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Contrary to Obama Speech, Trans-Pacific Partnership Text Reveals Pact Would Double Down on Past Bad Trade Pact Pro-Offshoring, Weak Labor Provisions

Statement of Lori Wallach, Director, Public Citizen's Global Trade Watch

Note: Today, President Barack Obama spoke at Nike headquarters in Beaverton, Oregon, to promote the Trans-Pacific Partnership.

That the Trans-Pacific Partnership (TPP) would make it easier to offshore American jobs and push down our wages by throwing Americans into competition with Vietnamese workers who make less than 60 cents an hour has nothing to do with past NAFTA experiences but rather what is in the TPP text. Despite the extreme secrecy, because of leaks, we know that the TPP has an even expanded version of the NAFTA provisions that incentivize job offshoring and it has only the Bush-era labor and environmental standards that have failed to improve conditions.

The reason the president's whole political base and most congressional Democrats are united against Fast Track for the TPP is because it doubles down on the old, failed U.S. trade agreement model with its NAFTA-style job offshoring incentives and its Bush-era labor and environmental standards.

There is wide interest in a new kind of trade agreement that could actually provide benefits for more Americans, but efforts to ensure that the TPP did not replicate the job-killing, wage-crushing provisions of past trade deals have been rebuffed by the administration. That's why the Democratic members of Congress who have seen the TPP text are so strongly opposed.

Given that we know the TPP text replicates NAFTA offshoring incentives and Bush's failed labor and environmental standards, it certainly is not a break from past U.S. trade pacts that have wiped out American jobs and pushed down wages. Consider the Peru Free Trade Agreement, which was the pact we were told would change things after NAFTA because for the first time it had enforceable labor and environmental standards in its core text. President Bush's 2009 Peru trade deal included the labor and environmental terms that now are in the TPP, but last year, Peru rolled back its labor and environmental laws, and the trade deal made no difference, even when a Democratic president was in charge of enforcing it. In addition, six years into the deal, 70 percent of logging activity in Peru's Amazon violates conservation rules, with both the rate of logging and of environmental violations up since the deal. Since implementation of the Colombia Labor Action Plan used to secure passage of the Colombia trade pact that had the same TPP

labor standards, more than 100 unionists have been assassinated and more than 1,300 more threatened with death. There have been no penalties for Peru or Colombia.

It is ridiculous that somehow the TPP would raise wages in Vietnam so as to create new consumers for U.S. exports or, given the record under past pacts with the same labor standards, that Vietnam would face penalties, much less be thrown out of TPP, for continuing business as usual. Although, contrary to what the president said, Vietnam already does have a legal minimum wage – it averages less than 60 cents per hour.

The notion that the TPP is something new and different is absurd given that the administration used as the TPP template the text of Obama's 2012 U.S.-Korea Free Trade Agreement, which after three years, has resulted in a near-doubling of the U.S. goods trade deficit with Korea and a decline in U.S. exports to Korea, according to government [data](#) released this week.

When President Obama said those concerned about the TPP rolling back food safety, environmental or financial regulation “are making stuff up” and no trade agreement can do that, I wondered why he did not know that already has happened repeatedly. Past U.S. trade pacts have resulted in the United States gutting its rules about importing only food that “meets or exceeds” U.S. safety standards, so we now import food that does not and rolling back the environmental laws – from Clean Air Act regulations to the ban on dolphin-deadly tuna – And, his own Treasury Secretary, Jack Lew, has stated that he opposes European trade deal terms on financial services for fear it would lead to attacks on U.S. financial regulation?

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