**TTIP - AN AMERICAN PERSPECTIVE**

**by Joseph Jamison, former research officer AFL-CIO, New York, at the panel discussion on international financial feudalism (TTIP) at the 27th Desmond Greaves Weekend School on Sunday morning, 13 September 2015, at**

***Instituid na h-Eireann,* 27Pearse Street**

**Dublin, Ireland**

**Introduction**

It’s good to be in Ireland. It’s good to be outside the USA.

The place where I live must seem like a madhouse. The interminable presidential election cycle is upon us.

Over the summer, we’ve all been watching the migration crisis in Europe unfold, though of course the corporate media won’t discuss causation -- the wars which the US and European leaders launched -- that gave rise to the refugee and migration crisis.

There is a parallel -- though of course not identical -- process in the US too. Immigration is at the center of our politics too. The US Right is using nativism with a new intensity in this presidential campaign to manipulate fear and mass discontent to its own benefit.

As many of you know, since early summer 2015 the corporate media have treated us to non-stop coverage of Donald Trump, a billionaire real estate tycoon and Republican Party presidential nomination contender who has a style not unlike that of Silvio Berlusconi in Italy.

Racist, nativist, boorish to women, impervious to criticism, a source of endless outrageous and provocative statements, Trump wants to deport 11 million undocumented immigrants. He wants to build a wall along the Rio Grande to keep Mexicans out.

My comments will be a US perspective on TTIP.

It will be more general approach than that of the two previous speakers.

The questions I want to address are:

* *Why did TPIP and its Pacific Ocean twin TPP originate in USA? Why now? Most of what I will say applies to both.*
* *What is the US Administration’s motive in pushing them?*
* *What explains the sequence: TPP first, TTIP second?*
* *What are the deeper political causes for the US - at this historical moment – to push to enact these two treaties?*
* *Has the US imperial "moment" passed?*
* *How does the US view China?*
* *What are the current central concerns of the US establishment?*
* *What is the general attitude of the US trade union movement and progressives generally to the proposed Pacific trade treaty and its Atlantic equivalent?*

I share the views of the two previous speakers who speak from an Irish perspective about the damage TTIP will do to Irish national independence.

TTIP represents pro-corporate supranational integration

For Ireland, it would be an additional layer of pro-corporate supra-national integration piled on EU, which is also pro-corporate supra-national integration, piled on Partnership for Peace, a semi-NATO military commitment – that represents partial integration of the Irish state into the aggressive Western military alliance.

To this friendly outside observer, then, it’s as if Ireland, already wearing several straitjackets -- the EU, the eurocurrency, and the Partnership for Peace -- is being pushed to don a fourth straitjacket, TTIP.

If TTIP is another nail in the coffin of Irish sovereignty, TTIP is also a threat to democracy in the US, as I will point out.

**Democracy in the US**

Democracy is in bad shape in the US, and it is in sharp decline.

If you look beneath the surface phenomena, the corporate domination of US society, already extreme, is getting worse.

The supreme example: the corporate stranglehold on the election process is tightening. The so-called “Citizens United” decision in 2010 -- a horrible misnomer -- by a reactionary US Supreme Court has completely unleashed the power of Big Money—already powerful to begin with. And it is Dark Money too--- we don’t know where it comes from or to whom it goes.

Not long ago there was a Republican Presidential candidate “debate.” The 10 candidates on the stage all have the backing of a billionaire, or else they are billionaires themselves. Extreme right-wing oil industry oligarchs -- the Koch Brothers -- have offered nearly unlimited money to Scott Walker, an enemy of trade unions.

Another example: the corporate stranglehold on information is also tightening. There is little or no discussion of TTIP or TPP in the mainstream media. Most of the US public is ill-informed or completely uninformed about TTIP and TPP.

Loss of democracy shows even in the legislative battle over TPP & TTIP. In the US we’re losing the battle against TPP & TTIP so far: Obama and his corporate allies have won “fast track” authority – in which the main US representative body and, in theory, democratic institution – the US Congress -- waives its constitutional right to alter the text of the accord. The accord, which runs to hundreds of pages -- can be voted only up or down, yes or no.

 “Fast track” authority will apply to forthcoming votes on both TPP and TTIP.

What little we do know of TPP & TPIP

is due to the heroic work of whistleblowers like Edward Snowden and Julian Assange and others, and spread through alternative media.

There is little public discussion right now, in USA of TTIP; everything is TPP

What’s in a name? Politically, quite a lot, it turns out. The public is confused about TPP and TTIP. The abbreviations look and sound alike, unfortunately.

This was not always so. At the beginning TTIP was called TAFTA. But US corporate executives are skilled at branding. TAFTA sounded too much like NAFTA. TTIP sounds harmless, like Q-tip, a cotton-tipped ear cleaner.

Most in the US see TPP & TPIP through the prism of NAFTA. The US people hate NAFTA**.**

TPP is often referred to by its trade union opponents as “NAFTA on steroids”

**An Aside on NAFTA enacted in 1994 under Democrat Bill Clinton**

Why the hatred of NAFTA? According to experts, NAFTA affected U.S. workers in four principal ways.

First, it caused the loss of some 700,000 jobs as production moved to Mexico. Most of these losses came in California, Texas, Michigan, and other states where manufacturing is concentrated.

Second, NAFTA strengthened the ability of U.S. employers to force workers to accept lower wages and benefits. As soon as NAFTA became law, corporate managers began telling their workers that their companies intended to move to Mexico unless the workers lowered the cost of their labor

Third, the destructive effect of NAFTA on the Mexican agricultural and small business sectors dislocated several million Mexican workers and their families, and was a major cause in the dramatic increase in undocumented workers flowing into the U.S. labor market. This put further downward pressure on U.S. wages, especially in the already lower paying market for less skilled labor.

Fourth, and ultimately most important, NAFTA was the template for rules of the emerging global economy, for other, later “free trade treaties, “ in which the benefits would flow to capital and the costs to labor.

**Why TPP not TTIP first?**

TPP, the Pacific treaty, has priority. TTIP, the Atlantic treaty, is on a back burner. That is because the Pacific treaty fits better with the Obama Administration’s military and strategic priority, the “Pivot to Asia,” which means pressure against China.

There are three main reasons for TPP coming to the political foreground now:

**1. Corporate Payback.** TPP’s precise timing – launch in early 2013 -- suggests Obama early in his second term needed to make a payback to many corporations for their support in the 2012 campaign. The idea of TPP has been kicking around for more than a decade.

**2. The Pivot to Asia**

TPP fits well with the Obama Administration’s pivot to Asia. This pivot means the concentration of US pressure on People’s China, away from the Bush Administration’s wars in Mideast. The TPP adds economic pressure to military pressure.

The Obama Administration makes

no hard and fast distinction between economic and political and military forms of pressure on China. His current Secretary of Defense, Ashton Carter, has stated:

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| *"In fact, you may not expect to hear this from a Secretary of Defense, but in terms of our rebalance in the broadest sense, passing TPP is as important to me as another aircraft carrier."*  |

From his predecessor Bush,

Obama inherited a series of wars in the Middle East – intractable, unwinnable, costly. By bombing, by invasion and occupation, by covert and overt support for jihadism, the US and its EU allies have created a vast arc of turmoil, state collapse, and war from Tunisia and Libya in North Africa stretching through Central Asia to the border of China, and from the southern Turkish border to the Horn of Africa. It is spreading to other parts of the world, notably sub-Saharan Africa.

From time to time the US National Security Council (NSC) does an assessment of the main competitive threat to “US interests”, a “threat assessment” they call it.

They concluded the main emerging threat was China.

Hence the Pivot to Asia.

Already it is becoming reality:

Hence, a new US military base in northwest Australia

Hence, US complicity in stirring up

rivalry over islands in South China Sea

Hence US support for Prime Minster Abe’s efforts to revive Japanese militarist feeling, and successful US pressure to eliminate Article 9 of the 1945 Japanese peace constitution.

Hence cultivate Modi’s India and Vietnam as counterweights to China

Pivoting to Asia means reducing or eliminating Mideast entanglements

Hence to begin the extraction, his willingness to take on the once almost omnipotent and still mighty Israel Lobby over the Iran deal, even putting up with anger from the Israeli government and Saudi government.

**3. US Relative Decline**

US policymakers want to lock in stable international arrangements that favor giant US corporations while it still can. Hence TPIP and TPP.

Has US imperial moment passed?

It is evident that Obama’s national security advisers have been grappling with the question: How to manage US relative decline though they, of course, will not use that phrase. They are more realistic than the reckless neocons, who want to use sheer force.

There is among the US public a sense of decline and diminishing power - a sense that the country is on the wrong track. This explains the appeal of Donald Trump's call to “make America great again” among backward sections of the US public.

How to minimize the consequences of US relative decline?

US relative decline is a reality. It’s been predicted before, but this time, I think, we may be confident that it’s real.

The US is still, of course, the dominant military power, by far. The Chinese economy is about the same size as the US economy in absolute terms.

The growing weight of China in international affairs is obvious. Step by step, the Chinese are creating an alternative architecture of international relations, in the economic, political, and military spheres. (The Shanghai Co-operation Council; Asian Infrastructure Investment Bank, etc)

US relative economic decline inevitably foreshadows military decline and, almost certainly, the aggravation of internal political and social conflict. Examples: the $600 billion US military budget becomes more and more of a burden over time. Demands for reallocation of federal spending to non-military priorities come from everybody but the far right. There have been a few token efforts by the Obama Administration to streamline military spending.

The US military budget is not yet unsupportable economically or politically.

But a big expansion of the military budget is politically insupportable.

Moreover, even with this vast arsenal, vast spending, and a global empire of perhaps 1000 military bases, the US is not winning wars. It is having trouble imposing its will in Latin America, the Mideast, and elsewhere.

Hence, where possible, the resort to “smart power” so called, the use of NED and USAID and kindred agencies to subvert Latin American states and other states pursuing an independent path.

Obama has modernized some US foreign policies, for example moving slowly away from the old Cuba policy (policy #1 was invasion; policy # 2 was blockade; policy #3 will be internal subversion via “soft power” (NED and similar subversive agencies).

There is, admittedly, incoherence in some of Obama’s foreign policies. He is not consistent. Obama has farmed out some foreign policy to the neocons. His representative in Kiev is Victoria Nuland, a key neocon figure. The Ukraine policy consists of US military and political provocation on the Russian border. It is aimed, among other things, at curbing German tendencies to work out a *modus vivendi* with Putin’s Russia. But it has driven Russia and China closer, which undermines the Pivot to Asia.

**In the US, Who is against TTIP and TPP?**

Mainly unions, consumer advocates, and environmentalists. Such groups as the

* [Center for Effective Government](http://www.foreffectivegov.org/category/tags/transatlantic-free-trade-agreement-tafta)
* [Center for Food Safety](http://www.centerforfoodsafety.org/)
* [Coalition for Sensible Safeguards](http://sensiblesafeguards.org/tafta_ttip)
* [Consumer Federation of America](http://www.consumerfed.org/)
* [Economic Policy Institute](http://www.epi.org/research/trade-and-globalization/)
* [Food and Water Watch](http://www.foodandwaterwatch.org/global/global-trade/tpp-and-tafta-free-trade-with-a-high-price/)
* [National Consumers League](http://www.nclnet.org/)
* [Public Citizen](http://www.citizen.org/trade)
* [Sierra Club](http://www.sierraclub.org/trade/US-EU-Free-Trade-Agreement.aspx)
* [U.S. Public Interest Research Group](http://www.uspirg.org/)

**In the US, Who Will Benefit from TTIP?**

The giant corporations advising TTIP negotiators have bluntly named the consumer and environmental safeguards that the deal should dismantle:

* Wall Street: [Roll Back Financial Reforms](http://www.citizen.org/documents/TAFTA-financial-factsheet.pdf)
* Agribusiness: [Weaken Food Safety Standards](http://www.citizen.org/documents/TAFTA-food-factsheet.pdf)
* Oil and Gas Corporations: [Halt Green Energy Policies](http://www.citizen.org/documents/TAFTA-climate-factsheet.pdf)
* Monsanto, et al: [Remove GMO Labels and Limits](http://www.citizen.org/documents/TAFTA-GMO-factsheet.pdf)
* Chemical Corporations: [Allow Exposure to Untested Chemicals](http://www.citizen.org/documents/TAFTA-chemicals-factsheet.pdf)
* Transnational Corporations: [Empower Investor Attacks on Safeguards](http://www.citizen.org/documents/TAFTA-investor-state-factsheet.pdf)
* Chronic Job Offshorers: [Ban Buy American, Buy Local and Buy Green Policies](http://www.citizen.org/documents/tafta-procurement-factsheet.pdf)

**What can defeat TTIP? Will TTIP succeed?**

There are uneven levels of opposition on each side of the Atlantic.

The fight against TPIP in Europe is at a much higher pitch than in the US. One, TPP is the priority in my country, as explained. Two, unevenness is, in a sense, to be expected, since the TTIP deal will, on balance, benefit the US more.

In the US, consumer and environmental advocates have acquitted themselves well. The Ralph Nader groups -- Public Citizen and Citizen Trade Watch -- have been especially vocal and have played a leading role. They have tirelessly pointed out that these so called trade treaties are not mainly about trade.

Little of TTIP and TPP it is about what happens at the border -- trade. It is much more about what happens behind the border – regulation of corporations by national governments and regional and local governments

I’m fearful that the trade union effort to defeat TTIP and TPP is not doing so well. I don’t think the lessons of NAFTA –the failure to stop NAFTA -- have been learned. It seems a replay of the effort to humanize NAFTA by including “labor and environmental safeguards.” That didn’t work. It won’t work now.

The AFL-CIO – ETUC statement is not encouraging

*AFL-CIO and ETUC Release Joint Principles for Trans-Atlantic Trade and*

*July 10, 2014 Washington, DC – Today, the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) and the European Trade Union Confederation (ETUC) released a Declaration of Joint Principles on the Trans-Atlantic Trade and Investment Partnership (TTIP), calling for an agreement that “puts shared prosperity and sustainable social and economic development” first.*

*Some of the key provisions of the declaration include calls for the TTIP to:*

*Ensure sustainable development by requiring parties to protect fundamental labor rights and the environment;*

*Include recourse to dispute settlement and trade sanctions to enforce labor and environment commitments;*

*Preserve the right to legislate and regulate in the public interest, including the use of the Precautionary Principle;*

*Exclude rules that would undermine domestic economic development, national security, environmental protection, workplace health and safety and social justice policies.*

*“The TTIP is an opportunity to get trade and globalization policy right, but only if it is negotiated in an open manner that puts people before profits,” said AFL-CIO President Richard Trumka.*

**Thieves Can Fall Out**

It has not been easy for the corporate lobbies -- ***within***the US and EU and ***between***the US and EU -- to agree on the main planks of the TTIP. It may be our good luck that the contradictions between the giant TNCs may help to sink the TTIP. We should be on the alert for such opportunities. Splits in corporate lobbies can help progressive forces defeat TTIP

In the US the level of mobilization must be much higher.

A thoughtful trade union leader I know, Ed Grystar of Pittsburgh, Pennsylvania, has written:

*… the Citizens Trade Campaign summed it up in the following quote,” currently, the European movement against the TTIP is better organized in terms of protest than the U.S. counterpart, especially when it comes to turn-out, crowd-building, and militancy of messages and tactics.*

*I was reminded of this during a TTIP demonstration in Brussels in March 2014, outside the European Commission headquarters, the windows of which ended up covered with milk.*

*Meanwhile, in Washington D.C., the capital of the great trade hegemon and the headquarters of so many of the organizations that comprise the fair trade coalitions, even the mobilization for a small protest during the negotiations in December 2014 was a challenge.

Given the secrecy and extremely negative consequences that will occur upon passage, one has to ask where the outrage of labor is and who do they picture as villains?  Can labor continue to defend a President, their “labor- management partners” and the two major political parties that all openly advocate the surrendering of their ability to negotiate, amend and or alter a major piece of legislation? Why are the central labor councils and other union resources not mobilized with the other organizations to hold public town hall meetings across the country?  Why not picket lines at congressional and corporate offices?  Where are the union and community phone banks that can be utilized to mobilize the membership and public into action and form the foundation of a real alternative grassroots movement against the corporate takeover of our society?

Because the US labor leaders are beholden to the failed policy of “labor management cooperation” and a political strategy that is conditioned on supporting Democrats, their approach to defeating these deals is essentially a weak, bureaucratic and top down “inside the Beltway” lobbying approach. It’s apparent that without organized pressure from below, they are either incapable or unwilling to mobilize its membership and build an independent movement that is not only necessary but entirely possible given the clear class nature of these corporate attacks.

These deals are bad not only for working people but they also essentially destroy any pretense of democracy in the US and replace it with the private rule of capitalists. Labor campaigned for and spent millions of dollars of union money to elect president Obama who returns the favor by openly campaigning for these secretive corporate takeovers and labor’s only response is to send an email in protest? Labor spends untold time extolling the virtues of “labor-management harmony” yet their erstwhile corporate “partners” who are the real forces behind the monstrous deals continue to escape unscathed.

It’s hard to gain credibility and win followers if your message is not clear. As long as the song of harmony between labor and capital is the foundation of labor’s strategy, its program to defend workers and defeat these trade deals will be inherently weakened.*

*Recognizing the incompatibility of any partnership with these capitalist forces and their political allies is the starting point for developing a real people’s campaign to stop these trade deals and move labor to an offensive position.

Why not start with an honest dialogue with the rank and file membership about the real face of capital and its political allies who are bent on destroying their jobs, public services, and communities with unfettered capitalism.

A real commitment to building grassroots power is the only foundation that can win. The ugly proposals inside these trade deals can and should be used as examples to the rank and file of why labor needs a new approach grounded in education, mobilization, and independent politics.  A labor movement that fights can win. A labor movement that partners with capital and a corrupt two- party political system is destined to lose.*

**Conclusion**

We cannot humanize this TTIP treaty. It is a corporate power grab that is unredeemable under any circumstances.

We have to kill it.

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