

AFL-CIO Head Richard Trumka: Unions Can't Back USMCA Trade Deal, Will Be A "Windfall For Corporations"

By Tim Hains

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AFL-CIO President Richard Trumka told "FOX News Sunday" that as it stands today, unions will not support the president's proposed United States/Mexico/Canada Trade Agreement (USMCA) because it is "unenforceable."

"If Mexico can't enforce their own agreement, this agreement will never work because their wages will be artificially low and they will suck jobs and capital out of the United States," he said.

"An unenforceable trade deal is a windfall for corporations and a disaster for workers," he added.

RICHARD TRUMKA, PRESIDENT, AFL-CIO: Chris, thanks for having me on and happy Labor Day to you.

WALLACE: All right, let's start with the new trade deal with -- between the U.S. and Mexico and Canada that the president hopes to get through Congress this fall.

Here he is on Friday.

(BEGIN VIDEO CLIP)

DONALD TRUMP, PRESIDENT OF THE UNITED STATES: The USMCA has become very popular. That's our deal with Mexico and with Canada. Unions are liking it. Farmers are loving it. Manufacturers are really liking it.

(END VIDEO CLIP)

WALLACE: Unions are liking it, the president says.

As it stands today, do you support the USMCA?

TRUMKA: As it stands today, it's unenforceable and therefore we couldn't support it. We want to get to yes. We've been working with the -- trade rep Lighthizer to try to get there and hopefully we will.

WALLACE: What's unenforceable about it?

TRUMKA: Well --

WALLACE: Supposedly that was one of the big issues they -- they were going to solve with this.

TRUMKA: It's unenforceable on three levels. First of all, Mexico has always used a model -- an -- they've kept wages artificially low by using a thing called a protectionist contract. That's where a sham union comes in, negotiates a deal with a company, keeps wages low. Nabisco Mondelez --

WALLACE: All right, you're -- you're getting into the weeds here a little bit, but --

TRUMKA: OK.

WALLACE: So basically --

TRUMKA: So -- so if -- if Mexico can't enforce their own agreement, their own laws, then this agreement will never work because their wages will be artificially low and they will suck jobs and capital out of the United States.

WALLACE: But let's look at some of the features of the deal, and I want to put them up.

According to the --

TRUMKA: There are -- there are two other levels, by the way.

WALLACE: OK, but I -- but I -- we -- we've only got limited time here, sir.

Let's look at some features of the deal.

According to the International Trade Commission, this deal, USMCA, will create 176,000 new jobs in the U.S. And the Trump administration says labor provisions, quote, have been incorporated into the core text of the agreement.

You are meeting this coming week with Mexican President Lopez Obrador. If you don't get what you want from them on these various issues, are you really going to block this deal?

TRUMKA: We won't have any choice because it's unenforceable. And an unenforceable trade agreement is a windfall for corporations and a disaster for workers. This isn't enforceable. If they can't enforce their laws, it doesn't work.

This agreement allows either party to stop the appointment of an arbitrator. So you and I have a dispute --

WALLACE: Right.

TRUMKA: We can't come to an agreement. We need an arbitrator. Either party can stop that from happening under this agreement. And the third thing is, dispute resolution has taken eight to ten years. This is not going to speed it up. And in the

meantime, the product that's produced in violation of the agreement continues to come into the country. We think it ought to be stopped at the border. So those are the three levels of enforcement.

WALLACE: I was going to say, congratulations, you got your three points in.

Let's turn to China.

You say that the president is right to take on China, but he's not going about it the right way. Briefly, what's your complaint, and hasn't this president done a lot more to take on China than his immediate predecessors?

TRUMKA: He has. And I think it's -- it's a good thing taking on China. Unfortunately, he's done it the wrong way. To take on China there has to be a multilateral approach. One country can't take on China to try to dry up its overcapacity because they just send it through to you in other ways.

So if you're going to take on China, it has to be multilateral, it has to address human rights and labor rights violations. It has to address currency rebalancing, and it has to have a long-term slant towards good jobs in this country. That's not been the approach, unfortunately. We hope it becomes the approach, but not so yet.

WALLACE: President Trump says that he, generally, has support from union rank and file, that his problem are union leaders. He doesn't mention you specifically, but union leaders like yourself, who he says are out of touch with their own members.

Take a look at the president.

(BEGIN VIDEO CLIP)

DONALD TRUMP, PRESIDENT OF THE UNITED STATES: So I'm going to speak to some of your union leaders to say, I hope you're going to support Trump, OK. And if they don't, vote them the hell out of office because they're not doing their job. It's true.

(END VIDEO CLIP)

WALLACE: A lot of union workers, a lot of your members, did vote for Trump in 2016. Where are you on the president these days?

TRUMKA: Well, look, he -- he got 4 percent more of our members than Mitt Romney did. He came to our members and said, I'm going to change the rules of the economy, and they believed him. And, quite frankly, I wish he would have changed the rules of the economy.

Unfortunately, the rules he's changing has hurt them. He's opposed every increase in the minimum wage. He's changed the regulation to take overtime away from a

couple of million people. He's proposed a trillion dollar cuts to Medicare and Medicaid. He's done all -- he's rolled back health and safety standards towards workers.

I've tried to call balls and strikes with him. When he does something that's good for workers, I say so. When he does something that's bad for workers, I say so. And I have to say, unfortunately, while he may not even know what his administration is doing, they've done more things to hurt workers than they have to help them. And that's unfortunate.

WALLACE: But let's -- but let's look at some other parts of the Trump record that I think even you are going to agree are -- I don't know which is a ball and which is a strike, I -- but that you would say are good. And 57 million jobs created on his watch. Unemployment rate up 3.7 percent. Workers' wages up 3.2 percent over the last year.

You talk about the things that you don't like. Haven't all of those parts of the Trump policy benefited a lot of your members?

TRUMKA: Actually, real wages were down last quarter and they were down last year. They're being driven by rising health care costs and rising housing costs.

WALLACE: Well, according to our stats, they're up three -- over 3 percent over the last year.

TRUMKA: Not real wages. Real wages are down because of housing costs and health care. And his response to that was to propose a trillion dollar cut to Medicare and Medicaid, to oppose increases into the minimum wage.

Look, our members are still waiting for the supposed greatness of this economy to reach their kitchen tables. When they do, I'll cheer, they'll cheer and they'll all support the person who helped get it there.

WALLACE: OK, let's talk about the Democratic race for president and some of the ideas that Democratic candidates are proposing.

You are not on board with Medicare for All. You have expressed real reservations about it. And the plan that you have supported recently is much narrower. You're just saying Medicare for people going down from 65 to 55. How come?

TRUMKA: We think, ultimately, you're going to have to get to a single-payer plan. But there has to be a role for the hard-fought, high-quality plans that we've negotiated.

Look, it's just unfair to say to somebody, you've sacrificed over the last 40 years, you've given up wages, you've negotiated a good health care plan and now we're going to ask you to take 50 percent of the health care plan that you negotiated. If

there isn't some way for us to have our plans integrated into the system, then we would have a tough time supporting it.

WALLACE: You have also expressed concerns about the Green New Deal, saying that as it's currently written -- I mean you support climate change, but the Green New Deal and all the ways in which it would dislocate the economy you say is currently written, it would be bad for you members. I guess the general question I have is this, do you have some concerns that some of the Democratic candidates, some would say most of the Democratic candidates that are still in the race, are taking the party too far to the left, too -- changes that are too dramatic and you'd like to see a more centrist, moderate position taken by the Democratic Party going into 2020?

TRUMKA: Now, look, the -- look, this economy has not worked for working people for 30 years.

Let me say this. Over the last 30 years, the wealth of the top 1 percent has increased \$21 trillion. And during that same period of time, it's decreased from the bottom 50 percent by \$900 billion. Workers are being left behind. There needs to be massive changes to this economy. We need to talk to Wall Street and support Wall Street not -- not -- I mean main street, not Wall Street. When we do that, we'll get behind that candidate.

Are we going to have disagreements with people? Of course we are. But we will see who is going to create an economy that works for working people Who is going to strengthen our right to bargain collectively so we can get a fair share of what we produce with our employers, and who's going to take the Wall Street-dominated point of view that we have right now and change it so that main street gets more consideration.

WALLACE: Mr. Trumka, thank you. Thanks for sharing this holiday weekend with us. And, again, happy Labor Day, sir.

TRUMKA: Happy Labor Day to you.