

Serious questions were also raised about the safety of Chinese-made tires after two Pennsylvania passengers were killed in a vehicle crash caused by separating tire tread.

As many as 450,000 Chinese-made tires sold in the U.S. lack a key safety feature — a gum strip or thin layer of rubber that binds belts of a tire together. Without it tire treads can separate.

The faulty tires were manufactured by China's Hangzhou Zhongee Rubber Co. and distributed in the U.S. by Foreign Tire Sales, Inc. under the brand names Westlake, Telluride, Compass, and YKS.

Calls for hearings

The scary statistics about unsafe imports, particularly toys, prompted Minnesota Democrat Sen. Amy Klobuchar to call for a congressional investigation. She said the number of recalled Chinese-made products has doubled in the past five years.

"As a parent of a 12 year-old and as a member of the Commerce Committee's subcommittee on Consumer Affairs, Insurance and Automotive Safety, I am alarmed by these statistics and concerned

that the risks our children face in playing with these unsafe toys are not being adequately addressed," Klobuchar wrote in her request for hearings.

For China, the product safety scandal is a public relations nightmare, and observers said it could lead to sympathetic hearings for U.S. legislators interested in toughening trade regulations.

"This is going to play against China in the larger political picture," said



There are many resources available for consumers to research important information about product safety and trade. Here is a sampling:

The Center for Environmental Health:
<http://www.cehca.org>

Wake Up Wal-Mart:
<http://www.wakeupwalmart.com>

Wal-Mart Watch:
<http://walmartwatch.com>

Women's Health and Environment:
<http://www.womenshealthandenvironment.org>

Consumer Reports:
<http://www.consumerreports.org/cro/index.htm>

High Cost of Cheap Goods

Subsidized foreign-made products being dumped into the U.S. market cost the economy more in money, profits and jobs than the savings realized by consumers who buy them, a new study has found.

Applying countervailing duties on illegally subsidized and dumped products "does not harm the U.S. economy and should not be viewed negatively," the report by the newly-created Alliance for American Manufacturing also concluded.

"The pure gains from unfair trade ... are relatively small compared to the revenues lost by the domestic industry," the report found, "and are often not significantly higher than the financial costs associated with higher imports."

Dumping cases reviewed

The Washington-based think tank analyzed dumping cases in 10 U.S. industries including garlic, lumber, crawfish, carbon steel, ball bearings, cement and bedroom furniture.

In each case, lost revenue, lost indirect economic activity and the interest expense of being in debt due to the trade deficit in imports far surpassed the price gains offered to consumers from cheaper imports.

"When our trade laws are enforced, the contribution to the economy actually outweighs any of the so-called benefits of the dumped or subsidized imports by more than 50 times, in the form of American jobs, added productivity and a positive impact on the surrounding communities," said Scott Paul, the AAM's executive director.

AAM researchers found, for example, that the U.S. shrimp industry lost \$210 million in revenue between 2000 and 2003 due to dumped and subsidized

imports, along with \$175 million in lost indirect activity impacting suppliers. Yet the "pure consumption gains" to consumers totaled \$66 million.

Carbon steel analysis

The costs associated with dumped imports for the carbon steel industry were much more massive: \$5.9 billion, while the benefit to consumers through lower prices was only \$1.3 million over a two-year period, the study found.

Predatory trading practices have contributed to the loss of 3.2 million manufacturing jobs and the closing of more than 40,000 U.S. facilities, the AAM said.

The report is entitled "Enforcing the Rules: Strong Trade Laws as the Foundation of a Sound American Trade Policy." It is available at www.americanmanufacturing.org.

Merrill Weingrod, head of China Strategies, which advises companies on doing business with China.

And the problems aren't unique to the United States. Other countries have banned Chinese-made toothpaste while Japan and the European Union have pushed Beijing to improve inspections of goods sold globally.

China has a history of product safety problems at home, too.

At least 14 people died after taking the prescription antibiotic Xinfu, one of several medicines that were tainted with unsafe ingredients.

That led to the execution of the former head of the Chinese State Food and Drug Administration, Zheng Xiaoyu, who was convicted of taking bribes from pharmaceutical companies.

AFL-CIO Industrial Union Council Executive Director Bob Baugh says it's time for the nation's dangerous trade policy to change. He says the huge trade deficit is costing Americans jobs and putting their safety at risk.

"People want to act like this is an act of God. Or it's like the weather and you can't do a damn thing about it," he said.

"And that's a flat-out lie. This trade system is a system that is run by rules, and the set of rules have been designed by global corporations who do this in their own self-interest."

Acting U.S. Consumer Product Safety Commission Chairwoman Nancy A. Nord said in July she was preparing regulatory proposals that could mandate broader inspections of imports and stiffer penalties for ignoring safety rules.

The Republican appointed by President Bush is drafting the proposed changes, which would require importers and manufacturers to certify that products comply with regulatory standards. At press time there was no word from the White House about whether it would support the plan. In the past, the Administration has generally favored loosening business regulations.

USW working for 'all of us'

After telling her story to the Steelworkers' POWERcast, Furer, a former postal worker, was so impressed with the union's various efforts, especially those to fight for fair and safe trade, that she joined the USW's Associate

Toxic Imports

Member program.

Among other things, the USW is fighting to put an end to presidential Fast-Track authority over trade deals, drawing attention to the assassination of trade unionists in Colombia and elsewhere, and is pushing an anti-sweatshop bill (H.R. 1992) in Congress that would prohibit goods made in sweatshops and with child labor from being imported into the U.S. marketplace.

"I can readily see that the United Steelworkers membership has a tremendous influence and power contained within themselves to effect great contributions to a safer and fairer environment for the average American," Furer said. "You are working on behalf of all of us."



To hear more of Furer's story go to www.usw.org or iTunes and listen to POWERcast, Episode 17.

Protecting Kids

Sierra Club Threatens to Sue Over Lead in China Products



The Sierra Club has notified 10 companies that import or distribute Chinese products containing potentially-hazardous lead levels that it will sue if they don't file required reports with the Environmental Protection Agency (EPA) over health risks.

The American environmental group told the companies — importers or distributors of toys, children's jewelry and other goods — that they are required to report their lead-tainted products to the EPA under the U.S. Toxic Substances Control Act.

Among the companies notified are retailers Target Corp., Dollar General Corp. and RC2 Corp., a maker of die cast collectibles and toys under various brands. RC2 has recalled some Thomas and Friends wooden railway toys made in China because of lead paint.

The Sierra Club said it took the step to protect children from contaminated products. The overwhelming majority of toys sold in the United States are now manufactured in China.

"Companies need to be held accountable for failing to report

dangers posed by their products," said Jessica Frohman, co-chair of the Sierra Club's National Toxic Committee.

After discovering a problem with one or more of their products, the 10 companies requested that the U.S. Consumer Products Safety Commission (CSPC) issue a voluntary recall, the Sierra Club said.

However, the companies failed to also notify the EPA as required by law. The EPA is responsible for investigating toxic chemicals such as lead in commerce and taking action to protect the public. The agency has greater authority than the CSPC to get to the source of the problems.

The EPA, as part of a prior settlement with the Sierra Club, sent more than 100 letters to companies with a track record of potential problems warning them of the legal obligations to report poisonous products to the EPA and the CSPC.

"Violators simply have no excuse," Frohman said. "It's time to enforce the law to protect children from toxic toys and other products that may lead poison them."