

2013 Conference in the US



Conflicts among TPP Members

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(A) US –

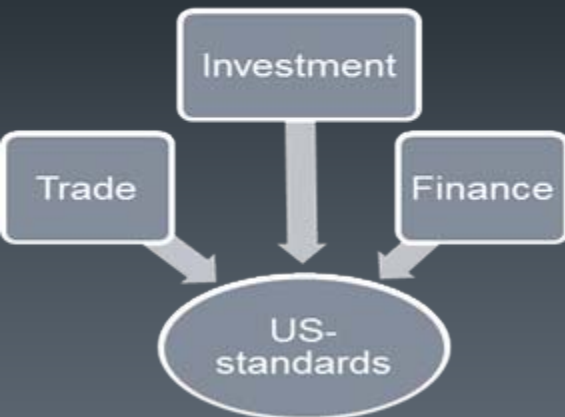
- leading role because of high standards and wide range
- Ignore the large economic gaps and different national conditions of the members
- conflicts with the interests of different members

NAFTA

- rigorous labor and environmental standards

US-FTA

- Mandatory inclusion of labor and environmental standards; strengthen the protection of the U.S. advantage industries
- TRIPS+



Institutional adjustments

- Domestic: financial services, environmental and labor requirements
- Bilateral FTA: overlap departments

(B) Singapore –

- only need fine-tuning
- large-scale free trade agreement is in line with Singapore's development interests

(C) Australia and New Zealand –

- maintain trade partnership with the East Asian region
- avoid favoritism and carefully develop trade relation

Intellectual Property Protection

- Australia: oppose the protection is higher than the Australian-US FTA
- New Zealand: should not be higher than TRIPS

Sensitive sectors

- Impossible to open the sensitive sectors
- US has tried to exclude beef, dairy products and sugar products from TPP

The participation of Potential members

- Difficult for regional countries to participate by bilateral negotiation
- China

The state-owned enterprise reform

- Telecommunications, government procurement, financial services
- China innuendo

The "spinning forefront" principle

- Woven, weaving, tailoring and processing must be done only in US and Vietnam.

Intellectual Property Protection

- Drugs and Medical care
- (HIV/AIDS generic drugs)

Human rights and democracy

- Western culture and ideology

(D) Vietnam and Malaysia –

- face many difficulties and need to carry out a series of in-depth reform

(E) Brunei, Peru and Chile

Brunei

- Environmental protection, fisheries subsidies, labor, intellectual property rights, market access, state-owned and private enterprises

Chile

- Inaccessible intellectual property
- Little benefit from tax reduction in TPP

Canada

- Deep reform in dairy products, poultry, eggs, and other supply chain management policy

Mexico

- intellectual property protection: internet data transmission and drugs

(F) Canada and Mexico: new members

2. Each potential member has its own consideration.



(A) Japan-

- Political turmoil
- The reform of laws and regulations, including agriculture, fisheries, intellectual property rights, medicine, insurance and post service

Agriculture!!!

- TPP agreement will force Japan's agricultural market open to US. Japan's food security will be controlled by US
- Japanese Agricultural Ministry forecasts the TPP will seriously undermine Japan's agriculture and economy, including the reduction of GDP, employment opportunities, and food self-sufficiency rate





Question the transparency of the negotiation process and results

- seek APEC developing country members to prompt TPP negotiation process more transparent.

(B) Korea-

- **Less benefits but more responsibilities**
- **Agriculture**
- **Political stability**

Reduce the foreign trade space

Shock some industries

(C) Thailand –

- **seriously weigh the pros and cons; not in haste to join the TPP negotiation.**

(D) Philippine

Worse than Vietnam

3.China's Attitude:

How to have objective attitude!

	Conspiracy (constrain) theory	Pessimism Theory	Waiting Theory
Mis-understanding	TPP, a conspiracy orchestrated by US, aims to limit China's development	TPP represents the highest standards of the Asia-Pacific region and the most regulated and popular trends of development	Many East Asian countries can not meet the high standards. The only action China can take is to wait.
Fact& Action	Overestimate the IQ and the ability of US, reflect sense of inferiority	CK, CJK and RCEP	Gradually deepen reform and going global; Standardize the sensitive areas

	Spoiler Theory	Opposed Theory	Dominant Theory
Mis-understanding	Using a variety of methods and means to make the TPP negotiation fail	Spare no effort to compete TPP which is regarded as scourge	US-led TPP; East Asian countries doubt 10 +3
Fact& Action	Impossible: Can not join the TPP negotiations; TPP is actually advanced	CJK FTA, RCEP and TPP are complementary just based on different tracks and standards	Dilute the leadership; emphasize equality, cooperation dialogue

Basic RCEP Questions (3)

- Is Bilateral or trilateral needed for RCEP
- Higher Standard or lower?
Lower is also acceptable
from CEPA 1 to CEPA 9
- Flexibility: all members or a part of?
A few lost would be possible



Thanks

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