

Women and FTAA

By Marceline White, Women's EDGE

On January 6, the U.S. released summaries of its proposals for the Free Trade Area of the Americas (FTAA), which would extend NAFTA-type rules to 34 countries in the Western Hemisphere (with the notable exclusion of Cuba). A month later, the *New York Times* issued a series of articles describing how NAFTA (North American Free Trade Agreement) has changed the lives of poor families on the Mexico-U.S. border.

"Every year we get poorer and poorer, even though we create more and more wealth," said Gustavo Elizondo, mayor of Ciudad Juárez, a town on the U.S.-Mexico border. Each year 50,000 people migrate to Ciudad Juárez to find work in factories (called maquiladoras), where products are assembled and exported back to the U.S. and to other wealthy markets (*New York Times*, February 11, 2001). The city is a boom town with its attendant difficulties; about 12% of people living on the border have no access to clean water, and a third live in homes that aren't connected to sewage systems.

Because NAFTA represents a starting point for FTAA negotiations, it is useful to assess whether NAFTA has benefited the working poor since its implementation. Results show that amidst macroeconomic growth, free trade has increased poverty and precariousness throughout the region.

The language being negotiated in the FTAA is predicated on language used in NAFTA and in the Uruguay Round negotiations, which established the World Trade Organization (WTO). Yet, legally, the FTAA trade agreement is bound by the WTO to even deeper and broader free trade commitments than what countries committed to as part of the WTO.

Trade negotiators will meet April 6-7 in Buenos Aires, Argentina, to refine draft chapters of the FTAA relating to agriculture, services, invest-

ment, procurement, intellectual property rights, and market access. The working drafts will be brought to the Summit of the Americas April 20-22 in Quebec, Canada, where prime ministers, presidents, and other dignitaries will pledge their support for women's issues and for sustainable development while advancing trade deals that put both in jeopardy.

For women, new trade agreements such as the FTAA present particular challenges. According to the United Nations, women constitute more than 70% of the world's poorest citizens. Women are disproportionately poor due to social and cultural discrimination, which limits their access to education, technological training, credit, and land. In addition, women are not hired for many jobs for which they qualify; they are considered "secondary" wage earners and are usually the last workers hired and the first fired. Finally, women still do the bulk of "reproductive" work—caring for their families, preparing meals, and keeping the household clean and functioning. This invisible work means that women have less time to gain new job skills, to seek new jobs, or to simply relax and pursue leisure activities.

Although women have a large stake in the outcome of trade talks, trade negotiators ignore women's specific needs and concerns when devising new agreements. To date, no trade negotiators have studied how new trade rules might affect women differently. Consequently, the FTAA agreement is likely both to widen the gender gap between men and women and to increase poverty for many women in the Americas. These concerns are even more pressing if the U.S. succeeds in its efforts to move the timetable for the negotiations forward—from the established date of 2005 to 2003. This "fast-tracked" timeline would impede countries' abilities to thoroughly analyze the implications of any sectoral commitments.

If the U.S. proposals are indicative, women's equity will be lauded in the Summit of the Americas declaration, while being undermined at the negotiating table. Below are some of the gender-specific concerns raised by the summaries of the U.S. negotiating proposals for the FTAA:

Farmers

The agriculture proposal ignores the issue of food security, a key concern for women living in poverty in the region. It also ignores recommendations to allow countries to provide special protections for small farmers (30 to 40 million Latin American women are responsible for household farming activities).

Female seasonal laborers are likely to be much poorer than others and to compete against one another for jobs, thereby driving down wages. In addition, casual and seasonal work forces poor women laborers to spend more time seeking employment.

Agriculture agreements under the FTAA may increase food insecurity in Latin America and the Caribbean. Currently, there are more food subsidies and supports for developed countries than for developing ones. The FTAA is likely to increase dependence on food imports and decrease countries' self-sufficiency, unless U.S. negotiators agree to include a "food security box" to ensure that countries have the capacity to protect rural

communities and the resources to provide basic foods to the poor.

Producers and Consumers of Services

The U.S. proposal's failure to call for a provision ensuring basic health, education, water, energy, and other social services opens the door for privatization programs that are likely to result in layoffs and cuts in services that will disproportionately affect women.

The public service sector has historically been associated with more highly skilled and waged jobs for women. Privatization of social services has already been mandated for many indebted countries through the International Monetary Fund (IMF) and the World Bank. Those privatization plans have disproportionately affected women. Between 1990 and 1995, after Nicaragua agreed to an IMF privatization plan, over 250,000 public sector workers lost their jobs, particularly in the health and education fields. More than 70% of those laid off were women. New privatized jobs in the health care and education sector in Nicaragua tend to command lower wages and increasingly casual, temporary, or contractual labor with few benefits.

Water may also be privatized as part of the FTAA, with serious health implications for women and children. Worldwide, women and girls spend

an estimated 40 billion hours every year hauling water from distant and frequently polluted sources. If privatization raises the cost of water, women may either ration clean water or substitute unclean water. Recent IMF-led water privatization in Cochabamba, Bolivia, led a mother of five to choose between food and water when her water bill rose from \$5 to \$20 a month. That \$15 increase had previously been the means to feed her family for a week and a half.

Producers

In the intellectual property rights summary, the U.S. trade representative fails to address the issue of traditional/indigenous knowledge. Thus, crafts workers, 70% of whom are women, have no way to protect their products from being patented by corporations that would then hold exclusive marketing rights.

Procurement

The U.S. proposal on government procurement does not allow an exception for women-owned businesses, despite a positive U.S. record of using government contracts to support these entrepreneurs.

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The Republican Rule

<http://www.foreignpolicy-infocus.org/republicanrule/index.html>