

# CITY A.M.

## **DEBATE: Is the Trans-Pacific Partnership a missed opportunity for the United States?**

Dan Ikenson and Kurt Schlichter

May 23, 2017

### **YES – Dan Ikenson, director of The Cato Institute’s Herbert A. Stiefel Center for Trade Policy Studies.**

Barring a prompt change in US trade policy tack, history will judge America’s withdrawal from the TPP a folly on par with its failure – nearly a century ago –to ratify the charter of the League of Nations.

A US-led TPP would reaffirm the primacy of the trade rules and institutions established after World War II, which enabled trade to flourish, relative peace to take hold, and unparalleled prosperity to persist for 70 years. As an agreement that includes countries on four continents and is open to new members that qualify, the TPP could become the vehicle for achieving a more broad-based round of multilateral trade liberalisation, which has been elusive for 23 years. As the economic center of gravity shifts from West to East across the Pacific, those successful trade rules and institutions could yield to lesser, opaque, and discriminatory rules. US leadership in the TPP is the greatest insurance policy that rules – and not the whims of autocrats – continue to govern global commerce.

*Dan Ikenson is director of The Cato Institute’s Herbert A. Stiefel Center for Trade Policy Studies.*

### **NO – Kurt Schlichter, author, lawyer and retired US army colonel.**

The TPP is not a lost opportunity; it’s a victim of the failure of free traders – including me – to fully appreciate and work to ameliorate the very real consequences of free trade upon an enormous number of voters. Donald Trump rode to the presidency in significant part on his promise to aggressively serve American interests in negotiating trade agreements. For too long, free trade advocates overlooked the people displaced by globalisation. If a 58 year-old’s \$60,000 factory job in Indiana packs up for Mexico, telling him to “go retrain on computers” to get a \$25,000 a year data entry job is no answer. Compounding it is the perception that America concedes far too much to foreigners who bar their markets then dump into ours. In the end, TPP had to die (even Hillary Clinton ended up claiming she opposed it after supporting it) because the American free trade consensus has been replaced by a demand for fair trade.

*Kurt Schlichter is an author, lawyer and retired US army colonel.*