

# FTAA : A bad deal for the workers of the Americas

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Staff Writer

"We support free trade in America because it is vital to the creation of jobs. It's vital to the success of our economy ... the United States also supports free trade because a world that trades in freedom will grow in prosperity and in security. For developing nations, free trade tied to economic reform has helped to lift hundreds of millions of people out of poverty."

U.S. President George W. Bush spoke these words on Sept. 3 as he signed the so-called "free trade" deals with the nations of Chile and Singapore. Bush looks to expand previous free trade agreements between the nations of North America to include all the nations of Central and South America. While Bush's platitudes might be good for sound-bite television, a cursory examination of the economic results of free trade agreements between the United States, Mexico, and Canada show that free trade does not result in real economic growth.

The North American Free Trade Agreement (NAFTA) went into effect between the US, Canada, and Mexico in 1994. We have had 10 years of "free trade" with Mexico to take a look at the economic results of globalization. The results are not pretty on either side of the border.

In the United States, the results of NAFTA have been nothing short of staggering. Studies by the Economic

Policy Institute in 1999 found that 440,172 jobs had been lost as a result of NAFTA in the past decade. These job losses happened in sectors of heavy industry such as textiles and auto manufacture. Hard-hit states include North Carolina, Pennsylvania, Michigan, Ohio, Tennessee, and New York. Corporations close down factories in the United States in order to move the jobs to low-wage plants in Mexico.

The flight of high-paying union jobs impacts the American economy in several ways. First, the job flight means that the future of this economy rests in low-paying work. The U.S. Department of Labor's *Occupational Outlook Handbook* reported that between 1998 and 2008, most of the job growth in this nation will take place in fields like retail sales, food service (read: waiting tables), janitorial services, and other low-wage work. Most of the exciting career opportunities listed in the *Handbook* do not pay a wage that will keep a full-time worker out of poverty.

This lack of decently paid low-skilled work means that higher education is becoming the only way into the middle class.

More and more people are going to college, but tuition is rapidly increasing. This glut of students spreads scholarship money thin, and will actually further depress the chances of increasing the ranks of the middle class in the United States. One might think that all of this job flight



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## Protestors take to the streets, voicing their disgust with the FTAA

from the United States would at least benefit the Mexican economy. However, according to Mexican labor leader Marco Torres, the ranks of the extreme poor in Mexico have swelled by 10 million since the signing of NAFTA. While American jobs might be heading to Mexico, the U.S.'s fair labor standards are not. Mexican law makes it severely difficult for workers to organize themselves into unions – and those unions that do exist are almost uniformly corrupt and unresponsive to worker needs. Torres calls them "protectionist" unions – unions meant to protect the company from demands of workers. Other studies by Mexican non-profit organizations such as Equipo PUEBLO concur – NAFTA has not improved the lives of the average Mexican.

A burning question remains: after 10 years, NAFTA has clearly failed to benefit workers in either Mexico or the United States, so who benefits from this global trade treaty, and who will benefit from the FTAA if it is signed into law? Listen to this perspective from Carlos Heredia, a member of the Mexican Parliament and a former director of Equipo PUEBLO: "These policies have benefited only a small circle of economic agents of corporations, mostly those already connected

to the international economy, to the detriment of the majority of micro and small and medium businesses, workers and the average ... citizen." As wages and standards of living in the United States and Mexico have declined, the profits of global corporations have skyrocketed. These profits do not benefit the workers, but rather enrich the wealthy few who own and control trans-national corporations.

Over the past 10 years, we've seen the impact of NAFTA on the economies of Mexico and the United States. No convincing argument can be presented that the conditions of NAFTA should be thrust upon the rest of Latin America. Unfortunately, Bush plans to foist this bad idea on the rest of Latin America at a summit in Miami in mid-November. This summit may be the last opportunity we have to stop this bad deal. Members of the Guilford Action Network will be sponsoring buses to the massive demonstration in Miami that will oppose this bad treaty. Join them.

To find out more about how you can get involved in the struggle for fair trade, come check out the Guilford Action Network. Meetings are held 9 p.m. every Wednesday in King 126.

Adam Waxman is a first-year who plans to major in political science.

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