

APRIL 28, 2005

SCHAKOWSKY'S STATEMENT ON DOMINICAN REPUBLIC AND CENTRAL FREE TRADE AGREEMENT

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL), Ranking Member of the Subcommittee for Commerce, Trade, and Consumer Protection, today delivered the following statement during a hearing on the Dominican Republic and Central America Free Trade Agreement (DR-CAFTA):

"Thank you, Mr. Chairman. I am pleased the Subcommittee is taking time to review the proposed Dominican Republic and Central America Free Trade Agreement (DR-CAFTA). I want to welcome all of our witnesses and all of our members. I am particularly glad to see our ranking member of the full committee here. And I want to acknowledge the work of Mr. Brown. While he is the ranking Democrat on the Health Subcommittee, he is one of our best trade experts. In fact, he wrote the book, or at least, a book, on trade called *Myths of Free Trade*."

"There is wide and growing bipartisan opposition to this bill here in the Congress because it endangers workers and jobs in the U.S. and abroad, it endangers our economy and it endangers the environment. Opposition to Congressional implementation of this flawed agreement also runs deep outside of the Congress throughout this country and the other signatory nations. The public as well as leaders from among organized labor, environmentalists, economists, and business owners and the clergy all strongly oppose the measure."

"I am opposed to DR-CAFTA. It does not include the necessary labor and human rights protections or environmental standards that I believe should be at the center of our trade policies. Instead, implementation of DR-CAFTA would result in the loss of even more U.S. jobs, U.S. support for substandard working conditions in other countries and the degradation of our precious environment."

□ "I strongly support increased global trade for the United States.□ However, when negotiated, I believe free trade agreements should place human and labor rights and the environment on an equal par with the rights of capital.□ DR-CAFTA fails to do so.

□□ **Implementation of DR-CAFTA would further the failed experiment that was NAFTA.** □□

"As a result of NAFTA, my home state of Illinois has suffered the loss of over 100,000 jobs. And the nation has lost almost 1 million jobs due to the displacement of production that supported them prior to the implementation of NAFTA. Free trade agreements like NAFTA and PNTR for China perpetuate the race to the bottom in the global economy. They lower working and living standards for workers in other countries and they kill jobs in the United States and DR-CAFTA will be no different."

"The only way to prevent the race to the bottom is to try to raise standards in other countries so the lure of near slave labor does not exist and does not harm our workforce. NAFTA, PNTR for China and CAFTA all fail to meet this standard. This is one of the great challenges of the 21st century. If we fail to meet it in the right way it will continue to have dire effects on our workforce and our economy."

"Instead of pursuing policies that undermine the rights and security of U.S. workers and workers in other countries, the United States should lead the world by example through a trade policy that improves the lives of individuals, and does not just add to the profits of major corporations. Our policies should benefit workers here in this country, create and sustain jobs and help our small and medium sized and family-owned businesses grow. DR-CAFTA will not accomplish those goals."

"The labor provisions in CAFTA are intentionally unenforceable. Violations of core labor standards cannot be taken to dispute resolution. The commitment to enforce domestic labor laws is subject to remedies weaker than those available for commercial disputes. This violates the negotiating objective of Fast Track that equivalent remedies should exist for all parts of an agreement. Further, the "enforce your own laws" standard allows countries the opportunity to rewrite and weaken their labor laws to attract investment."

"I dispute the attempts by free trade proponents to reduce the debate to a choice between "free trade" and "no trade", "this agreement" or "no agreement". We can do better. We can achieve our economic objectives and moral responsibilities through responsible trade. And we can and should go back to the drawing board and fix CAFTA if we want to do it right and if we want to give it even a chance to pass. If the vote were today, it is clear DR-CAFTA would fail to win a majority of the votes in the House because it fails our economy, our workforce, our environment and our moral standards on so many levels."