The Fix

The trade deal, explained for people who fall asleep hearing about trade deals

By Philip Bump June 12 at 9:45 AM

With votes expected later today in the House on the trade deal, we are reposting this terrific explainer that will make you care about trade deals. Or, at least, understand them better.

I spend my life writing about politics. I also like math and data and so on. And yet even I find the discussion of the trade deal being considered in Washington to be hopelessly dull. (I say this sincerely.) But we are all adults, and we should be informed about what the government is doing. So allow me to do my best to outline what's being discussed in a way that will offer at least a 22 percent chance you'll stay awake for the entire thing.

Okay. Two separate things are being talked about, each of which is often referred to by an abbreviation, and the two abbreviations are almost identical. (We are starting off poorly.)

First, there's the **Trans-Pacific Partnership**, or TPP. This is the actual trade deal that President Obama is hoping to secure with a number of countries, including Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. You can remember that TPP is the trade deal itself because TPP is like <u>OPP</u>, and the deal is all about getting other people's property. Specifically, the people of the Pacific Rim.

Then there's **Trade Promotion Authority**, or TPA. This is also known as "fast-track" authority because it gives the president the ability to negotiate a deal that will receive only an up-or-down vote in Congress. Without fast track, Congress can amend the terms of the deal. You can remember that TPA is "fast track" because when you T.P. a house, you are on the "fast track" to juvenile delinquency. Or you can just call it fast track, which is easier.

Fast-track authority doesn't apply to only one agreement. In the past, it has spanned presidencies, beginning in 1974 and lasting until the Clinton administration. It also existed during parts of both terms of George W. Bush's presidency. From the president's standpoint, fast-track authority is critical to negotiating agreements because he can negotiate in good faith -- what he says to his negotiating partners he's confident will be part of the final deal (if Congress approves it).

So that's TPP and TPA. Now let's talk politics.

Trade deals are often contentious, particularly among Democrats. (Last year, the National Journal called trade the "last major fault line" in the party.) Environmentalists often oppose the deals because they don't include heightened

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The trade deal, explained for people who fall asleep hearing about... http://www.washingtonpost.com/blogs/the-fix/wp/2015/04/22/the-... environmental protections. Labor *loathes* trade deals, having seen hundreds of thousands of manufacturing jobs go to

Mexico in the wake of the North American Free Trade Agreement (also known as NAFTA) and because they want stronger worker protections included (in part, to ensure that overseas manufacturers aren't cutting costs on the backs of their workers).

But the business community -- and therefore most Republicans and pro-business Democrats -- loves these deals, because they open up new markets. (And, in the past, because companies have been able to cut costs by moving jobs to, say, Mexico.) This led to the unusual spectacle this week of the Chamber of Commerce, which opposed Obama's reelection, arguing in favor of giving Obama fast track and the AFL-CIO, which backed his reelection, arguing against it.

We should mention: Fast track is the actual political issue right now because Obama considers it essential for completing the TPP (*yeah*, *you know me*). He has been trying to line up Democratic support for reinstating the authority, but has had trouble getting some of his team on board. Last week, he had a big victory when Sen. Ron Wyden (D-Ore.) reached an agreement with Republicans for what he calls "smart track" -- fast-track authority overlaid with mandatory protections for workers and the environment.

The louder fight, as always, will be in the House. As you may have gathered above, many House Democrats have expressed reluctance to approve fast track. More than 120 signed a letter opposing TPA during the last Congress. And as The Post's Reid Wilson <u>elegantly details</u>, Democratic power centers have changed since NAFTA was passed in the 1990s, making the fight trickier.

So what, you might ask. If Republicans like the idea, doesn't Speaker Boehner have enough votes from his conference? And my response is: Has Boehner ever had a unified caucus? As usual, the most conservative wing of the House GOP is giving Boehner trouble. Earlier this year, a prominent tea party organization trumpeted that it was teaming up with labor to block fast track, yet another set of weird bedfellows in Trade Deal Hotel. The conservative opposition comes from a different place, though: The group does not support granting that much power to the president, particularly this president. A common argument is that fast track skips over the democratic process of Congress weighing in on an agreement -- which is true, but is also something Congress has overlooked in the past.

Hanging over all of this is 2016. You may remember several references above to NAFTA, the big trade deal in the 1990s that labor hates. You also may remember that the president who finalized that deal was a gentleman who went by the name of "Clinton." (Here's the Web page from his administration explaining what fast track is!) You also may have heard that his wife is running for president.

Hillary Clinton is in a tough spot. She seems eager to get the left-most wing of the party behind her, but it almost uniformly doesn't like the TPP. (Sen. Elizabeth Warren has been outspoken in her opposition, prompting an unusual rebuke from the president.) When Clinton was secretary of state, she backed the deal -- but she can easily point out that she was working for the guy who is so eager to see it pass now. She offered a tepid note of caution on the deal last week, including that she is worried about "currency manipulation" -- something that has been called a "poison pill" for a deal. (Meaning: If it's included, the bill is dead. You probably knew that, but we're just making sure.)

The trade deal, explained for people who fall asleep hearing about http://www.washingtonpost.com/blogs/the-fix/wp/2015/04/22/the Jeb Bush has already attacked Clinton for her "flip flop" on the deal, because he's on Obama's side? As we said earlier,
the politics on this are weird.
So, that's where we are. Congress is expected to vote on the issue next month, meaning lots more time to hear about how all
of this works. (And lots more time for 2016 candidates to try to beat each other up.) If you made it this far, if you read this
far down, you deserve a reward. E-mail me, and I will e-mail you back a personal thank-you note. You deserve it. Being an
adult doesn't have to be hard.
Philip Bump writes about politics for The Fix. He is based in New York City.

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