

Citizens Trade Campaign

A Behind-Closed-Doors Deal for the 1%

The TPP & the Environment

The Trans-Pacific Partnership (TPP) is a massive new international trade pact being pushed by the U.S. government at the behest of transnational corporations. If it continues on its current course, the TPP will accelerate “rip-and-ship” resource extraction throughout the Pacific Rim, encourage unhealthy global consumption patterns and significantly limit the steps that communities can take to address climate change and other pressing environmental concerns.

The TPP is already being negotiated between the United States, Australia, Brunei Darussalam, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam — but it is also specifically intended as a “docking agreement” that other Pacific Rim countries would join over time, with Japan, Korea, China and others already expressing some interest.

Corporations pushing the Trans-Pacific Partnership include a who’s who list of Big Oil, Big Ag and Wall Street power brokers. The TPP has been questioned — if not outright opposed — by environmental, consumer, indigenous, family farm, labor and other social justice groups on four continents.

Providing Corporations with New Tools to Challenge Environmental Protections

Leaked documents show that U.S. trade negotiators are pushing hard for the TPP to include so-called “investor-state” provisions that would grant transnational corporations the power to challenge virtually any environmental law, regulation or court decision that negatively affects their expectation of profits as a “regulatory taking” through international tribunals that circumvent domestic judicial systems. Consumer safety rules, banking regulations and a host of other public interest policies would also be subject to attack.

Within the World Trade Organization (WTO), portions of the Clean Air Act, Endangered Species Act and Marine Mammal Protection Act have already been successfully rolled back under similar “trade” provisions that grant this type of power to foreign governments. The TPP would go beyond the WTO by giving *individual corporations* the power to challenge democratic policymaking through a tribunal system that takes precedent over domestic courts and legislatures. (Meanwhile, of course, these tribunals remain completely inaccessible and unaccountable to local businesses and ordinary citizens.)

Right now a number of smaller Free Trade Agreements and Bilateral Investment Treaties already grant corporations these special rights in certain countries — and those so-called “rights” are being used by transnational corporations to attack clean air rules in Peru, anti-mining laws in El Salvador and a court decision against the oil giant Chevron in Ecuador, among many other cases. That said, corporations have thus far primarily (although not exclusively) use “investor-state” to attack the laws, regulations and court decisions of developing countries. By extending this system throughout the Pacific Rim, the TPP would not only put the environmental protections of additional developing countries at risk, but could also extend these powers to corporations based in capital-exporting nations such as Japan, increasing the likelihood that more federal and state-based environmental rules will be challenged in the United States.

Further Heading Off the Precautionary Principle

If like past agreements, the TPP’s sanitary and phytosanitary chapter will also require that countries can only enact “scientifically justifiable” food safety regulations. While crafted in the name of increased trade, the clear effect of such a provision is to make it harder for countries to restrict the

use of pesticides, food additives or genetically-modified organisms based on the precautionary principle.

Beyond just food safety regulations, however, a leaked draft of the U.S. proposal for a so-called “regulatory coherence” chapter would also impose a structure and set of procedures for domestic decisions on almost *all* forms of regulation. While some elements of the draft text are conducive to well-informed policymaking, allowing a “trade” agreement to dictate how countries must structure their regulatory agencies creates a substantial bias in favor of light-handed regulation — a problem not just for consumer safety and the environment, but areas such as financial regulations.

Encouraging More “Rip and Ship” Resource Extraction

A variety of provisions of Trans-Pacific Partnership, including “investor-state,” quota prohibitions and more, are likely to encourage the increased export of raw materials throughout the Pacific Rim. That spells more logging, drilling and mining in some of the most biodiverse ecosystems left on Earth. Not only that, but the pact is expected to explicitly ban requirements that raw materials (such as logs) be first converted into “value added” products (such as boards) that support and incentivize sustainable, local economies.

Expanding Pollution Offshore and Enabling Unhealthy Consumption Patterns at Home

One of the reasons manufacturers are pushing for the Trans-Pacific Partnership is to seek out “low cost labor alternatives” to Chinese sweatshops in countries like Vietnam. In addition to cheap labor, however, many developing countries also offer manufacturers cheap energy and lax environmental enforcement. As such, the carbon footprint and other environmental impacts associated with producing a good overseas is often much higher than it would be producing the same good in the United States. While typically not as high as the production-related emissions, the pollution associated with then also shipping a finished product across the Pacific Ocean to reach the U.S. market is by no means inconsequential.

Access to lax environmental enforcement, cheap energy and sweatshop labor overseas also effectively subsidizes the production of certain consumer products — including, particularly, consumer electronics — thus enabling the sale of short lifecycle products that contribute massively to e-waste. The throw-away culture that is encouraged in the United States would be a considerably less popular lifestyle option if manufacturers couldn’t as easily avoid commonsense labor and environmental rules by simply moving their production abroad.

Keeping the Public in the Dark

For years, the Trans-Pacific Partnership negotiations have taken place behind closed doors. Since negotiations began in 2008, none of the negotiating documents have been officially released for public review (although some have been leaked).

In the United States, approximately 600 corporate lobbyists have been named as official advisors, granting them steady access to the negotiating texts, as well as the negotiators. Most environmental groups, journalists and those whose lives will be affected by the negotiators’ decisions have no right to see the texts until the negotiations have concluded — at which point, it is more-or-less impossible to change them. An international “Release the Texts” campaign has, thus far, not been answered.

The Dracula Strategy

Besides a stake to the heart, what’s the best way to kill a blood-sucking vampire? Exposing it to the light of day.

Organizers have repeatedly stopped secretive trade negotiations over the years by dragging them out of the shadows and into public scrutiny:

- 1998: The Multilateral Agreement on Investment (MAI)
- 1999: The “Millennial Round” of the World Trade Organization (WTO)
- 2003: The Free Trade Area of the Americas (FTAA)

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