

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

AFL-CIO



The China Deal

On November 15, the Clinton Administration announced it had reached a trade deal with Communist China that will ease its accession to the World Trade Organization (WTO) and grant it Normal Trade Relations (NTR) status. The Clinton Administration claims that this agreement will benefit the United States. This is not true! It will hurt American workers and their counterparts in China and instead will benefit large, multinational corporations that seek to maximize profits no matter what the costs are to workers and the communities in which they live.

The fact is that China is notorious for its abuse of workers' and human rights, its intolerance for an independent labor movement, and its continued, illegal export of goods produced in forced labor camps. The Clinton Administration trade deal with China fails to address these concerns. It also:

- Fails to ensure that China will, in fact, recognize and enforce core worker and human rights standards as defined at the United Nations Summit in 1995, at the WTO Ministerial in 1996, and at the International Labor Organization Conference in 1998.
- Undermines our prospects for incorporating basic and enforceable labor standards in WTO rules and all new or expanded trade agreements, for that matter.
- Provides no mechanism to ensure that China lives up to its previous commitments, going back as far as 1992, to dismantle industrial policies that discriminate against American-made products and force American companies to relocate its businesses to China.
- Encourages the flow of imports from China into the U.S. in sectors such as textiles and apparel, auto parts, steel, aerospace, and other industries. Without meaningful protection against such import surges, millions of American jobs will be eliminated as U.S. companies cut labor costs to meet the downward pressure on prices for domestic goods.

- Leads to an increase in the U.S. trade deficit with China, according to the International Trade Commission. In 1998 alone, China had a \$57 billion trade surplus with the U.S., which will double as a result of this agreement, and a \$26 billion deficit with the rest of the world.
- Jeopardizes our efforts to reform the anti-democratic WTO and to ensure that its member countries honor rules on trade relations. China is under Communist control and it operates on the basis of political pressures, not legal rules. If accession is approved, China will impede our efforts to democratize the WTO and to ensure that its members honor all new and existing trade rules.

These facts show the Clinton Administration trade deal with China is flawed, and the Teamsters Union will oppose it at the Seattle WTO Ministerial on November 30. We will also continue to fight China's efforts to obtain permanent NTR status until China recognizes and enforces core labor and human rights standards; until China allows independent labor unions to organize and bargain on behalf of Chinese workers; until China releases activists and religious leaders from labor camps; until China supports our efforts to incorporate enforceable workers' rights into WTO rules; and, until China honors its commitments to dismantle protectionist policies that harm American workers.