



By the Center for **Media and Democracy** www.prwatch.org

Did you know

that Reynolds

of the biggest

American-- one

companies in the

world-- was the

corporate co-

chair in 2011?

ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda-underwritten by global corporationsincludes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With ALEC EXPOSED, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

DID YOU KNOW? Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. DO YOU?

Model Legislation → International Relations Resolution to Reform Export Control Regulation of Dual-Use and Defense Items

WHEREAS, our current export control regulations handicap American business from competing globally; and

WHEREAS, efforts to tighten technology transfer regulations have not prevented other countries from acquiring and/or recreating American military and dual-use technologies but have crippled industries such as our commercial satellite industry; and

WHEREAS, the visa controls associated with our export control regulations have

and discouraged the foreign talent necessary to maintain America's competitive edge in defense technology; and

WHEREAS, technological advances proceed so rapidly that lists of controlled items rapidly

become outdated; and

WHEREAS, in a departure from the Cold War years, the majority of our military technologies are adaptations of commercial technologies and commercial components

increasingly part of military systems; and

WHEREAS, U.S. defense spending may decline in the near term, compelling

rely more heavily on exports in order to fund the research and development necessary to create the next generation of equipment necessary to maintain our technological preeminence; and

WHEREAS, creating a regulatory environment leading to the failure of American defense firms could force the U.S. to rely on foreign vendors, which could negatively impact our nation's security: and

WHEREAS, the U.S. aerospace and defense industries are a powerful economic engine

contributed \$97 billion in export sales in 2006, directly employs 831,000 Americans and indirectly supports 2 million jobs in related fields; and

WHEREAS, aerospace brings in the biggest foreign trade surplus of any manufacturing sector; and

WHEREAS, it is critical that we maintain interoperability with those partners who are engaged with us in current conflicts and our restrictive export control policies impede interoperability maintenance; and

WHEREAS, the confusion about which potentially controlled items fall under the jurisdiction of the Department of State or the Department of Commerce can have serious economic and national security consequences;

THEREFORE BE IT RESOLVED that we applaud the current Administration's initiative 46 to conduct a comprehensive review of the export control system to improve US defense industry

opportunities while still protecting critical US military technology; and

BE IT FURTHER RESOLVED that we support Title VIII of the Foreign Relations Authorization

Act (H.R. 2410) which passed the House in June 2009; and

BE IT FURTHER RESOLVED that we urge the U.S. Senate to draft and pass the Senate version of H.R. 2410; and

 $\ensuremath{\mathbf{BE}}\xspace$ $\ensuremath{\mathbf{IT}}\xspace$ $\ensuremath{\mathbf{FURTHER}}\xspace$ $\ensuremath{\mathbf{RESOLVED}}\xspace$ that we encourage the House Foreign Affairs Committee

through with plans to introduce an updated and modernized Export Administration Act by the end of 2010; and

BE IT FURTHER RESOLVED that any final legislation should remedy the current

surrounding split jurisdiction between the Departments of State and Commerce and should instruct regulatory agencies to focus regulatory efforts on protection of current and future national security rather than on original or historical use of an item or technology: and

BE IT FURTHER RESOLVED that the final legislation should include the simplification

ALEC's Corporate Board

- --in recent past or present • AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at www.SourceWatch.org.

and

rationalization of export control regulation envisioned in the recommendations of US Secretary of Defense Robert Gates; and

BE IT FURTHER RESOLVED that final legislation should instruct regulatory agencies to place

primary emphasis on regulation of the destination and retransfer of items and technology rather than unnecessarily restricting trade with allies and trusted nations through excessive focus on categorization of items and technology; and

BE IT FURTHER RESOLVED that final legislation emphasize using the export control system as a

tool of statecraft to assist in building strategic partnerships; and

BE IT FURTHER RESOLVED that final legislation should bring order and rationality to the export

licensing system to expedite licenses for trusted allies; and

 $\mbox{\bf BE IT FURTHER RESOLVED}$ that final legislation ensure that the resources that the Department

of State needs to follow the policies already contained in Section 120.3 of the International Traffic in Arms Regulations (ITAR) and eliminate items from the U.S. Munitions List that have a predominant civil application or the performance equivalent of a civilian product be allocated; and

BE IT FURTHER RESOLVED that final legislation address the issues unique to the satellite

industry, which was seriously weakened when satellite components and parts were placed $% \left(1\right) =\left(1\right) \left(1\right) \left$

on the U.S. Munitions List and made subject to ITAR.

About Us and ALEC EXPOSED. The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECexposed.org. For more information contact: editor@prwatch.org or 608-260-9713.

Center for Media and Democracy's quick summary

From its 1998 resolution in support of "Fast Track" Trade Promotion Authority-- which was used to push a permanent normal trading relationship with China through Congress in 2000 with little discussion or debate-to more recent resolutions in support of the proposed Colombia, Panama and Korea Free Trade Agreements, ALEC has consistently urged its members to support a radical "free trade" agenda. This free trade agenda has cost America millions of jobs as factories closed and moved overseas in search of cheaper labor. Since 2001, an estimated 2.4 million American jobs have been lost to China alone. Now a diverse array of service sector jobs, from accounting and tax preparation to health care and credit card servicing, are being off-shored under these agreements. Such free trade agreements also allow public health, consumer, environmental and worker safety rules to be challenged as "barriers to trade" in trade tribunals that operate outside the constraints of U.S. law.

ALEC has also been a major promoter of the U.S. tobacco industry, which seeks to hook new generations of smokers on their products around the world. Reynolds Tobacco is the corporate co-chair of the International Relations Task Force of ALEC. ALEC has a trade resolution specifically targeting the European Union ban on Snus, a moist tobacco product often marketed to the young with fruit flavors. Reynolds produces Camel Snus in four flavors and is not happy that this dangerous product is banned in most of Europe. Note that ALEC maintains a list of "International Delegates," which are elected government officials around the world.