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Fighting the TPP - Elizabeth May, MP

The federal government has now committed to sign the Trans-Pacific Partnership Agreement. The signing is necessary, the Liberals say, in order to be able to fully debate the TPP. International Trade Minister Chrystia Freeland has compared signing the TPP to 'dating', while ratification is 'getting married'. The minister is prepared to start the consultation by signing, but has not committed to ratification.

Of course, Canada has a choice and should decide to reject the TPP. We shouldn't sign. In that, the new government would have a solid argument—the agreement was concluded in secret by the previous Conservative government in the midst of the election.

That was pretty shocking as, in a writ period, the tradition is that any government is limited to minimal and essential activities. The terminology is that any government during an election period is a 'caretaker government'. In the writ period, under the Conservative government, Canada skipped major United Nations meetings to negotiate the new Sustainable Development Goals, replacing the MDGs. But when it came to the TPP, Ed Fast, former Trade Minister, left the campaign trail to negotiate in Florida.

In the campaign, the Conservatives lauded the TPP as opening up the world's largest ever trade bloc, with a combined 'new' market of over \$27 trillion. Of course, the reality is that the vast majority of that 'new' market is found in the three members of the existing NAFTA. Canada, the US and Mexico make up \$21 trillion of the 'new' markets open to Canada.

The nine nations of the Pacific region joining NAFTA nations are Vietnam, Singapore, Peru, Chile, Japan, Malaysia, Brunei, New Zealand and Australia. For a Pacific regional deal, large economies like China and Indonesia are not included.

Meanwhile, the key elements of TPP are not in Canada's interest.

Provisions that protect pharmaceutical companies from competition and generic drugs will drive up the costs of Canadian medicines.

The dairy sections pose a threat to supply management and Canadian dairy producers. Despite the fact that TPP promoters deny this is true; former Prime Minister Stephen Harper announced billions of dollars in compensation to dairy farmers

in the midst of the election campaign. In fact, this TPP compensation was never secured, but why was it put forward, if, as promoters claim, supply management is protected? The reality is that the Canadian milk supply will be open for the first time to competition. US milk, contaminated by the GMO Bovine Growth Hormone, will be allowed in Canada.

Prominent businessman and Blackberry founder, Jim Balsillie, has blasted TPP. He argues that the Intellectual Property (IP) provisions of TPP are skewed structurally. The IP provisions will enrich those countries that already have significant IP ownership. Due to years of failed policies, Canada has fallen behind in innovation. No wonder the previous government worked to expand export opportunities for Canadian beef, seafood and canola, but has

negotiated an agreement that will prevent Canada from ever establishing our economy as one benefitting from innovation and IP. As Balsillie wrote in a January 30, 2016 article in the *Globe and Mail*, 'Make no mistake about it: This is not your father's trade agreement. TPP clearly demarks a shift in global value creation from tangible to intangible goods by creating unprecedented advantages to current large holders and producers of IP.'

For all this, even with the lopsided benefits to the US, this is the first trade deal to face serious opposition in the US. Two prominent members of the Clinton administration now oppose Obama's TPP. Both Nobel prize winning economist Joseph Stiglitz and former Secretary of Labor Robert Reich oppose TPP. The major reason for their objection is the Investor State provisions. Their objections, and likely those of her surprisingly effective competitor Bernie Sanders, appear to have influenced Hilary Clinton who now opposes TPP. There is a compelling case for Canada to avoid any commitment to TPP when there is a strong chance it may never be ratified by the US.

The primary driver for US politicians (on the left and on the right) to denounce the TPP is the presence of an investor-state agreement.

The TPP will give corporations from nine new nations the right to bring multi-billion dollar arbitration claims against Canada. Based on the first of these pernicious agreements,

'...Joseph Stiglitz pointed out that TPP is not a trade agreement. It is an agreement to manage trade.'

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Reprint from ISLAND TIDES, February 11, 2016, Page 2

Chapter 11 of NAFTA, the growing web of investor state agreements (also called Foreign Investor Protection and Promotion Agreements—FIPAs or FIPPAs) are a threat to the sovereignty of nations. Together they comprise the machinery of global corporate rule. That is why Joseph Stiglitz pointed out that TPP is not a trade agreement. It is an agreement to manage trade.

Canada has been the loser in case after case of NAFTA's Chapter 11 challenges to environmental laws and decisions. The

US government and its corporations virtually always win, contributing to low public awareness of the threat of Chapter 11 in the US.

With the recent Chapter 11 challenge by Trans-Canada against the US government for its decision to reject the Keystone pipeline, more Americans are now noticing Chapter 11.

The size of Trans-Canada's claim—\$15billion—gets their attention. Ironically, we may end up thanking Trans-Canada for the defeat of the TPP. ✍