





May 16, 2018

The Honorable Robert E. Lighthizer United States Trade Representative 600 17th St., N.W. Washington, DC 20508

Dear Ambassador Lighthizer:

As you work to finalize the re-negotiation of the North American Free Trade Agreement (NAFTA), we write on behalf of our national consumer advocacy organizations¹ to strongly encourage you to keep your focus on furthering the broader interests of the American people, rather than the narrower interests of international corporate elites who have too often had inordinate influence in recent trade agreement negotiations.

As we have repeatedly affirmed in the past, we appreciate the benefits that international trade can bring for consumers and the economy. But trade negotiations should not be vehicles for undermining fundamental safeguards that our government, and other governments around the world, have secured for their citizens. These safeguards can be jeopardized when trade agreements extend beyond genuine trade issues involving tariffs and quotas, to implicate sovereign U.S. government authority regarding important issues that affect the daily lives of all Americans, including critical consumer safeguards relating to food safety and labeling, availability of lifesaving medicines, and online privacy, to name just a few.

Because the NAFTA re-negotiations have taken place behind closed doors, the public is not informed about precisely what is being discussed as the re-negotiations reach a potential

¹ Consumers Union is the advocacy division of Consumer Reports, an expert, independent, nonprofit organization whose mission is to work for a fair, just, and safe marketplace for all consumers and to empower consumers to protect themselves. Consumers Union works for pro-consumer policies in a number of issue areas. Consumer Reports is the world's largest independent product-testing organization, using its dozens of labs, auto test center, and survey research department to rate thousands of products and services annually. Founded in 1936, Consumer Reports has over 7 million subscribers to its magazine, website, and other publications.

Consumer Federation of America is an association of over 250 non-profit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy, and education.

U.S. PIRG serves as the Federation of state Public Interest Research Groups. PIRGs are non-profit, non-partisan public interest advocacy organizations that take on powerful interests on behalf of their members.

conclusion. But there is one issue in particular on which you are reportedly taking a strong stand on behalf of American sovereignty and American consumers – making Investor-State Dispute Settlement (ISDS) optional, and confining its use, even for a country who opts for it, to true instances of actual, physical government seizure and expropriation of property.

Under the international corporate elite's expansive conception of ISDS, the process permits them to circumvent established U.S. laws and legal processes, to seek payment of potentially vast sums, in a private tribunal of arbitrators drawn from the ranks of the international corporate elite and their legal advisors, in compensation for supposed reduction of hoped-for profits, whenever those reduced profits can be connected to our government's enactment and implementation of generally applicable laws and regulations.

This expansive conception obviously undermines our government's core sovereign authority to decide how to protect its citizens from hazards and abuses.

We are aware of increasing pressures reportedly being exerted upon you, by elements of the international business elite, to abandon or soften your efforts to confine the availability of ISDS. While we seriously question the need for retaining ISDS in any form, we believe your proposal, as it has been reported, would go a long way toward eliminating the potential for ISDS to be abused. Accordingly, we strongly urge you to resist those pressures, and to insist that the final agreement contain your proposal.

Thank you again for what you are doing to keep the broader interests of the American people foremost in your efforts to re-negotiate NAFTA.

Respectfully,

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