

New York Times (Nov. 21, 2016)

# A Retreat from TPP Would Empower China

By THE EDITORIAL BOARD



**The limits of President Obama's ability to reassure the world about America's future role in the international sphere was apparent at the summit meeting of Asia-Pacific leaders in Lima, Peru, on Sunday. There is no way to ease the concerns of those leaders about America's retreat from the 12-nation Trans-Pacific Partnership trade pact, a casualty of anti-globalization fervor, American politics and, in particular, the objections of President-elect Donald Trump, who has called it a "disaster."**

The presidential campaign focused on whether the deal, which would lower import duties and quotas, would benefit American workers. Mr. Trump said it would not and argued instead for a **protectionist approach**, including big tariffs that could end up inciting a trade war.

On Sunday, Mr. Obama again made the case that the trade agreement would be "a plus for America's economy, for American jobs," and failure to sign on to it "undermines our position across the region." The Pacific Rim leaders urged the signatories to move ahead with the deal.

If done right, the pact could stimulate exports while helping to reduce environmental destruction and improve the lives of workers in countries like Brunei, Peru, Chile and Vietnam, which were part of the negotiation. For example, countries that signed the deal would have to adopt minimum wages, protect endangered species and agree not to discriminate against foreign businesses in the interest of domestic and state-owned firms.

**The agreement, known as TPP, was intended to play a strategic role in American diplomacy.** It was the economic linchpin of Mr. Obama's effort to reaffirm the nation's role as a Pacific power and counter the rising influence of China, which was not part of the negotiations. Washington's abandonment of the pact is widely seen in the region as a blow to American prestige and an opening for China to negotiate trade rules, win friends among Asian nations and assert regional leadership.

Some governments took serious political risks to forge the compromises needed for the TPP. For example, the pact would require Vietnam to recognize labor unions that are not affiliated with

Nevertheless, Democrats, including Hillary Clinton and Bernie Sanders, joined Mr. Trump in pillorying the deal as written. Mrs. Clinton proposed changes that would have strengthened it. But with Republicans set to control the White House and Congress, Mr. Obama abandoned plans to seek ratification from the lame-duck Congress.

**Without TPP, Mr. Obama's rebalance toward Asia is significantly diminished, and, if it continues at all, will be more dependent on expanded military cooperation. The shift has left friends in the region wondering about America's future role. Mr. Trump has shown little interest in Asia except to bash China on trade and currency issues and to raise doubts about the need to defend half-century alliances with Japan and South Korea. Some American experts expect him to take a more detached approach to the region, essentially ceding the space to Beijing.**

That would be a serious mistake. Secretary of State John Kerry said in a speech in September that if TPP is rejected, “we take a step away from the protection of our interests and the promotion of universal values, we take a step away from our ability to shape the course of events in a region that includes more than a quarter of the world’s population — and where much of the history of the 21st century is going to be written.”

Administration officials say many nations may still choose to ratify TPP. One of them is Japan, whose prime minister, Shinzo Abe, worked most closely with Mr. Obama on the deal and says he has not given up on selling it to Mr. Trump. He met with Mr. Trump last week, but there was no sign of progress on the issue. He did say he was confident the two men could build a trusting relationship.

There are signs that China will take full advantage of the American shift to press its own trade vision. The Beijing-backed Regional Comprehensive Economic Partnership, a rival pact that excludes Washington, is already getting new attention, including from leaders in Peru and Malaysia who signed TPP and now plan to focus on trade negotiations with China.