crisis. Haven’t we learned anything?

Bad for National Security & Our Rights

If the North Korean dictatorship is able to get hard currency to build up its weapons systems, within five years it may have the ability to attack the U.S. West Coast with a nuclear missile.

Perversely, the U.S.-South Korea trade pact could provide a key new source of money for the homicidal Kim Jung Il dictatorship – by allowing goods made in South Korea of parts from North Korea and perhaps even made in a North Korean sweatshop zone operated by South Korean corporations newly to enter the U.S. duty free.

This economic boost for the North Korea dictatorship will extend their reign of terror over their own people and poses a direct threat to U.S. national security. Moreover, it will force U.S. workers to compete with North Korean workers that are paid as little as 25 cents an hour - a true race to the bottom.

What People Are Saying About the Korea Trade Deal

The AFL-CIO, Steelworkers, Machinists, IBEW, and Communication Workers of America, representing over 12 million workers, oppose the Korea FTA.

AFL-CIO President Richard Trumka stated, “The proposed U.S.-Korea trade deal does not live up to that model and does not contribute to a sustainable global future.”

Fight for fair trade

Here’s how:

1. Call your Representative. The House of Representatives will decide the fate of this deal.

You can get connected easily by calling the Capitol switchboard at (202) 224-3121.

If you are not sure who’s your Representative, just give the operator your zip code. When you are connected to his/her office, ask for the “Trade Legislative Assistant” or the “Chief of Staff”, then tell them you are from the district and expect your Representative to oppose the Korea trade deal.

2. Learn more about the facts and keep up with our campaigns.

Check out our Facebook: Challenging Corporate Globalization and citizen.org/korea.

3. Get the word out.

Tell your friends, family, and fellow activists. Post it on your blog, and/or your social networking site.

4. Tell us your story.

How have NAFTA-style deals affected your community? Join people around the country holding their Representative accountable by reporting on what you learned when you called.

