the majority of the workers, stood in favor of the NAFTA. The asymmetry was also related to different motives behind the positioning, even when the opposition to the Agreement was common: the motives behind the opposition to NAFTA definitely included protectionist positions by some of the northern TUs involved in the mobilizations against the agreement. While it would be stretching things to say that NAFTA could have been rejected if the TUs were able to speak with one voice, there is no doubt that this experience offered important lessons to all actors for the future.

2. Positioning on FTAs: some cases

2.1 The Canadian Labour Congress (CLC)\(^3\)

The CLC was one of the first labor organizations in the Americas to openly oppose FTAs. From the initial negotiations between the USA and Canada that led to the first FTA between the two countries in 1988, the CLC stood in opposition. One of the key reasons for this opposition was the CLC’s positive evaluation of the industrial policies which started in the post-war period in many western countries. As in many countries, the industrial policies in Canada aimed at building and developing a large manufacturing sector. These policies mixed measures to design forms of economic integration, that included trade agreements, with forms of protection for the national economy. One of the most important agreements of that period was the Auto Pact with the USA, signed in 1965. It allowed the three big US auto makers—Chrysler, Ford and General Motors—to obtain trade benefits in the Canadian market, including the elimination of tariffs on cars, trucks, buses, tires and automotive parts. In exchange the Auto Pact contained safeguards for Canada to ensure that major North American car manufacturers continued their investment and production in this country. The agreement stated that for every car sold in Canada, one had to be built in Canada. Each vehicle built in Canada also had to have at least 60 percent Canadian content in both parts and labor. Tariffs were applied if these conditions were not met\(^4\).

\(^3\) [http://canadianlabour.ca/en/about_us](http://canadianlabour.ca/en/about_us): “The Canadian Labour Congress is the largest democratic and popular organization in Canada with over three million members. The Canadian Labour Congress brings together Canada’s national and international unions, the provincial and territorial federations of labour and 136 district labour councils”

\(^4\) [http://canadianeconomy.gc.ca/english/economy/1965canada_us_auto_pact.html](http://canadianeconomy.gc.ca/english/economy/1965canada_us_auto_pact.html): The Auto Pact eliminated trade tariffs between the two countries and created a single North American manufacturing market. Tariffs between the two countries were eliminated on cars, trucks, buses, tires and automotive parts. The single market allowed Chrysler, Ford and General Motors to rationalize production in Canada and
According to CLC National Representative for the Americas, Sheila Katz, the Auto Pact of 1965 “was destroyed with the Free Trade Agreement between Canada and the USA - signed in 1988 - and later by the NAFTA and the WTO. To the CLC the Auto Pact was a prime example of a fair trade policy. But with the FTA of 1988 the US manufacturing companies would no longer need to produce in Canada in order to sell in Canada. The consequence would be the re-location of the production and a job loss”\(^5\).

The CLC opposed the FTA both in order to safeguard the future development of the manufacturing sector and to prevent a massive job loss. Labor standards and rights in Canada were considered much higher than in most of the US and there was a clear concern that the FTA would favor a race to the bottom with US workers. Notably, the attempts to establish a dialogue with the US TUs did not succeed. “At that time there was not much receptivity from the TUs in the USA to understand the position of the CLC opposing the FTA. With the NAFTA the same impact was dramatically suffered by the USA workers and the US TUs learned what we had been talking about the harder way, through the hard experience”\(^6\).

Regardless of the CLC opposition, the FTA between Canada and the USA was signed. Its implementation produced, CLC representatives argue, a huge recession in 1989/90 and a massive loss of manufacturing jobs. Eventually some recovery in employment occured but “in different kind of jobs, less unionized jobs, without decent salaries”\(^7\).

Following the enactment of the Canada – USA FTA, the need to start a dialogue and a coordination between different TUs in different countries was seen as an urgent priority by the CLC. The chosen venues to start that process were the Inter American Regional

\(^5\) Sheila Katz interview on February 9\(^{th}\), 2009, by Bruno Ciccaglione
\(^6\) Ibid.
\(^7\) Ibid.
organization of Workers (CIOSL/ORIT)\(^8\) as well as the International Confederation of Free Trade Unions (ICFTU)\(^9\), that is to say the regional and international TUs organizations. The difficulty in speaking the same language was – and still is – remarkable. But the changes that took place in the TUs movement in the Americas in the last two decades eventually lead to the foundation of the TUCA-CSA in 2008. This process helped create a common starting point of analysis towards FTAs. Furthermore, according to the CLC, the development of this common analysis resulted in a shared vision within the TUs of the Americas: “Labour rights cannot be protected within trade agreements that are essentially neoliberal”\(^10\).

This shared common vision on FTAs is important when considering the position on the agreements between the EU and South America. “Even including measures supposedly designed to protect workers and labor rights in trade agreements that are basically neoliberal, is not acceptable and is not enough. This common evaluation is the result of a step by step debate within this multinational and multilateral spaces like the TUCA-CSA”\(^11\). It must be noticed that the difficulties managing the asymmetric TU positioning on Nafta, seem to be in a better arrangement today. Remarkably in February 2009, during the State visit of newly elected President Barack Obama to Canada, the CLC and the AFL-CIO signed a joint letter to the Governments of the two countries on how the NAFTA should be renegotiated\(^12\). The letter not only includes labor measures but also joint statements of the TUs of the two countries on energy policy, procurement policies, and investment policies. According to the CLC representative this is a big step forwards, actually underlining the

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8 The ITUC Regional organization for the Americas (TUCA-CSA) was formed in March 2008 to succeed the ICFTU Inter American Regional organization of Workers (CIOSL/ORIT) as the regional organization of the ITUC.
9 The IFTU merged with the World Confederation of Labour (WCL) in October 2006 to form the International Trade Union Confederation (ITUC).
10 Sheila Katz interview on February 9\(^{th}\), 2009, by Bruno Ciccglione.
11 Ibid.
12 “On February 19th, the leaders of the United States and Canada met for the first time to discuss a range of important bilateral and global issues. (...) the AFL-CIO and the Canadian Labour Congress (CLC) sent to President Obama and Prime Minister Harper a letter outlining a bold and comprehensive agenda to lay the foundation for a more prosperous North America. The letter urges both countries to work cooperatively to address the current global economic crisis, to review and renegotiate the North American Free Trade Agreement (NAFTA) and to adopt a series of complementary policies necessary to build a strong, fair economy for workers in the United States, Canada and Mexico” - http://canadianlabour.ca/en/afl-cio-and-canadian-labour-congress-call-leaders-towork-together
importance of good relationships with the AFL-CIO and the shared vision of the need for “a deep review of all of the policies that are totally neoliberal in their identification”\(^\text{13}\). 

A major contribution from the CLC strategy facing FTAs, which would influence the strategy used in the Americas in the 90s by many different organizations, far beyond the trade unions, was the promotion of a broad social alliance to challenge the FTA with the US. This was consistent with the understanding that the trade agreement was going to change and impact every aspect of Canadian life. For this reason the CLC was one of the main supporters for the creation of a very broad coalition called Action Canada Network which involved churches, women organizations, development NGOs and environmental groups. This kind of experience was later used as a model for similar coalitions to oppose NAFTA, such as the Alliance for Responsible Trade (ART) in the US and the Mexican Network for Action on Free-Trade. All of these coalitions included trade unions and other social actors, like farmers organizations, environmental organizations, women organizations, NGOs, and also some small employers organizations. Multisectorial alliances at the national level, involving different social actors including trade unions, would cooperate in the NAFTA fight with other multisectorial alliances of the countries involved in the negotiations.

Within the Action Canada Network a sub-group called Common Frontiers was created. While the broader network included Canada based organizations, the Common Frontiers group included unions, development organizations, environmental groups and the churches that had partners in Latin America and Mexico in particular. Furthermore, the Action Canada Network no longer exists, but the Common Frontiers group does. It has become the formal representative of English speaking Canada in the Hemispheric Social Alliance (Alianza Social Continental in Spanish), which is one of the major developments of the CLC experience since 1998\(^\text{14}\).

\(^{13}\) Sheila Katz interview on February 9\textsuperscript{th}, 2009, by Bruno Ciccaglione

\(^{14}\) According to the CLC National Representative for the Americas Sheila Katz, a decisive contribution to the formation of the Hemispheric Social Alliance was the affiliation of the CUT Brazil to the ORIT/ICFTU: “Their affiliation into the ORIT/ICFTU was extremely important, because they were able to generate a whole series of policies, programs and initiatives that probably would not have been accepted without their presence in that organization. I am speaking especially of the formation of the Hemispheric Social Alliance and also the World Social Forum for that matter”. Sheila Katz, Interview on February 9th, 2009, by Bruno Ciccaglione
2.2 The AFL-CIO\textsuperscript{15}

When the negotiations on NAFTA started in the early 90s, the AFL-CIO’s approach to it can be described as on the one hand pragmatic, on the other as defensive. The choice of FTAs as a key instrument of trade policy did not correspond with the Federation’s idea of a good way to regulate trade, especially with “developing countries”\textsuperscript{16}. At the same time the labor movement faced the political difficulty of challenging the determination of the government to go ahead with free trade agreements. For this reason the decision was not to challenge the FTAs as such, but to try to ensure that workers rights and environmental standards were included as binding conditions in trade agreements. As explained by Thea Lee, AFL-CIO Policy Director, “It is true that FTAs themselves are not progressive instruments. In general we have never been supportive of FTAs and have never been arguing for the negotiation of new ones. The fact is we don’t have enough political force to stop them all together, in most cases. Sometimes we can slow them down, sometimes we can shake them a little bit. But in general, in the past we have not had enough political leverage to be able to take them down all together. As I started out saying, struggling to have social clauses within the FTAs is a defensive instrument. We are actually working at some of the other provisions of the FTAs, like the investment chapter, the intellectual property chapter and the government procurement, the services chapter and probably the agriculture chapter as well. We have a much broader critique of the FTAs, but I guess we have taken a very pragmatic approach which is: if we can not stop them, the least we can do is to ensure that we get something good out of it for workers”\textsuperscript{17}.

To include workers rights and environmental standards within trade agreements was something already experienced by the labor movement in the USA since the successful campaigns that in 1984 succeeded in including worker rights conditionalities in the Generalized System of Preferences (GSP)\textsuperscript{18}, the unilateral preference program that the US

\textsuperscript{15} “The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) is a voluntary federation of 56 national and international labor unions. The AFL-CIO union movement represents 11 million members, including 2.5 million members in Working America, its new community affiliate” - http://www.aflcio.org/aboutus/thisistheaficio/ .

\textsuperscript{16} In 2005 seven unions representing around 6 millions workers decided to quit the AFL-CIO and create the Change to Win movement. Info on: http://www.changetowin.org/

\textsuperscript{17} We already suggested that this critique on FTAs was more problematic in the case of the Canada-USA FTA.

\textsuperscript{18} “The U.S. Generalized System of Preferences (GSP), a program designed to promote economic growth in the developing world, provides preferential duty-free entry for about 4,900 products from 132 designated
uses for developing countries. Indeed since 1984, in order to be eligible for the trade benefits provided by the GSP, countries needed to adopt—or be taking steps to adopt—internationally recognized labor standards. The process started including coordinated work between the unions of the developing country with US unions, preparing reviews and filing cases under the GSP annually, when there happened egregious abuses of workers rights. According to the AFL-CIO this did put external pressure on various governments, which – though apparently less affected by pressure from the International Labour Organization (ILO) – proved to be more reactive to the risk of losing the trade benefits provided under the GSP:

“In Central America (...) a lot of Central American Unions would say that in the ten years preceding the Central American Free Trade Agreement almost every major labor law reform that happened was a result of an AFL-CIO petition under the GSP. (...) The same thing happened with Bangladesh, working close with the unions there around the export processing zones, because the government in 1991 set up export processing zones and banned unions. We started filing cases under the GSP and, although slowly, this started to produce some change. The government actually has allowed workers associations to be formed, it's the beginning of a movement to form free unions”19.

Starting from this background experience, the challenge of NAFTA was approached by trying to include labor and environmental standards in the agreement. But the struggle was not successful. The only result were some side agreements, whose results were “frustrating”, the AFL-CIO representatives argue, and this increased the determination to push – in all of the other FTAs negotiations following the NAFTA –to have strong commitments on labor rights included into trade agreements, and to gain the ability to use possible trade sanctions in case of violation of the labor rights20.

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beneficiary countries and territories. The GSP program was instituted on Jan. 1, 1976, and authorized under the Trade Act of 1974 for a 10-year period. The GSP Program is currently authorized through December 31, 2009 “ - http://www.ustr.gov/Trade_Development/Preference_Programs/GSP/Section_Index.html
19 Thea Lee interview on March 16th, 2009, by Bruno Ciccaglione
20 This struggle produced some results in the negotiations of the bilateral FTA with Jordan and Cambodia, which are considered quite advanced examples of binding labor regulations included within bilateral FTAs negotiated by the USA. See also Protecting Labor Rights through Trade Agreements - Sandra Polansky - Journal of International Law and Policy, July 14, 2004 - http://www.carnegieendowment.org/pdf/files/2004-07-polaski-JILP.pdf . According to the AFL-CIO Thea Lee, the most advanced example of including Labor and Environmental standards in trade agreements has been the USA-Peru FTA, see the next chapters.
The AFL-CIO gives a positive evaluation of the results obtained in specific bilateral negotiations like in the Peru FTA, which includes “a commitment for both parties to the agreement, including the United States, to adopt, maintain, and enforce in law and in practice the ILO core labor standards as outlined in the Declaration of the Fundamental Principles and Rights at Work”\(^{21}\). (…) These commitments are subject to the same dispute settlement mechanisms as all the commercial provisions in the agreement”\(^{22}\). Nevertheless the AFL-CIO representatives suggest that this success should not be overestimated. They argue that only the multilateral level, like the WTO, would be the proper venue for discussing trade policies and their link to labor rights or environmental standards. In that context, the AFL-CIO bitterly admits, “we are still not allowed to use the ‘L’ word: Labor”\(^{23}\).

The AFL-CIO approach to coalition building, both at the national level (with different kinds of social movements) and at the transnational level (both with unions and other national coalitions) seems to have gradually evolved over the years. After the difficulties with speaking a common language with the Canadian coalition opposing the US-Canada FTA, when facing the NAFTA the AFL-CIO started to participate in national coalitions in the US. “The early coalition building was a little bit uncomfortable. For instance labor and environmental groups were not used to work together at that time. A lot of the unions saw the environmentalists as some kind of elite “hippie types” and the environmental groups saw the unions as kind of selfish blue collar workers that they had nothing in common with”\(^{24}\).

The process took some time and part of the challenge was to find a language that worked for everybody, and was able to incorporate each other’s main concerns in the common arguments. Nevertheless this experience evolved over the years and was the basis for further development, since according to the AFL-CIO, some of the early relationships built on

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21 Adopted in 1998, the Declaration commits Member States to respect and promote principles and rights in four categories, whether or not they have ratified the relevant Conventions. These categories are: freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation. To read the text of the Declaration see http://www.ilo.org/declaration/thedeclaration/textdeclaration/lang–en/index.htm

22 Thea Lee, Interview on March 16th, 2009, by Bruno Ciccaglione

23 Ibid.

24 To make things even more complicated was that “on NAFTA for example some environmental groups ended up supporting NAFTA. I would say there were corporate supported environmental groups that bought the argument that the NAFTA could be a good thing, that the environmental side agreement was really going to help them and so on. What was interesting was that about five years after NAFTA had been in place, most of these environmental groups came over to our side” - Thea Lee, Interview by Bruno Ciccaglione
the trade front between labor and environmental groups have contributed to what the AFL-CIO considers now a “very strong relationship on clean energy”.

2.3 Mexican Trade Unions and more

As we already mentioned, when the NAFTA negotiations started in 1991, in Mexico the scene was still dominated by corporatist trade-unionism, closely linked to the government, at the time under the control of the PRI (Institutional Revolutionary Party)\(^{25}\). This explicit support for the decision of the government to sign, implement and to keep on supporting the NAFTA, continued even when, for the first time after 70 years, the PRI was defeated in an election by the PAN (National Action Party) in 2000. Only a minority of the trade union movement opposed the NAFTA at the beginning and that minority included some independent unions like the Frente Autentico del Trabajo (FAT) and the Electric Workers Union.

The position of the official trade unions on NAFTA also supported what was defined as the “two faces strategy” of the government: on the one hand supporting an unconditional opening of the markets that was going to allow the “sell out” of most of the resources of the country, but on the other hand strictly defending “national sovereignty” when it came to labour standards, stating that only the Mexican government was allowed to rule on those issues. At this stage these positions implied an open contrast with the trade unions of Canada and the US, which they accused of conducting protectionist policies for the sake of their own workers and to the disadvantage of the Mexican workers.

According to the analyst of the Labor Analysis Center and Trade Union Department in Mexico\(^{26}\), Hector De La Cueva\(^{27}\), “We were facing this argument that was aiming to divide the workers of the North and the workers of the South. So we started to build a different

\(^{25}\) The CTM (Confederación de Trabajadores de México – Confederation of the Workers of Mexico) “in 1946 joined in forming the newly formed PRI, the successor party of the PRM, becoming once again one of its constituent parts. As the formal division between the PRI and the state was blurred, the boundaries between the CTM and the party and the state likewise became harder to distinguish” - La Botz, Dan, The Crisis in Mexican Labor, New York: Praeger, 1988.

\(^{26}\) The Labor Analysis Center and Trade Union Department in Mexico (Centro de Investigación Laboral y Asesoría Sindical en México) is a founding member of the Mexican network Action Facing Free-Trade (Acción frente al Libre Comercio) and of the Hemispheric Social Alliance (Alianza Social Continental).

\(^{27}\) Hector de La Cueva is director of the the Labor Analysis Center and Trade Union Department in Mexico (Centro de Investigación Laboral y Asesoría Sindical en México). He was the first General Secretary of the Hemispheric Social Alliance.
approach, a different logic. We realised that the free-trade agreements are also an international blackmailing instrument: the workers of the North are blackmailed with the argument that they have to accept to reduce their labor and living standards if they want to prevent the re-localisation of the production to Mexico or in another country. The workers of the South, of Mexico or any other third world country, are blackmailed as well, with the argument that they have to accept to maintain their miserable conditions of life or these new jobs will never arrive. It’s a transnational blackmailing against both the workers in the north and the workers in the South, to reduce the standards in the north and to keep as a ‘competitive advantage’ the miserable conditions in the South. Today this is even worse because the competition is no longer only a north-south competition, but also a South-South competition to the bottom. At that moment, anyhow, there was only the competition between North and South, the first and the third world, with this multiple blackmailing. We realized that the only way to break this transnational blackmailing was to link the workers of the north and the workers of the south trying to develop common demands.”

What happened was that within the independent labor movement which included the Frente Autentico del Trabajo, the Electric Workers Union and others which were out of the corporatist framework, started to develop a policy based on wide social alliances to face the risks and the threats of the free-trade agreement. On the model of what was already done by the CLC for the US-Canada FTA, in Mexico a multisectoral alliance which included trade unions, farmers organizations, environmentalist organizations, women organizations, NGOs etc was created. This multisectoral alliance also included some small employers organizations, like the ANIT (National Association of the Transformation Industry), whose members are small and medium entrepreneurs. So the experience started immediately in a transnational dimension, with links between similar networks in Canada and the US, each one including trade unions. The argument was clear: “For sure you can have protectionist intentions within the trade unions of the North, masked under a defence of the South but only addressed to prevent the transfer of productions in the South, under protectionist mentality and with some imperial elements. Nevertheless we, the workers of the South, have to question: we want to improve our living and working conditions, our wages: is there anything wrong if the Canadian and US American trade unions declare they want to improve

28 Hector De La Cueva, Interview on January 27th, 2009, by Bruno Ciccaglione
the labour conditions in Mexico? No, not at all. Maybe this will help them to defend their workers but it also helps us. If we establish a strategy of a race to the top, instead of a race to the bottom, of the labour standards in a way that this can benefit the workers of the North but also of the South, that's good. But to do this you need a transnational strategy, an international strategy to preserve labour rights on the one hand and to improve them on the other. That's the only way to break the blackmailing of the transnational companies”29.

After NAFTA was approved and in the years following its implementation in 1994, many things happened in Mexico to impact the whole society and the trade union movement as well: the explosion of the financial crisis of 1994–5, the Zapatistas uprising, the fall of the PRI from the government. Most of the bureaucratic apparatus of the corrupted big confederations faced a crisis too. There was a growth of the independent trade union movement, important trade unions like the Telephone Workers Union and the Social Insurance Workers Union quit the official confederations and joined organizations like the UNT (National Union of the Workers). The Electricity Workers Trade Union guided a re-organization of the trade union movement from which later the National Trade Union Front emerged. This also had an impact on union’s positions on free trade agreements, especially in the campaigns that brought to defeat the FTAA (Free Trade Agreement of the Americas – Area de Libre Commercio de las Americas, ALCA).

2.4 The CUT Brazil

The CUT Brazil is the biggest national union center in Brazil and in Latin America and the 5th largest in the world30. In the last decades the CUT faced various parallel dynamics connected with trade. One of them is the MERCOSUR. Since the first agreement between Argentina and Brazil, signed by the two Presidents Alfonsin and Sarney in 1991, which developed into the

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29 Hector De La Cueva, Interview on January 27th, 2009, by Bruno Ciccaglione
30 “Present in all economic sectors of the country, the CUT is the biggest national central in Brazil and in Latin America and the 5th largest in the world, with 3,299 affiliated entities, 7,116,278 associated workers and 21,092,160 workers in the base”. The Central Unica dos Trabalhadores was founded in 1983, a couple of years before the end of the military dictatorship began in 1964. “A broad process to restructure society began at the end of the seventies and continued in the mid-eighties. At the same time, the dictatorship weakened and the reorganization of many sectors of civil society allowed them to begin to express themselves publicly, initiating the process of redemocratization in the country” - [http://www.cut.org.br/content/view/2883/289/1/1/](http://www.cut.org.br/content/view/2883/289/1/1/) .
creation of the MERCOSUR \(^{31}\) in 1994, this was a key issue for the CUT. Moreover, the creation of the MERCOSUR would prevent bilateral FTAs for Brazil, which formally only affected Brazil as a member of the MERCOSUR. For these reasons since the beginning the CUT faced the creation of such a common market with an international approach, using as a starting point the already existing coordination of the CONOSUR Trade Union Confederations. This coordination was born in 1986 as a common tool on the issue of the external debt and to build solidarity between the TUs of countries like Chile and Paraguay - still suffering military dictatorships – and those of countries (Brazil and Argentina) that were in the middle of a process of re-democratization. With the discussion and then the implementation of the MERCOSUR, this coordination became almost exclusively dedicated to this issue. It must be noted that - according to the CUT representative Kield Jacobsen\(^{32}\) - the stronger neoliberal approach of the MERCOSUR was still to come, and the focus was not so trade-centered. The CUT, within the CONOSUR coordination, decided to push for three main demands: (1) the creation of a “Labor Charter” within the agreement, much wider than a “social clause” debated at the multilateral level in the GATT (and later on in the WTO) and not only based on “basic labor rights”, but including issues like migration and social security; (2) the establishment of some financial funds, on a model similar to the EU provisions, in order to support the productive restructuring and the changes in the economies and the professional qualification of workers; (3) the democratization of the MERCOSUR decision making process, that was originally designed to give almost any decision to the heads of the governments, in order to involve other political institutions (the Parliaments and even local municipalities).

Not all of these demands were successfully included in the MERCOSUR, or they took a long time to be accepted. It was only in 1998 that the “Labor Charter” was finally transposed into a Social Labor Protocol signed by the four governments of the MERCOSUR. The funds created never exactly corresponded to the TUs demands. The demand for a democratization of the

\(^{31}\) Argentina, Brazil, Paraguay and Uruguay on March 26\(^{th}\), 1991, signed the Asuncion Treaty which created the Common Market of the South, MERCOSUR.
http://www.mercosur.int/msweb/portal%20intermediario/es/index.htm

\(^{32}\) Kield Jacobsen has been Secretary for the International Relationships of the CUT Brazil and General Secretary of the Hemispheric Social Alliance. Now he works also for the Social Observatory, created by the CUT in order to monitor the concrete violations of labor and social rights provided by trade agreements.
process produced some results but not as many as the TUs claimed were necessary 33. What is important to underline here, is that even in a process that was not considered fully as a neoliberal one, and that was not only centered on a trade agenda, the CUT chose to approach it from the beginning with an international perspective, with common demands of the CONOSUR TUs, and demanding a range of provisions much wider than a social clause34.

At the multilateral level (GATT and WTO), when the discussion focused on the possibility to include a social clause into the agreements, the CUT “adopted a position that is in favor of a social clause but under some conditions: the social clause for instance had not to be used as a protectionist tool, but most important was to define who was going to decide whether in a single country the basic labor provisions were violated or not, and what consequences this would have.”35. The clear distrust against the GATT institutions as the right actor to monitor the labor provisions and doubts about the capacity of the ILO, brought the CUT to promote the creation of a Social Observatory Institute36 which aimed at concretely assessing the real dimension of the labor rights violations.

One major challenge for the social movements and the TUs of the Americas came when US President Bill Clinton launched the proposal for a Free Trade Area of the Americas (FTAA)37. In this case “many trade unions in the continent planned the same strategy used with other FTAs: struggling to have a social clause within the trade agreement in order to defend the labor rights. This was not the position of the CUT. In this case we always said that the agreement itself would be very negative for the economy and for the development of our country, with or without a social clause. In other words, we claimed there was the need to refuse this negotiation. The strategy of the CUT on the FTAA was that of the refusal of the

33 For instance, a network of municipalities was created, called MERCOCIUDADES (MercoTowns), that tries to defend the interest of the municipalities that can be affected by the MERCOSUR. This network has an institutional space to participate and debate.
34 Remarkably Mercosur is negotiating a FTA with the EU. We will discuss about strategies and evolution of this negotiations in the second part of this report.
35 Kield Jacobsen, Interview on March 3rd, 2009, by Bruno Cicciaglione
36 “The Social Observatory Institute is an organization that analyses and monitors the behavior of transnational, national and public companies about basic worker rights. These rights are mostly secured by the ILO Conventions on freedom of association, collective bargaining, child labor, forced labor, gender discrimination and racial discrimination, environmental rights, health rights and safety for workers” - http://www.observatoriosocial.org.br/portal/content/view/6/31/index.php?option=content&task=view&id=6&Itemid=31
37 The preparatory process for the FTAA started in 1994 and it was formally launched in 1998 at the Second Summit of the Americas, in Santiago, Chile. - http://www.ftaa-alca.org/View_e.asp
agreement: what could we do to prevent that such an agreement was signed? That was our line. If you think that an agreement is negative anyhow, as was the case of FTAA, even for the other TUs of the continent, it is risky to tactically only work on the social clause issue. What if all of the governments would accept to have this social clause within the FTAA?38

We will analyze the different strategies of TUs in more detail in the second part of this report. Here we want to underline that, as already suggested, the CUT Brazil played a key role in the creation of the Hemispheric Social Alliance39, whose main focus from the beginning was to coordinate the struggles against the FTAA.

3. Trade Union Instruments and strategies to face FTAs: achievements and problems

To consider the instruments and strategies used by the TUs we must consider the political dynamic and context and its evolution in the last decades. After NAFTA went into effect in 1994, the U.S. started to negotiate several other FTAs with Latin American countries. After first discussions on the FTAA at the Miami summit in 1994, negotiations on the Free Trade Area of the Americas (FTAA), an extension of the NAFTA to all of the countries of the Americas (excluding Cuba), were launched in 1998 and immediately found strong opposition that included many trade unions. The FTAA project finally collapsed after the failure of the heads of states summit held in Mar del Plata, Argentina, in November 2005, following years of mobilization by a large coalition of social movements and trade unions across the whole continent. Although 26 of the 34 governments present at the Mar del Plata negotiations pledged to meet again in 2006 to resume negotiations, no such meeting took place.

Another framework modification of the last decades is the increased negotiations by Central and Latin American Countries and/or areas with the EU. It would however be impossible in our short report to analyze these negotiations in detail, since it would also need a deeper analysis of the EU TUs strategies and positions.

38 Kield Jacobsen, Interview on March 3rd, 2009, by Bruno Ciccaglione
39 The Hemispheric Social Alliance was created in 1997. For details and members see information at [http://www.asc-hsa.org/](http://www.asc-hsa.org/)