

# Free Trade Deals

## Just Another Dirty Secret of the Government

by Jim Goodman



*Trans-Pacific Partnership : United States, Australia, Brunei, Chile, Malaysia, Peru, Vietnam, New Zealand, Invited to Join: Canada and Mexico Interested in joining: Japan*

“The TPP (Trans-Pacific Partnership) is not a secret”, according to President Obama. “Any member of Congress can look at it”. True, but no notes, no pictures, no copies, no discussion. So, of course TPP is not a secret, most everyone with access to any form of media has heard of it, but what's in the text of TPP, that's the secret.

And recently, TPP is getting lots of press. The Administration touts it as really the greatest thing since sliced bread. Labor unions, environmentalists and left leaning economists describe it as more of the same, or worse, than previous free trade agreements.

I fully agree with the opponents, it may benefit corporations and the wealthy, but most people are not wealthy, most people work hard to make ends meet and free

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trade deals, it seems, have always made our lives worse. The Administration can dispute it, but the details, the dirty inner-workings, are secret. Stan Sorscher notes that if someone like, say Senator Elizabeth Warren, were to tell her constituents about the provisions of TPP, she would be in violation of national security secrecy laws and could be accused of treason.

Interesting how sharing corporate trade policy could be deemed treasonous but David Petraeus can share classified

information about the military with no charge of treason. Clearly, corporate profit is the top priority of national security. The TPP is a “trade agreement” between 12 Asia Pacific region nations and its counterpart TTIP (Transatlantic Trade and Investment Partnership) between the US and the European Union, are billed as “free trade” agreements, but they have little to do with trade.

At this point it seems we have no shortage of goods imported from the TTP and TTIP countries, electronics from Korea, Nike shoes from Vietnam, there seems to be plenty of trade going on. We seem to be trading pretty regularly with the EU as well, plenty of US grain goes to European terminals, here are plenty of BMW's and Volvo's on US highways,, I see plenty of French, Italian and Spanish wine in the stores.

The US exports plenty of transportation equipment, chemicals and machinery to TPP countries in Asia and we have also exported plenty of our manufacturing jobs to Vietnam and other countries.

From a practical point of view it would make more sense if we made our own shoes and computers. We should grow less grain for European (and American) livestock and more food for ourselves. We could actually pay workers here a fair wage and US workers could afford to buy US goods and perhaps own a home and send their kids to college.

Trade is good, but but “free trade” doesn't work for farmers or workers or most everyone else. Free trade does, however, work spectacularly well for corporations who have over 600 advisers to the TPP negotiations—we have no access to the negotiations, corporations have plenty.

In farm country we are told these trade deals will allow us to export more goods and in so doing, increase our profits. I have farmed for a good many years and I have, over the course of that time, known many farmers, most of them who farm on a much larger scale than I do. I have yet to meet a farmer who directly exports abroad, or even one who has the volume of product or operational infrastructure to do so.

Farmers products ultimately end up in the hands of some corporate entity, a Multi-national Corporation who does the

exporting/importing and generally takes most of the profit. Granted there are probably some farmers who do their own exporting and do well financially, as there could be some blue-collar workers who have a summer home in the Hamptons.

TPP has 29 chapters, only 5 of which deal with trade issues, so what do the other chapters deal with and why the secrecy? Former Obama trade advisor Ron Kirk opposed making the text of TPP public because doing so would raise such public opposition that getting it signed would be impossible— so much for living in a democracy.

Remember the “toxic assets” the risky derivatives produced by Wall Street bankers that nearly sank the world economy in 2008? And remember that regulations (albeit weak at best) were put in place to prevent Wall Street from playing fast and loose with financial markets in the future? Well, TPP would make it almost impossible to ban those activities, after all, former Wall St. banker Michael Froman is President Obama's principal advisor, negotiator and spokesperson on international trade and investment issues.

Remember the North American Free Trade Agreement (NAFTA) described by Ross Perot as “the giant sucking sound” of US jobs being outsourced to Mexico? Well TTP will do nothing to reduce the incentives for corporations to outsource even more jobs.

Most Americans support country of origin food labels (COOL), but

that right was taken away by a recent ruling of the World Trade Organization (WTO), and pending trade deals will not restore it.

Then there is the 800 pound gorilla of TPP and TTIP, the Investor-State Dispute Settlement (ISDS) provision.

Under ISDS the right of an investor to make a profit could not be restricted. If countries involved in the trade deal were to enact environmental protection laws, food labeling laws, laws guaranteeing access to lower cost generic drugs, they can be sued by corporations who feel these laws have restricted their potential profits.

In effect, a US corporation could, through a foreign subsidiary, sue the US government, but it would not have to do so in domestic courts. The merit of the lawsuit would be judged by a panel of arbitrators, lawyers, who could be representatives of the plaintiff! Again, so much for democracy.

As a farmer, who, as President Obama says, will be one of the prime beneficiaries of these new free trade deals, I say, no I will not benefit, nor will anyone else save those corporate entities who have already benefited too much from the income disparity, the environmental destruction and the idea that economic growth is all that matters.