

Labour and TTIP: things just got worse

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The Labour Party has just changed their position on TTIP - for the worse.

The latest briefing from the Parliamentary Labour Party on TTIP has just dropped into my inbox. It's not an encouraging read, as the party seems to have weakened its position.

Most worrying is that their previous opposition to ISDS (the 'corporate court' system) seems to have turned into a call for 'transparency'. At a time when the EU's own Commission is [publically divided on ISDS](#) and even the ultra-free-market Cato Institute have come out against, we could really make some headway. [The Economist](#) came out a couple of weeks ago saying:

“If you wanted to convince the public that international trade agreements are a way to let multinational companies get rich at the expense of ordinary people, this is what you would do: give foreign firms a special right to apply to a secretive tribunal of highly paid corporate lawyers for compensation whenever a government passes a law to, say, discourage smoking, protect the environment or prevent a nuclear catastrophe.”

But Labour's shadow team on trade has *softened* its position – calling for a sort of carve out giving governments a 'right to regulate'.

But this language is already included in trade agreements, and no 'carve out' [would make a blind bit of difference](#) to the ability of multinationals to take legal action against governments. There's a simple point of principle– big business must not have a separate system of law which privileges only their interests.

Second, on public services, Labour clearly calls for exemption of the NHS. This is good (and we hope that means they will *oppose* TTIP if the NHS isn't excluded). But it isn't just a matter of the NHS. Education is clearly at risk, higher education especially so but also, for example, government regulation of training and free schools. Then there's transport, energy and communications – none of which constitute public services as things stand but none of which should be locked into a path of endless liberalisation.

Third, on standards, its good to hear Labour will “only support an agreement that avoids a race to the bottom” but worryingly they think “the principle behind the treaty is to keep or raise standards” as that certainly *isn't* what scores of big business lobbyists are pushing for. We should

also worry about the phrase “benefits for consumers” as this often equates simply to ‘cheaper prices for goods’, regardless of impact on society, the environment, even choice.

And finally Labour now appears to be backing the Commission’s position of ripping open US procurement. The Commission has always said it wants to give European business access to the massive spending of US states, where ‘Buy America’ provisions often apply. But procurement is a vital means of giving public support to local farmers and small local business. For instance, getting schools to buy local, environmentally sustainable food is a *good thing*.

The last thing we want is for our ability to use local government spending to be stripped away so that they *have* to purchase the cheapest goods possible. This is a recipe for giving big business with poor labour standards, huge carbon footprints and unhealthy production practices the right to access massive amounts of public money. We shouldn’t be forcing open US procurement, but rather protecting our own.

Labour continues to “support the principles behind these negotiations”. As we get closer to seeing manifesto commitments, it’s vital we change this position.