

China as the Strategic Competitor in the Debate on TPP in the United States

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Abstract

The Trans-Pacific Partnership (TPP) was negotiated with participation of the U.S. representatives from 2008. It was discussed not only in terms of the economic consequences of it. The proponents of signing TPP claimed that it would strengthen the alliances in Asia-Pacific region, curtail the Chinese influences and let the U.S. establish the global trade rules for the future. The debate on this issue took place in the Congress, also the front runners of the presidential elections of 2016 expressed their standpoints. The attitude of public opinion will be also presented as well as the position of Donald Trump which resulted in the withdrawal of the United States from the agreement once he became the President of the U.S.

Keywords: Trans-Pacific Partnership, ratification of TPP in Congress, public debate on TPP, US–China rivalry for influences in Asia-Pacific region

The aim of the article is an attempt to answer the question, how much the U.S. strategic objectives in the Asia-Pacific region are important in the debate in the United States on the ratification of the Trans-Pacific Partnership – TPP. The terms of the agreement were approved on 5 October 2015, and the representatives of all 12 countries who took part in the negotiations, have signed them on 4 February 2016. TPP had to be ratified by each of the parties, also by the United States Congress, in which the opinions on this subject are divided. Besides the impact of TPP on the American economy and society, the need to deter the spread of influence of China in the world was discussed. It was argued, that TPP is necessary to strengthen U.S. leadership and maintain its standards and policies in the world economy. On the basis of press releases, discussions in Congress, expert's analysis, statements of politicians and the polls, I will try to determine to what extent the arguments about the need to inhibit Chinese influences could have convinced the citizens and their representatives in Congress.

The Strategic Goals of the TTP

TPP is the free trade agreement between the 12 states: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam. The attendance of Asian countries, as well as important trading partners of China from Latin America, leads to the conclusion that the agreement, in addition to its economic dimension, was also planned to balance the influence of China. TPP was tailored to facilitate the opening of new markets for American exports and improve U.S. economy. Such aims were presented by President Barack Obama in his State of the Union Address in 2013 (Obama). Furthermore, the agreement entailed important strategic objectives of foreign policy. Many times in its history, the United States has taken advantage of the economic agreements for the implementation of its geopolitical interests.

Regarding numerous Chinese initiatives for economic cooperation in the region¹, the American administration had tried to create an alternative project. It is worth

¹ In November 2014, the APEC (Asia-Pacific Economic Cooperation) Summit was held in Beijing. The leader of China – Xi Jinping, announced the readiness of China to support the development of the whole region and implementation of the program that he called “Asia-Pacific Dream”. The major initiative is the creation of a new “Silk Road” – transport infrastructure network linking China with Central and South Asia, the Middle East and Europe. In October 2014 another Chinese proposal was enforced. Asian Infrastructure Investment Bank (AIIB) was founded by 21 countries. It was intended to be an alternative to institutions controlled by the West, such as the World Bank or the Asian Development Bank. During the APEC Summit in November 2014, China announced launching the preparatory work on establishment of the rules of Free Trade Area of the Asia-Pacific. The Chinese also try to come out with an attractive offer for countries in Latin America. At the Ministerial Forum, which was held in Beijing in January 2015, Xi Jinping declared new investments in the region. Within 10 years their value was to be 250 billion USD

noting that the U.S. joined the negotiations in 2008, when there were only eight more participants. The fact that with four of them (Australia, Singapore, Chile and Peru) the US had already had the free trade agreements (FTAs), and the remaining four (Brunei, Malaysia, New Zealand and Vietnam), were not of great importance for U.S. economy, confirms a strong political strand of this agreement (Capling, Ravenhill).

In addition to the aforementioned efforts to balance the influence of China, the American administration perceived TPP as a mean to shape the rules of trade in the region. Washington expected that the agreement would serve the harmonization of existing free trade agreements², attract new participants and, in the future, facilitate the conclusion of a broad agreement on the liberalization of trade at the WTO. TPP was to cover the States which produce almost 40% of global GDP and are responsible for approximately 1/3 of the value of world trade (Ferguson, McMinimy, Williams). By engaging in talks on TPP, the United States clearly indicated interest in rapprochement with Asian countries, as well as the desire to influence the shape of future agreements. Washington hoped that other states would participate in the negotiations. It soon happened – the project became more attractive because Canada, Mexico (in 2012) and Japan (in 2013) joined the group. The Obama administration wanted to retain a decisive impact in the global organizations (the IMF or the WTO). They also aimed at reinforcement of their economy by reviving foreign investment and trade opportunities. Doing so, they wanted to tighten the relations with their regional allies in all fields. To achieve these goals, they had to increase their engagement in the international cooperation.

The United States has the alliances with Japan, South Korea, the Philippines and Thailand. Recently, also Vietnam has been expressing the will to intensify cooperation with Washington. The US has shown the interest in Asia by increasing the military presence in the region and organizing of the exercises with the allies. China builds up its military strength, and it is becoming more assertive in the pursuit of territorial disputes, which are present in its relations with Japan, Vietnam, the Philippines, Taiwan, Malaysia and Brunei (*Chinese Maritime Disputes*). United States wanted to exploit the situation by strengthening ties with Asian countries, which aim at assurance the possibility of American support in case of a possible attack.

The standpoint of the Obama administration was presented by Kurt Tong – Principal Deputy Assistant Secretary for the Bureau of Economic and Business Affairs in U.S. Department of State. In his testimony before the Senate Foreign Relations Committee, he recalled that increased cooperation with allies in the region was evident when President Barack Obama announced “Pivot to Asia”. It was than assumed that the economic development and security of the U.S. will be largely dependent

(Brugier; *Apec Summit Backs Beijing Roadmap to Vast Asia-Pacific Free Trade Area; China's Xi woos Latin America with \$250 billion investments*).

2 Till now, the U.S. has FTAs with six countries from TPP: with Australia, Canada, Chile, Mexico, Peru and Singapore (*Office of the US Trade Representative: Free Trade Agreements*).

on the situation in that region. Tong stated that if trade relations were neglected, the impact of the U.S. on the world economy would diminish. As this happens, the confidence to the U.S. as a leader in solving political problems would also fall, because these spheres are closely related. TPP should provide the foundation for economic growth, but also spread the certain norms, notably the protection of workers' rights and the protection of the environment. The agreement was shaped to impose fair competition between private companies and the government, innovation, better access to medicines and the Internet, and the free flow of information. He assumed that other countries in the region would join the TPP or they will be compelled to adopt such standards. Tong warned that if the United States failed to complete TPP, the leadership would be taken over by the countries, which do not share above mentioned rules and values – of course he meant China. He stated that if low standards were adopted in a whole region, American employees would not be competitive. The United States would lose the Asian market, the companies would be removed from the supply chains and the relations with the major allies would deteriorate. Besides, in the global economy the fair rules, like customs procedures, transparency of the regulatory principles or intellectual property and data protection are crucial to protect the interest of American companies, employers and employees.

Tong strongly criticized the political and economic systems in China, presenting it as contradicting to the American ones. On the one hand, he suggested that it should be realized that the Chinese activities in Asia-Pacific region were the menace for the U.S. interests. On the other hand, he expressed the belief, that the United States was strong enough, in political, ideological and economic terms, to challenge Chinese plans. He even declared that China could be pressured to open its economy for more liberal rules and turn democratic – he referred to the American “special mission”. The precondition to achieve this goal was, according to Tong, ratifying TPP as soon as possible (Tong). But the opponents claimed that when China would perceive the agreement as the tool against their influences, it could adopt the measures which can be harmful for the U.S. Besides, the countries which take advantage of Chinese initiatives could assume TPP as a disincentive for them. It would undermine U.S. image and its leadership.

The Issue of the “fast track” in U.S. Congress

The broader project of TPP was presented for the first time during APEC³ Ministerial Meeting in November 2011. During the negotiations, disputed points were issues such as: the principles of trade of the agricultural and textile products, protection

³ APEC is the organization aiming at the strengthening regional economic *integration*. There are 21 members: Australia, Brunei, Chile, China, the Philippines, Hong Kong, Indonesia, Japan,

of intellectual property rights and the problems connected with the large, state-owned enterprises in Asian countries. The signing of TTP aroused a lot of controversy in the societies of the countries concerned, as well as in the Congress of the United States. Opponents criticized the low level of transparency, as the full text of the agreement was not available. What was more, besides the representatives of the governments, the delegates of large international corporations took part in the negotiations. Therefore, the public opinion was anxious that the future system would defend their interests, “at the expense of workers, consumers, the environment and the foundations of American democracy” as Senator Bernie Sanders put it (qtd. in Srinivas). In the countries that were to accede to the agreement, huge demonstrations of his opponents took place (Sheets).

Barack Obama, for whom the issue of signing TPP was one of the priorities during the last months of his presidency, asked the Congress to grant him Trade Promotion Authority (TPA), that is, the extended powers to negotiate trade agreements. If the President gets such authorization, after the transferring the agreement to the Congress, it has only 90 days to accept or reject entire text, without the ability to amend or filibuster it. Such a mode of ratification of the agreements is called the “fast track”.

This proposal was first put to the vote of the House of Representatives on 12 June 2015, together with Trade Adjustment Assistance Act – TAA, for American workers who could lose their jobs because of the entry into force of the next free trade agreement. Both claims were rejected by the votes of the members of the Democratic Party, which, despite support for the TAA, did not want to allow for the adoption of the “fast track” on TPP. Republicans mostly supported the two proposals, although they were previously against TAA, promoted by Democratic Party. However, eventually the Senate dominated by the Republicans accepted TPA and TAA, with 60–38 vote. In the House of Representatives, 191 members of the Republican Party and 28 of the Democratic Party supported the proposal; 54 Republicans and 157 Democrats were against it. “Fast track” and TAA were therefore adopted with 219–211 vote. It was perceived as the victory of the lobbyists of the big corporations, but also of the Obama administration. Congressmen and Congresswomen from the Democratic Party were afraid that TPP, as NAFTA, would bring the negative consequences for American industry. They were under pressure of trade unions and environmental organizations. Obama argued that TPP would be the most “progressive” deal in the history, as it contained guarantees of fair working conditions and protection of the environment (Lewis).

Although the debate was concentrated largely around the anticipated effects on the American economy, the issue of TPP’s strategic objectives played

Canada, Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Russia, Singapore, Thailand, Taiwan, United States and Vietnam.

the significant role. Supporters of the agreement: Obama Administration, the majority of Republicans in the Congress, the Chamber of Commerce and the representatives of the technological and agricultural industries, have argued that, in addition to the creation of new jobs in the United States and boost growth, it could also change the balance of power in the Asia-Pacific region. Speaker of the U.S. House of Representatives – John Boehner from the Republican Party convinced: “When America leads, the world is safer, for freedom and for free enterprise, and if we don’t lead, we’re allowing and essentially inviting China to go right on setting the rules of the world economy” (qtd. in Weisman).

The opponents of the TTP: the majority of the Democratic Party in the Congress, trade unions and environmental organizations suggested that those were the secondary problems. They also indicated that the supporters previewed that China would eventually join TPP, so the arguments about the necessity of challenging this country are unjustified. In this case they quoted the book titled “Understanding the Trans-Pacific Partnership”, published by Peterson Institute of International Economics – influential think tank which promoted the free trade agreements (Jasper). Rosemary Jenks, the member of *Numbers USA* – the group which aims at the reduction of inflow to the U.S. of immigrants and guest workers claimed that TPP would open the American market for the service companies. She warned that they would use existing law to employ the foreign professionals in the U.S. It would strengthen the advocates of the changes in the immigration law (*TPP Overrides Immigration Protections For U.S. Professionals, Skilled Workers, Says Critic*).

The Debate after the Publication of TPP

On October 5, 2015 the end of negotiations and the agreement on TPP was announced. The full text of the treaty has been available on-line from November 5, 2015, so both the members of Congress and all the American citizens were able to study it (TPP Full Text). On February 4, 2016 the representatives of 12 countries signed it in Auckland, New Zealand. To implement it, the ratification by all the potential members states was needed. In the United States, the President had to send the text of the agreement to the Congress. The administration of Barack Obama planned to pass ratification during his term of office. The President, in the State of the Union Address in January 2016, tried to convince the Congress to the positive economic outcomes of TPP, but particularly he underlined, that it was necessary to strengthen the American leadership in Asia. “With TPP, China does not set the rules in that region; we do. You want to show our strength in this new century? Approve this agreement. Give us the tools to enforce it” – he pleaded (*Remarks of President Barack Obama – State of the Union Address As Delivered*). But it would be risky, as the opinions in the Congress on this issue are very much divided.

Although it seemed that the voting in favor of “fast track” in June 2015 was promising, the debate on the economic consequences of TPP in the year of the elections could jeopardize the whole initiative.

Senator Sherrod Brown (member of the Democratic Party from Ohio), appealed that Congress did not ratify the agreement in 2016. He expressed his disapproval for free trade agreements by revoking and criticizing the consequences of NAFTA.⁴ He predicted that the companies would transfer the production to the Asian countries, and the goods would be re-exported to the U.S. He gave the example of the production of the components for the automobile industry in Ohio. He claimed the workers in his state would lose their jobs. Besides, he noticed that in some countries – like Vietnam or Malaysia – the American goods and services would not be allowed to the markets immediately, as they would introduce the moratoriums for them. He assumed that TPP would mean the reducing the working places and the competitive disadvantage for the American economy (Congressional Record–Senate 2016). Senator Jeff Sessions (member of Republican Party from Alabama) used similar arguments. He indicated that the ratification of TPP would add to the negative trade balance with China. He negated the claims, presented in the report of Peterson Institute for International Economics (PIIE), about the adverse effect of TPP of Chinese economy (*Economic Implications of the Trans-Pacific and Asian Tracks*). Sessions drew the attention to devaluation of Chinese currency, which in August 2015 caused regional currency war in which the trading partners of the U.S. (Australia, Malaysia and South Korea) were involved. This had harmful consequences for U.S. dollar and the balance of trade. Sessions concluded that the future trade agreement would have to include enforceable protection against the currency manipulation. He quoted Mitt Romney, who said: “If you don’t stand up – in this case, to China – they will run over you”. Senator stated that the United States should oppose China, rejecting the argument that it would cause the trade war with China. He said: “we are in a trade war; we are just not fighting” (Congressional Record–Senate 2016a). From those statements it could be asserted that although the opponents of TPP perceive China’s activities as the threat for the U.S. interests, they do not think that the adopting this agreement would be the proper solution.

The debate took place also among the experts. Despite the publication of the whole text, its length (2700 pages) and complexity caused that it is not understandable for the every citizen and politician. So they derive the argument from the different, often contradictory, reports prepared by the distinguished economists. The experts from Tufts University announced that the ratification of TPP would probably cause the loss of jobs and the growing inequalities of incomes in all the member countries, but particularly in the U.S. (Capaldo, Izurieta, Sundaram).

⁴ North American Free Trade Agreement between the U.S., Canada and Mexico.

However, the PIIE and the World Bank did not agree with those conclusions. The opponents criticized each other for adopting wrong methodology. But while the reports end up with different conclusions, the real outcomes are similar, e.g. according to the economists from Tufts University the incomes in the U.S. would decrease of 0,5 percentage point, and PIIE previews they would increase of 0,5 percentage point. To sum up, both reports show, that the influence on the American economy would not be as decisive as the politicians (both proponents and opponents) claim.⁵ It is another argument for strategic importance of the deal.

The Public Opinion

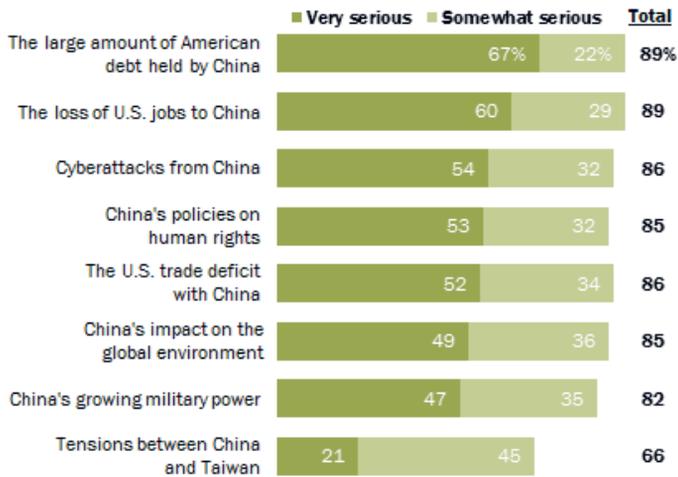
During the Congressional debate in June 2015, 12% of the Americans who were asked by the Pew Research Center about the support for TPP stated, that they had never heard about it, and the 9% had not answer (probably for the same reason). Forty-nine percent expressed the support and 29% was against it. Paradoxically, the supporters of Democratic Party were more eager to accept TPP (51%) than the adherents of the Republican Party (43%). What was interesting, the differences between the more and less educated citizen were not so significant (Poushter). The precise provisions of the pact were not known yet, but it could be stated that the society was divided as far as the perspective of conclusion another free trade agreement was concerned.

In October 2015 Gallup asked the question about the consequences of the failure of TPP ratification by the Congress. According to the polls, 16% respondents thought it would be “very effective” in improving the U.S. economy, 24% – “somewhat effective”, 22% – “not too effective” and 24% – “not effective at all”. About 15% could not express any opinion on the matter (Newport). So it can be deduced that there are about 40% of opponents and 46% of proponents of TPP, so again the proportions are quite equal. In the ranking of the necessary means, which could be adopted, to improve the American economy, ratification of TPP was on the 61st place (Newport). It can be stated, that this issue was not a priority for the public opinion.

On the basis of the polls we can also try to answer the question, to what extend the argument about the rise of Chinese power on the expense of the U.S., can be persuasive. The survey of Pew Research Center issued in September 2015 on the perception of China has shown that the anxieties of the Americans are mainly connected with the economic field (Table 1).

⁵ For example, in the Tufts University report it was indicated that there would be 448 thousand jobs less, mainly in the industry sector. But in the analysis of the PIIE it was stated that it would be offsetted by new posts in the industries producing for export, so the balance of the work places would not essentially change (Capaldo, Izurieta, Sundaram).

Table 1: The major problems in Relationship with China (answers in %)



Source: Wike

Fifty-four percent of the Americans expressed the negative attitude towards China, and the 38% were positive about this country (Wike). In that contexts the surveys on the viewpoints on the position of the U.S. and China in the world are worth referring. Although the majority perceives the U.S. as the forerunner in the world economy (and there were more supporters of this stance in 2015 than in 2014), greater part of the respondents though that China would replace (or had already replaced) the United States as the leading power. Even in the United States, 46% of surveyed share this opinion. In Table 2, the point of view on those issues of the citizens of the potential TPP member countries⁶ and the other Asian countries are presented.

In Table 3, the proportion of the negative and positive opinions about China and the U.S. is presented. These data are collated with the results of the inquiry on the attitude towards TPP (only in its member countries). It can be stated that the predominant support for TPP can be observed in the countries with the prevalent positive opinions on the U.S. and negative on China. It is worth noticing, that the percentage of respondents who support TPP is the lowest in Malaysia, where the percentage of positive opinions of China is the highest, and on the United States – the lowest. The most impressive acceptance for the agreement was recorded in Vietnam, where the rate of affirmative attitude towards the U.S. is supreme, and the adverse opinions on China are on the level of 74%.

⁶ Among TPP countries, the opinions of the citizens of Brunei, New Zealand and Singapore were missing from this survey.

Table 2: Opinion on the U.S. and China (respondent who agreed with the statement in %)

| | United States is world's leading economic power | China is world's leading economic power | China will never replace U.S. as superpower | China will or already has replaced U.S. as superpower |
|---------------|---|---|---|---|
| Australia | 31 | 57 | 27 | 66 |
| Chile | 54 | 25 | 30 | 53 |
| Japan | 59 | 23 | 77 | 20 |
| Canada | 34 | 46 | 40 | 52 |
| Malaysia | 53 | 33 | 36 | 45 |
| Mexico | 60 | 17 | 43 | 48 |
| Peru | 39 | 27 | 26 | 50 |
| United States | 46 | 36 | 48 | 46 |
| Vietnam | 50 | 14 | 67 | 18 |
| South Korea | 51 | 38 | 40 | 59 |
| India | 66 | 10 | 33 | 37 |
| Indonesia | 47 | 19 | 40 | 32 |
| Philippines | 66 | 14 | 65 | 25 |
| Pakistan | 51 | 25 | 19 | 53 |

Source: Wike, Stokes, Poushter

The argument on the necessity of maintaining the American leadership can be reinforced by the results of the Gallup researches from 2015 and 2016. Fifty-six percent of the U.S. citizens were not satisfied with the position of their country in the world. A half of them regard preserving the prevalence in the world economy as a very important issue, and the 68% – the supremacy in the military field. However, if even in 2014 China was perceived as the major rival of the U.S., in 2015, it ranked only in the third place, after Russia and North Korea. Fifty-eight percent of those interviewed have indicated foreign trade as the opportunity for American economy, and 33% – as a threat of excessive import. Economic power of China was recognized as the critical menace for the U.S. by 44% of the Americans, and 40% of them see it is a serious danger. Only 14% think it is not significant (*U.S. Position in the World*). It can be assumed that the arguments of the politicians, who pointed to TPP as a mean to stop Chinese expansion, could get support of the majority of the society.

Table 3: The balance of negative and positive opinions on China, the U.S., and TPP in %

| | The balance of negative and positive opinions on China | | The balance of negative and positive opinions on the US | | The balance of negative and positive opinions on TPP | |
|---------------|--|----------|---|----------|--|----------|
| | negative | positive | negative | positive | negative | positive |
| Australia | 33 | 57 | 28 | 63 | 30 | 52 |
| Chile | 25 | 66 | 27 | 68 | 8 | 67 |
| Japan | 89 | 9 | 29 | 68 | 24 | 53 |
| Canada | 48 | 39 | 26 | 68 | 31 | 52 |
| Malaysia | 17 | 78 | 41 | 54 | 18 | 38 |
| Mexico | 34 | 47 | 29 | 66 | 23 | 61 |
| Peru | 22 | 60 | 18 | 70 | 12 | 70 |
| United States | 54 | 38 | 15 | 83 | 29 | 49 |
| Vietnam | 74 | 19 | 13 | 78 | 2 | 89 |
| South Korea | 37 | 61 | 14 | 84 | n/a | n/a |
| India | 32 | 41 | 8 | 70 | n/a | n/a |
| Indonesia | 22 | 63 | 26 | 62 | n/a | n/a |
| Philippines | 43 | 54 | 7 | 92 | n/a | n/a |
| Pakistan | 4 | 82 | 62 | 22 | n/a | n/a |

Sources: *Opinion of the United States*; Poushter.

Different conclusions could be drawn from the survey conducted by the *Chicago Council* in 2015. According to it, although 64% of Americans supports an active engagement of their country in the world policy, 63% believe that the leadership should be shared with the other countries, and only 28% think that the US should act as a predominant power. The emerge of China is not among the top threats to the United States. Americans – regardless of party sympathies, expressed the view that conflict with China should be avoided. This is mainly due to the belief that the territorial ambitions of this country are a lesser threat to the U.S. than, for example, terrorism. The development of Chinese military power was on the 11th place on the list of major menaces, and the Chinese economic power – on the 16th. More than 75% respondents declare that the U.S. should rather cooperate with China than jeopardize its influences (*America Divided: Political Partisanship and U.S. Foreign Policy*). Those answers, which seem more adequate to TPP case, show that the Americans are not eager to confront China, so the argument on clash of values would not predominantly influence their acceptance for ratification of TPP. But due to its

complex nature and the length of the text of the agreement, we can predict that the voters would trust their parties and their presidential candidates.

Hillary Clinton, the candidate of Democratic Party, approved TPP when she was the Secretary of State during the first term of office of Barack Obama. Initially, she avoided the expression an unambiguous standpoint. But on October 7, 2015, 2 days after the signing of TTP, she said that she was against it as it did not meet the requirements for the creation of new jobs, raise wages for Americans and would not contribute to improving national security. It was a serious blow to the Obama administration (*Hillary Clinton Says She Does Not Support Trans-Pacific Partnership*). Her opinion on China is not explicit. On the one hand, she is positive about peaceful development of this country, but she claims the increase of its military power and cyber espionage were the serious threats. She acknowledges the challenges for US–Chinese relations and she declared the retaliation in case China would manipulate its currency (*Clinton Takes Aim at Forex Policies of China, Japan*).

Donald Trump was against TPP from the beginning of his presidential campaign. He called TPP “A bad deal”, and he declared: “I will stop Hillary’s Obama-trade in its tracks, bringing millions of new voters into the Republican Party. We will move manufacturing jobs back to the United States and we will Make American Great Again” (qtd. in Smith). However he claimed that the U.S. should negotiate with China from the position of strength. In order to achieve it, the U.S. should impose a 45 percent tariff, or tax, on imported Chinese goods, to announce that China manipulates its currency which is against international agreements, and stop it from stealing intellectual property (Appelbaum).

Both candidates were against TPP. Considering the split in the Congress on this issue, Barack Obama aims at ratification during his term of office which is coming to an end. But the opponents claimed, that so important agreement cannot be adopted thanks to the support of “lame duck” President, during “lame session of the Congress”.

Conclusion

The supporters of the ratification of TPP maintain that it is a very important test for the quality of American engagement in Asia and it is crucial for strengthening the current alliances. According to them, TPP will extend the possibilities of using soft power, encourage countries to adopt a more pro-American policy. If the project collapsed, Asian leaders would conclude that the U.S. is not ready for leadership and will turn to China. In the field of international trade, it is supposed to be the pattern of systemic solutions, which could be profitable to the U.S. But the opponents answered that those rules could be modified, and the debate on that issue should take place in the WTO. It is doubtful that ratification of TPP would

give a new impetus to WTO negotiation. On the contrary, the role of WTO would be diminished. The critics also noticed that it was impossible to establish the rules of economic relations in the limited group, without the participation of China and other Asian countries. The argument that sooner or later all the countries would have to adjust the economic rules to the ones of the predominant block, was not convincing to them. It should be noticed that the regional large economies, besides China also India or Indonesia, are not TPP members. They are able to create their own trade blocks, which could path the way to constraint of free trade. Considering all those arguments, defining TPP as anti-Chinese makes no sense. The opponents thought that cooperation with Beijing would be more logical, as it would produce bilateral gains, as well as the profits for the region. They reject the argument about strategic importance of the deal – they assume that the discussion on this matter distracts attention from the most important issue: the influence of TPP on American economy (Froman, 113).

The advocates of TPP underlined, that the agreement would also promote the diplomatic and security interests of the U.S., regarding increasingly assertive Chinese military policy in the region. Secretary of Defense Ashton Carter said: “In terms of our rebalance in the broadest sense, passing TPP is as important to me as another aircraft carrier” (qtd. in Garamone). But again, it can have a reverse effect, as it can be perceived as a provocative move in China. The American alliances with Japan and South Korea are already strong, but the new ones, notably with Vietnam, can be very precious for the U.S. The entry into force of TPP could strengthen the position of the supporters of free market reforms. American influences in the region could be reinforced, so it would be more difficult for China to build its web of alliances or to exert the pressure on Asian countries.

In 2016 the presidential as well as the congressional election were held. Because of it, the standpoint of the American public opinion was the most important. The surveys showed the U.S. citizens, although they generally support free trade, are becoming more critical towards the negative consequences of globalization. They perceive that it caused the stagnation of incomes of the middle class and growing inequalities. They blame for it the cheap labor costs, which make the companies relocate their activities, notably production, abroad. That is why the arguments of the critics of TPP, which are focused mainly on economic consequences of the treaty, were more convincing for public opinion. Those issues are usually more important during the election campaigns than the strategic aims of foreign policy. Currently, the crucial problems indicated by the voters are terrorism and the condition of U.S. economy. On the other hand, about half of Americans thought that the rise of China poses the threat to their prosperity (62% of Republican Party, and 44% of Democratic Party supporters) (Stokes). But it does not mean they thought that TPP is the best solution to strengthen the US position. Even before the election, considering the standpoint of the frontrunners in the presidential elections and

the fact that President Obama still hadn't decided to pass TPP to the Congress, it could be assumed that the treaty had little chances for ratification.

Donald Trump won the presidential election on November 8, 2016 and after that the discussion on TPP was basically over. He decided, issuing the Presidential Memorandum to the US Special Trade Representative on January 23, 2017 to abandon the agreement (Presidential Memorandum). It was contrary to the traditional policy, supported by every President of the United States – supporting the spread of free trade globally. The strategic aims of TPP discussed in this article: balancing the influences of China in the Pacific region and paving the way to establishing the rules for world trade were abandoned. The outcome of Trump's policy in this matter could be the “pivot to China” of the potential new allies (Vietnam or Malaysia) and the mistrust of the old ones (Japan). It is obvious, that the American model of trade relations has also been weakened. So Chinese model of development called “Beijing Consensus” – can soon dominate the “Washington Consensus”.

China is definitely an important rival of the U.S., but the two countries are also interdependent in economic field. Trump's administration will have to propose a brand new plan how to deal with Beijing. Adopting TPP seemed a good solution: China has not formally opposed it, and it could have been an anchor for the U.S. in Asia. Donald Trump, having destroyed this opportunity, does not seem to have a coherent “Plan B”.

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