

THE TRANS-PACIFIC PARTNERSHIP (TPP): A BRIEF INTRODUCTION

Nelson G. Dong, Partner
Dorsey & Whitney LLP
Seattle, Washington

Aerospace & Defense Symposium
Pacific Northwest Defense Coalition
Joint Base Lewis-McChord, Washington
May 19, 2016

PROFESSIONAL BACKGROUND

- **Seattle-based head of Dorsey & Whitney's National Security Law Group and co-head of its Asian Law Group**
 - International technology, national security lawyer with >30 years experience in cross-border trade, investments
 - Legal advisor to many corporations, state and private universities, institutes and engineering societies on international export control, embargo issues
- **Frequent speaker, writer, commentator on U.S. export control and economic sanctions laws**
 - Member of PECSEA and export control policy advisor to U.S. Commerce Department
- **White House Fellow, former Justice Department official and federal prosecutor**
- **Member, Committee of 100, Council on Foreign Relations and World Affairs Council of Seattle**

SOME WASHINGTON STATE CONTEXT

- Estimated July 2015 population: ≈ 7.2 million people
- 2015 rank in GDP by state in U.S.: No. 14 (≈\$450B)
- According to *Business Insider*, ranked in 2015 as No. 5 state economy with unemployment rate of only 5.6% and with addition of 7,300 new jobs in July, average annual wages of >\$53,000
- State added ≈79,000 new private sector jobs in 2015
- State exported \$7.9B in November 2015 and >\$86B in first 11 months of 2015
 - State exports grew 5%, year-on-year, November '14 to November '15

2012-15 WASHINGTON STATE TRADE NUMBERS

Total Washington state exports and percentage of U.S. total

WASHINGTON STATE	2012	2013	2014	2015
US\$ (in billions)	\$75,654	\$81,631	\$90,547	\$86,353
Percentage of U.S.	4.9%	5.2%	5.6%	5.7%
Top 25 countries (in billions)	\$65,706	\$71,068	\$76,759	\$76,920
% of state's total exports to top 25 countries	86.9%	87.1%	84.8%	89.1%

Source: U.S. Department of Commerce, Bureau of the Census

2012-15 WASHINGTON STATE TRADE PARTNERS

In billions of U.S. dollars; percentage of state total exports

RANK	COUNTRY	2012 \$	2012 %	2013 \$	2013 %	2014 \$	2014 %	2015 \$	2015 %
1	China	\$14,157	18.7%	\$16,711	20.5%	\$20,690	22.8%	\$19,456	22.5%
2	Canada	\$8,381	11.1%	\$8,993	11.0%	\$9,291	10.3%	\$8,008	9.3%
3	Japan	\$9,026	11.9%	\$7,037	8.6%	\$7,364	8.1%	\$5,993	6.9%
4	S. Korea	\$3,384	4.5%	\$2,712	3.3%	\$2,754	3.0%	\$4,293	5.0%
5	U.A.E.	\$5,059	6.7%	\$3,870	4.7%	\$3,272	3.6%	\$3,212	3.7%
6	Chile	\$1,000	1.3%	\$1,386	1.7%	\$1,102	1.2%	\$3,010	3.5%
7	Taiwan	\$1,515	2.0%	\$1,443	1.8%	\$2,475	2.7%	\$2,756	3.2%
8	Singapore	\$910	1.2%	\$1,253	1.5%	\$1,714	1.9%	\$2,567	3.0%
9	U.K.	\$1,610	2.1%	\$2,702	3.3%	\$2,951	3.3%	\$2,554	3.0%
10	Turkey	\$856	1.1%	\$548	0.7%	\$1,340	1.5%	\$1,892	2.2%

Source: U.S. Department of Commerce, Bureau of the Census



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

2012-15 WASHINGTON STATE TOP EXPORT ITEMS

In billions of U.S. dollars, percentage of state total exports

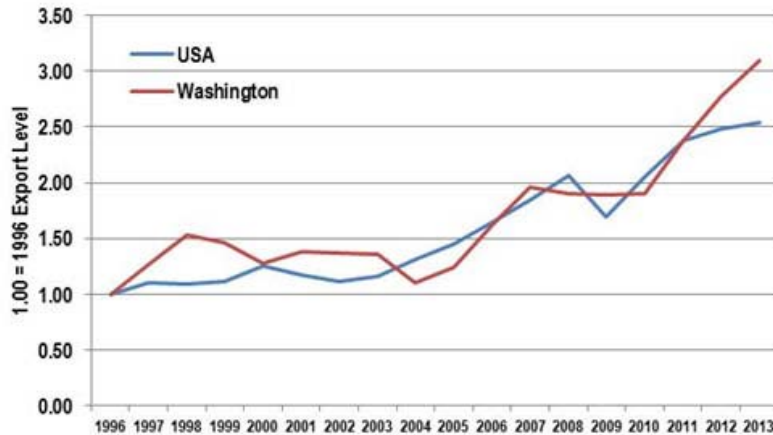
RA NK	COMMODITY	2012 \$	2012 %	2013 \$	2013 %	2014 \$	2014 %	2015 \$	2015 %
1	Civilian aircraft, engines & parts	\$37,6225	48.5%	\$42,572	52.2%	\$47,786	52.8%	\$51,115	59.2%
2	Soybeans	\$5,478	7.2%	\$4,638	5.7%	\$5,378	5.9%	\$3,768	4.4%
3	Wheat	\$2,534	3.4%	\$2,456	3.0%	\$1,940	2.1%	\$1,836	2.1%
4	Petroleum	\$2,300	3.0%	\$3,262	4.0%	\$2,849	3.1%	\$1,532	1.8%
5	Corn	\$1,649	2.2%	\$835	1.0%	\$1,751	1.9%	\$1,418	1.6%
6	Passenger vehicles	37	0.0%	39	0.1%	\$1,947	2.2%	\$1,205	1.4%
7	Apples	\$825	1.1%	\$845	1.0%	\$838	0.9%	\$797	0.9%
8	Potatoes	\$752	1.0%	\$764	0.9%	\$731	0.8%	\$719	0.8%
9	Ultrasound apparatus	\$663	0.9%	\$666	0.8%	\$744	0.8%	\$703	0.8%
10	Wood	\$732	1.0%	\$1,074	1.3%	\$1,022	1.1%	\$683	0.8%

Source: U.S. Department of Commerce, Bureau of the Census

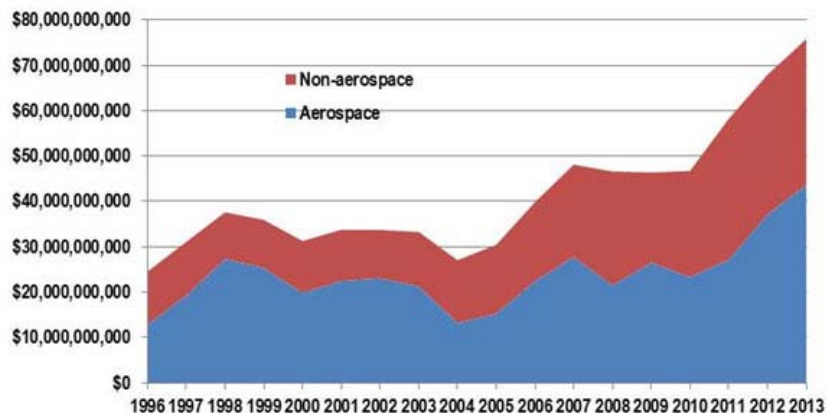


TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

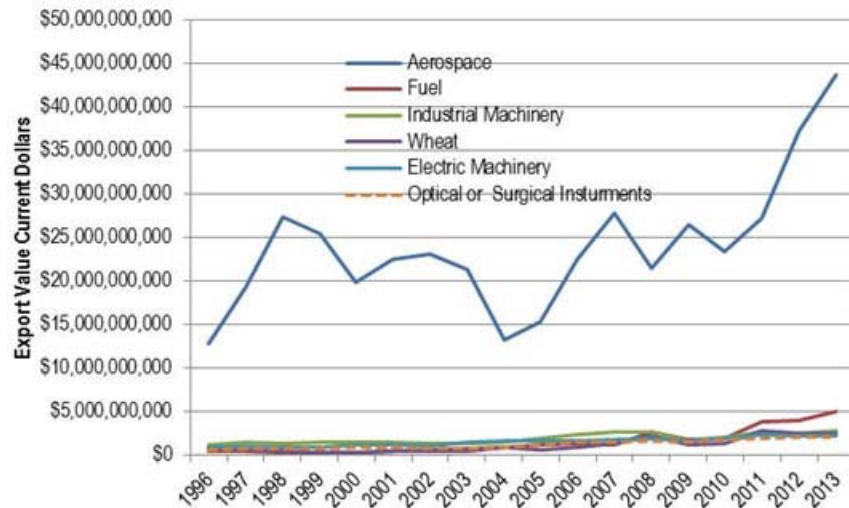
PERCENTAGE CHANGE IN EXPORTS, WASHINGTON STATE v. UNITED STATES 1996-2013 (1996 = base year)



AEROSPACE COMPARED TO ALL OTHER WASHINGTON STATE EXPORTS 1996-2013 (PASS-THROUGHS REMOVED)



TOP WASHINGTON EXPORTS 1996-2013 (PASS-THROUGHS REMOVED)



 DORSEY
always ahead

TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

U.S. TRADE REPRESENTATIVE

- Office of USTR originally established under Trade Expansion Act of 1962
- By statute, USTR is part of the Executive Office of the President of the United States
- Currently has \approx 200 employees with offices in Washington DC; Geneva, Switzerland; and Brussels, Belgium
- Incumbent USTR: Michael Froman (since June 2013)
- Main federal officials who negotiate bilateral or multilateral trade agreements
- Also publishes U.S. international trade data, trade impediment reports about other nations

 DORSEY
always ahead

TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

PRESIDENT'S 2016 TRADE AGENDA

- USTR has published an overall “trade agenda” document on behalf of President Obama:
<https://ustr.gov/sites/default/files/2016-Trade-Policy-Agenda.pdf>
- Centerpiece of Obama Administration’s agenda is its “*Trans-Pacific Partnership*” (TPP)
- TPP is divided into 30 chapters and covers some 1,000 pages of materials
- Can only offer a brief and summary overview of TPP in any single presentation with highly selective judgment about how to focus that overview
 - Fairly strong “*pro*” and “*con*” views on TPP already developed within business, labor and NGO communities
 - Difficult, if not impossible, for single speaker to adequately represent all those diverse and conflicting views



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

A BIPARTISAN AMERICAN PROJECT

1934 Reciprocal Trade Agreements Act
Franklin D. Roosevelt



“Trade is fundamental to the prosperity of Nations, as it is of individuals... All sections of our population—labor, farmers, businessmen have shared and will share in the benefits which increased trade brings.”

FRANKLIN D. ROOSEVELT

1948 General Agreement on Tariffs & Trade (GATT)
Harry S. Truman

1950s 2nd & 3rd multilateral GATT rounds
Harry S. Truman

4th & 5th multilateral GATT rounds
Dwight D. Eisenhower

1962 Trade Expansion Act
John F. Kennedy



“This philosophy of the free market—the wider economic choice for men and nations—is as old as freedom itself. It is not a partisan philosophy. For many years our trade legislation has enjoyed bipartisan backing from those members of both parties who recognized how essential trade is to our basic security abroad and our economic health at home.”

JOHN F. KENNEDY

1974 Trade Act of 1974
Gerald Ford

1979 Conclusion of GATT Tokyo Round
Jimmy Carter



SNAPSHOT OF TPP

- **TPP grew out of seven years of negotiations among 12 nations in Pacific Rim**
 - Originally began only as 2005 regional trade agreement among Brunei, Chile, New Zealand and Singapore
- **12 nations signed TPP on February 4, 2016: *Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States and Vietnam***
- **Not yet ratified in any of 12 signatory nations**
- **Will come into force only when ratified by all 12 signatory nations or, within two years of signing, by at least six signatory nations within group that then have 85% or more of the GDP of such nations**

TRADE TIES AMONG TPP PARTNERS

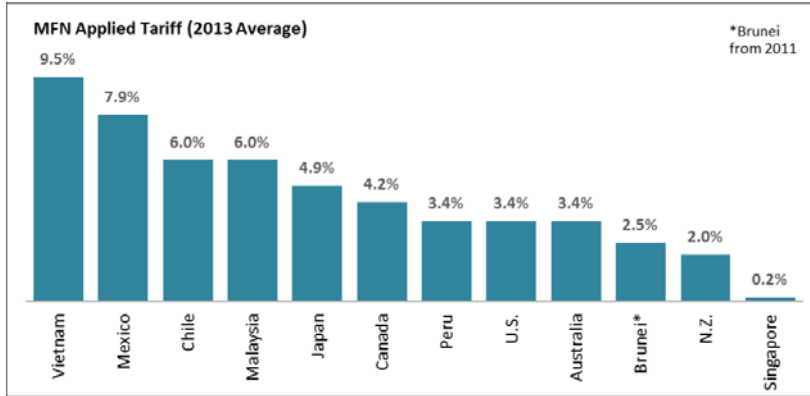
- **United States already has bilateral Free Trade Agreements (“FTAs”) with 6 of TPP partners:**
 - Australia
 - Canada
 - Chile
 - Mexico
 - Peru
 - Singapore
- **Brunei, Chile, New Zealand and Singapore already had their own preexisting FTA, the Trans-Pacific Strategic Economic Partnership (a/k/a “P-4”)**
- **Brunei, Malaysia, Singapore and Vietnam are members of Association of Southeast Asian Nations (“ASEAN”)**

TPP PARTNER 2014 STATISTICAL SUMMARY

COUNTRY	POP. (M)	GDP (\$B)	US.IMPORTS	U.S. EXPORTS	NET BAL.
Australia	23.2	\$1,505	\$10.7	\$26.7	\$16.0
Brunei	0.4	16	\$0.0	\$0.6	\$0.5
Canada	35.1	\$1,825	\$346.1	\$312.1	(\$33.9)
Chile	17.6	\$277	\$9.5	\$16.6	\$7.1
Japan	127.3	\$4,902	\$133.9	\$67.0	(\$67.0)
Malaysia	29.6	\$312	\$30.4	\$13.1	(\$17.3)
Mexico	118.4	\$1,259	\$294.2	\$240.3	(\$53.8)
N. Zealand	4.5	\$181	\$4.0	\$4.3	\$0.3
Peru	30.9	\$207	\$6.1	\$10.1	\$4.0
Singapore	5.4	\$296	\$16.5	\$30.5	\$14.1
USA	316.4	\$16,800	\$881.9	\$727.0	(\$154.9)
Vietnam	89.7	\$171	\$30.6	\$5.7	(\$24.9)

Source: Congressional Research Service analysis of IMF World Economic Outlook, April 2014 (CRS Report No. 42694)

AVERAGE TPP COUNTRY TARIFFS



Source: WTO Tariff Profiles.

Notes: These are the WTO-wide average MFN applied tariff rates, and hence do not reflect FTA tariff rates (e.g., the average tariff applied to U.S. exports to Canada and Mexico would be much lower due to NAFTA).

Source: Congressional Research Service Report No. R42694 (March 2015)



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

PROMOTING BROAD-BASED DEVELOPMENT

Through high standards and provisions on good governance and anticorruption, TPP will encourage sustainable growth and development in the Asia-Pacific, helping to alleviate poverty and promote stability.

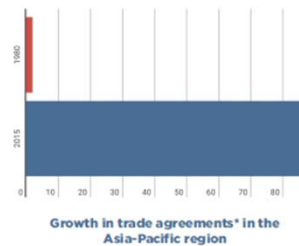
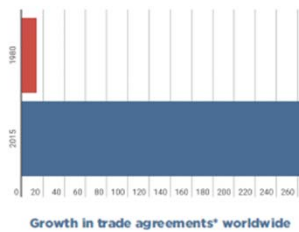
We've seen time and again how trade advances global development by promoting growth and alleviating poverty. For example, between 1991 and 2011, developing countries' share of world trade doubled. During roughly the same period, over 1 billion

people escaped from deep poverty—the fastest and largest reduction of poverty in world history. Since the mid-1990's, foreign direct investment flows to developing countries has surpassed official aid flows. TPP parties Peru and Vietnam are key examples, with early trade engagement with the United States through the Andean Trade Preference Act in 1991 and the United States-Vietnam Bilateral Trade Agreement of 2000 promoting two-way trade, and helping the two countries achieve sharp reductions in poverty.

Trade contributes to development in a number of ways. Through trade, countries can import cutting edge technologies and man-

Increasingly, the rules-based trading system is being challenged by alternative models that do not reflect American interests and values. TPP responds to that challenge with vigor.

LEAD OR LOSE: GROWTH IN TRADE AGREEMENTS



* WTO notified agreements

The President's Trade Agenda

18

THE “CASE” FOR THE TPP

- **Mainly based on extracted pages about TPP from USTR’s 2106 “Trade Agenda” document**
- **Will be augmented by TPP materials drawn from other sources, own professional views**
- **Various handout materials also offer range of different views, analyses, perspectives on TPP**
 - Congressional Research Service reports
 - Summary of Washington state newspaper editorials
 - Labor union editorial
- **USTR also offers very detailed, “deep dive” website on TPP on chapter-by-chapter basis:**
<https://ustr.gov/tpp/>



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

TPP CHAPTERS

- Goods Market Access
- Agriculture Market Access
- Textiles and Apparel
- Customs/Trade Facilitation
- Rules of Origin
- Trade Technical Barriers
- Sanitary/Phytosanitary Stnds.
- Services
- Investment
- Financial Services
- Telecommunications
- E-Commerce/Dig. Trade
- Temporary Entry
- Intellectual Property Rights
- Government Procurement
- Competition/State-owned Enterprises
- Trade Remedies
- Transparency
- Labor
- Environment
- Cooperation and Capacity Building
- Business Facilitation and Competitiveness (Supply Chain)
- Development
- Small and Medium Size Enterprises
- Institutional Chapters
 - Dispute Settlement
 - “Living” Agreement
 - Exceptions
 - Definitions



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

TPP'S INVESTOR STATE DISPUTE SETTLEMENT (ISDS)

- If company's investment injured by member state government action, it may seek international arbitration in lieu of judicial relief in member state's courts
 - Increasingly common in many FTAs (e.g., NAFTA)
 - Long U.S. business community experience with, support for ISDS, and many U.S. Government successes in such cases
- TPP requires at least 6 months' prior consultation and negotiation plus at least 90 days' prior notice to filing claim
- TPP allows variety of standard international arbitral bodies
 - Usually, each side picks one arbitrator; two then pick the third arbitrator
- TPP ISDS arbitral proceedings will give public access to all ISDS claims, notices, pleadings, briefs and exhibits (to be posted by U.S. State Department on its public website)
- Non-parties to TPP ISDS proceedings may also submit *amicus curiae* briefs, other arguments to arbitral panels
- TPP also allows for consolidation of overlapping cases, potential for creation of an appellate body to review individual case decisions



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

TPP BENEFITS TO AEROSPACE

- Boeing CEO Dennis Muilenburg, October 2015 endorsement of TPP:
"Looking ahead, the global economy will be more important than ever to our future growth. ... Free-trade agreements create new opportunities for American companies and their workers."
- Aerospace Industries Association COO Bob Durbin, February 2016 endorsement of TPP:
"Here at the Singapore Airshow, we are working with our foreign partners and allies to strengthen freedom's cause and enhance the relationships that makes our world more prosperous, innovative and secure. ... National economies throughout the Pacific, including the United States, will be given an additional boost with the ratification of the Trans-Pacific Partnership, which will increase international trade here substantially, benefitting consumers and workers alike."



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

"THE U.S. AND JAPAN MUST TAKE THE LEAD...TO BUILD A MARKET THAT IS FAIR, DYNAMIC, SUSTAINABLE, AND IS ALSO FREE FROM THE ARBITRARY INTENTIONS OF ANY NATION... FURTHERMORE, THE TPP GOES FAR BEYOND JUST ECONOMIC BENEFITS. IT IS ALSO ABOUT OUR SECURITY. LONG-TERM, ITS STRATEGIC VALUE IS AWESOME."
SHINZO ABE, PRIME MINISTER OF JAPAN

"THE TPP IS VITAL TO THE US' INTERNATIONAL STANDING AND ENGAGEMENT IN THE ASIA-PACIFIC. THE STRATEGIC LANDSCAPE IN ASIA IS CHANGING VERY RAPIDLY... SO FOR THE U.S. TO ENGAGE IN THE REGION, AND TO EXPAND ITS INFLUENCE AND RELEVANCE TO ASIAN COUNTRIES, TRADE POLICY HAS TO BE A KEY INSTRUMENT."
LEE HSIEN LOONG, PRIME MINISTER OF SINGAPORE

"TPP IS MUCH MORE THAN A TRADE DEAL... AMERICA'S CASE—ITS PROPOSITION—IS MORE THAN SIMPLY SECURITY. IT IS STANDING UP FOR, AS YOU SAID, THE RULES-BASED INTERNATIONAL ORDER, AN ORDER WHERE MIGHT IS NOT RIGHT, WHERE THE LAW MUST PREVAIL, WHERE THERE IS REAL TRANSPARENCY, WHERE PEOPLE CAN INVEST WITH CONFIDENCE. AND THE TPP IS LIFTING THOSE STANDARDS."
MALCOLM TURNBULL, PRIME MINISTER OF AUSTRALIA

"THE ASIA-PACIFIC REGION WILL BE WHERE THE GROWTH ACTION WILL DOMINATE IN THE NEXT DECADE OR TWO, AND FOR THE US THIS HAS TO PRESENT A VERY EXCITING PROSPECT... TPP IS A GATEWAY FOR INCREASED US PARTICIPATION IN ASIA."
JOHN KEY, PRIME MINISTER OF NEW ZEALAND

Strengthening Partners and Allies

TPP will strengthen our partnerships and alliances, positioning us to more effectively tackle the challenges of today and laying the foundation for pursuing broader mutual interests tomorrow. For many of our partners, the benefits of TPP go well beyond the economics of trade. They are rooted in the desire to strengthen political and strategic ties with the United States at a critical time for a region in flux.

GEOPOLITICAL CONSIDERATIONS

- Gradual shifting of world's "economic center of gravity" to Pacific region from Atlantic region
- Emergence, rise of China's own economic, political and military power in Pacific Rim in recent times
 - South China Sea, East China Sea territorial issues
 - "One Belt, One Road" vision
 - Asia-Pacific Free Trade area
 - New Asian Infrastructure Investment Bank (AIIB)
- Long-standing U.S. national security, economic interests in Pacific Rim
 - Historic stabilizing role since end of 19th century
 - Critical U.S. factor in post-World War II economic recovery
 - Reliance by other nations on U.S. leadership, security forces

GEOPOLITICAL CONSIDERATIONS (cont.)

- TPP is certainly not “perfect” or “ideal” FTA, but any 12-member FTA is inherently harder than “simple” bilateral FTA
 - Enormous scope of this FTA in subject areas
 - Enormous range of scales, sophistication of TPP economies
 - Enormous range of TPP political systems
 - Enormous differences in manufacturing, agriculture, services
- Huge “leap of faith” by trade leaders in 12 partner nations to make necessary compromises to reach TPP
 - Weighing many domestic economic, political issues
 - Giving up many historical trade barriers to protect domestic producers
 - Recognition that *more*, not less, trade is key to own futures
 - Implicit acknowledgement that market-driven economics “rule of law” are best tools for own future growth, development across entire Asia-Pacific region
 - Implicit recognition of need for on-going U.S. leadership in regional growth, peace and stability

GEOPOLITICAL CONSIDERATIONS (cont.)

- If U.S. itself does not ratify TPP, very hard to see enough domestic political support in other TPP partners to do so, so U.S. ratification is probably linchpin for most, if not all other TPP partners
- U.S. failure to ratify TPP would have profound resonance geopolitically across entire Pacific Rim
 - Would likely dishearten traditional allies such as Australia, Canada, Japan, New Zealand
 - Would weaken resolve in friendly states such as Singapore, Mexico
 - Would cause many “2nd thoughts” in evolving states such as Vietnam, Chile, Peru
 - Would be watched carefully by nations all across Asia-Pacific who have already indicated they would like to be next to join TPP (e.g., Korea, Taiwan, the Philippines)
 - Would affect China’s perspectives on bilateral relations with U.S. and on China’s own influence within entire region

GEOPOLITICAL CONSIDERATIONS (cont.)

- **Economic “vacuum” created in Pacific Rim if TPP is *not* ratified, put into effect**
 - Inevitable default: region would become more and more dominated by China, now already world’s 2nd largest economy
 - As more significant Pacific Rim nations such as Canada, Mexico, Japan and others then move “toward” China, they must also move “away” from United States
 - Gradual but substantial defeat across entire region for “rule of law,” transparency and accountability in governance, environmental protection, and human rights protection
 - Growing reluctance to rely upon (or to allow) U.S. military cooperation, mutual defense
- **Knock-on negative effects of on-going Transatlantic Trade and Investment Partnership (“TTIP”) talks**
 - Potential implicit invitation to “balkanize” international trade, return to open national market protectionism through both tariff and non-tariff trade barriers
 - Even return to more bilateral FTAs could hamper global trade

BUSINESS COMMUNITY SUPPORT

- **Advanced Medical Technology Association**
- **Aerospace Industries Association**
- **BSA – the Software Alliance**
- **Computing Technology Industry Association**
- **Grocery Manufacturers Association**
- **Motor & Equipment Manufacturers Association**
- **National Association of Manufacturers**
- **National Electrical Manufacturers Association**
- **National Small Business Association**
- **Semiconductor Equipment Manufacturers Association**
- **Semiconductor Industry Association**
- **U.S. Chamber of Commerce**

WESTERN U.S. COMPANY SUPPORT

- Apple
- Boeing
- Chevron
- eBay
- Gap
- Herbalife
- Hewlett-Packard
- Intel
- Levi Strauss
- Microsoft
- Nike
- Oracle
- Qualcomm



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

LABOR UNION OPPOSITION

- Five of largest U.S. labor unions *oppose* TPP:
 - International Brotherhood of Teamsters
 - United Steelworkers
 - United Food and Commercial Workers
 - International Association of Machinists & Aerospace Workers
 - Communication Workers of America
- Key union concerns about TPP:
 - Potential to depress American workers' wages due to lower labor rates in several of other less-developed TPP countries
 - Potential of more “offshoring” (net loss) of current U.S. jobs
 - Lack of Trade Adjustment Assistance (“TAA”) to help retrain, re-employ any displaced American workers
 - Lack of adequate legal protection for unions and of bans on human trafficking, forced labor in some TPP countries (e.g., Vietnam, Brunei, Malaysia)



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

WASHINGTON'S TRADE PERSPECTIVE

- Washington will continue to be one of nation's most heavily trade-dependent states, with hundreds of thousands of jobs across state tied to its massive international trade (both imports and exports)
- "Top 10" categories of Washington exports focus heavily upon manufactured goods such as aircraft and aircraft parts, medical devices and agricultural items
- TPP aims to reduce tariffs in major ways with TPP partners that would likely touch most, if not all, of Washington's major exported goods, services
- Washington state would thus likely be net beneficiary if TPP is ratified by U.S. and enough of other TPP partners to come into effect



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

TPP BENEFITS TO WASHINGTON

- Per USTR's own state-by-state analysis of TPP benefits across nation and in Washington state:
 - Washington already exports ≈\$27B in goods to TPP partners
 - Washington already sends ≈30% of all its exports to TPP partners
 - Washington has ≈391,000 jobs supported by exports
 - Washington already hosts 470 subsidiaries or offices of companies from TPP partners
 - Washington companies would "feel" *cuts* in tariffs for many of its leading exports to other TPP partners such as:
 - Wheat: 31%
 - Salmon: 30%
 - Paper goods: 25%
 - French fried potatoes: 10%
 - Cherries: 10%
 - Hops: 5%



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

DOMESTIC U.S. CONSIDERATIONS

- Under 2015 Trade Promotion Authorization (“TPA”) or so-called “fast track” authorization, Congress agreed to straight up-or-down vote on TPP without further amendments or changes
- However, historic bipartisan free trade coalition has frayed and may not hold up in TPP consideration
 - Republicans in Congress pulled by strong populist sentiments against “trade and investment,” net loss of American jobs
 - Democrats in Congress also pulled by same forces plus strong and relatively uniform union opposition both to TPA and TPP
- Deep intra-party fracture lines foreshadowed by close June 2015 TPA votes in Congress (esp. in House) to allow completion of TPP talks
 - 62-37 division in Senate; 218-208 division in House

WASHINGTON DELEGATION VOTE ON TPA RENEWAL (JUNE 2015)

DISTRICT	REPRESENTATIVE	PARTY	VOTE
1	Suzan DelBene	D	Aye
2	Rick Larsen	D	Aye
3	Jaime Herrera Beutler	R	Aye
4	Dan Newhouse	R	Aye
5	Cathy McMorris Rodgers	R	Aye
6	Derek Kilmer	D	Aye
7	Jim McDermott	D	No
8	David Reichert	R	Aye
9	Adam Smith	D	No
10	Denny Heck	D	No

CONCLUSION

- As President Obama and many leaders in other TPP partners have already said publicly, U.S. leadership and stature in Asia-Pacific are ultimately at stake in TPP ratification
- As U.S. domestic politics continue down apparent path of “America first” and pull-back from some international commitments, TPP ratification is now uncertain
- Because military posture is now so intimately linked to, dependent on economic posture, if TPP fails, U.S. will likely eventually feel that loss in degradation of its *military* role, influence across entire region
- Other nations will then move into that vacuum created by U.S. retrenchment away from Asia-Pacific
- Once presidential and Congressional election in November is over, current or next Congress will have to vote on TPP



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

THANK YOU!

NELSON G. DONG

**Dorsey & Whitney LLP
Columbia Center
701 Fifth Avenue, Suite 6100
Seattle, Washington 98104-7043
Phone: (206) 903-8871
Fax: (206) 260-9085
Email: dong.nelson@dorsey.com**



TRANS-PACIFIC PARTNERSHIP: AN INTRODUCTION

36