



**The Working class in Europe
says NO to the Transatlantic Trade
and Investment Partnership (TTIP)**



EUROPEAN REGIONAL OFFICE - WFTU

There are more and more articles and discussions, along with growing reaction, concerning the forthcoming agreement between Europe and the US known as the Transatlantic Trade and Investment Partnership (TTIP) as the peoples realize that the negotiations, but also the provisions of the Agreement itself, threaten many aspects of their lives.

The dialogue between the biggest multinational companies of Europe and the USA, in the form of behind-the-scenes consultations, aiming at lifting the rules that are obstructing their expansion on both sides of the Atlantic, began in 1995.

On an institutional level however, talks were announced officially in February 2013 by the US President Barak Obama himself and in July of the same year the first round of negotiations began about the Trans-Atlantic Free Trade Agreement (TAFTA), which was renamed the Transatlantic Trade and Investment Partnership (TTIP). It's worth noting that the negotiations for the conclusion of the Transatlantic Trade and Investment Partnership are being conducted in absolute non-transparency and are covered by a veil of mystery, given that bodies such as the US Congress and the European Parliament do not have access to documents relating to the agreement.

The plan of the big US-European market has been promoted for many years by the Trans-Atlantic Business Dialogue (TABD), a lobby which today is better known by the name of the Trans-Atlantic Business Council (TABC). This forum of wealthy businessmen, which was established in 1995, under the auspices of the European Commission and the US Department of Commerce, strongly supports a very constructive "dialogue" between the economic elite of the two continents that would enable the multinationals to exert pressure for the lifting of restrictions on their activities on both sides of the Atlantic. According to the careful wording, the goals and benefits for the USA include "economic growth, jobs and global competitiveness", whilst the European Commission "advertises" the negotiations by claiming that "the greater the liberalisation of trade is, the better will the overall result be."

On the admission, however, of both sides the principal goal of the Transatlantic Trade and Investment Partnership is not to boost trade by abolishing tariffs between the EU and the US, but the removal of regulatory barriers that limit the profits of multinational corporations on both sides of the Atlantic.



In reality, the stakes are enormous with the removal of restrictions, as the regulations for the use of toxic substances, the regulations on food safety and genetically modified foods, the regulations on the environment and labour rights will all be affected.

More specifically with regards labour rights, the European Commission has conducted studies confirming that the Transatlantic Agreement is likely to result in a prolonged and substantial displacement of European workers from the labour market in a period when the unemployment rates in Europe are very high, since the companies will be encouraged to purchase services and products from the USA where trade union rights are very limited and labour standards are lower. The Transatlantic Agreement will lead to degrading or undermining of the workers rights and the collective agreements which the multinational consider as an obstacle to them. The USA refused to ratify the ILO Conventions providing for the fundamental trade union rights and in a number of States of USA already have been adopted legislations against the trade union movement.

It is clear that this procedure is to the detriment of the peoples and workers since the subsequent consequences will be devastating.

Furthermore, the Transatlantic Agreement aims to create new markets by opening up public services with the danger of a new wave of privatizations in key sectors such as health, education and water.

The effort through negotiation between the two poles, namely the EU and the US, is aiming at the further opening of the markets to the benefit of the multinational companies.

An important reference point is the fact that 60% of the global GDP will effectively be controlled by the “transatlantic economic elite”, with NATO as its military arm and neoliberal policy as its guide.

In addition, a serious threat is posed by the arbitration mechanism between the states and the investment-companies, which the EU would like to sign. In the arbitration mechanism, the courts composed of private lawyers bypass or supersede the national legal systems and their decisions have so far vindicated the companies-investors to the detriment of countries.



In essence a legal status is attached to transnational capital equivalent to that of the state and undermines the principles of democracy. The examples of states that were forced to pay inconceivable amounts of compensation outline very briefly the dangers. Within the EU, the case of the Swedish energy multinational company is representative, which filed a complaint against the German government and demanded 3.7 billion Euros in compensation when it decided to close the nuclear energy plants after the Fukushima disaster, whilst European companies have gone to Court against the increase in the minimum wage in Egypt or against the restriction of toxic emissions in Peru. In another example, an American cigarette industry colossus annoyed by the anti-smoking legislation in Uruguay and Australia took these two countries to a special court. The negotiations for the conclusion of the Transatlantic Trade and Investment Partnership are being conducted within the framework of the competition and contradictions between the US and the EU and aim at ensuring as much profit as possible for the monopolies, given that it is set up to serve the interests of the multinational companies.

The approach of the US and EU with regards the terms being enforced for the further opening of the markets in the name of competitiveness represents a danger to the freedoms and rights of the peoples and workers in the EU-US and will intensify exploitation.

The response of working people, but also of all the progressive forces, must be the mobilisation of the working people, the strengthening of the struggles and enhancing of the coordination of actions against the policies of the multinational companies for the defence of labour and social gains.

