

# The United States and the Transpacific Partnership (TPP)

POLISCI 101: Introduction to International Relations

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## **Motivation:**

In lecture this week and last week, we learned about the classical argument for free trade, different explanations for protectionism, and the ethics of trade cooperation. Let's apply what we've learned about trade cooperation to make clear policy recommendations for President Trump regarding the future of the TPP and U.S. trade positions more generally.

## **Background:**

The TPP was a regional trade agreement between the United States and 11 other Pacific Rim countries, including Japan, Australia, Vietnam, and Chile and Peru. It was expected to reduce trade barriers on a wide-range of goods, including trucks, rice and textiles.

There were major concerns about how this deal could affect the U.S. economy. In particular, many estimated that the TPP would lead to a loss of manufacturing jobs in the United States, encouraging large companies to outsource jobs to labor-abundant countries where people are willing to work for lower pay. These manufacturing jobs in the United States are considered solidly middle class jobs for workers without higher educational degrees. Workers worry that they will not be able to transition to other labor markets without serious losses to their wages and benefits. It is important to note, however, that economists also estimated that the TPP would create new high-skilled labor jobs in tech, finance, education, engineering, and legal services and likely wages increases in these industries as well.

Another contentious issue in the TPP was the labor standards the agreement included. The Obama administration touted the TPP as the "most progressive trade agreement in history" in this regards. This is because the agreement included provisions to end child labor, to ensure that workers in other countries had the right to bargain collectively, and to protect workplace safety standards. Yet, critics say that the agreement lacked meaningful enforcement mechanisms and relied too much on U.S. action to punish violations.

President Trump withdrew from the TPP shortly after his inauguration, fulfilling a key campaign promise. He has, however, indicated a willingness to pursue new trade agreements that offer the United States a better deal.

## **Assignment:**

Your job is to serve as a policy advisor to President Trump on how to proceed forward on U.S. trade relations with countries in the Pacific Rim. You and your classmates will form two teams—each of which will discuss a different aspect of U.S. trade relations. Your goal will be to present a clear policy recommendation for the President regarding the aspect of trade policy your team discussed. You will present your proposal and report your discussions to the class before the end of the section.

### **Team 1: Should the U.S. reduce trade barriers?**

You must advise President Trump on whether the United States should continue to push for reducing trade barriers with developing countries in the Pacific Rim. For your discussion, you should set aside questions how free trade may affect labor standards in these countries. Your

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focus is whether it is in American's interests to continue to reduce trade barriers with these countries, even if it means reducing our own barriers to trade as well.

In your discussion, you should address:

- Whether free trade is damaging or beneficial to the U.S. economy.
- Whether it is morally right or wrong to restrict free trade.
- Whether the United States has an obligation to help workers that suffer from free trade, and if so, how. What is the best way for the government to compensate those who lose from free trade?

When you report your proposal to the class, you should:

1. State up front whether the United States should continue to push for reducing trade barriers with developing countries, even if it means reducing our own barriers to trade as well.
2. Explain the likely consequences for the U.S. economy for reducing trade barriers. What are the drawbacks from reducing barriers?
3. Clearly state whether the U.S. government should compensate those who may stand to lose from free trade, and if so, how.
4. Make an ethical case for your position on free trade. You should anticipate and counter possible critiques to your argument.

### **Team 2: Renegotiating terms of the Paris Agreement**

Your job is to make recommendations for how the United States should approach labor standards in developing countries. In particular, you will advise on whether the United States should include strong labor standards in its future trade agreements.

In your discussion, you should address:

- Whether including labor standards will help or hurt workers in developing countries.
- How labor standards may affect the U.S. economy.
- Whether the United States has a moral obligation to help improve working conditions in other countries and how best that might be achieved.
- If you think requiring strict labor standards in trade agreements will make it more difficult to reduce free trade barriers.

When you report your proposal to the class, you should:

1. State up front whether the United States should or should not include labor standards in free trade agreements.
2. Explain how you think that including labor standards will improve workers' lives and why.
3. Discuss whether you think that the inclusion of strict labor standards will affect the U.S. economy and why.
4. Make an ethical case for your position. You should anticipate and counter possible critiques to your argument.