

## Trans-Pacific Partnership (TPP): The Terrible Plutocratic Plan

Theme: Global Economy

By <u>David Swanson</u> Global Research, July 22, 2013 <u>War Is A Crime</u> 21 July 2013

Thanks to Michael Feikema and Doug Hendren for inviting me. Like most of you I do not spend my life studying trade agreements, but the Trans-Pacific Partnership (TPP) is disturbing enough to make me devote a little time to it, and I hope you will do the same and get your neighbors to do the same and get them to get their friends to do the same — as soon as possible.

I spend most of my time reading and writing about war and peace. I'm in the middle of writing a book about the possibility and need to abolish war and militarism. I hate to take a break from that. But if we think trade and militarism are separate topics we're fooling ourselves.

*New York Times* columnist Thomas Friedman, a big fan of the supposed wonders of the hidden hand of the market economy says, "The hidden hand of the market will never work without a hidden fist. McDonald's cannot flourish without McDonnell Douglas, the designer of the U.S. Air Force F-15. And the hidden fist that keeps the world safe for Silicon Valley's technologies to flourish is called the U.S. Army, Air Force, Navy and Marine Corps."

Of course, there's nothing hidden about that fist. The TPP is planned to include the United States, Canada, Mexico, Peru, Chile, Australia, New Zealand, Singapore, Brunei, Malaysia, and Vietnam, with Japan expected to be added this month, and with the ability to expand to any other Pacific nation even after the treaty is created — if it is created. The U.S. military works closely with the militaries of all of those nations, encourages their militarization, and keeps its own troops in most of them. The U.S. military is currently building up its presence in the Pacific — including even in Vietnam, where McDonald's also opened its first store this week. In a presidential debate last year President Obama described the TPP as part of a strategy to counter China and exert U.S. influence in Asia, the same rationale behind the naval base on Jeju Island and all the rest of the military build up around China's borders. In this year's State of the Union, Obama said the TPP and an agreement with the European Union were priorities for him this year.

There is also, of course, nothing hidden about the hand of corporate trade agreements. These are not agreements aimed at maximizing competition by preventing monopolies. These are very lengthy and detailed agreements that include protection and expansion of monopolies. Rather than relying on the magic of the marketplace, a corporate trade agreement relies on the influence of lobbyists. Just as the corruption of the military industrial complex helps explain a global military buildup in the absence of a national enemy — I mean an enemy that is a nation, not a handful of criminals who ought to be indicted and prosecuted rather than blown up along with whoever's nearby — so, too, the corporate

ownership of our government explains our government's trade policies.

What is hidden, in another sense, is the detailed negotiated text of the proposed TPP treaty. Some 600 corporate advisors are helping the U.S. government write the text. Some of these advisors come from those benevolent, public-interest firms known as Monsanto, the Bank of America, Chevron, and ExxonMobil. The rest of us are shut out. The government gathers up our every communication, but we aren't allowed to see what it's doing in our name. We don't influence the text and we don't get to see it. Some courageous person or persons willing to risk charges of aiding the enemy (even if there is no enemy) has made parts of what is in the TPP known.

I dealt with corporate trade agreements a little when I worked as press secretary for Dennis Kucinich for President in 2004. Basically my job was to tell any media outlet that would listen that we were going to end wars, create single-payer healthcare, and abolish NAFTA. But mostly we were going to end wars. I remember in the 2008 campaign, a whole bunch of Democratic primary candidates lined up on a stage for a huge labor-organized debate in a football stadium. Kucinich said he would abolish NAFTA, get out of the WTO, and create bilateral trade agreements with nations, agreements that left in place protections for workers, consumers, and the environment. The applause suggested most people there agreed. But every other one of the candidates refused to say they would end NAFTA. Instead, every one of them, including Barack Obama, said they would re-negotiate NAFTA to fix it by adding in the protections it was missing. Most of them, of course, didn't get elected. The one who did seems to have had a change of plans. The TPP has been under negotiation for 5 years.

A year and a half ago, some of us were living in Freedom Plaza in Washington, D.C., and there was another camp just over in McPhearson Square, and the Occupy Movement had gone national through corporate television and newspapers. A Senate committee was holding a hearing on new corporate trade agreements with Colombia, Panama, and Korea. After the lobbyists got their seats, there were a few left for the public, and I took one. The senators were discussing how they would mitigate the damage of what they were about to support. They planned to try to help find jobs for some of the people they would throw out of work. I thought I should point out to them that they could just leave everybody in their current jobs. I was hoping they would realize that on their own. I didn't want to be rude and interrupt. But it seemed an important enough point. So I spoke up. And they arrested me.

Then the senators discussed Korean and U.S. tariffs on beef. A woman in the audience spoke up and asked why we couldn't just leave the Korean beef in Korea and the U.S. beef in the United States instead of shipping beef both ways across the ocean. They arrested her. They arrested everybody who said anything. In the first year of the previous agreement made with Korea, U.S. exports to Korea fell 10% and the U.S. trade deficit with Korea rose 37%. The same sort of results are likely with a new one.

On the plus side, Congress was kept safe from interruptions. The charges carried some months in jail, as I recall. Four of us made deals in court that kept us out of jail but banned us from Capitol Hill for 6 months. In the next courtroom over, some friends were convicted of speaking out against torture when some committee chairman hadn't asked them to. And straight across the hall, that same day, another friend was told she'd completed her probation for having interrupted Israeli Prime Minister Netanyahu in the Capitol, a punishment imposed even though Netanyahu had thanked her for speaking and bragged about how she'd have been treated worse in Iran — although the assault she suffered in the

U.S. Capitol put her in a neck brace.

The First Amendment is not doing much better than the Fourth Amendment these days. I know that some of you will say nobody should interrupt anyone. How would I like to be interrupted myself? Et cetera. But how much has the corporate media that dominates our communications system, and does so with our subsidies, told us about the Trans-Pacific Partnership? Unless we can organize enough of these meetings, someone is going to have to interrupt someone to get the word out.

Maybe the first thing I would interrupt a super bowl or a state of the union to tell people about the TPP is that it creates corporate nationhood. This is something I started to focus on after interviewing Lacey Kohlmoos of Public Citizen on my radio show. Public Citizen has a website set up at ExposeTheTPP.org. Another coalition has created FlushTheTPP.org. Another is at CitizensTrade.org. And then there's a cross-border effort to organize against the TPP at TPPxborder.org. You can find pretty much everything I have to say, and much more, at those websites. You can sign up and get involved with ongoing campaigns as things develop at those websites.

Many of us have heard of corporate *personhood*. Corporations have been given the Constitutional rights of persons by U.S. courts over the past 40 years, including the right to spend money on elections. By corporate *nationhood* I mean the bestowing of the rights of nations on corporations. The TPP, drafts of which have been leaked to Public Citizen, has 29 chapters, only five of which — according to Public Citizen's thinking — deal with trade. The others deal with things like food safety, internet freedom, medicine costs, job off-shoring, and financial regulation. Treaties, according to Article VI of the U.S. Constitution, are — together with the Constitution itself — the supreme law of the land. So U.S. laws would have to be made to comply with the TPP's rules.

The United States is party to treaties banning war and torture. Some treaties are treated more like helpful suggestions than the supreme law of the land. That would not be the case with the TPP. Our federal and state and local governments would have to obey the TPP. And if they didn't, corporations could force them to. A corporation could take the U.S. government or other nations' governments to court (or rather, a special tribunal) and overturn their laws. That's corporate nationhood. A bunch of corporate lawyers would make their case to a tribunal made up of three corporate lawyers taking a break from themselves arguing such cases in order to rule on some of them. These three lawyers would answer to no electorate and be bound by no precedents. There would be no appeals process. They would be empowered to order any amount of compensation whatsoever, to be paid to corporations by tax payers.

So, if the United States has a healthcare policy or an environmental or workplace policy or a banking or internet or other public policy that a few corporate lawyers can convince three other corporate lawyers fails to comply with the TPP, the policy will be overturned, the law rewritten, and compensation ordered to be paid by the public treasury to the corporations that suffered from having to provide healthcare or from having to refrain from poisoning a river, or whatever. We don't know all of the details — I'll get to some of them shortly. But this framework is an outrage no matter what they turn out to be. And it's an expansion of something already being tried under existing corporate trade agreements.

ExposeTheTPP.org says: "Tribunals have already ordered governments to pay over \$3.5

billion in investor-state cases under existing U.S. agreements. This includes payments over toxic bans, land-use policies, forestry rules and more. More than \$14.7 billion remain in pending claims under U.S. agreements alone. Even when governments win, they often must pay for the tribunals' costs and legal fees, which average \$8 million per case. The TPP would expand the scope of policies that could be attacked.

"The proposed TPP foreign investor privileges would provide foreign firms greater 'rights' than those afforded to domestic firms. This includes a 'right' to not have expectations frustrated by a change in government policy. Claiming such radical privileges, foreign corporations have launched investor-state cases against a broad array of environmental, energy, consumer health, toxics, water, mining and other non-trade domestic policies that they allege undermine their 'expected future profits.'

"Some of the investor-state attacks now underway are:

Chevron trying to evade liability for its Ecuadorian Amazon toxic contamination;

Phillip Morris attacking Australia's cigarette labeling policy;

Eli Lilly attacking Canada's drug patent policy; and

European firms attacking Egypt's post-revolution minimum wage increase and South Africa's post-Apartheid affirmative action law."

Corporate trade agreements like the TPP don't impose something as dangerous as corporate nationhood as part of the cost of some other benefit. These agreements have no clear upside, unless it's inexpensive, poorly made products that poorly paid people can afford to buy. Most destructive public policies are justified by jobs. We'll chop down that forest for jobs. We'll build a bigger military for jobs. We'll mine coal for jobs. We'll concentrate wealth beyond medieval levels for jobs. But corporate trade agreements eliminate, or at least export, jobs.

The United States had about 20 million manufacturing jobs before NAFTA, and lost about 5 million of them, including the closure of more than 60,000 facilities. Imports have soared while the growth of exports has slowed. Millions of service jobs have been offshored too, of course. The TPP is referred to by those who have seen drafts of it (and you can read some draft chapters online) as NAFTA on steroids. It expands on NAFTA's policies. The TPP would provide special benefits to, and eliminate risks for, companies that offshore jobs. Vietnam's wages are even lower than China's. An average day's wage in China is \$4.11. In Vietnam it's \$2.75.

The TPP will push U.S. wages downward. And if NAFTA's impact on Mexico is any guide, the TPP won't end up being seen as beneficial to Vietnam either, especially when some other country decides that it can pay workers even less than Vietnam does.

The TPP will also move U.S. government contracting jobs to foreign companies by banning buy-American procurement policies. The ability of U.S. firms to bid on government contracts in the other participating countries will not begin to balance this out. And in every country involved, the foreign companies will be less accountable to the people whose money is being spent. Also banned will be preferential treatment for sweat-free businesses, minorityowned businesses, women-owned, or environmentally-friendly businesses. Not only does the TPP make corporations into governments, but it also makes governments into corporations, requiring that they work purely to maximize profits — although the profits are for the corporations.

The TPP doesn't end there. When it comes to food safety and workplace safety and other consumer or environmental protections, an agreement like this could require that all nations enforce a high standard, even the highest standard of any of the nations, or a higher standard than any nation now meets — after all, the agreement would create an even playing field for all and ought to be seen as an opportunity to collectively raise the standards. The TPP, as drafted, does just the opposite. It would require the United States to import meat and poultry that doesn't meet U.S. safety standards. Any U.S. food safety rule on pesticides, labeling, or additives that is higher than international standards could be challenged as an "illegal trade barrier." Malaysia and Vietnam are big seafood exporters. High levels of contaminants have been found in Vietnam's seafood. (I can't imagine why!) The FDA only inspects 1% of imported seafood now. Local seafood producers struggle as it is. The pollution involved in shipping seafood around the globe probably won't work wonders for future seafood either. And don't imagine we'll all just buy local and "vote with our wallets." The TPP will impose limits on labeling where food comes from, labeling GMO foods, labeling foods dolphin-safe, etc. You won't know where your food comes from or how it was produced unless you grow it or buy it from a neighbor who grew it. But the odds will be stacked even more heavily against the small farmer if the TPP is enacted.

Once everyone's gotten good and sick by eating TPP food, just wait to see what the TPP does to healthcare. Corporations with national rights will be able to overturn domestic patent and drug-pricing laws. The big drug companies will be able to raise prices with extended monopolies over drugs and over surgical procedures. People in need of inexpensive generic drugs will be denied them, and many of those people will die. The TPP, in the end, may turn out to be more deadly than any war. The TPP would threaten provisions included in Medicare, Medicaid, and veterans' health programs to make medicines more affordable. Foreign corporations will also be able to challenge laws on toxics, zoning, cigarettes, alcohol, public health, and the environment — anything that they could claim might cost them profits. NAFTA doesn't go as far as the TPP, but these things are already happening under it. ExposeTheTPP.org says: "Canada lifted a ban on a gasoline additive already banned in the U.S. as a suspected carcinogen after an investor attack by Ethyl Corporation under NAFTA. It also paid the firm \$13 million and published a formal statement that the chemical was not hazardous."

Under the TPP, the United States could increase its exports of so-called natural gas, and that will mean more fracking. And laws to protect the environment, including the human beings, where the fracking is done could be challenged by corporations as limiting their future profits. The same problems arise with tar sands. Even under existing corporate trade agreements, governments have already paid over \$3 billion to foreign corporations, and over 85% of that has been the result of challenges to oil, mining, gas, and other environmental and natural resource policies. This includes payments by the governments of Mexico and Canada to U.S. fossil fuel corporations.

The United States has been growing accustomed to secret laws. The PATRIOT Act, for example, according to numerous members of Congress, has been secretly "reinterpreted" to mean things radically at odds with and worse than what the words of the bill — horrible as they were — meant. The TPP could become public, and bits of it keep leaking out, but it outdoes the PATRIOT Act in size and breadth. It would rewrite laws. It would even put in place laws very intentionally rejected by Congress following a very public process.

Last year there was a big struggle over SOPA, a bill that was marketed as copyright protection but ultimately rejected as internet censorship — following a great deal of public, and even some corporate, pressure. According to the Electronic Frontier Foundation and the ACLU, the TPP would largely recreate SOPA while no one's watching. Unless, of course, we start watching. Under the TPP, internet service providers will be able to monitor user activity, remove internet content, and prevent certain people from accessing certain content. Downloading a song could be treated the same as a large-scale for-profit copyright violation. The TPP would impose copyright protections for 120 years for corporate-created content. Breaking digital locks (and no, I don't really know what those are) for legitimate purposes, such as using Linux or accessing closed captioning for the deaf or audio-supported content for the blind could result in fines.

Then there are the laws that we dream our government might enact that the TPP would prevent, such as reasonable regulation of Wall Street. Under the TPP a government could not ban the toxic derivatives and other risky financial "products" that helped crash the economy. A firewall could not be put back in place between different types of financial institutions. Senator Elizabeth Warren wants to reinstate the Glass-Steagall Act, arguing that it prevented economic crashes for a half century from the 30s through the 80s. The TPP would forbid it. A huge movement that I've been working with wants to impose a Robin Hood tax, a tax on financial transactions. Some nations' governments have begun to agree. The TPP would forbid it. If our government creates and then abides by the TPP it will be asked for more bankster bailouts. If it creates and does not abide by the TPP, corporate tribunals will make it pay the bailouts as punishment for imposing regulations. Our government is doing this to itself because it is broken. Elections are broken. Communications are broken. Secrecy is out of control. Whistleblowers are persecuted. Bribery is institutionalized. Parties have replaced branches. And a culture of shortsighted greed and subservience has supplanted anything resembling statesmanship.

The TPP will, as the flyer for this event stated:

- § Prevent effective regulation of Wall Street
- § Trade good-paying careers for sweatshop labor
- § Destroy family farms
- § Accelerate global warming in the name of profits
- § Keep the public in the dark
- § Place corporate rights above our national sovereignty
- § Crush our ability to support local economies
- § Weaken and undermine democracy at home and abroad

President Obama wants to fast-track the TPP. Industry groups this week have been demanding that Congress approve fast-tracking. Corporate trade agreements are not treated as treaties requiring a two-thirds vote in the Senate. Rather, they are treated as requiring a simple majority in both houses. If Congress allows fast-tracking, that means the thing can't be amended. And it can't be filibustered. It must be simply voted on as is, with the most horrible bits included along with the only moderately horrible parts. Most

Congress Members had no time to read the PATRIOT Act before they voted on it, and of course the public had not seen it. Congress has not seen the TPP yet either. There are three chapters in the draft text that no one has leaked even the titles of.

Fast-track authority expired in 2007 and Congress refused to renew it. Urging Congress to continue rejecting fast-track could be part of a comprehensive campaign aimed at getting Congress to take itself seriously, a campaign that might include repeal of the 2001 Authorization for the Use of Military Force which essentially handed war powers over to the president. Regardless, stopping fast track would help stop the TPP. And it wouldn't stop decent trade agreements that can withstand the light of day. There have been over 500 trade agreements created since 1974, and fast track has been used for only 16 of the worst ones.

As a candidate, Obama said he would replace fast track and make sure that Congress played a strong and informed role in trade agreements. Now he's seeking fast track. If he gets it, the TPP will become likely in every gory detail.

The TPP can be stopped. Others have been since NAFTA passed, including the Free Trade Area of the Americas (FTAA), which failed following huge public protests. In the case of the FTAA, the negotiation documents were made public. Not this time. But FlushTheTPP.org offers these words of encouragement:

"Since the 'Battle in Seattle,' the World Trade Organization has had an impossible time moving forward, as was seen in the failure of the Millennial and Doha Rounds of the WTO. We also stopped the Free Trade Area of the Americas and the Multilateral Agreement on Investment. And at least <u>14 other corporate trade agreements have not been completed</u>because of widespread public opposition. This is hopeful news, and together we can stop the TPP also, which will be a tremendous victory for the people against transnational corporate power!"

FlushTheTPP.org has a map where you can find or create actions around the country. Groups are encouraged to hold TPP Tuesdays, dedicating Tuesdays to educational or nonviolent resistance events. In August, when Congress Members are expected to be in their districts and senators in their states. We should bird-dog them, lobby them, meet with them, interview them, pressure them, protest them, until they agree to make the TPP public and to stop fast track. Former US Trade Representative Ron Kirk has said that if the contents of this agreement were known it could not be signed because it would be so unpopular.

The Backbone Campaign, online at BackboneCampaign.org, has great ideas for props and banners and puppets. They've even been holding training camps, teaching things like action planning, light projection, song and dance flash mobs, guerilla theatre, fundraising, giant banner construction and deployment — including with helium balloons, blockades, rappelling, etc. I recommend contacting them or organizing a similar effort.

Maybe TPP opposition can be a catalyst for a resurgence of Occupy Harrisonburg and Occupy Everywhere. We are going to have to get organized and we are going to have to occupy. We need to keep moving the money out of the big banks. We need to advance worker ownership and community power. We need to become independent of the outrageously corrupt political party that we're supposed to hate and the outrageously corrupt political party that we're supposed to like. We need to stop cheering when President Obama gives speeches opposing his own policies. I can't recall once demanding that President Bush give a speech. We always wanted something more substantive than that.

There are places to get involved:

http://ExposeTheTPP.org

http://FlushTheTPP.org

http://CitizensTrade.org

http://TPPxborder.org

Also, at RootsAction.org, where I work, there is a page at which 20,000 people have already emailed Congress and the president against the TPP, and you should too. <u>Make your voice</u> <u>heard here</u>.

This free trade agreement is not free and not about trade, and we're definitely not in agreement!

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