



**Statement of Larry Cohen
President, Communications Workers of America**

The TRADE Act

June 4, 2008

I'm pleased to join Senator Sherrod Brown, Senator Byron Dorgan, Representative Michael Michaud, Representative Linda Sanchez, Teamsters President James Hoffa and others here today to support a much needed new direction for our nation's trade policy. That new approach, the Trade Reform, Accountability, Development and Employment Act, (TRADE Act) will help restore fair trade policy that will give worker, farmer, consumer and citizen interests, not just corporate interests, the importance they deserve.

The TRADE Act will reverse a trade policy that elevated capital, financial and property interests above all else, by making the interests of citizens the core of our trade program. That's the only way we will protect our food, our communities, our environment, and our national security.

The TRADE Act calls for a review of all existing trade agreements and provides a process to renegotiate them. The bill includes principles outlining what should be included in future trade

agreements, and spells out that the role of Congress in trade policymaking should be strengthened.

The principles of the TRADE Act are critical to real fair trade. The U.S. needs reciprocal worker and environmental rights in all trade deals. That means enforceable standards in both the United States and our trading partners that promote global standards of collective bargaining for workers, workplace rights and green and sustainable production.

Global leaders acknowledge that collective bargaining rights and coverage for workers in the United States are the lowest of the OECD countries, yet we continue to look for trading partners in places like Colombia, where conditions for workers are far worse and collective bargaining is still weakened.

The proposed Colombia Free Trade Agreement is a new low, even for hard core free traders. This is a country where workers who stand up for collective bargaining rights are routinely killed. So far this year, more than 23 unionists have been killed – that’s a rate of one worker per week and far worse than last year. Since 1986, more than 2,500 unionists have been killed, yet the Aríbe government continues to insist that these crimes are unrelated to union activity. Recently, the president of the bank workers union was murdered – that act was deemed a “crime of passion.”

As I learned in my visit to Colombia earlier this year and in meetings last month with very brave Colombia union leaders, death threats are common. As courageous union leaders told me, “they are killing our unions, too.”

The Colombian government’s “blind eye” to collective bargaining rights and the murder of unionists has resulted in the destruction of workers’ rights in Colombia and the destruction of the unions that are necessary to support working families. The overwhelming majority of workers in Colombia have no employee status, they are classified as contractors who can and are fired over and over again.

Colombia leads the world in excluding workers who can have the right to bargaining collectively. Simply by labeling workers as contractors, self-employed, or cooperatives, when these workers are employed by major corporations, Colombia has left 85% of its 18 million workers stripped of any possibility of gaining collective bargaining rights. This trend exists in the USA, but in Colombia we see the end point with no corporate responsibility and the highest disparity between the wage earner and the economic elite.

This is the nation that the Bush administration seeks to do business with, a trading partner that will cost even more U.S jobs and hardship for the Colombian people.

Meanwhile, in our nation corporate management is hollowing out our economic capacity. Our good jobs in manufacturing are disappearing.

The manufacturing deficit alone is \$500 billion – that’s twice the size of our bill for OPEC oil. Manufacturers producing in China annually send us \$256 billion more in goods than we send them. That’s the equivalent of having exported 2.2 million jobs between 1997 and 2006. Since China became a member of the WTO in 2001, we’ve seen a steady loss of manufacturing jobs. Those goods are produced by Chinese workers who earn between 49 and 98 cents an hour, plus 30 percent of that paltry wage in benefits, according to Supply Chain Digest.

Think about the implications of a total trade deficit of more than \$700 billion dollars. The US has lost more than 3 million well-paid, middle-class jobs since 2001. In addition, the offshoring of service, technical and professional jobs has expanded dramatically.

Foreign countries are using those transferred assets to buy large shares of the US economy. We've sold our ports to Abu Dhabi. Then, Abu Dhabi paid \$7.5 billion for a stake in Citigroup. China bought 6% of Bear Stearns and is negotiating to increase its stake to 9.9%. China paid \$5 billion for what turns into a 9.9% stake in Morgan Stanley and Singapore jumped on a chance to buy a chunk of Merrill Lynch.

This sale of America is directly tied to the bad trade policies of the Bush administration which favors and supports multi-national companies who hold no allegiance to any country, but only seek to maximize their income.

For too many decades, our trade policy simply has been wrong, ignoring workers' interests here and abroad. GE's former Chief Executive Officer Jack Welch once bragged that he would like to put every factory on a barge so it could be continually moved to the lowest wage country.

The TRADE Act commits us to real democracy and workplace and bargaining rights, and contrary to Welch's dream, a global economy that also works for working families.

Our nation must learn that we cannot continue to look for the cheapest goods, produced unsafely and in ways that are unsustainable. We must insist on green production and invest in it here. This is one way to rebuild our manufacturing sector here in the United States and at the same time create high wage, high productivity jobs that will sustain working families and help rebuild our economy.

The TRADE Act will produce the positive U.S. trade policy we need. My union, the Communications Workers of America, will continue to work with Senator Brown and Congressman Michaud and all others to push this program forward.

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CWA represents 700,000 workers in communications, media, airlines, manufacturing and public service.