

# Trade Rules Pose a Back Door Voucher Threat

## SAME AGENDA NEW PLAYING FIELD

Teachers have been fighting the privatization of education for a couple of decades now. Coalitions of parents, teachers and community members have defeated right-wing privatization threats, like vouchers, in Congress, state legislatures and at the polls.

Now, however, corporations that favor privatization have found a new venue where they can push their privatization agenda -- the arena of trade negotiations. Rules are currently being negotiated in international trade agreements that would create new rights for multinational service corporations when they operate in the United States and other countries.

In the future, these rules could be used to advance the privatization of education in the United States. Brokerage houses such as Merrill Lynch have predicted significant increases in the privatization of education over the next decades. The global education "market" is estimated to be worth trillions of dollars.

Education is one of the services covered by the GATS (the WTO General Agreement on Trade in Services) and the draft FTAA (the Free Trade Area of the Americas) **rules on services**.

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The "national treatment" and "market access" rules could promote **privatization** of public services to give businesses new ways to make money.

These rules could give private foreign corporations extensive rights to access public money. For example, the "national treatment" rule says that governments must not treat private foreign corporations any differently than domestic public service provider—including the government itself. That could be interpreted to mean that if the government subsidizes public education, it must subsidize private education to the same extent. Sound familiar? This concept is a lot like the one behind vouchers.

The "public service exemption" in the proposed rules is weak and would not protect K-12 education. This exemption only shields public services that are provided neither for a fee nor in competition with any private providers. Since K-12 public education is provided in competition with private education, it probably wouldn't be protected by this exemption. There are currently other protections shielding K-12 public education from the privatizing force of the services rules in the GATS and the FTAA. However, these protections are insufficient and could be eroded in future negotiations.

In order to ensure that K-12 education will remain permanently in the public sector, K-12 education should be completely removed from the scope of trade agreements like the GATS and the FTAA.

Services rules also put **education laws and regulations** at risk. Rules on "national treatment" and "domestic regulation" would allow foreign corporations or governments to challenge laws or regulations that "impact the conditions of competition" or are "more burdensome than necessary" to ensure the quality of service. Laws that could be challenged under these provisions include laws regulating licensure and certification as well as other laws directly impacting the quality and content of education, such as laws on curriculum.

### Four Steps You Can Take to Save Public Education from being Traded Away

- Let your elected officials know that you're against voucher-style privatization, whether legislated or leveraged through the back door via trade rules.
- Pressure your legislators to demand that K-12 education be permanently removed from the scope of these trade agreements.
- Talk to your school administrator, the PTA and school board members about these issues.
- Read *Trade and Investment in Services: The Stakes for Workers and the Environment* at [www.asje.org](http://www.asje.org) or call us at 503/736-9777 for a free copy.