



The Trans-Pacific Partnership is finally public. Here's what you need to know.

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The Obama administration has finally released the full text of the Trans-Pacific Partnership, a controversial deal that would knit together the economies of a dozen Pacific Rim nations. Now Obama just needs to win one more vote in Congress for the US to accept the agreement.

But while the Obama administration says that the deal will boost the US economy and boost America's influence in Asia, critics have portrayed it as a package of giveaways to corporate interests. They're mobilizing to deny Obama the congressional majority vote he needs to get the deal over the finish line. The fight over the TPP has pushed Obama and Republican leaders into an unusual alliance against congressional Democrats who vehemently oppose the deal.

As soon as the agreement was released, interest groups began flooding my inbox with press releases praising or attacking the deal. But Simon Lester, a trade policy expert at the Cato Institute, predicts that it could take a month for a full picture of the deal's implications to emerge. "If you want to get an overall sense, you have to compare every product and every service." And there are hundreds of provisions spread over 30 chapters, so that's going to take a long time.

The TPP is a lot more than just a trade deal

The TPP is usually described as a trade deal, and it certainly will have important provisions related to trade. Negotiators have been considering liberalizing trade in cars and trucks, rice, dairy products, textiles, and a lot more.

But the agreement is also a lot more than a trade deal. It has more than two dozen chapters that cover everything from tariffs to the handling of international investment disputes. The reason these deals have gotten so complex is that people realized that they were a good vehicle for creating binding international agreements.

Modern trade deals include a dispute settlement process that helps ensure countries keep the commitments they make under trade deals. If one country fails to keep its commitment, another

country can file a complaint that's heard by an impartial tribunal. If the complaining country prevails, it can impose retaliatory tariffs on the loser.

Interest groups have realized that this same mechanism can be used to enforce agreements on topics that have little to do with trade. And so a wide variety of interest groups — from Hollywood and the pharmaceutical industry to labor and environmental groups — have lobbied to include rules they favored in trade agreements. And because the US is the world's largest economy, American negotiators — and, therefore, US interest groups — have had the most power in these negotiations.

For example, at the behest of Hollywood and other US copyright holders, American negotiators pushed other countries to adopt our long copyright terms: the life of the author plus 70 years. International investors pushed for an investor-state dispute settlement process that allows private investors to challenge foreign government policies before an impartial arbitration panel — a process critics such as Sen. Warren describe as a threat to American sovereignty. Drug companies wanted other countries to provide the same robust legal protections for new drugs they enjoy in the United States.

At the same time, labor and environment groups pushed the Obama administration to incorporate their priorities into the agreement. The Obama administration insists the president has done just that, but so far these changes haven't gone far enough to convince these groups to endorse the agreement.

The White House says the TPP is the most progressive deal in history

In recent decades, Republicans and their allies in the business community have tended to be more favorable toward trade deals than Democrats and their allies in the labor movement. That has led to an awkward situation for President Obama, as he has been forced to ally with Republican leaders in Congress to pass legislation that's opposed by many members of his own party.

But Republicans aren't unanimous in supporting the TPP, and the president would of course prefer to have some support from his own party for the trade deal. That helps to explain why the White House's website on the deal is framed as an appeal to progressives.

The Obama administration touts the TPP's beefed-up protections for labor rights, the environment, and "other progressive priorities." It features endorsements from three Democratic former governors, but doesn't mention the many sitting Republican governors who have endorsed the agreement.

Many progressive groups are not impressed

Yet the White House's overtures to liberals hasn't borne much fruit. In a pivotal House vote to give the president trade negotiating authority, Obama won over just 28 Democrats — 157 Democrats voted against him. A wide variety of liberal activists — labor unions, public health advocates, environmental groups, and more — have organized against the agreement.

The TPP debate is hard to understand because different interest groups have different reasons for supporting or opposing the agreement. Public health advocates worry that provisions related to

patents and pharmaceutical regulation will drive up the cost of medicines. Labor unions are frustrated that the deal's protections for labor rights aren't as strong as they wanted. Environmental groups are concerned about expanding trade in natural gas.

But underlying much of the criticism is a sense among liberal groups that corporate interests had too much influence over the agreement. The deal will enrich big drug companies with provisions that limit competition from generic drugmakers. It enriches Hollywood movie studios with a 20-year extension of copyright protection.

Worst of all, in the eyes of many critics, the deal creates a new legal process called investor-state dispute settlement. This process was originally created to provide investors a recourse if a foreign government confiscated their property without compensation. But critics say ISDS has become an all-purpose tool for corporate interests to challenge laws they don't like. Critics fear that ISDS will be used to undermine environmental protections, financial regulations, and other progressive reforms.

And while most liberal groups have avoided making explicitly protectionist arguments, concerns about trade destroying American jobs has animated much of the grassroots opposition to the deal. Many American workers believe that the trade liberalization of recent decades has allowed workers in low-wage countries such as China and Mexico to take the jobs of American workers — and that the TPP will make the situation even worse.

Obama needs to win one last vote in Congress

The TPP is the most important part of Obama's trade agenda, and his administration has been working on the deal for most of his presidency. In June, Congress narrowly voted to grant the president trade promotion authority, which guaranteed the president an up-or-down vote on the TPP with no amendments. Now all he has to do is convince congressional majorities to approve the deal.

There are a couple of reasons for the president to be optimistic here. For one thing, a majority of Congress just voted his way on trade promotion authority. So if he can just convince the same members of Congress to vote for the final bill, the TPP should pass.

The big question is whether seeing the final text will make members of Congress more or less supportive of the deal. Both sides have some reason for optimism. On the one hand, having the full agreement out in public will allow the White House to quell wild rumors about the deal's contents — and to cite chapter and verse in response to specific criticisms. On the other hand, opponents will be combing through the deal's text looking for provisions that might be politically unpopular.

Congress won't vote on the TPP until next year — and possibly not until well into the spring. So both sides will have months to make their case for and against the agreement.