

No Ordinary Deal

Unmasking the Trans-Pacific Partnership
Free Trade Agreement

Jane Kelsey

The Trans Pacific Partnership is no ordinary free trade deal. Billed as an agreement fit for the twenty-first century, no one is sure what that means. For its champions in New Zealand a free trade agreement with the US is a magic bullet – opening closed doors for Fonterra into the US dairy market. President Obama sells it as the key to jobs and economic recovery, while protecting home markets. Australia hails it as a foundation stone for an APEC-wide free trade agreement.

None of these arguments stacks up. All eight participant countries except Vietnam are heavily liberalised, deregulated and privatised.* They already have twelve free trade deals between them. Who really believes that US dairy markets will be thrown open to New Zealand, or that China, India and Japan will sign onto a treaty they had no role in designing?

No Ordinary Deal unmask the fallacies of the TPPA. Experts from Australia, New Zealand, the US and Chile examine the geopolitics and security context of the negotiations and set out some of the costs for New Zealand and Australia of making trade-offs to the US simply to achieve a deal.

'Trade' agreement is a misnomer. The TPPA is not primarily about imports and exports. Its obligations will intrude into core areas of government policy and Parliamentary responsibilities. If the US lobby has its way, the rules will restrict how drug-buying agencies Pharmac (in New Zealand) and the Pharmaceutical Benefits Scheme (in Australia) can operate, and the kind of food standards and intellectual property laws we can have. Foreign investors will be able to sue the government for reducing their profits. The TPPA will govern how we regulate the finance industry or other services, along with our capacity to create jobs at home.

Above all, *No Ordinary Deal* exposes the contradictions of locking our countries even deeper into a neoliberal model of global free markets – when even political leaders admit that this has failed.

*The US, Australia, New Zealand, Brunei Darussalam, Chile, Peru, Singapore and Vietnam



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The Contributors

Jane Kelsey, Bryan Gould, Patricia Ranald, Lori Wallach, Todd Tucker, José Aylwin, Paul Buchanan, John Quiggin, Warwick Murray, Edward Challies, David Adamson, Geoff Bertram, Tom Faunce, Ruth Townsend, Susy Frankel, Jock Given, Ted Murphy, Bill Rosenberg, Nan Seuffert

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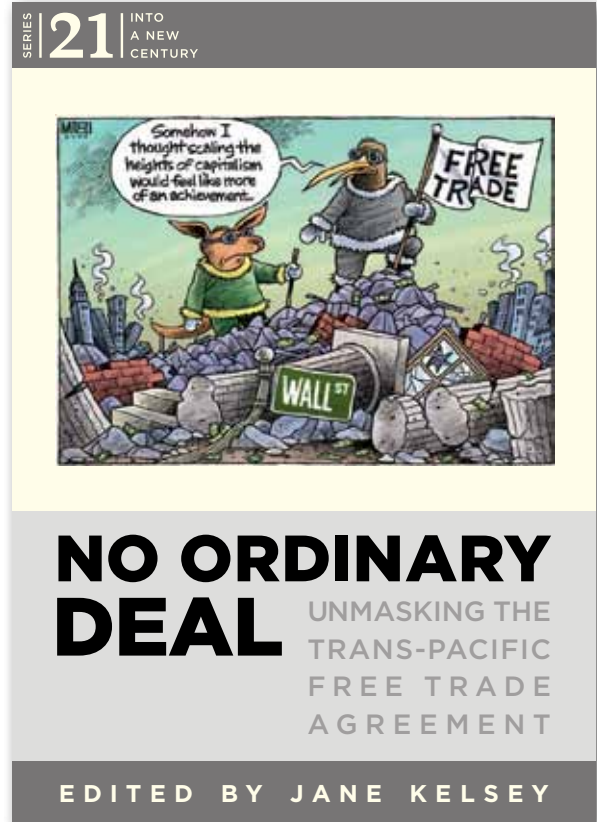
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Professor Jane Kelsey teaches at the University of Auckland. Known for her exceptional research on political issues, she is the author of several books shaping the critical debate both locally and internationally. *The New Zealand Experiment* (AUP/BWB, 1995) struck a chord with its analysis of the 1980s political ‘experiment’, and went into several reprints. *Reclaiming the Future* (BWB, 1999), co-published with the University of Toronto Press, took a hard look at globalisation and its economic impacts. Ranging over law, economics and politics, Jane Kelsey’s sharp intellect brings important analyses to the globalising world.

There is ... a worrying degree of naivety and a failure to recognise that New Zealand’s own experience and that of other small and marginal countries in similar circumstances make it very unlikely that the country can secure an agreement that will serve its interests.

Bryan Gould

Will Obama use the TPPA process to deliver on his campaign commitments to create a new trade pact model that works for more people and is consistent with his domestic goals and priorities? Or, will he continue the TPP approach inherited from George W. Bush that extends the failed North American Free Trade Agreement model established by Presidents Bill Clinton and George H. W. Bush?

Lori Wallach & Todd Tucker

The TPPA raises in Australia many of the issues that were bitterly debated in the AUSFTA at the height of neoliberal economic policy ascendancy. The loss of credibility of neoliberal policies following the global financial crisis, combined with examples of the impact of the AUSFTA on public policy since the agreement came into force, reinforce ongoing public opposition to the AUSFTA which is spilling over into the TPPA.

Patricia Ranald, AFTINET