

# The Trans-Pacific Partnership is Nafta on Steroids

## It's the Biggest and Most Destructive Trade Agreement You've Never Heard Of

**Who is involved:** The Trans-Pacific Partnership (TPP) also known as “Nafta on Steroids” is poised to become the largest trade agreement ever. Current negotiating countries include the U.S., Australia, Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. The goal of the U.S. trade representative also is to include Japan and China.

**Another back-room secret corporate deal.** The TPP has been shrouded in secrecy. All journalists and nearly all businesses and public interest groups, and the majority of Congress have been denied effective access to the negotiating texts. However, 600 corporate advisors — including Verizon and Walmart — have been given access. The actual text will not be released until four years after the talks have been concluded or a deal has been reached. Fortunately, there have been some leaks of key documents so that we can have a sense of what is happening.

**Making the world safe for corporate investment and profits by harming workers, consumers, the environment and democracy.** The TPP is much more than a “free-trade” agree-

ment. It is part of the overall corporate and Wall Street agenda to make the world safe for corporate investment and profits by reducing labor costs and undercutting workers' rights; dismantling labor, environmental, health and financial laws and regulations that could impact profits; and setting up a process to resolve any disputes by going through special international tribunals rather than our own court system.

### 10 WAYS THE TPP WOULD HURT CWA REPRESENTED WORKERS

#### 1. Call center and other service sector jobs would be at risk.

The TPP will include both investment rules (making it safer to invest overseas) and service sector rules (guaranteeing access for cross border services here) that will further promote the off-shoring of jobs in call centers, computer programming, engineering, accounting, medical diagnostics and more.

**2. Manufacturing jobs would be at risk.** The TPP is slated to include NAFTA-style terms that give special benefits to firms that relo-

cate investment and jobs — and this deal includes Vietnam, the low-cost off-shoring alternative to China. These new rights would reduce the risks and costs usually associated with off-shoring to a low wage country. Moreover, there may be problems with “rules of origin.” For example, the Korea trade agreement only required that 35% of the products coming into the United States duty free originate in Korea — the other 65% could come from parts made in China. Thus, the TPP could be used as another backdoor way for Chinese products to come into the U.S. duty free.

#### 3. The TPP would be forever.

The TPP is not really about trade, but a mechanism to make the world “safe” for corporate investment and mobility. Once the TPP is signed, unlike domestic laws, it would have no expiration date and could only be altered by a consensus of all signatories — locking in failed, extreme policies. Also, the TPP is intended as a “docking agreement” that other Pacific Rim countries could join over time if accepted by the signatory countries. Canada and Mexico joined in December 2012. And Japan is considering whether to join or not.

**4. Foreign firms in more countries would be given equal access to U.S. federal government contracts.** Firms *operating* in any TPP signatory country would be given equal access to the vast majority of U.S. federal procurement contracts — rather than allowing us to recycle our tax dollars here to create American jobs. Specifications like “buy America”, “renewable/recycled” or “sweat free” and obligations for firms to meet prevailing wages could be challenged. Companies could not be barred because of the horrible human rights conditions of their home countries or their own record.

**5. Private corporations would be able to challenge domestic laws and regulations including those dealing with telecom, health and the environment.** The TPP creates a special dispute resolution process that corporations can use to challenge domestic laws and regulations. Corporations could directly sue our government to demand taxpayer compensation if they think our laws limit their “expected future profits.”

**6. The Call Center Bill and other pro-worker legislation could be challenged.** The U.S. is demanding a provision in the TPP that would limit the ability of a country to prohibit or regulate cross-border data processing and other services. These and other provisions could be used to undermine pro-worker/pro-consumer legislation like our call center bill.

**7. Wages, benefits and collective bargaining rights would be eroded.** We know that trade agreements have helped drive down wages and benefits and increasingly erode our collective bargaining rights. The TPP will exacerbate this race to the bottom because it further empowers companies by expanding their rights, reducing the ability of U.S. workers to exercise their rights and including countries like Vietnam which is the low-cost, no labor rights alternative to China.

**8. Medicine prices would increase, access to life saving drugs would decrease and the profits of big pharmaceutical companies would expand.** Big

pharmaceutical companies are working hard to insure that the TPP extends their patent based monopolies. This would expand their profits, keep drug prices artificially high and leave millions of people without access to life saving drugs.

**9. Wall Street would benefit at the expense of workers and productive domestic investment.** Governments would be restricted from using “capital controls” to avoid future financial crises by forestalling floods of hot money speculation. This deal would continue to give a free ride to the financial firms that wrecked our economy.

**10. Food Safety standards, rules and regulations could be challenged by foreign governments.** The TPP would subject our food standards, labeling programs and specific-pesticide regulations to challenge by foreign governments.



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