

NEWS RELEASE

1600 20th Street, NW • Washington, D.C. 20009 • 202/588-1000 • www.citizen.org

For Immediate Release: June 18, 2012

Contact: Arden Manning (202) 454-5108

Following Last Week's Damaging Revelations About the Trans-Pacific Partnership (TPP), the Obama Administration Expands Controversial Trade Deal

WASHINGTON D.C. – That the Obama administration would invite an additional country to join the Trans-Pacific Partnership (TPP) after last week's leak of secret negotiating documents revealing the proposed pact's threats is outrageous, Public Citizen said today.

Last week, after three years of closed-door negotiations, the text of the TPP Investment Chapter leaked, revealing that the Obama administration had agreed to submit the U.S. to the jurisdiction of foreign tribunals where foreign <u>corporations would be empowered to challenge U.S. laws</u> and demand unlimited compensation from the U.S. Treasury.

The revelation was met with criticism from the political <u>left</u> and <u>right</u>. However, the U.S. Trade Representative (USTR) refused to comment on the leaked chapter. Increasingly, members of Congress are raising concerns about the pact, including Sen. Ron Wyden (D-Ore.), chair of the Senate Finance Committee's Subcommittee on International Trade, Customs, and Global Competitiveness, who has been denied access even to the U.S. proposals to the TPP negotiations.

Following the growing criticism of the administration's lack of transparency and the newly revealed substance of the TPP, instead of the administration reconsidering the many TPP provisions that would vastly expand corporate rights and privileges, the administration's response was to add yet another country into TPP talks: Mexico. Meanwhile, reports out of New Zealand indicate that China also is pursuing entry into this so-called trade deal.

"The TPP model is fundamentally flawed: It's hard to imagine who in this country would support it if they knew that it banned 'Buy American' procurements, limited Internet freedom a la SOPA (the controversial Stop Online Piracy Act) or created a two-track judicial system privileging corporations with a new ticket to raid our tax dollars," said Lori Wallach, director of Public Citizen's Global Trade Watch. "Adding more countries just expands the potential threats of corporate attacks that the TPP poses to people here and now also poses to Mexicans."

"Via closed-door negotiations, U.S. officials are rewriting swaths of U.S. law that have nothing to do with trade, and in a move that will infuriate left and right alike, have agreed to submit the U.S. government to the jurisdiction of foreign tribunals that can order unlimited payments of our tax dollars to foreign corporations that don't want to comply with the same laws

our domestic firms do," Wallach said. "U.S. trade officials are secretly <u>limiting Internet</u> <u>freedoms</u>, <u>restricting financial regulation</u>, <u>extending medicine patents</u> and giving corporations <u>a</u> whole host of other powers."

Opposition to the TPP is growing. Last month, <u>69 members of Congress</u> sent a letter to President Barack Obama in response to revelations that TPP actually bans "Buy American" procurement rules.

###

Public Citizen is a national, nonprofit consumer advocacy organization based in Washington, D.C. For more information, please visit www.citizen.org.