

Peace Action Maine Statement before the Citizen Trade Policy Commission  
Portland, Maine  
April 19, 2005

At the Peace Action Maine Board Meeting held on Monday, April 11, the PAM Board of Directors voted its support for the following statement:

To the Maine Citizen Trade Policy Commission:

We thank you for this opportunity to speak. The CTPC is performing an invaluable service to Maine (and indeed by example to the country) with these public hearings. People's voices are crucial to the policy process, and too often they are lost.

Peace Action Maine is an organizational member of the Maine Fair Trade Campaign. We are deeply concerned with the connections between militarism and the current trade agreements such as NAFTA and the proposed Central American Free Trade Agreement.

PAM urges the Citizen Trade Policy Commission to make a formal recommendation to Maine's Congressional Delegation to vote NO on CAFTA.

PAM opposes the current free trade system because:

1. *Corporate Globalization and Free Trade Policies promote the conditions for war.* Economic inequality, competition for dwindling resources, and environmental degradation are all key factors contributing to conflicts around the globe. Current free trade rules leave little room for democratic accountability and for governments to regulate the harshest results of free trade, and thus possibly prevent future wars.
2. *The current model of free trade agreements limits public investment in social programs including education, health care, and environmental protection, while placing no limits on military budgets.* Current agreements have "security exceptions" that allow any signatory country to have a free hand in increasing military spending but limit expenditures on social programs. Worldwide, current expenditures on the military are topping \$1T/year, with the US accounting for approximately 50% of that total.
3. *The introduction of free trade policies in many countries has resulted in widespread popular unrest which has been targeted by police and military crackdowns.* The enormous disruptions brought on by economic dislocation need to be dealt with through democratic processes whereby governments can use their regulatory systems to ensure that labor, environmental, and community concerns are fairly represented in the emergence of international trade.
4. *Here in the state of Maine, the loss of manufacturing jobs that pay a living wage with benefits is a predictor of the future for all, and not a temporary shift in our region's economy.* Since the passage of NAFTA, Maine has served as the "canary in the mine shaft," with an alarming loss of industrial jobs that pay wages with benefits that can support a family. This comes at a time when the public sector's safety net is shrinking. A "race to the bottom" model for wages and social

services will accelerate in every region of this country. It will also further destabilize even the developing nations that the free trade system is supposed to improve, as plants will continually find new frontiers for the lowest wage with the least protections for workers, their families, and their communities.

5. *The American taxpayer is being asked to foot the bill for military aid to countries around the globe that are engaged in the free trade model.* As these countries experience enormous dislocation and social conflict, the regimes look to the United States to provide direct aid to pay for the rising cost of their security apparatus. This practice continues to lead our country into deep moral quagmires, such as training often-ruthless security forces at places such as the School of the Americas (recently renamed in order to try to escape its odious past). But it also pushes us ever closer to the brink of fiscal ruin, as our presence in areas from South America to Central Asia places an enormous burden on our federal budget.
6. *The current model for the passage of trade agreements is deeply undemocratic.* So-called "fast track" authority places near total power in the hands of a few trade bureaucrats. Congress is then given the unenviable task of simply voting "up or down" on the trade agreements without room for popular input, for accountability, or for amendment.

Peace Action Maine is an organization deeply committed to international exchange. Like our partner groups at the Maine Fair Trade Campaign, we are not advocating some "New Isolationism," and instead envision trade as but one piece of a global system that is built upon mutual respect, equitable benefit, with democratic accountability and protection for the citizens of every nation. But no trade is free when it is built on profits for the few, arrived at in an undemocratic fashion, and maintained by military and domestic security forces. CAFTA is not free; it is, indeed, far too costly.

In conclusion, we urge the Maine Citizen Trade Policy Commission to take a formal position opposing CAFTA. The process by which the agreement was reached was flawed, and even if the agreement itself was open to remedy by Congress, the current free trade model is so badly flawed that it is beyond the quick fix and simple repair. Instead of being the model for what has gone wrong with international trade under the free trade system, maybe Maine can take the lead in making things work again—for all of us. Thank you.

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With over 1,500 members, Peace Action Maine is the state's largest peace & justice organization. PAM has worked for over 20 years to promote peace through grassroots organizing, citizen education, and issue advocacy. For more information, please call our Portland office at 207.772.0680 or go to our website at [www.peaceactionme.org](http://www.peaceactionme.org)

Peace Action Maine acknowledges and appreciates the efforts of United for a Fair Economy and Steven Staples of the Polaris Institute for their educational work on the issues regarding militarism and corporate globalization.