The Trans-Pacific Partnership (TPP) also known as “NAFTA on Steroids” is poised to become the largest free trade agreement ever. Current negotiating countries include the U.S., Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. This grouping accounts for 38% of global economic activity. And the U.S. trade representative wants many other countries to join including China and South Korea. The TPP is being negotiated in secret – except for 600 corporate advisors who have access to the texts and U.S. negotiators.

WHY VIETNAM IS IMPORTANT

- Vietnam has a population of 90 million – behind only the U.S., Japan and Mexico in the TPP.
- Vietnam is the 2nd largest exporter of garments to the U.S. in the world behind only China
  — The garment and textile industry is Vietnam’s largest single source of formal private sector employment, with a direct labor force of more than two million workers.
  — The minimum wage for a full day’s work in Vietnam in January 2013 amounts to 28 cents an hour or $2.23 a day. This is less than ½ of China’s daily minimum of $4.59 and just 4% of the $58 US minimum wage for a full day’s work.
  — The TPP would vastly expand Vietnam’s textile exports. In 2011, Vietnam exported $8.6 billion worth of clothing items to the U.S. According to the Vietnamese Textile and Apparel Association this figure is projected to increase to $13 billion by 2020. But, if the TPP is completed and signed, Vietnam has the potential to increase such exports to the U.S. to $22 billion- a 70% increase due solely to the TPP.
- Vietnam is the fifth largest exporter of shrimp to the U.S.
  — In Fiscal Year 2012, the FDA detained 206 imported seafood products from Vietnam alone because of concerns including salmonella, e-coli, methyl mercury, filth and drug residues.
- The TPP would significantly expand seafood exports from Vietnam to the U.S. However, the U.S. only inspects up to 2% of food imports. Thus, the shipment of uninspected contaminated seafood will increase.

VIETNAM’S INCLUSION IN THE TPP WILL COST US JOBS AND ERODE OUR WAGES

- The US could lose an estimated 40,500 jobs since the TPP will increase the U.S. trade deficit with Vietnam
- Vietnam’s minimum wage is just 28 cents per hour or $2.23 a day! This is less than ½ of China’s minimum wage and just 4% of the US minimum wage. Increasingly relying on Vietnam for our products will put downward pressure on our wages.

VIETNAM’S INCLUSION IN THE TPP WILL REWARD A REGIME THAT SYSTEMATICALLY VIOLATES HUMAN AND WORKERS’ RIGHTS

Many organizations have documented Vietnam’s violation of human and workers’ rights including Amnesty International, Human Rights Watch and the U.S. Departments of State and Labor. In addition,
the Workers’ Rights Consortium issued a report entitled “Made in Vietnam: Labor Rights Violations in Vietnam’s Export Manufacturing Sector” that reached the following conclusions:

■ “Advocating for labor rights is more difficult in Vietnam than in China.”

■ Trafficking of Child Labor. “Trafficking of children from rural communities to urban areas remains a significant problem... According to media accounts, garment factory owners... paid parents $50-$100 to send [their children] to the city to work.” The US Government corroborated this finding when it issued a final determination that Vietnam utilizes “forced child labor in garment production” Fed Register 7/23/13

■ Unsafe Working Conditions. “80% of factories surveyed from 2009-2011 violated safety requirements by locking fire exits and failing to provide protective equipment. For example, in July 2011 a footwear manufacturing facility in Hai Phong burned, killing 17 workers and severely injuring 23 more.”

■ Violent Suppression of Internationally Recognized Workers Rights. “Vietnam’s government enforces its prohibition of independent unions, in part, through the targeted prosecution and imprisonment of citizens who attempt to establish such organizations”

■ Female workers in Vietnam face pervasive pregnancy-based discrimination” ranging from termination of employment to denial of statutory maternity benefits.”

■ Excessive Working Hours. “Sixty percent of factories... failed to provide workers with the legal minimum of four rest days per month. In other words, during some portion of the period surveyed, a majority of factories were having their employees work seven days per week – without a single day of rest... in many cases, working hours reflect employer coercion rather than worker choice.”

■ Inadequate Wages. “Oxfam estimated that the monthly living expenses of a worker with a single dependent child were actually... three times greater than the minimum wage.... The Worker Rights Consortium... estimated that prevailing straight time wages for Vietnamese garment workers... provided less than a third (29%) of an actual “living wage.”

VIETNAM’S SUPPRESSION OF HUMAN RIGHTS AND LABOR STANDARDS HAS DETERIORATED SINCE IT JOINED THE TPP NEGOTIATIONS

The United States Trade Representative contends that including Vietnam in the TPP will “improve adherence to labor rights and working conditions in Vietnam.” However, this carrot approach has already failed because the situation in Vietnam has worsened since it entered the TPP negotiations.

■ Human Rights Watch. The conviction and jailing of human rights advocates has worsened each year from 2010 through the first five months of 2013 when “more people have been convicted in political trials than the whole of last year [2012]. The trendlines show a worsening situation.”

■ Amnesty International. “Vietnam is fast turning into one of South East Asia’s largest prisons for human rights defenders and other activists... Authorities have arrested, charged, detained or imprisoned hundreds of dissenting voices [including] bloggers, labor and land rights activists, human rights defenders and those calling for peaceful democratic reform. Members of religious groups have also been targeted.”

■ U.S. Department of State. In its 2012 report, the Department of State downgraded Vietnam to a critical list of just four countries in the world that use both forced and child labor in apparel production.

■ Vietnamese Government. On September 1, 2013 – just five weeks after Vietnam’s President met with President Obama – the government introduced a new decree severely restricting internet use, with harsh penalties for sharing news reports on blogs and social media, or online activity deemed a threat to national security.

(Continued)
WHAT TO DO: SUSPEND TRADE DISCUSSIONS WITH VIETNAM UNTIL IT MEETS BASIC INTERNATIONAL STANDARDS

- The U.S. recently withdrew trade preferences for Bangladesh due to the suppression of workers’ rights and the proliferation of unsafe and lethal work places — conditions that are similar to those in Vietnam.

- The U.S. ambassador stated that the U.S. will continue an arms embargo on Vietnam until there is “progress on human rights.”

- The US already imposes punitive tariffs on Vietnamese shrimp.

- The US Departments of Labor, State and Homeland Security issued a final determination that Vietnam utilizes “forced child labor in garment production.”


- The Washington Post – a staunch supporter of free trade agreements – issued a statement by the editorial board entitled “Vietnam’s suppression should not be rewarded.” After noting that Vietnam’s policy of suppression placed it at odds with international covenants, the Post asked “Should it not also place Vietnam outside the boundaries of a free-trade alliance that will depend on respect for the rule of law?”

- The recommendation that Vietnam be suspended from the TPP until it meets basic international standards for human rights and workers’ rights has been endorsed by a broad range of groups including Human Rights Watch, United Students Against Sweatshops, the Citizens Trade Campaign and a number of unions.