

# The Trans-Pacific Partnership Agreement

## Background:

The Trans-Pacific Partnership Agreement, known as the TPP, is a free trade agreement that is under negotiation now between 12 participating countries across the Asia-Pacific region with the goal of liberalizing trade policies. It is, to date, the biggest agreement of its kind and promises to dwarf NAFTA in its importance.

## TAKE ACTION

Urge transparency in the Trans-Pacific Partnership (TPP) Free Trade Agreement! Contact your Representative through the PC(USA) Office of Public Witness' [website](#).

New Zealand, Chile, Brunei and Singapore were the major players at the beginning of the TPP and signed an agreement in 2006 that calls for a 90 percent reduction in tariffs by 2006, and, reduction of all trade tariffs to zero by 2015. The eight other countries negotiating to join the group are Australia, Chile, Canada, Malaysia, Mexico, Peru, the U.S. and Vietnam.

The U.S. trade representative announced that the U.S. would join the meetings and it participated in its first round of talks in 2009. President Barack Obama has reaffirmed his commitment to the TPP during his first trip to Asia in 2009. At present, Japan – the world's third largest economy – is weighing entrance into the talks. Some experts say that the TPP talks may well open the door for a free trade zone that would include the entire Asia-Pacific region, including China, and boost global trade by 12 per cent. The countries that presently comprise the negotiators have a current economic output of more than \$20.5 trillion.

## Controversy:

Many civil society groups oppose this agreement. Some dispute the ethics of an unregulated market that allows corporations to operate with an increasing lack of accountability to citizens or to governments, both in developed and developing nations. These voices include labor unions, churches, advocacy groups and a number of elected officials, who, in the case of the latter, are pressuring the U.S. administration to require more transparency in the negotiating process for the Congress.

Other points of contention include:

- The *secrecy of the negotiation process* itself, requiring onlookers to rely on leaked documents or to review the contents of the agreement once it is before the Congress. The Office of the U.S. Trade Representative (OTR) argues that “to create the necessary conditions” that address complex, commercially sensitive material, it is routine to keep proposals and communications between governments confidential. However, it is generally perceived that the business community has broad access to the process because of the OTR's system of trade advisory committees, which include a multitude of corporate representatives. Even outside the advisory process, the business community, at least appears to have greater access to trade officials than non-governmental organizations and unions.
- The *lack of public discourse* in the renewal of “fast track” provisions is a source of contention. Should “fast track” be implemented by the president, the normal treaty ratification process is

bypassed and Congress votes on the bill without the ability to publically debate its content and without any amendment to its provisions.

- Potential carry-over of *investor-state provisions* gives transnational companies the power to file suits against sovereign governments whose regulatory efforts to protect the environment or public health may curb profits. These cases are addressed in discreet international tribunals rather than in transparent legal processes and are increasingly used to override or inhibit domestic legislation, particularly in under-developed nations in Latin America. Cases are escalating related to natural resource wealth since commodity prices have risen.
- *Incentives to offshore jobs and weaken labor rights* is an ongoing challenge both here and abroad due to incentives for corporations to invest abroad where labor protections and environmental regulations are weaker. Vietnam, for instance, according to Public Citizen, does not adhere to basic labor rights and permits the use of child labor.
- *Access to medicines* is a source of concern should the agreement extend patents and reduce access to affordable medicine in the developing world and in the United States, where, some drug reimbursement programs, such as Medicare and Medicaid, lower drug prices.



*Conrado Olivera, director of the Joining Hands Peruvian network Red Uniendo Manos, (sixth from right, holding the letter "G") attended and spoke on the La Oroya case conference on investor-state arbitrations that were held in Brussels, Belgium.*

### **The Church's Stance:**

It is fair to say that—since the passage of NAFTA and CAFTA–PCUSA policy is circumspect about further deregulation of trade. No existing policy affirms a market empty of moral considerations or rules. Neither does the church condone acquiring individual, corporate or national gains to the detriment of basic human needs. Repeated General Assemblies have stated that corporations should not have the right to override the sovereignty of governments to regulate public health, labor rights, and environmental protections or to cause harm to indigenous communities or other vulnerable populations.

The best hope is that trade functions as a means of grace<sup>[1]</sup> to create dignified work that support people's lives, puts food on the table and undergirds the creation of a just society. The moral test is whether our increasingly globalizing economies support the human enterprise and the larger creation, according to the [PCUSA Resolution on Just Globalization](#), released in 2006. If trade further impoverishes segments of the world's population, its purpose is distorted and such injustice calls for reshaping global structures that cause economic oppression and creates wealth for only a few at the expense of the many. Such a world is a parody of the biblical vision for just community.

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[1] Atle Sommerfeldt, [Spirituality of Trade](#)