



## The TPP: Integrity Litmus Test for the Liberals

by Leslie Kemp and Cym Gomery

On February 3, 2016, Canada's International Trade Minister, Chrystia Freeland, signed the massive twelve-country Trans-Pacific Partnership (TPP) Pacific Rim treaty. Led by the US, the partnership includes Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam.

That signature came before the government had finished assessing the economic costs and benefits the deal potentially holds for Canada, Freeland acknowledged. The Liberals have billed the signature as a "technical step" that will allow Canada to stay at the bargaining table, and Freeland says that the government will continue to study the TPP's potential consequences.

The CUSJ board feels that Canada has yet again signed on to a trade deal that gives powers to corporations at the expense of human needs, the environment, and democracy. The TPP would surpass the North American Free Trade Agreement (NAFTA) in giving powers to corporations. Further, according to Médecins sans Frontières, the TPP may become the most harmful trade pact ever in restricting access to medicines in developing countries.

However, there is hope; the deal has been signed, but there are two years before Canadian MPs will be asked to vote on whether to ratify it. This deal needs to be scrapped. Here's why.

1. This deal was conceived as a backroom deal between the US government and their corporate friends to create the largest trading bloc in the world.
2. This deal is not so much about trade as about corporate deregulation in the interest of profit.

Blayne Haggart, assistant professor at Brock University, describes the deal as "a new global economic framework, driven primarily by U.S. interests and

U.S. power." He argues that "calling the TPP a free-trade agreement overplays its benefits, plays down its problematic aspects" and fundamentally misrepresents the deal.

Only two of 26 chapters in the TPP have to do with trade, according to the Council of Canadians. The other 24 chapters deal with how governments regulate corporate activity, what Crown corporations can and cannot do, how long pharmaceutical patents or copyright terms should last, how the Internet is governed, protocols for the sharing of personal information across borders, regressive banking and taxation rules, and procedures for compensating a company or investor when environmental or public health policies interfere with profits.

This agreement's purpose, as with previous so-called trade agreements, is to create a friendly environment for investors by restricting what governments can regulate. The TPP is similar to other such agreements, taking society further down the path to "neoliberal nirvana."

The new Liberal Federal Government pledged to "hold a full and open public debate in Parliament to ensure Canadians are consulted on this historic trade agreement." However, the Liberals supported previous free trade deals despite promising to scrap or change them. The Liberals

have a historic opportunity now to break with a not-so-venerable tradition, and take the side of the Canadian middle class over profits and corporations.



Leslie Kemp, top, and Cym Gomery; both are members of the Board of Canadian Unitarians for Social Justice.

### NOTICE OF AGM

**Canadian Unitarians for Social Justice** annual general meeting: Monday May 23, 2016, 8:30 am to 12 noon at the University of British Columbia.

Guest speaker, Guy Dauncey, author and futurist, "Thinking Boldly about the Future."

*More information p. 10-11 and at [www.cusj.org](http://www.cusj.org)*

# TPP: The Good and the Bad

by Bill Curry

The Trans-Pacific Partnership would create a free-trade zone among 12 nations around the Pacific, making it the world's largest. The twelve nations in the Trans-Pacific Partnership are: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam. These countries account for 40 per cent of the world's economic output. In November, 2015, the U.S. and New Zealand governments released versions of the full text of the agreement. On January 25, 2016, Canada's Liberal government confirmed that it would sign the deal, though it still needs to be ratified by a majority vote in the House of Commons before being officially introduced.

## TPP is the new NAFTA

Canada and Mexico have long enjoyed privileged access to the United States, the country with the biggest economy in the world. That special status will be diluted under the Trans-Pacific Partnership by the twelve countries that would share in the perks of TPP membership.

At a high level, TPP is similar to NAFTA in that it involves pledges to reduce or eliminate tariffs on a wide range of goods and services. It also sets out rules for resolving disputes.

The deal may not be the end of NAFTA, however. The TPP deal still requires the approval of the U.S. Congress, and senior Democrats and Republicans expressed strong reservations in response to the details. Canada's Trade Minister, Ed Fast, said that Canada's support is contingent on a positive vote for the deal in Parliament following the Oct. 19, 2015, federal election.

## Is the TPP a fair, balanced deal for Canada?

### Labour rules

Unlike Canada's recent trade deals with the European Union and South Korea, the TPP is not limited to highly developed nations. Critics of the deal say the inclusion of countries such as Peru and Vietnam will see well-paying jobs exported to low-wage economies where workers have less protection from exploitation. Canadian officials countered that the deal includes

strong and enforceable rules banning child labour and entrenching the rights of workers in member countries to unionize.

The TPP also reduces hurdles for employees to work temporarily at affiliate offices of their employer in other member countries. This measure is aimed at



U.S.–and Canadian–workers will face competition from countries where labour is cheaper.

easing business travel. Officially known as intra-company transfers, these arrangements have attracted controversy at times in the context of the Canadian debate over temporary foreign workers. The chief executive officer of Royal Bank of Canada apologized in 2013 after a controversy emerged involving the outsourcing of information technology work that involved intra-company transfer visas.

## Dispute-resolution provisions

Free-trade deals, including NAFTA, have provisions for resolving disagreements between states. They also include investor-state provisions that allow private companies to contest government decisions. For instance, Canada was required to pay forestry firm AbitibiBowater Inc. \$130-million in 2010 after the company won a NAFTA Chapter 11 challenge against Newfoundland and Labrador's decision to expropriate its assets.

The investor-state provisions of Canada's Comprehensive Economic and Trade Agreement (CETA) with the European Union was one of the main sources of controversy against the deal from within the EU. Canadian officials said on Oct. 5, 2015, that the dispute-resolution provisions in the TPP are similar to those that are in CETA and NAFTA.



Trade Ministers hold a conference to discuss the Trans Pacific Partnership trade deal.

### **Will Canadian consumers benefit?**

Canadian consumers can expect to see lower prices over time for one of their biggest purchases: vehicles. The current 6.1-per-cent tariff on passenger vehicles from Japan will be phased out completely over five years. The new lower content threshold for auto parts should also reduce costs. The elimination of a wide range of tariffs should lead to more choice and lower prices for consumer goods.

### **Will Canadian exporters benefit?**

Canadian companies will gain a competitive advantage over their rivals from non-TPP countries that will still face the existing tariffs. This is particularly important given the improved access Canadian firms will have to the Japanese market, which ranks third in the world in terms of gross domestic product behind the United States and China.

China was not invited to join the TPP negotiations and the deal is widely viewed as a challenge to China's growing economic influence in the Asia Pacific region.

### **What Canada Sacrifices and What It Gains**

#### **Alcohol**

Bottles of Canadian whisky will be well-aged by the time producers cash in on the Trans-Pacific Partnership. Malaysia will take up to 15 years before dropping its whisky tariffs. Vietnam will drop its 55-per-cent duties within 12 years. These are the types of details that make up the trade agreement, as varying timelines and tariffs apply to different products and countries.

Canadians are known abroad for their ice wine and Canadian whisky and both products will have fewer barriers to entering TPP nations under the deal. Australia and New Zealand will drop duties on Canadian wine right away, while Japan will follow suit within seven years.

#### **Autos**

Canada's concessions on auto imports quickly came under fire Monday as the TPP deal was announced. Canada will allow vehicles to enter the country from Japan duty free within five years, yet the United States negotiated a 25-year timeline before erasing similar tariffs. The Canadian Vehicle Manufacturers' Association issued a short statement saying it is "concerned to learn of a significant differentiation in the negotiated tariff transitions achieved by Canada and the United States."

The privileged access of Canada's auto parts manufacturers to the North American market will also be diluted under the deal. Current rules under the North American free-trade agreement (NAFTA) require that 62.5 per cent of auto parts come from North America in order to avoid tariffs. Under the TPP, autos manu-

factured in Canada must meet a new standard that 45 per cent of the cost be based on parts made within the TPP. Canada called this a victory that would allow for more exports, but Unifor, the union representing Canada's auto workers, condemned the deal as "outrageous" and warned that it will kill jobs.

#### **Agriculture**

Canada expects the TPP will be good for a large number of agricultural sectors as new export markets open up, thanks to the elimination or reduction of tariffs. The timeline varies by country and by product.

Access to the large Japanese market is a key prize for TPP members. Once the deal comes into force, Japan will immediately end tariffs on 32 per cent of its agricultural imports, while other tariffs would be reduced or eliminated over the next 20 years. Australia, Malaysia and New Zealand will eliminate more than 90 per cent of their agricultural tariffs immediately once the deal is in place.

Canola and processed food and beverages were highlighted by Canadian officials as export sectors that should benefit under the deal.

#### **Beef and pork**

Canadian beef and pork producers are among the big winners under the TPP deal. From 2012 to 2014, Canadian producers exported \$2.6-billion worth of pork and \$1.3-billion worth of beef to TPP markets, though much of that was to Canada's NAFTA partners.

Within 10 years, Japan is promising to eliminate its tariffs on a wide range of pork products, while the current 50-per-cent tariffs on beef will be reduced to 9 per cent within 15 years. Vietnam will move more quickly, eliminating tariffs of up to 31 per cent on fresh and frozen beef within two years.



Farmers urge the government not to surrender Canada's supply-management system.

#### **Dairy**

Canadian dairy farmers marched with their cows and tractors on Parliament Hill a few weeks ago, urging the Conservative Government not to surrender Canada's system of supply management during the closed-door TPP talks. Other TPP members, including New Zealand, had made clear they wanted major dairy concessions from Canada.

When the deal was announced Monday, Ottawa said it would pay \$4.3-billion over 15 years to dairy, chicken and egg farmers affected by the TPP or Canada's free-trade deal with the European Union. The supply management system was not abandoned, but Canada would give TPP members duty-free access to



3.25 per cent of its dairy market and 2.1 per cent of its poultry market.

The Dairy Farmers of Canada responded favourably to the deal. “We obviously would have preferred that no additional market access be conceded in the dairy sector,” Dairy Farmers president Wally Smith said in a statement. “However, we recognize that our government fought hard against other countries’ demands. ... We have come a long way from the threat of eliminating supply management.”

### Fisheries

Canadian officials highlighted the potential for gains in seafood exports under the TPP deal. Background documents highlight the fact that Japan has traditionally been known “for its high per capita consumption of fish and seafood.” Japan has committed to eliminating 66 per cent of its fish and seafood tariffs once the deal is in place.



Snow crab, lobster, shrimp, salmon, scallops, halibut, mussels, tuna and oysters are also listed as Canadian seafood products that will gain easier access to TPP markets.

### Forestry

Free trade and forestry hasn’t always gone smoothly for Canada. The dispute-resolution clauses of NAFTA were invoked in the past to sort out differences between Canada and the United States over softwood lumber.

The Forest Products Association of Canada called Monday’s TPP deal “an important boost” for Canada’s forest industry. The lobby group noted that Canada currently exports more than \$22.6-billion of forest products a year to TPP countries and that is now expected to grow because of the deal.

### Heavy industry

Industrial goods like farming and construction equipment as well as aerospace products would get quick access to TPP markets under the deal.

“Canada has obtained an advantageous tariff outcome—the elimination of all tariffs on industrial goods from all TPP countries,” states background information released by the Canadian Government.

The Canadian Manufacturers & Exporters praised the deal and said it would help its members reach the goal of doubling Canada’s manufacturing and exporting output by 2030.

### Pharmaceuticals

As the negotiators extended their deadline over the weekend, reports emerged that rules relating to so-

called biologics were among the final points of disagreement. Biological products include vaccines, blood and cutting-edge products that combine natural substances.

The final deal provides pharmaceutical companies with five years of exclusive use of new biotechnology before having to share data with generic drug manufacturers. The Biotechnology Industry Association had been urging TPP countries to match the current 12-year intellectual property restrictions that are in place



in the United States. The association called the shorter protections “remarkably short-sighted” and warned they would chill global investment in new health research.

### Services

Bankers, engineers, architects and environmental consultants are some of the jobs that fall under the broad category of services covered by the TPP. The deal will make it easier for employees to make temporary work trips within the TPP region. There are also new provisions to make it easier for workers to bring their spouses on business trips.

Canadian officials argue that Canada’s banking sector in particular should benefit from the deal. They also insist that the deal allows Canada to protect and promote its existing rules for supporting Canadian culture.

“Nothing in the TPP agreement prevents governments from regulating in the public interest, including with regard to adopting measures to promote culture, delivering public services like health and education or providing protections for Aboriginal peoples,” the Government states [incorrectly] in background documents.

### How Could It Affect our Trading Partners?

**Pharmaceuticals:** Next-generation pharmaceuticals, including cell-based biologics, will have patent-style protections for eight years. That’s in line with Canadian policy, but will disappoint some countries that declared anything beyond five years would be unacceptably expensive for patients and taxpayers.

**Technology:** There are rules in the deal to protect the digital economy, and practices like cloud computing. It would prevent national governments from cutting off data flows, by limiting laws that require local storage of data.

*Bill Curry is the Parliamentary reporter for the Globe and Mail. The entire article appeared Monday, Jan. 25, 2016.*



# Trade Minister Needs to Break Out of Bureaucrat's Bubble on TPP

by Murray Dobbin

*Deal's massive risks demand independent, government-funded assessments.*

Are Trade Minister Chrystia Freeland's officials misleading her about the Trans-Pacific Partnership (TPP)?

Freeland signed the agreement Thursday in New Zealand, but repeated her assurances that critics shouldn't worry—the government hasn't committed to ratifying it and consultations and a full debate will precede a vote in Parliament. That could be up to two years away.

Yet so far the consultation process has not penetrated the ideological bubble created by trade department officials.

Take one example. By far the biggest concern of critics (including Nobel Prize-winning economist Joseph Stiglitz) is the Investor State Dispute Settlement (ISDS) provision. This allows corporations to claim damages if they believe a government's laws or regulations unfairly harm their interests or hurt profits.

Freeland seems to be either ill-informed or misled about the provision's impact. At a panel discussion in Vancouver last month she seemed unaware of the ISDS. Her fellow panelists, both economics professors, downplayed the threat.

For many of us who have dealt with trade bureaucrats promoting these investment protection agreements it is easy to suspect that Freeland is being deliberately misinformed by her own staff.

## Consultations promised

Sounds good. But the execution raises serious questions about how genuine the consultation will be.

First, the vast majority of consultations have been with groups supportive of these agreements: Provincial government ministers, business groups, industry reps, universities, etc. Of 74 such meetings (as of Jan. 31), there have been a handful with "students" (but not with student council representatives who have actually studied the TPP) and a couple with labour—with the Canadian Labour Congress and Unifor.



Trade Minister Chrystia Freeland

There have been no meetings with NGOs who have taken the time to examine the TPP closely, like the Council of Canadians and the Canadian Centre for Policy Alternatives, with First Nations (whose agreements with governments can be trumped by ISDS) or environmental groups.

Obviously there is still time for such engagement, but the process so far does not bode well for balanced input.

## Gifting arbitrary powers to big corporations

The more serious sign that trade officials are busy manipulating their minister is revealed in the answers the government provides to Canadians who take it up on the offer to engage. When they write to the government asking about investment protection and the ISDS in the TPP, here's the response they get: "With respect to Investor-State Dispute Settlement (ISDS), the TPP will not impair the ability of Canada or its partners to regulate and legislate in areas such as the environment, culture, safety, health and conservation. Our experience under the NAFTA demonstrates that neither our investment protection rules nor the ISDS mechanism constrain any level of government from regulating in the public interest."

This is so *demonstrably false* as to shock even the most jaded cynic. Does Freeland know what is being said in her name? Since the North American Free Trade Agreement came into effect on Jan. 1, 1994, Canada has been the target of 35 investor-state claims under the agreement. Nearly two-thirds involved challenges to environmental protection or resource management laws or regulations. Canada has already paid out more than \$170 million in damages in six cases (lost or settled) and abandoned most of the "offending" legislation and regulations. We face additional corporate claims totalling more than \$6 billion in potential penalties for NAFTA "violations" such as the Quebec government's decision to ban fracking under the St. Lawrence River.

This does not take into account the legislation and regulations (federal and provincial) that have never made it out of their cribs, killed by the chill of knowing they wouldn't pass ISDS muster. A recent UN report quoted a former Canadian official as saying: "I've seen the letters from the New York and D.C. law firms coming up to the Canadian government on virtually every new environmental regulation... Virtually all of the new initia-

**Consultations to date have only been with provincial governments, business groups, industry reps...., but not with student council representatives who have actually studied the TPP.**

tives were targeted and most of them never saw the light of day.”

In one of the most egregious cases decided under NAFTA, Bilcon of Delaware, a tribunal effectively overruled federal and provincial governments’ environmental concerns last year and allowed a quarry to go ahead in Nova Scotia. University of Ottawa law professor Donald McRae, one of the tribunal members, wrote a detailed dissenting opinion warning of the negative impact of the decision.

“Once again, a chill will be imposed on environmental review panels which will be concerned not to give too much weight to socio-economic considerations or other considerations of the human environment in case the result is a claim for damages under NAFTA Chapter 11,” McRae wrote. “In this respect, the decision of the majority will be seen as a remarkable step backwards in environmental protection.”

Even one of NAFTA’s strongest supporters, Toronto trade lawyer Larry Herman, expressed concern that the dispute tribunals were unilaterally expanding their mandate to circumvent domestic courts. The decision, Herman observed, “will feed ammunition to those who oppose international arbitration as a form of dispute settlement.”

Just as these unaccountable panels are expanding their powers to interfere in the democratic legislative process, Canada is about to extend these arbitrary powers to corporations in nine more countries in the TPP.

### **Selling free trade**

Yet so far the “ammunition” provided by this evidence has run smack up against the Kevlar vests in the Global Affairs bureaucracy. The department’s name has changed under the Trudeau Government, but its approach is powerfully reminiscent of the bad old days of the Department of Foreign Affairs and International Development, when a priesthood of trade bureaucrats protected the Holy Grail of “free trade” against all detractors. So deeply did they believe in their mission that factual analyses of agreements like NAFTA and the Multilateral Agreement on Investment (MAI) were not even acknowledged, let alone heeded.

Noel Schacter, chief trade policy negotiator for the B.C. NDP government in the late 1990s, recalls dealing with federal officials.

“Federal government trade negotiators sold free trade by overstating the upsides and underestimating the downsides,” he says. “This was especially true of investor-state provisions, which had the potential to be lethally damaging to critical social policy areas

such as medicare or the environment. These public servants appeared to have little knowledge of these social policy areas and little concern. During my tenure I never saw any independent analysis that demonstrated why provisions in trade treaties were necessary or how the broader public good would be served. It often felt like being in a temple of true believers and those of us who questioned the doctrine were heretics.”

Is there any way to counter the pernicious influence of these free-trade zealots? The most powerful antidote would be independent analyses of the controversial areas of the TPP—in other words, genuine consultation. The only time this has been done was under the NDP government of Glen Clark, which provided funding for many social sectors—such as First Nations, women, unions, and environmentalists—to hire experts and study the impact of the Multilateral Agreement on Investment on their constituencies. The resulting studies led the B.C. government to oppose the MAI (which eventually failed to win needed international support).

If Prime Minister Justin Trudeau and Freeland are truly committed to broad consultation beyond the business community, they should follow the same model.

The Canadian Environmental Assessment Agency already does something similar. Its Participant Funding Program “supports individuals, non-profit organizations and Aboriginal groups interested in participating in federal environmental assessments.” It would be a tragic irony if this consultation program led to new environmental legislation—which then triggered a multi-billion-dollar claim by a foreign corporation under the TPP.



Law professor Donald McRae



*Murray Dobbin is one of Canada’s most popular progressive political commentators and analysts, and has been a journalist, broadcaster, author and social activist for over forty years. This article appeared in TheTyee.ca, 5 Feb., 2016.*

### **Canada Sued over MMT**

In 1997, Canada restricted import and transfer of the gasoline additive MMT because it was a suspected neurotoxin that had already been banned in Europe. Ethyl Corp., the U.S. multinational that supplied the chemical, sued the government for \$350 million under the North American Free Trade Agreement and won! Canada was forced to repeal the ban, apologize to the company and pay an out-of-court settlement of US\$13 million.



# THE TRANS-PACIFIC TRADE (TPP) AGREEMENT MUST BE DEFEATED

by U.S. Senator Bernie Sanders

The Trans-Pacific Partnership is a disastrous trade agreement designed to protect the interests of the largest multi-national corporations at the expense of workers, consumers, the environment and the foundations of American democracy. It will also negatively impact some of the poorest people in the world.

The TPP is a treaty that has been written behind closed doors by the corporate world.

Incredibly, while Wall Street, the pharmaceutical industry and major media companies have full knowledge as to what is in this treaty, the American people and members of Congress do not. They have been locked out of the process. The TPP follows in the footsteps of other unfettered free trade agreements like NAFTA, CAFTA and the Permanent Normalized Trade Agreement with China (PNTR).

These treaties have forced American workers to compete against desperate and low-wage labour around the world. The result has been massive job losses in the United States and the shutting down of tens of thousands of factories. These corporately backed trade agreements have significantly contributed to the race to the bottom, the collapse of the American middle class and increased wealth and income inequality. The TPP is more of the same, but even worse.

Let's be clear: the TPP is much more than a "free trade" agreement. It is part of a global race to the bottom to boost the profits of large corporations and Wall Street by outsourcing jobs, undercutting worker rights, dismantling labor, environmental, health, food safety and financial laws, and allowing corporations to challenge our laws in international tribunals rather than our own court system.

If TPP was such a good deal for America, the administration should have the courage to show the American people exactly what is in this deal, instead of keeping the content of the TPP a secret.



U.S. Senator Bernie Sanders answers questions at a press conference.

## Ten Ways the TPP Hurts Working Families

### 1. The TPP will allow corporations to outsource even more jobs overseas.

According to the Economic Policy Institute, if the TPP is agreed to, the U.S. will lose more than 130,000 jobs to Vietnam and Japan alone. But that is just the tip of the iceberg.

Service Sector Jobs will be lost. At a time when corporations have already outsourced over 3 million service sector jobs in the U.S., TPP includes rules that will make it even easier for corporate America to outsource call centres, computer programming, engineering, accounting, and medical diagnostic jobs.

Manufacturing jobs will be lost. As a result of NAFTA, the U.S. lost nearly 700,000 jobs. As a result of Permanent Normal Trade Relations with China, the U.S. lost over 2.7 million jobs. As a result of the Korea Free Trade Agreement, the U.S. has lost 70,000 jobs.

The TPP would make matters worse by providing special benefits to firms that offer offshore jobs and by reducing the risks associated with operating in low-wage countries.

### 2. U.S. sovereignty will be undermined.

The TPP creates a special dispute resolution process that allows corporations to challenge any domestic laws that could adversely impact their "expected future profits." These challenges would be heard before UN and World Bank tribunals which could require taxpayer compensation to corporations.

This process undermines our sovereignty and subverts democratically passed laws including those dealing with labour, health, and the environment.

### 3. Wages, benefits, and collective bargaining will be threatened.

NAFTA, CAFTA, PNTR with China, and other free trade agreements have helped drive down the wages and benefits of American workers and have eroded collective bargaining rights. The TPP will make the race to the bottom worse because it forces American workers to compete with desperate workers in Vietnam where the minimum wage is just 56 cents an hour.

### 4. Our ability to protect the environment will be undermined.

The TPP will allow corporations to challenge any law that would adversely impact their future profits. Pending claims worth over \$14 billion have been filed based on similar language in other trade agreements.

Most of these claims deal with challenges to environmental laws in a number of countries. The TPP will make matters even worse by giving corporations the right to sue any of the nations that sign onto the TPP. These lawsuits would be heard in international tribunals bypassing domestic courts.

## 5. Food Safety Standards will be threatened.

The TPP would make it easier for countries like Vietnam to export contaminated fish and seafood into the U.S. [and Canada]. The FDA has already prevented hundreds of seafood imports from TPP countries because of salmonella, e-coli, methyl-mercury and drug residues. But the FDA only inspects 1-2 percent of food imports and will be overwhelmed by the vast expansion of these imports if the TPP is agreed to.

## 6. Buy America laws could come to an end.

The U.S. has several laws on the books that require the federal government to buy goods and services that are made in America or mostly made in this country. Under TPP, foreign corporations must be given equal access to compete for these government contracts with companies that make products in America. Under TPP, the U.S. could not even prevent companies that have horrible human rights records from receiving government contracts paid by U.S. taxpayers.

## 7. Prescription drug prices and the profits of drug companies will increase; access to life saving drugs will decrease.

Big pharmaceutical companies are working hard to ensure that the TPP extends the monopolies they have for prescription drugs by extending their patents (which currently can last 20 years or more). This would expand the profits of big drug companies, keep drug prices artificially high, and leave millions of people around the world without access to life saving drugs.

Doctors without Borders stated that “the TPP agreement is on track to become the most harmful trade pact ever for access to medicines in developing countries.”

## 8. Wall Street would benefit at the expense of everyone else.

Under TPP, governments would be barred from imposing “capital controls” that have been success-

**The TPP will ban capital controls that have successfully prevented financial crises.**

fully used to avoid financial crises. These controls range from establishing a financial speculation tax to limiting the massive flows of speculative capital flowing into and out of countries responsible for the Asian financial crisis in the 1990s.

In other words, the TPP would expand the rights and power of the same Wall Street firms that nearly destroyed the world economy just five years ago and would create the conditions for more financial instability in the future.

## 9. The TPP would reward authoritarian regimes.

The State Department, the U.S. Department of Labor, Human Rights Watch, and Amnesty International have all documented Vietnam’s widespread violations of basic international standards for human rights. Yet, the TPP would reward Vietnam’s bad behaviour by giving it duty free access to the U.S. market.

## 10. The TPP has no expiration date, making it virtually impossible to repeal.

Once the TPP is agreed to, it has no sunset date and could only be altered by a consensus of all of the countries that agreed to it.

Other countries, like China, could be allowed to join in the future. For example, Canada and Mexico joined TPP negotiations in 2012 and Japan joined last year.



*Bernard "Bernie" Sanders is an American politician and the junior United States Senator from Vermont. He is a candidate for the Democratic nomination for President of the United States in the 2016 U.S. presidential election.*

## Japan’s economy minister resigns over money scandal, denies bribery

by Stanley White and Leika Kihara



TOKYO (Reuters) - Japanese Economy Minister Akira Amari resigned abruptly on Thursday, January 28<sup>th</sup>, 2016, to take responsibility for a political funding scandal that has rocked the government, but denied having taken bribes. Amari is a close ally of the prime minister and a core member of his policy team. He led Japan’s negotiations for the Trans-Pacific Partnership free trade bloc.

The resignation of Amari, who has spear-headed Prime Minister Shinzo Abe’s economic policies, could pose a setback to the administration’s “Abenomics” growth plan aimed at driving Japan out of deflation, analysts said.

But the government moved swiftly to contain the fallout by appointing Nobuteru Ishihara, a former minister and secretary-general of the ruling Liberal Democratic Party, as his replacement.

In a packed news conference televised live, Amari acknowledged taking money from a construction company executive but said he told his aides to correctly record the funds as a political donation.

While asserting his legal innocence, Amari said he was stepping down to prevent the scandal from being a distraction to the Abe administration’s drive to pull the country out of deflation.



# Sold Down the Yangtze—a Critique of the China Trade Deal

by Frants Attorp

While many people and organizations have denounced Canada's free trade deal with China, one voice has stood out above the others—that of Gus Van Harten, a Law professor at the Osgoode Hall Law School who specializes in international investment.

Van Harten has published a scathing condemnation of the treaty, *Sold Down the Yangtze—Canada's Lopsided Investment Deal with China* [paper back CDN\$ 21.27]. In his book, he explains with frightful clarity how the FIPA works in China's favour, and undermines democratic institutions by putting Canadians at risk of multi-billion dollar lawsuits. He systematically debunks the false logic of those who promoted the deal, be they politicians, legal advisers, or high profile journalists, and sends a dire warning about other similar deals coming down the pipe.

I interviewed Professor Van Harten upon release of his book.

## What prompted you to write *Sold Down the Yangtze*?

I wanted to provide a full account of what the FIPA does, and how people were misled by the media blitz to sell it... I also wanted to suggest what future governments can do to limit the damage.

## Where are the checks and balances?

In international law, it is easy for a country to give up its sovereignty and can be hard to get it back. There was very little process in the case of the FIPA. All that it required was a decision of the federal Cabinet, not a vote in Parliament and provincial legislatures, for example, or a national referendum. Had a more publicly accountable process been used, I doubt we'd be stuck with the FIPA.

## What is to prevent a future government from simply ripping up the FIPA and telling Chinese corporations to get lost?

The short answer is: the lawyers who would sit as arbitrators under the FIPA would issue their award



Author Gus Van Harten, Osgoode Hall Law Professor

anyway. They would say the FIPA has a minimum term and apply that term regardless of what a future government in Canada did. If they ordered Canada to pay compensation to a Chinese investor and the government refused, Canada's assets in other countries could be seized to make good on the award.

## What has to happen to ensure future trade deals are better scrutinized and of benefit to Canadians?

The long lock-in periods should not be allowed, to preserve democracy. They are not included in other international treaties; why should foreign investors' priorities be privileged this way? Also, all these treaties should have to be approved by Parliament, and, because they clearly affect the provinces and territories, by provincial and territorial legislatures too.

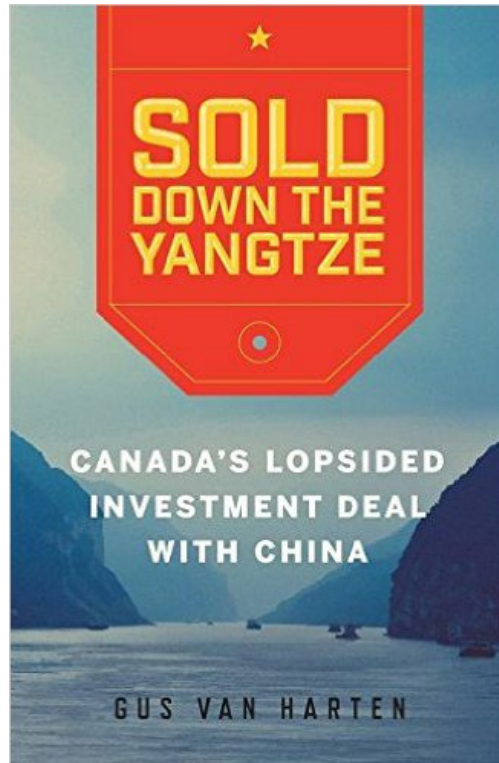
Personally, I think deals like FIPA—and the Trans-Pacific Partnership (TPP), and the Canada-Europe Trade Agreement (CETA), both of which are still

being negotiated—are so massive and long-lasting they deserve a national referendum before they are finalized. It should not be left to the federal Cabinet to finalize a trade or investment deal that cannot be reversed for decades.

## What do you hope your book will achieve?

I hope it will contribute to more awareness about the steady erosion of our democracy and sovereignty through these obscure treaties. I also hope it will help people see the importance of supporting political parties and governments that are committed to ending that erosion. That would be wonderful.

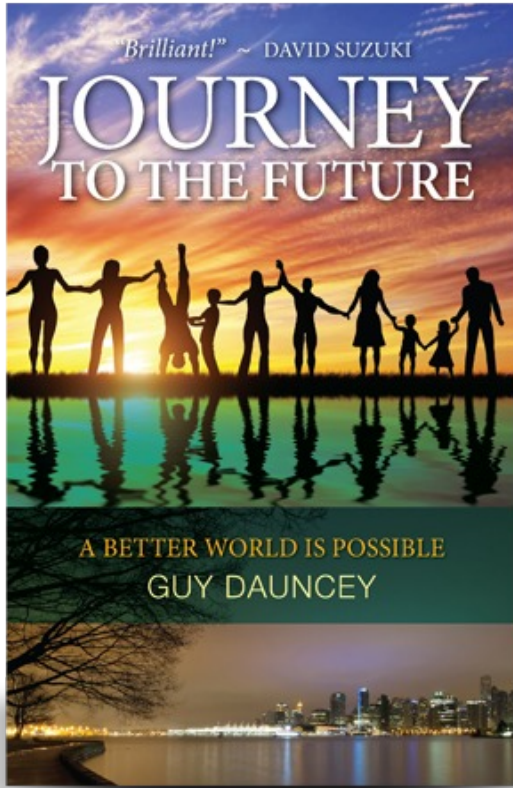
*Frants Attorp is a resident of Salt Spring Island, B.C. For the full article, see Island Tides, vol. 27 (16), p. 2, Aug. 20-Sept. 2, 2015.*



## Membership Dues

If you had planned to renew your membership dues by December 31, 2015, but forgot, here is your chance for a special dispensation: **Renew by March 31<sup>st</sup> and have your payment cover your membership for 2016.** Our Membership Coordinator, Joy Silver will not send you a renewal notice after our Annual General Meeting in May. You can pay online at [www.cusj.org](http://www.cusj.org) or fill out the membership renewal form, back of this newsletter, and send it and a cheque to our treasurer, Bob Staveley, at the address indicated on the form.





Thinking Boldly About the Future: Another World is Possible

Proverbs 20:18 “Where there is no vision, the people perish.”

It is not enough to say, “No!” Throughout existence, among all animals and humans, having a positive vision of a future outcome has been a precondition for success. The power of our vision needs to be twenty times stronger than the power of our fears.

We need to imagine a future world brimming with innovation and hope, where the climate crisis is being tackled, the solar revolution is underway, neighbourhoods are flourishing, and a new green economy is taking shape that is vibrant, socially just and ecologically sustainable.

With such a beautiful vision in place many new people will be attracted, strengthening our belief that we can do it: that we can indeed build a better world.

Guy Dauncey is an author and futurist who works to develop a positive vision of a sustainable future, and to translate that vision into action. He lives on Vancouver Island, in Canada.

Guy is founder of the BC Sustainable Energy Association, co-founder of the Victoria Car Share Cooperative, and the author or co-author of ten books, including *The Climate Challenge: 101 Solutions to Global Warming* and most recently *Journey to the Future: A Better World Is Possible*. (Books will be on sale at the CUSJ Conference table and at the CUSJ AGM).

Guy is an Honorary Member of the Planning Institute of BC, a Fellow of the Findhorn Foundation in Scotland, and a Fellow of the Royal Society for the Arts.

**CUSJ AGM – Live Streamed on the Web**

*Live stream instructions: TBA*

For the fifth time CUSJ offers the opportunity for all our members across Canada to attend our meeting, hear our speakers and participate through the online chat. We want to honour those who don’t travel because of greenhouse gases or cost and yet want to be part of our meeting. Host a local meeting in your own chapter or congregation. Let’s join whole communities on line for a cross-country check-up and discussion.

Standing on the Side of Love and Justice T-shirts at AGM 2014.





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## STATEMENT OF PURPOSE

The CUSJ purposes are:

- to develop and maintain a vibrant network of Unitarian social action in Canada and elsewhere and to proactively represent Unitarian principles and values in matters of social justice and in particular
- to provide opportunities, including through publication of newsletters, for Unitarians and friends to apply their religious, humanistic and spiritual values to social action aimed at the relief of (1) poverty and economic injustice, (2) discrimination based on religious, racial or other grounds, (3) abuses of human rights whether of individuals or peoples, (4) abuses of democratic process, and
- to promote peace and security, environmental protection, education, and literacy in keeping with the spirit of Unitarian values.

These purposes are an integral part of the Constitution of CUSJ, adopted at the CUSJ Annual Meeting in Mississauga, ON, May 19, 1999, and amended at the 2003 AGM.

I agree with the above Statement of Purpose, and wish to  
 join or  renew membership in CUSJ.

Enclosed please find my donation of \$ \_\_\_\_\_

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