

TTIP TIPPED OUT

Transatlantic Trade and Investment Partnership

Briefing



For more information and references for these examples:

http://www.waronwant.org/attachments/HILARY_LONDON_FINAL_WEB.pdf

<http://www.manchester.ac.uk/discover/news/article/?id=11096>

<http://www.tradeunionfreedom.co.uk/wp-content/uploads/2013/01/CTUF-Spring-2014-Single.pdf>

http://www.huffingtonpost.co.uk/2014/04/02/ttip-us-eu-trade-deal_n_5050117.html

<http://www.theguardian.com/commentisfree/2013/nov/04/us-trade-deal-full-frontal-assault-on-democracy>

<http://www.tribunemagazine.org/2014/02/opportunity-knocks-or-rights-at-risk-and-labour-pains>



Until drafts of this trade deal, TTIP, were leaked negotiations were taking place behind closed doors in secret. Now at least these negotiations between America and the European Commission are out in public. And the more that is revealed about this undemocratic treaty the more the alarm bells are ringing.

What is TTIP?

TTIP, is ostensibly a free trade agreement that would cover regions accounting for 60% of global GDP, 33% of world trade in goods and 42% of world trade in services. Its impact would be felt, not only on the EU and the USA, but the rest of the world.

TTIP has been described as a 'free trade deal' however, unlike previous deals designed to lower trading tariffs between partners, tariffs are already low between the US and EU. TTIP is about increasing the power of multinational investors, generally big business and hedge funds, and reducing regulation on these organisations.

TTIP would establish in law the right of multinational corporations to sue nation states in a special court – the Investor-State Dispute Settlement (ISDS) – if the nation's regulatory framework were deemed a 'barrier' to free trade.

As the Guardian's George Monbiot wrote in a recent article; 'While corporations can sue states there are no corresponding right for citizens. ISDS is a privatised justice system for global corporations'.

You can read more here: <http://www.theguardian.com/commentisfree/2013/nov/04/us-trade-deal-full-frontal-assault-on-democracy>



Unite's Policy

Unite still believes that there is a continuing lack of transparency surrounding the (treaty) negotiations and a continuing failure to address any of the other key areas of concern. Unite is therefore extremely concerned that on this current path we will be presented with a fait accompli in the form of an inadequate, and unacceptable agreement that we have had no chance of influencing or, amending and where time constraints make it difficult to mobilise opposition.

Unite therefore believes that it is now better to adopt a clear position of outright opposition to TTIP; Unite will now join with other civil society organisations in mobilising to fully oppose TTIP.

Carried at Unite's 3rd Policy Conference, July 2014

What it isn't

Much of the US has traditionally been hostile to trade unions. On labour rights, out of 190 International Labour Organisation (ILO) Conventions, the US has only ratified 14 and only 2 of the 8 core Conventions dealing with forced labour, child labour, freedom of association and discrimination. So anyone who thinks that a US backed trade agreement might give them a European style social model in the UK is whistling in the wind. Similarly it is pretty inconceivable that this current government would also sign up to enforceable ILO Conventions. As it is, our labour laws are outside of these protections.

You can read more here:

<http://www.tradeunionfreedom.co.uk/wp-content/uploads/2013/01/CTUF-Spring-2014-Single.pdf>



TTIP without ISDS

Negotiators have focussed on trying to remove the quasi-judicial process of the ISDS because of its undemocratic nature. Removal of ISDS would be welcome but it is unlikely that this would somehow neutralise TTIP leaving only economic benefits.

Proponents of TTIP argue that there will be economic winners on both sides of the Atlantic. The US lead negotiator, Michael Froman, argued that TTIP would generate annually an extra €120 billion, or an extra €545 a year in disposable income for an average European family. To date however there has been no hard evidence given to back up this claim and there is increasing scepticism about benefits for anyone other than big business.

Political scientists Dr Gabriel Siles-Brügge, University of Manchester and Dr Ferdi De Ville from Ghent University in Belgium argue that these figures are too optimistic:

“All this rhetoric means that Governments continue to place emphasis on liberalisation of the economy. Indeed, you could reasonably argue that similar free-market policies in the financial sector are partly to blame for the economic crisis in the first place- so an entirely different approach of ambitious social and ecologically sustainable policies is required – not more of the same”.

You can read more here: <http://www.manchester.ac.uk/discover/news/article/?id=11096>

TTIP without ISDS may be slightly more transparent, but companies would still be able to sue national governments although they would have to go through the courts rather than secretive tribunals. Even then it would not stop corporations having the ability to override regulation or legislation of a sovereign state.

What next ?

We need trade and trade needs rules, but not rules that threaten our democracy and take away our rights. Andy Burnham, Labour's Shadow Health Secretary made a very early commitment that a future Labour government would repeal the Health and Social Care Act, and take private interests out of the NHS. The coalition government's dogma driven rush to sell off as much of the NHS as they can means that TTIP could well scupper any plans to take it back.

Organised opposition has defeated mega trade treaties in the past. In a preface to a pamphlet, produced by one of the global unions representing workers in food, agriculture, catering and the hotel trade - 'Trade Deals That Threaten Democracy' - Ron Oswald, IUF General Secretary, argues that instead of expanded powers for transnational capital global rules should be established to effectively enforce respect for human rights over the private claims of investors.

Around 70% of all processed foods sold in US supermarkets now contain genetically modified ingredients. Here in Europe we have resisted GM foods. Hardly any GM food is on sale and where it is it must be clearly labelled. US biotech companies are using TTIP to launch an assault on EU regulations.

US food producers have identified the EU's system of controls (the EU enshrine the precautionary principle to control pesticides) as one of the prime set of standards to be downgraded under TTIP.

Over 90% of US beef is produced with the use of bovine growth hormones that have been linked to cancers in humans, and EU restrictions on the import of such beef have been in place since 1988. The US government has already challenged these restrictions at the WTO, and business groups are calling for their removal in the TTIP agreement as 'unnecessary' barriers to trade'.

Trade agreements were used to fine the Slovak Republic \$22 million dollars after it reversed the liberalisation of the nation's health insurance.

Yet to be resolved is the case of big tobacco suing the federal government of Australia after its introduction of plain packaging for cigarettes.

The US government has confirmed that it will use TTIP to prise open the service markets of Europe for the benefit of US capital, and specifically that it will "address the operation of any designated monopolies" in the area of public utilities.