

Maine Citizen Trade Policy Commission (CTPC)
Public Hearing
South Portland Community Center
February 21, 2008
Summary

Members Present: Sen. Margaret Rotundo, Senate Chair, Rep. John Patrick, House Chair, Sen. Bruce Bryant, Sen. Kevin Raye, Rep. Jeffery Gifford, Malcolm C. Burson, Peter Connell, Carla Dickstein, Elsie Flemings, John Palmer, Leslie A. Manning, Cynthia Phinney, Linda Pistner, Sarah Bigney, Matt Schlobohm, Paul Volckhausen,

Guest Presenters: Professor Andreas Waldkirch, Colby College, Professor Jim Leiby, University of Maine, Stefano Tijerina, Ph.D. candidate, University of Maine.

Other Guests: Congressional Rep. Michael Michaud, State Senator Ethan Strimling, Rep. Jane Eberle, and Commissioner John Richardson.

Media: Anne Ravana, reporter, Bangor Daily News (Article on hearing published Feb. 22, 2008); Channel 2, Martha Spiess, videographer (the commission will be notified of the airing date and time) Richard Rhames; Jessica Alainio, reporter for an online website, www.politickerme.com. Headline: *Commission reviews trade deal's affects on Maine business*. This site also has video clips of the presenters.

Citizens Present: 42

Who gave testimony: 17

Opening Remarks: Rep. Jane Eberle

Presenters Remarks:

Congressman Mike Michaud: mentioned that he did visit Colombia and that the human rights issues must be considered. Congressman stated: "It's time we step back and see what trade agreements have done to these countries, and change that model."

Professor Andreas Waldkirch (Colby College): He is opposed to the Colombia FTA. Although trade agreements are beneficial in some capacities, they are extremely selective and contribute to the upper redistribution of incomes.the way these agreement s are written it is not for everyone to have free trade; they have provisions that tend to expose those that are at the lower rung of the economic ladder to increases competition, and to protect those at the other end of the ladder.

Professor Leiby (University of Maine at Orono): "What we call free trade agreements tend to be restricted,"..... "[P]eople will lose jobs because of trade agreements." Professor Leiby also commented on the complexities of this and other free trade agreements. He did not have a strong opinion about the Colombia FTA.

Stephano Tijerina (UMO PhD student): Trade deals are primarily political – duo political hemispheric security interest in the region. Consider the proximity to another South American country – Venezuela. Consider also Canada’s interest as well; Canada also wants to sign a bilateral agreement with Colombia. Canada usually follows the U.S. in these agreements.

Public Testimony

General points that many people made:

- The effects of NAFTA have been devastating on Mexico and Maine- loss of jobs, lower wages, etc. This will continue with more NAFTA style agreements like the Colombia FTA.
- Since NAFTA there has been increased immigration. If Colombia passes, there will be more increased immigration from there as more farmers can’t make a living.
- This is a failed trade model. We need a new model for trade agreements, Maine people are opposed to this entire package deal of job off-shoring, agricultural consolidation, small farmers forced off their land, small businesses closed, and investor-state rights that allow corporations to challenge local laws and sue states or countries because their laws are “barriers to trade.”
- The floor price of basic agriculture crops would be eliminated in Colombia should the FTA pass, and that would force farmers off their land, or force them to grow cocaine, or to join paramilitary groups, or to migrate to the U.S.
- Colombia leads the world in murders of trade union leaders and has a terrible and violent human rights record in many different cases.

Martha Spiess - Peace Works, Greater Brunswick:

Ms. Spiess submitted a report *Under the Umbrella of U.S. Hegemony: Canada and Colombia head towards a Trade Deal*. Ms. Spiess was video tapping the hearing and thus was unable to present the findings in this report. Copy available.

Victor Skorapa (Retired physician):

Need for a public health perspective in trade. Spoke about CPATH (Center for Policy on Trade and Health) and presented a report from CPATH for the commission to read entitled “The U.S.-Colombia Trade Promotion Agreement: Public Health Critique and Fixes”. Pharmaceuticals, tobacco, health insurance, alcohol, and all of these industries are represented, but public health is not. When there is a conflict between private corporate priorities and public health, we should choose public health.

Debbie Leighton:

Concerned about domestic regulation in GATS. Presented memo on proposed WTO provisions on the service sector, which would subject licensing boards, any state level public interest regulations to conform to WTO standards.

Ms. Leighton was also very concerned that, under NAFTA-style investor rights provisions, Maine could be sued if the PUC denies Nestle the right to pump water in 12 proposed aquifers in Maine.

Eric McVay:

We should reject these trade agreements due to the effect on our workers. Lay-offs have hurt Northern Maine. Also, the human rights abuses in Colombia are a huge concern.

Kathy Robertson:

Sierra Club member, spoke about the link between free trade agreements and global warming. Laws that Maine is passing to prevent global warming (like CAFÉ standards and RGGI) could be subject to WTO or NAFTA challenge. When companies off-shore, they do so to find locations for factories with lower environmental standards, and the greenhouse gas emissions that result are contributing to global warming.

Peter Kellman:

It's clear where the money goes, to the top 1%. Real wages for hourly paid workers are lower today than they were in 1973, and people are working longer hours. The economy is not great for the majority of people. The economy is not good under this free trade agreement model of economy.

John Connors:

This is a human issue. The people on the other side of the border are people. Union leaders are killed in Colombia, with the help of U.S. companies. "I'm not against trade; I am against what we have now." There are approximately 9 million undocumented workers in the U.S. today who can't make a living in their home countries due to these FTAs. Spoke on issue of corn- that the subsidized corn from the US makes it impossible for Mexican farmers to grow their own corn.

Under these trade agreements, wages are going down. Good trade is when everyone benefits. Today, Maine is importing more food than we make. At the same time, workers abroad are making pennies to produce goods. If they are making pennies, they won't be able to buy our goods. In the grocery store, he sees the sad eyes of the elderly who are watching the prices of food go up and up and can't afford to buy it.

The best way to pay the bills is to have good jobs. Ford knew that if he paid his workers a good wage, they would be able to buy his cars. "We've had good trade policy in the past, we don't now, but we can again".

Tracy Allen:

Policy that the U.S. is passing to prevent more global warming and pollution, like CAFÉ (Corporate Average Fuel Economy) Standards and RGGI (Regional Greenhouse Gas Initiative passed by Maine and states in the Northeast U.S.) are WTO illegal and could be challenged by foreign corporations who don't want to abide by them. The Clean Air Act was weakened because as it was written first, the U.S. would have been sued. We shouldn't be weakening our trade policy based on foreign corporations' right to profit.

John Bernard:

Fair trade product certification, one way to improve trade to be more fair, gives good examples of what priorities we should be seeking, including fair prices for products, community support for education and health care in communities, direct trade, fair working conditions, democratic and transparent organizations and trading, and environmentally sustainability. We should keep these principles in mind as we move forward to build our fair trade future. This is what trade should and can be.

Tom Ledue:

There is a need to re-negotiate trade deals, but how? We must guard against the idea of "profit" at any cost. There should be fair labor certification and green certification for every product. The status quo of trade is unacceptable. We need a profit motive for people to do the right thing, a financial incentive to do the right thing.

Pete Cavanaugh:

There is a need for truth in labeling. Raw food is labeled but processed food is not. Sometimes the labeling is misleading. The current trade model deprives people of the ability to feed themselves. We need a trade system that allows an agriculture system that is self-sustainable.

Grace Braley:

In WTO negotiations, small countries have been ignored. The U.S. trade minister ignored people, until trade ministers from small countries walked out.

Grace was in Mexico in 1994 when NAFTA began and the peso crashed. Both devastated Mexicans, especially small farmers and small businesses. A local meat shop was doing well until NAFTA passed. It closed and then was replaced by a foreign company.

Mexicans said "we miss our homes" after migrating to cities because they couldn't feel their families.

Trade is a wonderful thing but we have to start over.

Daphne Loring:

We have an incredible opportunity to replace fast track. It expired last year and will be replaced next year, hopefully, if we push for it. The commission needs to make sure that Congress, the States, and the public have a voice this time.

We should ensure that:

- Any new agreement must restore balance between Congress and the Executive branch
- Any new agreement must put in core international labor standards and an independent mechanism for enforcement
- Any new agreement must not include foreign investor rights to sue states or countries

Jim Carson:

We need to have a real discussion on what the real effects of these trade agreements are. We must put a hold on negotiating more and go back and take a look. What are the effects? What has the impact been? We need the facts. We need a time out to get evidence and evaluate, to have a thoughtful discussion and then ask what we should do next. We can't have FTAs that only work for a few. There is a lot of displacement of workers here and abroad, resulting in immigration. Let's look at these things.

Ruth Taylor:

Expert in industrial psychology, job satisfaction

The current model encourages exploitation of people for greed and profit. We need long-term job security, not low wages, poor working conditions, and child labor.

Richard Rhames (Dairy farmer from Biddeford):

When NAFTA passed, UMaine professor Melvin Burke gave a speech in Mexico City and said that immigration will increase with NAFTA. Policy-makers said it would decrease. It has clearly greatly increased. Farmers can't make a living anymore with the free trade model in agriculture. It hurts Maine farmers, and Mexican farmers.

Citizens Testimony ended approximately 8:50 p.m.

COMMISSION VOTE/ACTION: The commission met after the public hearing to discuss and vote on whether to send a letter in opposition of the Colombia Free Trade Agreement to Maine's Congressional delegation and Governor Baldacci. The commission voted unanimously to send the letter opposing the Colombia Free Trade Agreement.

ADJOURNMENT: 9:10 p.m.