

Australia, Japan press US congress to ratify TPP

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Australian Prime Minister Malcolm Turnbull and Foreign Minister Julie Bishop, who are currently in the US for the UN General Assembly, have joined the push by the Obama administration for the US Congress to ratify the Trans-Pacific Partnership (TPP). Their comments make clear that the TPP is not simply a trade deal, but is part of President Barack Obama's broader "pivot to Asia," aimed at subordinating China to American interests.

Bishop spoke to representatives of the US presidential candidates, Democrat Hillary Clinton and Republican Donald Trump, to impress on them the importance of approving the trade and economic pact. Both Clinton and Trump have publicly opposed the TPP, even though in Clinton's case she was, as Obama's secretary of state, one of the chief architects of the "pivot" and the TPP.

Speaking last weekend after meeting with Trump and Clinton representatives, Bishop declared: "We certainly urge both camps to see this as not only economically important but strategically vital for our region." She warned: "Invariably if there is no Trans-Pacific Partnership, we will be looking for other free trade agreements and continuing our quest for a free trade zone in this part of the world, in the Asia Pacific."

Bishop's comments reflect broader concerns in Asia that Washington's standing in the region will be substantially undermined if the US Congress fails to ratify the TPP. US allies such as Australian and Japan signed up to the agreement understanding that it was a key component of Obama's efforts to maintain American hegemony in the Asia Pacific. Obama previously underscored its purpose, declaring: "The TPP allows America—and not countries like China—to write the rules of the road in the 21st century."

After protracted negotiations involving the US and 11

other nations, the TPP was finally agreed last October and formally signed in New Zealand in February. At its core, the TPP is a trade and economic agreement between the world's largest economy, the United States, and third largest, Japan, aimed against the second largest, China, which is not part of the agreement despite being the largest trading partner of many countries involved.

While the deal contains some measures to reduce tariffs, the US has been far more concerned to protect the "intellectual property rights" and thus super-profits of American corporations, and to open up Asian economies to American investment, including by undermining state-owned enterprises. Key investor-state dispute settlement clauses will enable US and other firms to sue member countries for any profits supposedly lost due to government regulations, which could include health and safety measures.

Speaking yesterday, Prime Minister Turnbull reinforced Bishop's remarks, telling reporters the TPP was "a very important statement of America's strategic commitment to the rule of law" in Asia. His comments echo the constant refrain from the Obama administration that China has to abide by "the international rules-based order"—that is, the post-war order dominated by the US where Washington sets the rules.

Bishop's comment that Australia, one of the closest US allies, might be forced to look elsewhere if Congress fails to ratify the TPP is a warning that other Asian allies and partners could do the same. The most obvious alternative is the rival trade agreement being promoted by China, known as the Regional Comprehensive Economic Partnership, which aims to include all the TPP countries plus South Korea and India.

During a trip to Washington last month, Singapore's Prime Minister Lee Hsien Loong urged the US to "stay engaged and maintain its indispensable role in the Asia Pacific." He warned that ratification of the TPP was regarded in the region as a "test for your credibility and seriousness of purpose." He pointed out that Japan, in particular, would begin to make other calculations as to who it could rely upon if the US failed to follow through and ratify the TPP.

Japanese Prime Minister Shinzo Abe yesterday also pressed the US Congress to approve the TPP as soon as possible. Like Turnbull and Bishop, he focussed not only on the supposed economic benefits but added: "Success or failure will sway the direction of the global free trade system, and the strategic environment in the Asia Pacific."

The remarks of Abe, Turnbull and Bishop coincide with a renewed campaign by the Obama administration to push TPP ratification through the US Congress in the so-called lame-duck session between the presidential election and the inauguration of the next president. Last Friday Obama met with a bipartisan group of business and political leaders, including key Republicans, Ohio Governor John Kasich and former New York City Mayor Michael Bloomberg, to solicit their support.

While the TPP is touted as a "free trade" agreement, its aim is the formation of a trade bloc excluding China and as such it will heighten the drive to trade and currency war. The repeated references to the TPP's "strategic" dimension underline the connection to the military build-up by the US and its allies in the Asia Pacific and preparations for war against China.

In comments to the *Australian Financial Review*, Turnbull stressed "the very, very significant strategic importance" of the TPP. Commerce and trade were as powerful as "ships and planes" when it came to exerting influence in the Asia Pacific, he said.

Turnbull echoed the point made by US Defence Secretary Ashton Carter last year when Carter declared: "You may not expect to hear this from a Secretary of Defence but in terms of our rebalance in the broadest sense, passing [the] TPP is as important to me as another aircraft carrier ... It would help us promote a global order that reflects both our interests and our values."

The TPP goes hand-in-hand with the Pentagon's military "rebalance," which involves the positioning of

60 percent of US aircraft and naval vessels in the Asia Pacific by 2020, along with the restructuring of American bases, new basing agreements with countries like Australia and the Philippines, and strengthened military ties throughout the region.

The determination of the Obama administration and US allies to press ahead with the TPP is another warning of the sharpening geo-political tensions and economic rivalry that are plunging the world toward war.



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