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The



# LOWDOWN

“My administration is committed to creating an unprecedented level of openness in Government. We will work together to ensure the public trust and establish a system of transparency, public participation, and collaboration.”

—PRESIDENT OBAMA, January 26, 2009  
Memo to Executive branch officials

WRITTEN BY JIM HIGHTOWER ♦ PUBLISHER, PHILLIP FRAZER

*Both Bush & Obama have kept negotiations secret about this nuclearized NAFTA*

## The Trans-Pacific Partnership is not about free trade. It's a corporate coup d'état—against us!

**IN 2002, IT WAS REPORTED** that British Prime Minister Tony Blair had told a friend an amusing tale about our man George W. Bush. It seems that the two of them and French President Jacques Chirac had gotten into an economics discussion, after which George supposedly confided to Tony that he was decidedly unimpressed with Jacques' views: “The problem with the French,” Bush scoffed, “is that they don't have a word for ‘entrepreneur.’”

**W**'s head has always been a no-fly-zone for factual reality. However, what would boggle his mind even more than the fact that we Americans filched that word from the French, is the reality that government is not quite the entrepreneur-devouring ogre (Mon dieu! George, another French word!) that Bush's cartoonish dogma paints it to be. Actually, govern-

ment-at-its-best can be an entrepreneur's buddy. One surprising place to see this buddyship at work is in one of the most mundane of government offices: Procurement (i.e., the Department of Buying Stuff).

Where does your mayor, school board, governor, or any other “public shopper” go to purchase fixtures, food, furniture, ferns, and whatnot? Where I live, various agencies have Buy Austin, Buy Texas, Buy American, Buy Green, Buy Sweatshop-Free, and other targeted policies that apply our tax dollars to our values. This sensible idea has swept across the country, most likely including where you live, and these agency purchases add up to a big financial boost for start-ups, independents, women-owned, and other homegrown enterprises. Rather than buying everything from Walmart or China (excuse the redundancy there)—thus shipping truckloads and boatloads of cash out of our communities—plow that public money back into the home turf for grassroots economic growth and the flowering of local jobs.

### Stop making sense

Imagine the uproar if President Obama and Congress tried to pass a bill to outlaw such “preferential procurement” policies, summarily cancelling our democratic right to decide where to make public purchases. I'd get pretty PO'd, wouldn't you? And what if they also proposed that foreign corporations in Brunei, New Zealand, Vietnam, and other nations must be given the right to make the sale on any and all products purchased with our tax dollars? That'd set my hair on fire!

The American people would never stand for this brazen affront to our sovereignty, so I can assure you that Obama and Congress will definitely NOT be proposing any such thing. Not directly, that is.

Instead, their hope is to tiptoe it around us. The nullification of our people's right to direct expenditures of our own tax dollars is but one of the horror stories being quietly packed into a political-and-economic bombshell benignly labeled TPP—the Trans-Pacific Partnership.

This thing is a supersized and nuclearized NAFTA, the 1994 trade scam rammed through Congress by Bill Clinton, Wall Street's Robert Rubin, and the entire corporate establishment. They promised that the “glories of globalization” would shower prosperity across our land. They lied. Corporations got the gold. We got the shaft—thousands of factories closed, millions of middle-class jobs went south, and the economies of hundreds of towns and cities (including Detroit) were hollowed out. (Most Mexicans got the NAFTA shaft, too. US grain traders like ADM dumped corn into Mexico, wiping out millions of peasant farmers' livelihoods, and thousands of local businesses were crushed when Walmart invaded with its Chinese-made wares.)

Twenty years later, the corporate gang that stuck us with NAFTA is back, hoping to fool us with an even more destructive multinational deal. (This calls for another immortal quote from George W: “Fool me once, shame on—shame on you. Fool me—you can't get fooled again.” Well, you know what he meant).

This time we really must pay attention, because TPP is not just



## THE PEOPLE GET WISE TO DEALS LIKE NAFTA

**MOST OF** America's corporate, political, and media cognoscenti are street-preaching proselytizers of the holy virtues of NAFTA-style trade deals.

But the people (damn them) are not buying the hokum. In fact, they now consider NAFTA to be a five-letter profanity. Last year, the Angus Reid polling firm found that only one in four Americans thinks that NAFTA has benefited workers, and more than half of those polled believe the trade deal is so bad that the US should either "renegotiate" or simply "leave" NAFTA.

Likewise, just before the 2010 congressional elections, an NBC-*Wall Street Journal* poll showed that 69 percent of voters believed that "free trade agreements... cost the US jobs." Even 61 percent of self-identified tea partiers agree. A whopping 86 percent of us said corporate outsourcing of our jobs to low-wage countries was the top cause of America's economic woes.

A 2011 poll by the Mellman Group found that 95 percent of Americans agreed that we should "keep America's trade laws strong and strictly enforced to provide a level playing field for our workers and businesses."

Most of us, 91 percent, are inclined to strictly enforce "buy American" policies on goods bought with tax dollars. "If I'm going to pay taxes," one California woman said, "it makes more sense... to go to someone who lives next to me."

All of these polls show that the public sees the deceit in the claim that Americans support "free trade" deals that free corporations at the expense of the rest of us. They've learned from experience that trade theory is far different than the reality of the deals that have been hung around our necks.

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another trade deal. First, it is massive and open-ended. It would hitch us immediately to 11 Pacific Rim nations (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam), and its door would remain wide open to lure China, Indonesia, Russia, and other nations to come in. Second, note that many of those countries already have trade agreements with the US. Hence, **THIS AMAZING FACT:** *TPP is a "trade deal" that mostly does not deal with trade.* In fact, of the 29 chapters in this document, only five cover traditional trade matters!

The other two dozen chapters amount to a devilish "partnership" for corporate protectionism. They create sweeping new "rights" and escape hatches to protect multinational corporations from accountability to our governments... and to us. Here are a few of TPP's provisos that would make our daily lives riskier, poorer, and less free:

- **Food safety.** Any of our government's food safety regulations (on pesticide levels, bacterial contamination, fecal exposure, toxic additives, GMOs, non-edible fillers, etc.) that are stricter than "international standards," as most are, could be ruled as "illegal trade barriers." Then our government would have to revise our consumer protections to comply with the weaker global standards. Also, our government could no longer ban meat imports that don't meet our safe-to-eat laws, as long as the exporting nation simply claims that its inspection system is "equivalent" to ours. In addition, food labeling laws we rely on (organic, country-of-origin, animal-welfare approved, GMO-free, etc.) would also be subject to challenge as trade barriers.

- **Fracking.** Our Department of Energy would lose its authority to regulate exports of natural gas to any TPP nation. This would create an explosion of the destructive fracking process across our land, for both foreign and US corporations could export fracked gas from America to member nations without any DOE review of the environmental and economic impacts on local communities—or on our national interests. It also means that most of the gas produced by this violently polluting process will not go to us, but to foreign users, which will raise our consumer prices and cut manufacturing growth.

- **Jobs.** US corporations would get special foreign-investor protections to limit the cost and risk of relocating their factories to low-wage nations that sign onto this agreement. For example, an American corporation thinking about moving a factory would know it is guaranteed a sweetheart deal if it exports to a TPP nation like Vietnam. The corporation could skirt Vietnam's laws and demand compensation at an international tribunal for any government policy or action (such as a hike in the minimum wage) that undermined its "expected" profits. These guarantees

would be strong incentives for corporate chieftains to export even more of our middle-class jobs.

- **Drug prices.** Big Pharma would be given more years of monopoly pricing on each of their patents and be empowered to block distribution of cheaper generic drugs. Besides artificially keeping everyone's prices high, this would be a death sentence to many people suffering from cancer, HIV/AIDS, tuberculosis, and other treatable diseases in impoverished lands. The deal would also restrict the rights of our government to negotiate with drug giants to get lower consumer prices with bulk purchases, as Medicare and Medicaid do in the US.

- **Banksters.** Wall Street and the financial giants in other TPP countries would make out like bandits: The deal explicitly prohibits transaction taxes (such as the proposed Robin Hood Tax here) that would shut down super-rich speculators who have repeatedly triggered financial crises and economic crashes around the world; it restricts "firewall" reforms that separate consumer banking from risky investment banking (thus prohibiting Congress from reinstating the much needed Glass-Steagall firewall in our country); it could roll back reforms that governments adopted to fix the extreme bank-deregulation regimen that caused Wall Street's 2007 crash; and it provides a backdoor escape from national rules that would limit the size of "too-big-to-fail" behemoths. These extreme provisions would be enforceable by the banks themselves—TPP empowers them to force governments either to repeal reform laws or to compensate banks with taxpayer money for "losses" they say are caused by reforms.

- **Internet freedom.** Thanks to public rebellion, corporations hoping to lock up and monopolize the internet failed in Congress last year to pass their repressive "Stop Online Piracy Act." However, they've slipped SOPA's most pernicious provisions into TPP. Corporate-created content, for example, would be given copyright protection for a stunning 120 years! The deal would also transform internet service providers into a private, Big Brother police force, empowered to monitor our "user activity," arbitrarily take down our content, and cut off our access to the internet. To top that off, consumers could be assessed mandatory fines for non-commercial, small-scale copying—like sending your mom a recipe you got off of a paid site.

- **Public services.** TPP rules would limit how governments regulate such public services as utilities, transportation, and education, including restricting policies meant to ensure broad or universal access to those essential needs. One especially insidious rule says that member countries must open their service sectors to private competitors, which would allow the corporate provider to cherry pick the profitable customers and sink the public service. Also,

## Do Something!

Two strong grassroots groups not only provide tons of great information, but both have field organizers covering every one of our 50 states. Working with local and national coalitions, they are able to inform, organize, and mobilize an effective citizens' voice to counter the corporate insiders that are making this secretive, anti-democratic power play.

- **Public Citizen's Global Trade Watch:**  
[www.tradewatch.org](http://www.tradewatch.org)

- **Citizens Trade Campaign:**  
[www.citizenstrade.org](http://www.citizenstrade.org)

corporations from any TPP nation must be allowed to bid on contracts to provide public services in the US on the same terms as American corporations.

## A corporatocracy

Lori Wallach, director of Public Citizen's superb research and activist group, Global Trade Watch, correctly calls the Trans-Pacific Partnership "a corporate coup d'état." Indeed, nations that join must conform their laws and rules to TPP's strictures, effectively supplanting US sovereignty and cancelling our people's right to be self-governing. Worse, it creates virtually permanent corporate rule over us—there's no expiration date on the agreement, and no provision in it can be altered unless all countries agree. Thus, even if Americans voted in an election to make changes, any other TPP country could overrule us by not agreeing.

Well, you might think, we'll still have our courts to redress corporate misuse of TPP's provisions. Uh... no. One of the deal's chapters creates a monstrous monkey wrench called the "Investor-State Dispute Resolution" system. In this private, supra-legal "court," corporations are empowered to sue TPP governments over environmental, health, consumer, zoning, or any other public policies that the corporations claim are either undermining their TPP "rights" or diminishing—get this—their "expected future profits."

This elevates thousands of private, profit-seeking entities to the legal status of sovereign nations. Under the investor-state system, a smaller version of which was included in NAFTA and other free-trade schemes, the deck is stacked for corporate interests. Cases are decided behind closed doors by three-person international tribunals of private attorneys who often have a glaring corporate bias. The same lawyers who represent corporations in these cases routinely switch over in other cases to serve as "judges." Holy revolving door!

These "tribunalists" are not accountable to any electorate, and their decisions are final—there's no appeal to a real court. If a corporation wins a case, taxpayers of the government being sued lose, for they must pony up cash to compensate the corporation for its "loss" of profit.

At present, even before the elephantine TPP is imposed on us, corporations are demanding a total of nearly \$14 billion just in cases brought under free trade arrangements that include the US. Among the current corporate giants suing governments in

investor-state tribunals are **(1)** Philip Morris (Altria), attacking Australia's and Uruguay's cigarette labeling policies; **(2)** Chevron, trying to avoid its liability for the gross toxic contamination of people and nature in the Ecuadorian Amazon; **(3)** Eli Lilly, demanding that Canada rewrite its patent law to give its drugs extended monopoly protection; and **(4)** several European investment firms, assaulting Egypt's minimum wage law.

## Shhhhhh!

Why isn't this a screaming, bold-type, take-to-the-streets, call-out-the-dogs, roll-out-the-guillotine news story and political issue? Because the corporate and political powers (apologies again for redundancy) definitely don't want us to kick up a fuss that could squirrel their little surprise, so they've thrown a suffocating blanket of secrecy over the whole process.

TPP negotiations were initiated back in 2008 by none other than President Can't-Be-Fooled-Again. (Okay, one more Bushism: "I think—tide turning. See, as I remember—I was raised in the desert, but tides kind of—it's easy to see a tide turn.") The incurious mass media, however, didn't see the story then and have since devoted zero investigative energy to it. They've accepted the official cover story that the deal is just another yawner of a trade agreement, so pay no mind—even as 17 rounds of closed-door negotiations have zipped under their radar.

Obama—who pledged in 2008 to avoid sneaky, NAFTA-style, corporate sell-outs—promptly surrendered to the global schemers once in office. Team Obama goosed up the TPP negotiating process and has gone to extremes to make it more furtive than Bush did. In 2010, all nations involved even signed a formal pledge to keep details of their deliberations from the public—and to keep documents related to the deal under cover until four years after the process is completed.

**WARNING—BUCKLE UP BEFORE READING THIS:** Last year, Obama's top trade rep, Ron Kirk, declared that locking out the people is necessary, because the deal's details would outrage Americans and spook Congress from rubber stamping it. In short, to win public approval of TPP, the Obamacans say they must keep it hidden from the public.

Where, you might ask, is Congress? In the dark.

Even though the Constitution says Congress has exclusive authority "to regulate commerce with

## MCDONALD'S HELPFUL HAND

**AT LAST,** McDonald's shows that a fast food giant can give a damn about the economic hardships faced by low-wage workers.

But are the good executives who sit atop the Golden Arches goosing up the meager \$8.25 an hour that their workers get paid? That would be a big step. Hair-netted hamburger-flippers everywhere would be grateful to see their hourly wage boosted to \$10.

Sadly, no. McDonald's didn't become a giant by paying fair wages, so actually raising pay is not the goose the executives are giving to their workers' paychecks. Rather, the burger chain has launched a website that instructs employees on how to stretch that \$8.25 by better budgeting. "Plan ahead and save," exclaims McDonald's' helpful website, adding that if each hourly worker would just organize financial records properly, he or she would "become a better decision maker."

Wow—low pay and a moral lecture! How great is that?

Unfortunately, the website's suggested budget seems to have been written by Scrooge. Initially, the bean counters forgot to include a few essentials in the "Practical Money Skills" budget they drew up for low-wage folks. Things like clothes, child care, and food. Yes, a fat zero was budgeted for eating! Embarrassed, the clueless budgeteers threw in a little something for chow, but wait—their suggested monthly expenses total nearly \$1,000 more than McDonald's pays its workers. Not to worry, though: The budget helpfully assumes that each employee will have a second job to cover that shortfall in pay.

Meanwhile, McDonald's' CEO draws \$13.8 million-a-year, a take-home that makes budgeting unnecessary. But hourly employees could take home that much, too—by working under the Golden Arches for only 760 years.

## The LOWDOWN

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PERIODICALS



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foreign nations," the White House has repeatedly rejected pretty-please requests by lawmakers merely to attend negotiations as observers, and congressional leaders have not been allowed to review, much less have any meaningful input on, the draft texts of TPP's 29 chapters. (Update: In June, our progressive friend, Rep. Alan Grayson, who has been a tenacious critic of the shady process, was finally granted a peek at the full draft—though not allowed to take a copy. "It's easy to understand why [it's] been kept secret," Grayson says, confirming that "It puts corporate interests ahead of American interests.")

## The corporate team

There are, however, 600 or so "outsiders" who've been welcomed inside to help write TPP. They are handpicked members of the 16 Industry Trade Advisory Committees—practically all of them corporate executives. From AT&T to Zippo Manufacturing, and from the Koch boys' empire to Walmart's billionaires, corporate powers are cheek to jowl with the government negotiators to make sure the final document serves their very special interests.

In addition, Obama has now named one of their own to replace Kirk: Michael Froman, an Obama classmate in law school and a protégé of Robert Rubin in the Clinton administration. Post-Clinton, Froman traipsed along with Rubin to Citigroup, which made him a Wall Street multi-millionaire. From there, he went back to Obama in 2004 as a senate campaign advisor and money-bagger (including introducing the rising political star to Rubin). Now he's been brought in to wire all these connections to the TPP sovereignty bomb.

Will the new trade representative finally apply Obama's 2009 pledge of "transparency, public participation, and collaboration" to these momentous negotiations? Sen. Elizabeth Warren asked Froman this very question in June, offering three specific suggestions for shining a little of democracy's beneficial light on the process. "Mr. Froman's response was clear," Sen. Warren later reported: "No, no, no."

Obama & Co. can shut us out of the room, but they can't consummate the deal there. While he wants to wrap up formal negotiations by October, he then has to get Congress's okay. This means imploring the same members he's been stiffing to sign America's name (i.e., yours and mine) to the document.

How will he get them to do that? As Clinton and Bush did in previous free trade hustles, he'll try to use a rush-rush legislative procedure called "fast track," while TPP's boosters simultaneously envelop the public debate in a disorienting fog of corporate PR.

The White House and its corporate allies will also mount a heavy-handed lobbying campaign to shove their package into law. Yet, even with all of the above, by no means is passage assured—or likely.

Start with fast track. The very term suggests a railroad job, which is apt, for it's a little-used, anti-democratic maneuver to choo-choo a bill

right over Congress. Under this procedure, Obama is allowed to sign TPP before Congress votes. Then he writes an "implementing bill" to make US laws conform to the hundreds of pages of TPP dictates. That's what he sends to Congress, where no amendments will be allowed and debate will be strictly limited.

The idea is to force members to swallow the whole deal in one, hurried, up-or-down vote. However, Congress first has to authorize the White House's use of the fast track play—and that's very iffy. Republican leaders have shown they're unwilling to give anything to Obama. Meanwhile, congressional Democrats are not likely to grease the skids for this stinker of a deal.

## The people's team

But the fundamental problem for the deal's boosters is not procedure, it's content: TPP stinks. If Americans get a whiff of it, they'll gag. Yes, corporations will put a ton of money behind TPP's passage, but even they might not have enough PR perfume to make Congress hug it.

There is also a broad, well-organized, knowledgeable, and politically experienced coalition of grassroots groups already at work to prevent this perversion of America's fundamental governing principles. Still, many pundits will tell us that it's impossible to stop them, because the public can't understand these complex deals.

Baloney. First, this one is not at all complex; it's a plain old power grab by the world's moneyed elites, and people today have no interest in giving more money and power to the world's 1-percenters. Second, populist forces now opposing TPP have won many of these brawls in the past, including:

- **Stopping** Clinton's demand for fast track authority in 1998.
- **Sidetracking** the Multilateral Agreement on Investment in 1998.
- **Derailing** an expansion of the World Trade Organization in 1999 and again in 2010.
- **Defeating** the Free Trade Area of the Americas (a 14-nation expansion of NAFTA) in 1999.
- **Halting** such multi-nation trade deals as AFTA (Andean countries) and NAFTA-style deals with APEC (an earlier attempt at the TPP with 18 Pacific Rim Countries), SACU (Southern Africa), Malaysia, and Thailand.

My message: We can do this. We The People can protect our democratic rights from this latest threat of corporate usurpation. The only way the Powers That Be can win is to keep the public in the dark about what TPP is. So now is the time for Lowdowners to sound the alarm, spread the news about the Trans-Pacific Partnership, and shine the light of day on their power play *before* it gets to Congress.