

What Is At Stake With Free Trade

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Theme: [Poverty & Social Inequality](#)

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In the ten years since the World Trade Organization (WTO) protests in Seattle, global opposition to free trade and “globalization” has exploded. The general public now has a basic understanding of how the world economy works ... against them: companies scour the globe searching for slave wages, which help push down wages in “developed” countries; any regulation that reduces profits — environmental, financial, labor, etc. — is destroyed or ignored.

The two focal points of the anti-globalization movement have been dismantling of the WTO and free trade agreements; both legitimate targets. However, what happens if both goals are accomplished? Mission Accomplished?

The obvious answer is no. Corporations will continue to push for the above anti-worker policies, whether or not the WTO continues to exist or if free trade agreements stop.

Proof of this can be seen in the present condition of the WTO, an organization that, for all intents and purposes, is dead — having collapsed under its own weight. The “Doha” round of the WTO has been eight years in the making, with little sign of a deal emerging. Powerful corporations in different countries are advocating a more “independent” approach to trade; they view the corporate-run WTO as too democratic, and would rather go it alone on the global market place.

And go alone they have. Instead of WTO-style international trade agreements, rich nations began developing one-on-one “bi-lateral” agreements, between themselves and poorer nations. The result is that instead of having an international agreement over trade, we have competing trade blocs. The European Union and NAFTA are the two largest, although others exist around the world, each dominated by a regional economic powerhouse.

Promoting these bi-lateral agreements or trade blocs are the corporations residing within the boundaries of the richer nations. To boost their profits, they need guaranteed access to markets, cheap labor, and raw materials. Once they’ve captured these items via a free trade agreement, their overseas competitors are excluded. Thus, the international battle for these rare commodities becomes intensified; the threat of war and “regime change” is always considered an option when diplomacy and threats fail. It becomes clear, then, that free trade is merely a policy of corporations to pursue wider aims within a larger system.

When all the mysteries behind it are removed, free trade is revealed as simply the best fuel for capitalism; it allows money and goods to flow around the world freely (while keeping workers within national boundaries), and thus boosts profits best. Restrictions to free trade — regulation, protectionism, state ownership, etc. — reduce profits, and are thus fought by most corporations. But not all anti-free trade measures are equal.

For example, any worker concerned with trade will welcome certain demands of the “fair trade” movement, including the demand for living wage jobs domestically and abroad, and high labor and environmental standards internationally.

However, other demands of the fair trade movement are not so progressive. Quite the opposite. Some fair traders are demanding that U.S. corporations be allowed to compete on a “level playing field” internationally, while also including demands that help U.S. corporations export abroad more efficiently. Working people have no interest in helping “their” corporations battle other global corporations for global market dominance.

Unfortunately, the membership of the fair trade movement is polluted by individuals and corporations promoting such ideas. They advocate workers and corporations uniting for “fair trade,” with a focus on pressuring the U.S. government to help U.S. corporations out-battle — by any means necessary — foreign corporations.

This attempt at worker/corporation “partnerships” has deeply infected not only the fair trade movement, but portions of the U.S. labor movement. The most heinous example is the Alliance for American Manufacturers (AAM). The AAM is a group consisting of giant U.S. corporations and the U.S. Steelworkers union; the president of the AAM is also the President of the Steelworkers. The group argues that the interests of workers and corporations are one and the same — but one of these groups is being badly fooled.

For example, the AAM serves to promote its version of fair trade through media, intellectuals, and most importantly, pressuring the U.S. government to raise trade barriers against China and other countries. The AAM has been very successful promoting U.S. animosity towards China, having persuaded Obama to act more aggressively than Bush. Make no mistake, the AAM considers “fair trade” to mean the dominance of U.S. corporations. In the past, confrontations over trade — i.e., international market dominance — have evolved into trade wars, evolving in some cases into military wars.

The AAM has greatly succeeded in creating a progressive image for U.S. manufacturing corporations. Their sponsorship of TV and radio personality Ed Schultz — himself closely tied to the Democrats — is one example of how U.S. corporations have bought alleged supporters of the working-class. The U.S. corporations behind the AAM have solid support in Congress, and use this support to advocate corporate protectionist trade policies. To please the corporations, the Democrats pass the bills, while some labor leaders scream “victory!” Of course, workers have no interest in befriending corporations, and for good reason.

The more workers are taught to “cooperate” with the company they work for, the less able are they to put up a fight when “their” company decides to slash jobs, wages and benefits, or destroy pensions, etc. When attempting to organize a union or bargain a union contract, workers and employers stand opposed to each other; employers are notorious union-busters, and use intimidation, threats, and firings to achieve their aims; workers in response fight back through demonstrations and strikes. There is little room for friendly cooperation during these moments; when the workplace facade of “teamwork” is shattered, its true nature of competing interests is revealed.

This is the necessary place to start when creating worker-friendly political goals. The fair trade movement needs some deep cleaning, so that the contaminating, corporate influence is neutralized. Only clear, pro-worker policies should be fought for, leaving the corporations to fend for themselves. This will require the abandonment of the corporate-bought

Democrats, while clearly defining what “fair trade” is.

For many progressive workers, fair trade is an all-encompassing term that includes: living wages and benefits, international cooperation, the strict regulation of the banks, the environment, and corporations in general. After hearing the comprehensive aims of fair-traders, it becomes clear that many are referring to an issue wider than merely trade — they desire a complete overhaul of how our economic system works, and who it works for. They want people and the environment to be the political priority, not corporations. This can only mean a desire to transform our current economic structure — capitalism.

If the battle against free trade is really a battle against capitalism, then it must be clearly stated. As it stands now, many corporations are benefiting from the confusion that “free trade” creates, and use the bewilderment to help them gain workers’ and union officials’ support in fighting foreign corporations. For workers, this is a suicidal policy.

The first step in fighting free trade is removing the influence of U.S. corporations, and instead, begin fighting these corporations, with the goal of democratically controlling these privately owned entities, so that the wealth of billionaires may become the wealth of whole communities. Only then will we have a real voice over our wages, the environment, and over what we choose to produce and trade with other nations.

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