

# NATIONAL REVIEW ONLINE

## **The Greens vs. Free Trade**

*Greens' trade proposals — unrealistic and sure to fail — will not help the environment.*

By [Bill Watson](#)

The Trans-Pacific Partnership, a proposed free-trade agreement including the U.S. and a number of Asian and American countries, is an essential part of the Obama administration's trade agenda, and its second-term economic policy as a whole. But there's another, important element of Obama trade plans: its emphasis on ambitious environmental obligations in its "[values-driven trade policy](#)."

The problem: This green agenda, which adopts almost every demand of U.S. environmental activists and goes further than any previous U.S. trade agreement, has met staunch opposition from every other country in the Trans-Pacific Partnership (TPP). And even so, in pursuing the TPP — which would be the world's largest free-trade area, the administration has come under withering criticism from American environmental activists. It's not making headway, in other words, on its economic or its environmental objectives.

For instance, U.S. negotiators have insisted on including new restrictions on logging, shark-finning, and commercial whaling, but these kinds of trade restrictions are anathema to free-trade agreements, which are meant to facilitate trade rather than hinder it.

The most that anti-shark-finning activists should hope for from the TPP is an explicit exception that ensures that domestic bans on this activity won't violate existing trade rules. A proposal to that effect would encounter little or no resistance from other TPP countries.

Another aspect of the U.S. agenda that has met unanimous resistance is the insistence that all of the TPP's environmental obligations be enforceable by dispute settlement and trade sanctions. The reason other countries oppose this position is not that they want to pollute the environment with impunity — many TPP members have [stronger environmental protection laws](#) than the United States does — it's that the U.S. approach is an [especially confrontational](#) way to pursue common environmental goals.

Again, the purpose of trade agreements is to open markets and bring economies closer together. Making that conditional upon the adoption of specific environmental policies frustrates both the trade and the environmental agendas.

That's not to say that opening borders and protecting the environment are incompatible goals. Take the current effort at the Asia Pacific Economic Cooperation organization (of which all TPP countries are members) to establish free trade in environmentally friendly products. Lowering tariffs on solar panels and wind towers, for instance, will enable countries to pursue

environmental goals in a cooperative way that fosters economic growth and consumer choice. The TPP will likely further this initiative in some form.

Yet some U.S. environmentalists are opposed to the idea of free trade in green goods. The Sierra Club's Ilana Solomon [warned against](#) the tariff-reduction plan as overly reliant on the free market. "Instead," she contends, "the key to unlocking clean energy is developing home-grown approaches to renewable energy production and manufacturing that lift up and protect workers." She seems to be advocating [green industrial policy](#) that props up favored industries with subsidies and then protects them with tariffs — that approach is certainly incompatible with free markets and free trade.

The opposition to such an idea within the TPP also aptly demonstrates the traditional "[blue-green alliance](#)" in U.S. trade policy. Many American environmental groups have a close affinity with the protectionist labor movement. They see globalization and expanded trade not only as a threat to the environment but also as an unjust economic model. So, like the labor unions, these environmental groups are less interested in shaping the trade agenda than they are in derailing it.

Environmental groups such as the Sierra Club are fundamentally [opposed](#) to expanded trade and globalization. They will never support a trade agreement, no matter how much of their agenda the administration adopts as its own.

That's why it makes no sense for the Obama administration to work so hard to incorporate the goals of these organizations into U.S. trade policy. The U.S. trade representative has gone so far as to [say](#) that U.S. negotiators "will insist on a robust, fully enforceable environment chapter in the TPP or we will not come to agreement." Considering the strength of opposition from other countries, the latter option seems more likely.

It is irrational to pursue objectives that frustrate the negotiations but deliver no domestic political support. Dropping its antagonistic approach to environmental policy would enable the United States to cooperate in good faith with TPP partners and deliver the economic and environmental benefits of free trade.

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