

# IN THE ABSENCE OF TPP, WE MAY BE TRADING FUTURES

WITHOUT THE TRANS-PACIFIC PARTNERSHIP,  
OUR ECONOMIC PROSPECTS DEPEND  
ON BOLD, MULTILATERAL INITIATIVES.



ALTHOUGH WE ARE STILL IN THE EARLY MONTHS of a new presidential administration, we have seen an upending of the status quo and an undoing of America's role as a leader in a more integrated, global economy. We were on a path to create open, multilateral trade deals. Now we are pursuing more protectionist policies that eschew these integrated trade networks, replacing them with a series of bilateral trade arrangements or eliminating them altogether. ¶ Nowhere is this clearer than in the Trump administration's decision to remove

our nation from the Trans-Pacific Partnership (TPP). Had we ratified this trade arrangement, it would have represented a historic economic partnership between the United States and 11 Asia-Pacific nations. Together, these markets represent 40 percent of the global Gross Domestic Product.

For a major exporter like Washington, access to these trade markets is dearer than for most other states. Washington is highly dependent on global trade, with more than 30 percent of our job growth attributable to trade. We annually export more than \$100 billion in aerospace, \$20 billion in agricultural products and \$16 billion in tech — mostly to Asian markets.

TPP was designed to create a level economic playing field for American exporters, reducing high tariff barriers and instituting better environmental and labor standards in participating nations. It would have reduced or eliminated more than 18,000 taxes levied by foreign governments on American exports and significantly improved protections for source code and intellectual property. China, which was not a party to the TPP, would have ceded a leadership role in the Asia-Pacific market to the United States, giving our nation the prime seat at the trade table for the next

decade. Instead, a void now exists. China, or perhaps India, is now ripe to step in and dominate the market.

There is no way around it: We are at a competitive disadvantage now that TPP is gone.

If we want to continue to have a growing economy, we need to embrace the network of supply chains that already exists rather than long for a day when the world was a smaller, simpler place.

The global economy is rapidly moving toward interconnected shipping, financing and manufacture, with or without the United States as a driving force. For the sake of our children, we should engage actively in multilateral trade negotiations, improve worker-retraining programs and demand public investment into education to ensure the economic cycle is complete. At the moment, leadership of an increasingly global flow of money, people and products is up for grabs.

The choice before us is clear: Lead well to create economic success or fight for scraps. **SB**

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