Putting the Trans-Pacific Partnership Back on the Table

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The turn toward Asia, or the Indo-Pacific pivot, represents the biggest shift in American foreign policy since the war on terror began in 2001. But with the Trump administration’s withdrawal from the Trans-Pacific Partnership in 2017, the United States lacks a viable tactical instrument to execute this planned strategic pivot. Indeed, the lack of frameworks through which to better engage with allies in the Asia-Pacific region to counter the rise of China helps explain why the Biden administration persists with the Trump administration’s trade war despite any evidence that US import restrictions affect Chinese policy or behavior.\(^1\)

The most obvious tool for the United States to execute its Indo-Pacific pivot is the Trans-Pacific Partnership (TPP), now renamed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). (We use the term “Trans-Pacific Partnership” to refer to the agreement more broadly, including both of its versions.) However, entering the CPTPP requires Congressional ratification, which appears very unlikely given partisan gridlock in Washington and populist backlash within American society. In fact, the Biden administration has barely mentioned the CPTPP, offering instead the Indo-Pacific Economic Forum (IPEF) which would not require Congressional ratification. But because it does not provide members with any preferential access to the US market, the IPEF
is simply inadequate to its intended task: helping countries in the region to reduce their dependence on China and creating a regional party that China would want to join in exchange for reforming its trade policies.

The United States must therefore put the CPTPP back on the table, investing the necessary and substantial political capital required to convince the American public about its many benefits for the US economy and national security. Our research shows that it may be possible to persuade a majority of Americans to support membership in the CPTPP, thus allowing members of Congress to vote more comfortably in favor of its ratification. Indeed, our experimental evidence demonstrates an increase in support even within societal groups that currently report as the most opposed to the CPTPP, namely partisan Republicans and citizens without a college degree. Based on the understanding that advocates of globalization have done little outside of college classrooms to communicate the benefits of freer trade and other forms of international cooperation, we make the case for how it may be possible to persuade more Americans to support membership in the CPTPP.

We make this case by first discussing the expected benefits associated with US membership in the CPTPP and the domestic ratification problem as an obstacle to US membership. Given this problem, we then consider how it may be possible to sell the CPTPP to a skeptical American mass public as a way to respond to the populist backlash against economic globalization and international agreements like the Trans-Pacific Partnership.

Trans-Pacific Partnership Benefits

Like other international trade agreements negotiated by the United States, the Trans-Pacific Partnership lowers both tariff and non-tariff barriers to trade with the goal of increasing commerce among its member-states. However, this so-called mega “preferential trading arrangement” (PTA) is both deeper and wider than the small set of current American PTAs. The Trans-Pacific Partnership is deeper in that it includes reduced barriers to trade in services and not just trade in manufactured products; thus, this agreement could both increase jobs in exporting industries and lower prices for consumers and producers. It would also protect intellectual property rights, provide rules about e-commerce, contains both labor and environmental standards, and has an investor-state dispute settlement mechanism.
The Trans-Pacific Partnership is also wider, including more and larger countries. Among the fourteen existing American PTAs, twelve are simply bilateral (separate agreements with Australia, Bahrain, Chile, Columbia, Israel, Jordan, Morocco, Oman, Panama, Peru, Singapore and South Korea), one is trilateral (with Canada and Mexico), and one is multilateral (including Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua). What is notable about this set of twenty countries is that it includes few large developed national economies, where there should be greater demand for US service exports and high technology manufactured goods than exists in small developing countries like Bahrain and Nicaragua. Most significantly, the Trans-Pacific Partnership includes Japan, the second largest democratic capitalist economy after the United States. Indeed, were the United States to join, the CPTPP would include approximately 40 percent of the world’s gross domestic product.

There are two logics for why the United States should join and participate within this international agreement. First, several studies project net positive economic gains for all participating countries, including the United States. Import competition certainly helps to reduce prices, which would be a welcome development for most American consumers given the inflation shock that hit in 2021. Indeed, while a tighter monetary policy has recently slowed the rise in prices, inflation remains the top economic concern for American citizens, especially Republicans. And while import competition is also associated with job loss in the United States, the light manufacturing jobs that produced basic consumer goods are already gone and unlikely to return given the cost of labor in the US. Joining the CPTPP, however, could create jobs within US exporting industries based on the understanding that markets in Asia have not been fully open to American exports, so the ability to enter more deeply into these markets and sell more goods and services to Indo-Pacific consumers could spur employment gains in the United States. On this basis, participating within the Trans-Pacific Partnership could both lower prices and create new jobs at home.

Furthermore, joining the CPTPP could provide the United States with new leverage for policy reform in China. If the United States became a member first, then it could block China from also joining unless Beijing agreed to reduce its trade barriers, which hurt American exporters. This was, in fact, the subtle original logic behind this international agreement: create an economic party in the region without inviting China, and when China asked to join the roaring party, demand real policy change. Indeed, with China’s economy
currently slowing, it may be more motivated to make policy concessions in order to join this regional arrangement. In this sense, the CPTPP could function as a carrot to induce cooperative economic behavior from China. The current trade war with China appears to be a brittle and ineffective stick.

Second, joining the CPTPP offers potential security gains for the United States, as it provides a way to counter the perceived rising threat from China if the latter does not engage in more cooperative behavior. In recent surveys, American voters, especially Republicans, express strong concerns about China and its growing role in the world. If the United States were to join ahead of China, then the US could gain the economic benefits projected for this agreement along with several of its military allies who are already members (Canada, Japan, Australia and New Zealand). Other US military allies, including the United Kingdom and South Korea, have already applied to join. With China left behind and missing out on these economic benefits, the United States and its allies would gain power relative to China. In this sense, the Trans-Pacific Partnership could play a similar role to the General Agreement on Tariffs and Trade (GATT) and the European Community/Union in strengthening the United States and its allies, relative to the Soviet Union and its allies, during the Cold War. Furthermore, American membership would bring several of China’s neighbors closer both economically and politically to the United States, reducing their dependence on China. As then-Secretary of Defense Ashton Carter stated in 2015, “passing [the] TPP is as important to me as another aircraft carrier.”

The Persuasion and Ratification Problem

Even before the Trump administration’s withdrawal, the Obama administration, despite signing the TPP in 2016, did not take this international agreement before Congress for domestic ratification, expecting that it would fail. Joining an international agreement first requires a signature from the executive branch and then a positive ratification vote in the legislative branch. After the American exit, eleven other countries (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam) continued with their economic arrangement, slightly renegotiated and relabeled the CPTPP. China applied to join in 2021, although its bid for membership has not been accepted.

US efforts to enter the CPTPP before China does face a major obstacle because Congressional ratification appears unlikely due to opposition within American society. While many members of Congress may quietly favor joining the CPTPP, with members from both parties quoted as expressing support, voting to ratify the CPTPP carries risks at the ballot box given that only a minority of American citizens currently favor membership. While there is especially
strong resistance from the political right, opposition also exists from the left. Hillary Clinton, for instance, despite supporting it while serving as Secretary of State, ran against the TPP during her 2016 presidential campaign. Likewise, while Biden supported the TPP as vice president, he has been largely silent about joining the CPTPP since becoming president.

Indeed, this domestic ratification problem also helps explain why the United States, despite being the leading advocate for global free trade in the post-World War II era, has concluded only fourteen PTAs that include a mere twenty country partners. Since the US tariff rate tends to be relatively low in most product categories, the lack of such arrangements means that American exporters usually face higher tariffs in other countries than foreign producers entering the US market, thus contributing to the American trade deficit.

These examples highlight what might be termed the “democratic globalization dilemma”: how to pursue what many decision-makers believe to be beneficial international policies, such as opening national markets through cooperative trade agreements, given what appears to be majoritarian opposition within domestic society. One obvious response to this dilemma is to close our domestic markets or not open them any further to fit better with majoritarian anti-trade preferences. Indeed, this represents the “populist response” to economic globalization in the United States and many other countries.

Another, and arguably more attractive, option would be to persuade more American voters about the value of international arrangements like the Trans-Pacific Partnership. Research shows that political ads in the United States concerning international trade have been overwhelmingly negative, focusing on employment losses without mentioning any economic or security benefits. Indeed, from its beginnings, US policy elites have failed to inform and persuade the public of the TPP’s utility.

Failing to Sell the TPP

While the economic and security logic for entering the TPP may be familiar to many readers, the Obama administration made little effort to sell it to the American public during either the initial negotiations or when it was signed in 2016. (Notably, at the time, the US inflation rate was less than 2 percent.) Perhaps selling the TPP with a message about its ability to create jobs in exporting industries was deemed too implausible, given survey evidence showing that Americans confidently believe only one fact about international trade agreements: they cost
Instead, TPP negotiations were conducted in secret, leading to a popular view that multinational firms drove the US bargaining position, consistent with narrow corporate interests.

The Obama administration also made little effort to market the TPP to the American public based on national security logic. Perhaps not using this sales pitch made sense at the time since the US government was trying to conclude negotiations for an international agreement that excluded China without also threatening China. As then-US Trade Representative Michael Froman publicly stated in 2016, “We’ve been very open with the Chinese from the start of this negotiation. This isn’t directed against them. It’s not an effort to contain them.” In fact, containing China was one of its primary purposes. However, with the Trump administration’s subsequent launch of the trade war, China was provoked and angered. Thus, any potential advantage from not pitching the TPP to the American mass public based on its national security logic quickly dissolved.

Given this lack of effort to sell the TPP, it is not surprising that public opinion data shows little popular support in the United States. The highest-profile survey making this demonstration was conducted by Politico and Harvard in 2016, reporting that 70 percent of respondents had never heard or read anything about this international trade agreement, but among those who had, 63 percent opposed it. Furthermore, only 39 percent of the respondents could correctly report that China was not a member-state. In terms of American resistance to the TPP, citizens without a college degree and partisan Republicans report as especially opposed.

This latter fact is noteworthy given that Republicans were more supportive of both the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) during their ratification debates in the 1990s. Thus, one can observe what appears to be a partisan reversal in American trade policy preferences in the 21st century, suggesting that American attitudes about trade are not necessarily permanently fixed based on their ideology and partisan attachment. Perhaps more Americans, including Republicans and those who did not attend college, could be persuaded to be more supportive or at least less opposed to international trade agreements, thus allowing members of Congress to vote more comfortably in favor of US entry into the CPTPP.

The IPEF Alternative

Instead of trying to persuade the American public of the value of the Trans-Pacific Partnership, as the Clinton administration did to achieve the ratification of both NAFTA and the WTO by reaching across the political aisle, the Biden administration has been almost silent about the possibility of US membership in the CPTPP. The most notable statement from the current administration came
from US Trade Representative Katherine Tai, who suggested in 2021 that the CPTPP was now outdated: “The TPP, which is the basis for the CPTPP, was something that was negotiated several years ago now … I think what we need to do is to fully engage and address the realities and challenges that we see today” in some new agreement.\(^{13}\) Likewise, Secretary of Commerce Gina Raimondo stated later in 2021 that this new agreement would need to “be even more robust … than the traditional free trade agreement” as represented by the CPTPP.\(^{14}\)

However, there is reason to doubt the sincerity of both statements. Ambassador Tai’s words may simply reflect the Biden administration’s belief that it now appears impossible to join the CPTPP given that only a minority of Americans support it. Secretary Raimondo’s statement could be read as indicating that the Biden administration wanted to find some other tactical instrument beyond the pre-existing trade war with China to execute the planned strategic pivot toward Asia. Correspondingly, in May 2022 President Biden unveiled his Indo-Pacific Economic Framework (IPEF), an executive action that would not require Congressional ratification.

The IPEF includes pillars related to: 1) digital, environmental and labor issues; 2) supply chain coordination; 3) decarbonization and infrastructure development; and 4) taxation and anti-corruption. It is flexible in structure, allowing countries to join in on one pillar without having to commit to all four. Thirteen other countries (Australia, Brunei, Fiji, India, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Thailand and Vietnam)—including seven CPTPP members—quickly signed on to at least part of the IPEF. The IPEF is thus flush with member-states, but also very shallow and loosely held together, since the selective nature of participation within its pillars requires little from participating counties and does not foster cooperation.

Not surprisingly, the IPEF was quickly met with lukewarm reviews, with many identifying it as a second-best option after the United States joining the CPTPP and warning that it would fall short of expectations in the region because it offered no preferential market access to the US market.\(^{15}\) On this basis, the IPEF appears to be less, not more, robust than a traditional free trade agreement, to use Secretary Raimondo’s language. Given what it does not provide to partner countries, it becomes hard to envision how IPEF membership could help countries in the region reduce their dependence on China, especially given the opportunity to also join the Regional Comprehensive Economic Partnership (RCEP), a free trade agreement built around China’s rules. Likewise, it is difficult to see how the IPEF could ever create an economic party in the region that China would want to join in exchange for reforming its trade policies.
Thus, while the Biden administration wants and needs a new instrument to execute the Indo-Pacific pivot, the IPEF offers little that might help achieve this foreign policy objective. This understanding brings us back to the CPTPP, whose problems are not its inadequacy, at least not when compared to an ineffective trade war or the shallow IPEF. Instead, the problem underlying the CPTPP option concerns its feasibility, or the difficulty in getting this international agreement ratified by Congress when so many American citizens are not supportive and might punish members of Congress in the next election for choosing to vote in favor of ratification.

**Selling the CPTPP**

It thus becomes imperative to ask: can membership in this international trade agreement be sold to the American electorate? Surveys show that American elites already tend to be relatively supportive of the Trans-Pacific Partnership, with 84 percent of policymakers and 79 percent of think-tankers either weakly or strongly favoring US membership in a 2022 survey, so this problem largely boils down to how to convince the broader American public. On its face, this might appear to be an impossible task; however, it is important to remember that not much effort has yet been made to do so.

In fact, voters on the political right used to be greater supporters of free trade, and as moderate Republicans try to regain control of their party, membership in the CPTPP, especially if it could be framed as a “reformed” TPP, might appear more attractive given the traditional Republican aversion to high inflation. Indeed, even President Trump reportedly reconsidered his withdrawal from the TPP in 2018. Furthermore, left-wing opposition appears to be weakening as Democratic voters now associate the TPP withdrawal with Donald Trump, coming to view more positively the policies that he opposed.

Likewise, while Americans without a college degree are more strongly opposed to the TPP in surveys, which makes sense given their position as producers whose jobs and income are more threatened by import competition, they are also price-sensitive consumers based on their income. Thus, the CPTPP may be more marketable to working-class citizens following the inflation shock that hit the American economy in 2021. But without concerted efforts to sell this international trade agreement, it may be difficult for many Americans to associate lower prices with more open markets based simply on their experiences while shopping.

Finally, since most Americans, and especially more partisan Republicans, report that they fear the rise of China and its growing global influence, it might be possible to persuade them that it makes sense to join the CPTPP based on a message about how this international agreement, which includes...
several US military allies, could be used to contain China. Indeed, the national security logic underlying the Trans-Pacific Partnership appears to be a mystery to the American mass public, many of whom incorrectly believe that China is already a member.

To test these propositions, we randomly presented a set of messaging treatments about the CPTPP to more than 5,000 voting-age American citizens in December 2021, June 2022, and June 2023. These messages were deliberately short, containing about 150 words and providing content that could be delivered in a brief political ad—either in print, on television or online. They were also broadly targeted toward the general public and not designed to appeal to narrow groups, although different messages aimed at specific groups within American society could certainly be crafted.

One interesting result from these survey experiments was that a purely informational treatment, which provided some history about the Trans-Pacific Partnership and emphasized that China is not a member-state, had no significant effect in increasing support for this international trade agreement. On this basis, one might conclude that Americans need to be actively persuaded about the benefits associated with membership. But if Americans need to be persuaded, then what messages might be persuasive?

How to Persuade?
In all three survey experiments, we considered the effect of an economic message and a separate national security message, comparing them to a control group that received no background information or any positive message. In the first experiment, the economic message described how membership in the Trans-Pacific Partnership could create new jobs in exporting industries, and the security message discussed how it could be used to counter the rise of China by strengthening the United States and its allies. Both message treatments were effective, more or less equally so, in increasing respondents’ support by more than 10 percent. Furthermore, while only a minority in the untreated control group was supportive of US membership, a majority became supportive after receiving a positive message, thus crossing this critical threshold within a democratic political system.18

In the second experiment, next to a similar national security message, we presented a different economic message about how membership in the Trans-Pacific Partnership could help lower prices for American consumers. Once again, both messages had a significant effect in increasing support in these treatment...
groups compared to respondents in the untreated control group. Furthermore, a significant effect for both messages appeared not only within societal groups that may be easier to persuade about membership in this international trade agreement—namely citizens with a Bachelor’s degree or higher and partisan Democrats—but also within groups that were initially more opposed to it: citizens without a college education and partisan Republicans. Thus, our experimental results hold across a wide range of voting-age American citizens.

Our third experiment used similar messages to the second, but with two additional features. First, both messages began with text stating that many Americans believe that international trade agreements lead to job loss in the United States, thus acknowledging (but not refuting) the standard negative belief about cross-border arrangements like the Trans-Pacific Partnership. Nonetheless, the positive messages about how this international trade agreement could either lower prices or counter a rising China continued to have a significant effect in increasing support even when respondents were also primed about an expected negative effect (e.g., job loss). Second, we asked respondents to consider writing a short statement that could be forwarded to the US Senators from their state, urging them to ratify the CPTPP. Compared to the untreated control group, these positive messages, especially the economic message about lower prices, had a significant effect in stimulating voting-age Americans, including partisan Republicans, to write a supportive statement.

While one must be very cautious about inferring the outcome of an actual ratification battle in Washington from any set of experimental results, they nonetheless suggest that it may be possible to rally broader support for this international trade agreement, making membership in the CPTPP a more viable option for the United States to execute its Indo-Pacific pivot. While our experimental effects were only short-term in nature, the goal here was not to demonstrate that Americans citizens could be persuaded to vote for the CPTPP in a national referendum, since this is not how international agreements are ratified in the United States. Instead, the goal was to see if enough Americans could be persuaded to express support in a public opinion survey so that members of Congress could more comfortably vote in favor of ratification.

Responding to Populism

This consideration of the Trans-Pacific Partnership informs a final point about how to pursue a coherent foreign economic policy given the so-called “populist backlash” against economic globalization. Indeed, the TPP withdrawal arguably stands as the greatest foreign policy casualty associated with this backlash, at least for the United States. One response to this backlash, as mentioned
earlier, would be to further accede to the “people’s” demands, which would mean reversing globalization or closing American markets to foreign producers and laborers. However, the huge cost of such policies is well understood by the American foreign policy “elite,” to use the populist terminology.

A second option would be for American elites to ignore the people in an effort to continue reaping the many benefits associated with open national markets, including but not limited to lower prices at home and greater influence abroad. However, not only is this path inconsistent with majoritarian principles of democracy, but it has also proven to be politically infeasible. Furthermore, the American people are not wrong to believe that economic globalization has some very real costs. Import competition from China has closed many factories in the United States, although it is important to note that the “China shock” cannot be directly associated with a free trade agreement since the United States does not have one with China. However, import competition has also helped to keep inflation at bay for 40 years in the United States, and the price surge that hit in 2021 stems in large part from supply chain disruptions which function much like trade restrictions: the supply from foreign producers cannot reach or meet the demand of American consumers.

Thus, it is now time for American elites to carefully explain and more actively advocate for their preferred policies, including but not limited to the Trans-Pacific Partnership, acknowledging that their policies have costs but convincing the mass public about the greater set of benefits. Indeed, active advocacy represents a third and arguably the best path forward.

Notes


Silver et al., “Americans Are Critical of China’s Global Role - as Well as Its Relationship With Russia”; Younis, “Americans Continue to View China as the U.S.’s Greatest Enemy.”


