

## The Trans Pacific Partnership (TPP): The Most Criminal Treaty in History

Theme: Global Economy

By Eric Zuesse Global Research, October 07, 2015 Strategic-culture.org 7 October 2015

As of 5 October 2015, a super-secret 12-nation treaty called TPP is set to be signed by the 12 nations, and the terms of this massive international contract will be kept secret until the contract has been in force for four years, at which time the contents might (but won't necessarily) be revealed.

This will be a large new international government that has been negotiated for years by international corporations, and which is now to be rubber-stamped by corrupt politicians on their behalf. Whereas those international corporations know the contract's terms, the people who elected and are ruled by those politicians don't, and (for four years, at least) they won't.

These are the 12 nations:

Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, Vietnam

Everyone who has seen the agreement (the negotiators for those international corporations, and their politicians) has signed <u>a form</u> promising:

"to treat negotiating texts and other documents exchanged in the course of the negotiations as confidential government information," and "that these confidentiality requirements shall apply for four years after entry into force of the TPP."

The reason why the publics in these 'democratic' countries will not know until four years have passed under those secret terms, what their government had signed to, is that their government will have signed to allow international corporations to sue their government (those taxpayers themselves) for potentially crippling sums, not in a court of law in a democracy to which the public had elected the judges or had elected the people who had appointed the judges, but instead in a panel of, typically, three 'arbitrators,' who will be selected in accord with something called the <u>"ICSID Convention"</u>; and "the ICSID Convention provides that the majority of arbitrators should not be the nationals of the parties having dispute" — in other words: most of the arbitrators will be foreigners; all but one of the arbitrators will be chosen by international corporations; and, even the one arbitrator who isn't, won't necessarily be chosen by one's own country; but, in any case, no more than one of the arbitrators can possibly be selected by one's own country.

If the non-corporate arbitrator happens to be selected by a foreign country, then one's own country will not possibly be represented at all in these proceedings, which might set fines

that will cripple the sued nation, and that might enormously enrich the suing international corporation. This will not necessarily mean that the fine, if any, will be higher than it ought to be, but simply that there is no democratic accountability in the process of determining what, if any, fine will be imposed upon the sued country.

Furthermore, the decisions that are reached in these panels, unlike court decisions which may be appealed to a higher court, <u>cannot be appealed</u> (53.1 in the ICSID Convention).

Furthermore, in this TPP contract, no nation will possess the right to sue any international corporation — the right to sue is alotted only to international corporations, and they may, in these proceedings, sue only a national government.

Most of these panels will consist of three arbitrators. The ICSID <u>states</u> (37.2.b): "Where the parties do not agree upon the number of arbitrators and the method of their appointment, the Tribunal shall consist of three arbitrators, one arbitrator appointed by each party and the third, who shall be the president of the Tribunal, appointed by agreement of the parties." So: two of the panel-members will be private, one will be the sued government, and the third will be some individual whom both of the other two arbitrators believe will be acceptable. That choice of the third person will be crucial, and will introduce an unpredictable element, which likely will determine the outcome. There is no resemblance in this to decisions that are made in a court of law in a democratic country. Each and every case will therefore be more like a coin-toss. However, since corporations cannot be sued in these proceedings, the weight can only be against the signatory nations themselves, which have chosen, through secret and undemocratic process, to submit themselves permanently to this form of international corporate tyranny.

The purpose of these arbitration panels isn't specifically to enrich international corporations at the expense of a sued nation's taxpayers. (Though it certainly does that.) It's not mainly a means directly to provide yet another source of income to stockholders. It is instead to terrorize legislators and regulatory agencies within each member nation, to issue only laws and regulations that are no stricter in limiting what the international corporation is allowed to do under the (secret) terms of the TPP, than the maximum requirement that is set forth in the TPP agreement. What those requirements are in the TPP is what will be kept secret for four years. For example: there might be a requirement to place no more than a certain standard for the safety of drugs, chemicals, foods, or other products; so that, if the sued nation issues a stricter safety-standard, than that, then the nation's taxpayers will have to pay to any suing international corporation, a fine for violating that suing corporation's 'rights' under the TPP agreement, as interpreted by these arbitrators.

TPP, in any member-nation that signs it, will, basically, set in stone how strict each given standard can be; and, if subsequent scientific findings concerning that standard turn out to indicate that the standard should have been stricter (for example, that CO2 emissions should be even less than previously thought), then that's just unfortunate, but modifying the standard will be virtually impossible, because it would require renegotiating the TPP, with all of the participating countries.

In short: laws and regulations restraining corporations, will be crippled, essentially permanently, within the TPP area, if TPP gets signed. The benefits to stockholders in international corporations will be that TPP will terrorize member-nations not to raise any given safety, labor, or environmental standard, in addition to (of course) the fine awarded, which the taxpayers of the charged country will pay to the given corporation for the

alleged trangression of the terms (which, at least for four years, are secret) of the TTP.

Furthermore, the vast majority — over 70% — of ICSID appointments of arbitrators, the decisions that likely will control the outcomes in these cases, are appointments that are made by people from "developed" countries; fewer than 30% are by individuals from "developing" ones. (See <u>footnote 23 here</u>.) Consequently, for example, Peruvians are far likelier to be exploited under the TPP than Canadians or Americans are.

Also, ICSID arbitrators are a more closed, tightly-knit, group of people than are arbitrators in other types of economic disputes such as WTO cases; and, whereas WTO arbitrators tend to come from government, ICSID arbitrators tend to come from the private sector. So: this system works for more concentrated economic power, the benefits of which will go to stockholders in the developed world, and the losses from which will go to consumers, taxpayers, and especially to the residents in underdeveloped countries. (Of course, the higher pollution and the more toxic foods etc. will diminish lives in *all* of the participating countries.)

Additionally, <u>ICSID arbitrators are paid an average of \$200,000 per case, whereas WTO</u> <u>arbitrators get paid only 20% as much if they're from the private sector, and zero if they're</u> <u>government officials</u>; so, the profits from arbitrating in the ICSID system are far higher — yet another example of privatizing the benefits.

What will make this treaty — and, if they also get passed, then also Obama's proposed TTIP treaty with Atlantic nations, and also Obama's TISA treaty regarding financial and other services — "the most criminal treaties in history," will be not only the collapse of democratic national sovereignty regarding these regulatory and legal matters, but, also, the huge size of the market-area that's to be corrupted in this systematic treacherous (profoundly anti-democratic) fashion, which privatzes 'justice' in ways that will funnel wealth from the many to the very few.

*Eric Zuesse is an investigative historian and the author, most recently, of <u>They're Not Even</u> <u>Close: The Democratic vs. Republican Economic Records, 1910-2010</u>, and of <u>CHRIST'S</u> <u>VENTRILOQUISTS: The Event that Created Christianity</u>.* 

The original source of this article is <u>Strategic-culture.org</u> Copyright © <u>Eric Zuesse</u>, <u>Strategic-culture.org</u>, 2015

## **Comment on Global Research Articles on our Facebook page**

## **Become a Member of Global Research**

Articles by: Eric Zuesse	About the author:
	Investigative historian Eric Zuesse is the author, most recently, of They're Not Even Close: The Democratic vs. Republican Economic Records, 1910-2010, and of CHRIST'S VENTRILOQUISTS: The Event that Created

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: <a href="mailto:publications@globalresearch.ca">publications@globalresearch.ca</a>

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca