Statement on Libraries Arthur Spiess Freeport, ME February 3, 2005

To quote from UNESCO: "The public library, the local gateway to knowledge, provides a basic condition for lifelong learning, independent decision-making and cultural development of the individual and social goups." Statistics from 2002 (our most recent, see <u>www.state.me.us/msl/libs/statistics</u>) demonstrate just how much our libraries matter to us: we have a network of more than 370 public libraries with a collection of over 5 million items, and about 94% of Maine residents have easy access to a public library. Statewide, more than 8 million items went into circulation in 2002 and more than 16 000 children's programs were organized with total attendence surpassing 260 thousand.

Libraries seem like a fairly peripheral target for trade agreements. The reality is that we are living in an information age and we are becoming an information-driven society.

Public libraries may be subject to the same market access rules to which other sectors are exposed. Most trade agreements have exemptions for those services that are offered in the "exercise of governmental authority". However, for this provision to be in place, agencies may not offer services on a commercial basis or in competition with private service providers. In the case of libraries, however, this exemption is becoming more and more tenuous as governments cut library budgets and our librarians are being forced to charge fees for their services. Imagine some of the services that libraries offer and who the competitions are. For a long time, library services have been running parallel but not in direct competition with the private sector (few people, for example, worry about video rental chains losing money to public libraries who lend videos).

More recently, however, three things have been happening.

First, libraries are charging more fees for their services. The Boothbay Harbour Memorial Library charges an annual fee for non-residents and summer visitors. The Bowdoinham Library charges \$1 for each inter-library loan. These libraries are not trying to turn a profit, but they are only trying to recover some of the costs of their services. By doing this, they are operating on a commercial basis and arguably at risk from private companies wanting greater access to the exploding information market and the government support and infrastructure with which libraries have been provided.

The second trend is the private sector's intrusion into the realm of public service. Private companies take services like children's programming and document delivery services and make them available to the public, but for a fee. But again, they lack the public support that libraries are given and could easily argue, under international trade rules, that libraries are unfair competitors.

The third trend is for libraries to expand their services into areas usually occupied by the private sector. For example, a lot of libraries offer free assistance during income tax filing time in direct competition with private companies like H&R Block.

International trade agreements, as we know, are all about creating "level playing fields" and reducing the impact of supposedly unfair competition. But libraries aren't key players in our *economic system*; they are key players in our *democratic society*, and therefore should not be subject to rules like market access, national treatment, and most-favored nation.

Unfortunately, it is difficult to protect our public library system from trade treaties using country-specific exclusions. These exclusions are interpreted narrowly under international law, and the library system itself is very broad. Many sectors influence how information is disseminated (including copyright and telecommunications to name just two). Protecting all aspects of our public system from many overlapping trade treaty rules is fraught with difficulty. Clearly the very nature of trade treaties need to be reviewed. We must develop trade rules between nations that do not undermine vital public library systems around the world.

But we must start somewhere, even as new, more expansive trade treaties proliferate.

As a crucial first step, the Commission should investigate the possibility of ensuring that <u>all</u> <u>measures</u> -- measures pertaining to trade in 'goods', 'services' and 'investments' -- <u>that affect</u> <u>Maine's public library system</u> are placed beyond the reach of the CAFTA, the proposed FTAA and negotiations to expand the GATS.

Continuing to downplay or ignore the trade treaty threat could lead to inexcusable damage to our public library system."