

Much ado about TTIP, but will it ever be signed?

Opposition to the planned EU-US trade deal known as TTIP – the Transatlantic Trade and Investment Partnership – is coming from a number of different quarters. Our Chairman, Edward Spalton, was one of many people to receive an e-mail from the on-line campaigning organisation “38 Degrees” soliciting financial support for its anti-TTIP campaign. The left-of-centre Campaign Against Euro-Federalism is also a staunch opponent. In a recent newsletter, it claimed that TTIP would be “a means for the transnational corporations to rule with secret courts and to override national governments and parliaments.” In other words, TTIP is far from being just a simple free trade agreement. “TTIP will force all Europeans to take Greece’s medicine” claimed a headline on the *Politicos* website, while concerns have been expressed that TTIP would result in the privatisation of the National Health Service. One UKIP MEP claims to have received over 10,000 e-mails from ordinary members of the public concerned about the implications of the deal. Even if some of the wilder claims have no basis in fact, the strong support for TTIP from the big multinationals suggests that they will be the biggest beneficiaries from the proposals to harmonise regulation across the Atlantic and that small businesses and ordinary people will see little benefit.

A sense of perspective is required here. Will TTIP ever happen? Comprehensive free trade agreements between two different countries are being increasingly superseded by wider agreements on standards under the auspices of various international bodies, such as UNECE, the United Nations Economic Commission for Europe and ISO, the International Organisation for Standardisation (and interestingly, an independent, non-governmental organisation). Agreements

negotiated under these bodies tend to cover only a limited range of items, but they take a lot less time than a full Free Trade agreement. It is therefore misleading for some eurosceptics to emphasise that Iceland and Switzerland have Free Trade agreements with China whereas the EU does not, for the EU has signed a number of Memoranda of Understanding (MoU) with China, which facilitate trade. Individual MoUs, like agreements negotiated by UNECE or ISO, are limited in scope, but if enough are signed, they are a good substitute for a full-blown Free Trade agreement and are far easier to agree.

So TTIP is not the only way whereby trade between the EU and the USA might be liberalised. Indeed, its very complexity means that hopes of signing the deal by the end of the year look unlikely to happen. In fact, a number of informed observers including Dr Richard North and the Bruges Group's Robert Oulds are dubious that it will ever be completed. President Barack Obama is keen to see an agreement signed, as are number of senior figures in the EU, but given how long it has taken to negotiate other free trade deals, can such a complex deal, covering so many areas of standardisation and their monitoring, be finalised in just a few months? Can it overcome the opposition from trade unions, genuine free marketeers and some important political figures in the USA?

One thing is clear. David Cameron chose to cite TTIP as an example of the benefits the UK enjoys by being a member of the European Union. He claimed that the UK would be the biggest European beneficiary of a free trade deal with the USA. The reality is that if we left the EU, we would still be able to trade with the US. We might be able to "piggy back" onto TTIP, although we may decide we would not wish to do so. We may find our own request for free trade negotiations pushed to one side in Washington if TTIP is in the final stages of negotiation when we withdraw, but it could well be possible for us to enjoy a better trading relationship less geared up to the interests of the big multinationals and less prone to

interference by lobbyists if we left. One thing is certain:- if Cameron tries to use TTIP as a reason for voting to stay within the EU when the referendum takes place, he may well find this tactic will misfire badly.

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