Big Meat Swallows the Trans-Pacific Partnership

By Ben Lilliston

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Introduction

The big meat corporations issued an ultimatum to Japan this summer: either drop different tariffs on all agriculture products or you should be kicked out of the Trans-Pacific Partnership (TPP). The threat, coming from the dairy, pork, wheat and rice industries based in the U.S., represented the seriousness of what’s at stake for global agribusiness—and particularly the big meat corporations—in potentially the largest free trade agreement ever negotiated.

The TPP has been called “NAFTA on steroids” for good reason. It includes the NAFTA countries (U.S., Mexico and Canada), as well as nine other Pacific Rim countries (Japan, Vietnam, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru and Singapore). For global agribusiness, most with operations and connections in multiple TPP countries, the goal is simple: lower tariffs and weaken regulations that support farmers, consumers and rural communities in order to increase exports and imports. As the global meat and dairy trade grows—and the percentage of U.S. production for export rises—the ongoing TPP negotiations have become even more critical to these corporations’ bottom line.

TPP is also important for those trying to build more sustainable, locally based food and agricultural systems that work for farmers and consumers. Free trade agreements have a long history of increasing price volatility in agricultural markets and lowering consumer protections while increasing corporate concentration within sectors. Past free trade agreements like the North American Free Trade Agreement (NAFTA) have undercut farmers and ranchers in all participating countries, while strengthening the market power of global agribusiness.

As growth in U.S. meat consumption has flattened or declined, much of the recent expansion in Confined Animal Feeding Operations (CAFOs) in the U.S. is geared toward growing export markets. When combined with the voluminous feed demands for CAFOs (see this year’s record U.S. corn and soybean crop), more and more agricultural land is being used to feed industrialized meat production—making it more difficult for independent producers targeting local markets to compete. The global meat industry has already used trade rules to attack very basic consumer rights like country of origin labeling of food. These corporations view TPP as an important opportunity to further undermine local, democratic control of agricultural systems, and expand their reach globally.

Remarkably, TPP continues to be negotiated in secret as if it were a private commercial agreement, with no effective means for the public to intervene in negotiations. And both the Obama Administration and many in Congress are pushing for fast track, which would allow the administration to complete the secret negotiations and then present the final deal to Congress for an up or down vote—no changes, no amendments. This undemocratic, secretive approach to trade policy is exactly what the global meat industry is banking on.

The damage from factory farms in the U.S.

Factory-style industrial meat production, driven by the steady growth of CAFOs in the U.S., has been linked to a host of public health, environmental, animal welfare and rural community problems. These were best documented by a landmark Pew Commission report in 2008, and five years later in a follow-up report by Johns Hopkins Center for a Livable Future. CAFOs use an estimated 80 percent of all antibiotics in the U.S. They are used routinely on healthy animals in crowded conditions to promote growth and prevent disease. The overuse of antibiotics in CAFOs has been linked to the development of antibiotic-resistant bacteria. Nearly every major public health organization in the U.S. has called for regulatory action to halt the non-therapeutic use of antibiotics in meat production.

CAFOs have also been associated with pollution of both ground and surface water, with giant manure lagoons leaching into rivers and lakes, and air pollution affecting surrounding rural communities. Particularly affected by CAFO-caused air and water pollution are the poor and often communities of color who live near CAFOs.

In addition to risks for CAFO workers from exposure to antibiotic-resistant bacteria, industrial meat processing facilities are considered among the most dangerous, posing risks to workers and even government inspectors from fast line speeds and the use of chemical disinfectants.

U.S. rural communities have also paid a price from the consolidation of hog and poultry production through CAFOs. Numerous studies have shown that property values decline relative to their proximity to CAFOs. And while CAFOs are often touted as job creators, a recent analysis of Iowa counties (the nation’s top pork producing state) found that counties with the largest hog farms had worse economic outcomes than the rest of the state. Much of the equipment, buildings and even feeder animals don’t come from the local community, and much of the profits are extracted from the community going to the big pork or poultry companies. Nearly all U.S. pork and poultry production is now done on contract, where the companies own the animals, while the farmers take on the risk and cost of production. Unfair contracts, combined with under-funded government agencies assigned to ensure
fair competition, have created an economic environment that benefits the big meat companies at the expense of a diminishing number of producers.24

The handful of big meat and poultry companies driving this factory-style production in the U.S. do not consider themselves U.S. companies. They are global corporations, some with foreign parent companies, operating in multiple TPP countries. For example, this year, Cargill announced the opening of a major new feedmill in TPP country Vietnam25 and is interested in expanding trade for its Australian beef operations.26 Brazil-owned JBS has operations in TPP countries U.S., Australia and Canada.27 Chinese-owned Smithfield Foods and Tyson Foods have major operations in TPP country Mexico.28,29 Dr. Mary Hendrickson of the University of Missouri has tracked corporate concentration in the meat industry to show how much of the market the top few companies hold in each sector, as shown in Table 1.

Why are exports so important for U.S. meat companies?

This summer, the Five Nations Beef Alliance—claiming to represent one-third of the world’s exported beef—demanded that any TPP agreement must include the elimination of tariffs on all agricultural goods.36 The Five Nations Beef Alliance represents the beef industry in the U.S., Australia, Canada, Mexico and New Zealand. Then in September, the pork industry from the U.S., Canada, Mexico, Chile, Peru and Australia echoed the beef industry’s call for the elimination of tariffs on pork by the end of a set negotiated time period, particularly targeting Japan.37

For global meat and poultry companies operating in the U.S., TPP is particularly important. According to the industry publication, Food Navigator, U.S. meat consumption overall has

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Table 1. The four-firm concentration rate (CR4) for several agricultural markets in the U.S. and names of the top firms, if known, between 1990 and 2011.

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>1990</th>
<th>1999</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef Slaughter – Steer &amp; Heifer</td>
<td>69 percent</td>
<td>79 percent</td>
<td>82 percent</td>
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<tr>
<td></td>
<td>IBP</td>
<td>ConAgra</td>
<td>IBP</td>
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<tr>
<td></td>
<td>ConAgra</td>
<td>Excel (Cargill)</td>
<td>ConAgra</td>
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<tr>
<td></td>
<td>Beef America</td>
<td></td>
<td>Cargill</td>
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<tr>
<td></td>
<td>Beef America</td>
<td></td>
<td></td>
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<tr>
<td>Pork Slaughter</td>
<td>45 percent</td>
<td>57 percent</td>
<td>63 percent</td>
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<tr>
<td></td>
<td>IBP</td>
<td>ConAgra</td>
<td>Smithfield</td>
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<tr>
<td></td>
<td>ConAgra</td>
<td>Morrell</td>
<td>IBP Inc.</td>
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<tr>
<td></td>
<td>Excel</td>
<td></td>
<td>ConAgra (Swift)</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Cargill (Excel)</td>
</tr>
<tr>
<td>Broiler Slaughter</td>
<td>45 percent</td>
<td>49 percent</td>
<td>53 percent</td>
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<tr>
<td></td>
<td>Tyson</td>
<td>ConAgra</td>
<td>Tyson</td>
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<td></td>
<td>ConAgra</td>
<td>Gold Kist</td>
<td>Gold Kist</td>
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<td></td>
<td>Gold Kist</td>
<td>Perdue</td>
<td>Perdue</td>
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<td></td>
<td>Perdue</td>
<td></td>
<td>Pilgrim’s Pride</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Turkey Slaughter</td>
<td>31 percent</td>
<td>42 percent</td>
<td>58 percent</td>
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<td></td>
<td>Louis Rich (Philip Morris)</td>
<td>Jennie-O (Hormel)</td>
<td>Butterball (Smithfield/Goldsboro)</td>
</tr>
<tr>
<td></td>
<td>Swift (Beatrice/KKR)</td>
<td>Butterball (ConAgra)</td>
<td>Jennie-O (Hormel)</td>
</tr>
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<td></td>
<td>ConAgra</td>
<td>Wampler Turkeys</td>
<td>Cargill</td>
</tr>
<tr>
<td></td>
<td>Norbest</td>
<td></td>
<td>Farbest Foods</td>
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<tr>
<td>Wet Corn Milling</td>
<td>74 percent</td>
<td>74 percent</td>
<td>87 percent</td>
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<td></td>
<td>ADM</td>
<td>Cargill</td>
<td>ADM</td>
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<td></td>
<td>Cargill</td>
<td>A.E. Staley (Tate and Lyle)</td>
<td>Cargill</td>
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<td></td>
<td>A.E. Staley (Tate and Lyle)</td>
<td>Cargill</td>
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<tr>
<td></td>
<td>CPC</td>
<td>CPC</td>
<td>Cargill</td>
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<tr>
<td>Soybean Processing</td>
<td>61 percent</td>
<td>80 percent</td>
<td>85 percent</td>
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<td></td>
<td>ADM</td>
<td>Cargill</td>
<td>ADM</td>
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<td>Bunge</td>
<td>Ag. Processing</td>
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<td>Ag. Processing</td>
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<td>Ag Processing</td>
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The meat companies’ export advantage: Dumping

For more than a decade after NAFTA in 1994 and the formation of the World Trade Organization in 1995, U.S. agribusiness firms routinely exported grains at below their cost of production—a practice known as dumping. More than half of corn and soybeans grown in the U.S. are used for animal feed. Feed is widely considered the largest operating cost for industrial meat production, so below-cost feedgrains can enable export dumping of meat. As Jim Sumner of the U.S. Poultry and Egg Export Council says, “Whoever produces the cheapest feed produces the cheapest chicken.” Tufts University’s Global Development and Environment Institute calculated that from 1997 to 2005, U.S.-based meat companies took advantage of NAFTA to export beef, pork and poultry at 5–10 percent below the cost of production to Mexico. Below-cost feedgrains in the U.S. during that period was the primary driver behind the meat dumping, according to the Tufts analysis. With U.S. corn and soybeans dropping once again to prices as much as $2 per bushel below the cost of production, it is possible that export dumping by the big meat companies will resume. WTO rules do not account for below-cost feed prices in meat dumping cases so there is currently little recourse for importing countries to protect themselves and their producers. The abandonment of U.S. supply-management and price-floor tools in the so-called “Freedom to Farm Bill” has left farmers more vulnerable to wild price swings, including below-cost prices. Below-cost feedgrains have been a big boom for CAFO production in the U.S.—giving this factory-style production an even greater price advantage over farmers and ranchers using more sustainable approaches to livestock production.

been in decline for more than a decade—with a particular drop in beef consumption, even as poultry consumption rises, as shown in Figure 1.

As domestic consumption has remained flat, or declined, the big growth area for the industry is exports. In fact, as Figure 2 shows, the share of U.S. meat and poultry produced for export has surged since 1990.

The big meat companies have weighed in publicly as a united bloc heavily supportive of TPP. “The TPP holds great promise for livestock and poultry, but only if Japan and other participants agree to significant tariff reductions as part of the agreement,” Tyson Foods Senior VP Shane Miller told a Congressional panel earlier this year. Last year, Smithfield identified TPP as one of the most important policy issues for the company. And JBS USA has actively engaged with the U.S. Trade Representative on TPP urging him to follow core principles around tariff reduction.

Cargill’s CEO wrote in a commentary full of praise for TPP, “Our state, our country and our planet benefit from an ‘open to the world’ orientation where nations specialize in producing those goods and services they can produce more efficiently as a result of their respective endowments and trade with others for those goods and services where they do not have comparative advantage.” This opportunistic use of nationalistic rhetoric advocates greater efficiency, i.e., more
agricultural production by fewer farmers, everywhere Cargill operates. Cargill has certainly prospered under this approach, but fewer and fewer farmers have.

TPP countries are already important export markets for the U.S. meat industry, but the industry believes that a new trade agreement would put those exports into overdrive. In 2013, the U.S. exported more than $58 billion in food and agricultural exports to TPP countries, accounting for 72 percent of total U.S. agricultural exports, according to the U.S. Trade Representative (USTR). The USTR argues that number would increase dramatically with the elimination of tariffs under TPP. Not mentioned by the industry or USTR is that tariffs are often an important tool to help countries protect their own farmers and retain control of their own food system—considered important for both food and national security.

In the case of pork, TPP countries imported almost $43 billion of U.S. pork products in 2012, according to the National Pork Producers Council (NPPC), which represents the industry. Successful completion of the TPP would allow for significant growth of U.S. pork exports to these trading partners, says the NPPC. A NPPC chart implies that the steady rise in U.S. pork exports correlates to passage of new trade agreements; see Figure 3.
In the case of chicken, more than 20 percent of U.S. production is exported, particularly dark meat. The National Chicken Council (which represents the industry) has been a strong supporter of fast track and TPP. The NCC projects TPP will expand chicken exports by $500 million annually—more if food safety and other regulatory barriers are eliminated. See Figure 4.

In the case of beef, TPP countries imported $3.3 billion in beef products in 2012, according to the USTR. Overall beef exports continue to rise and TPP will likely increase that trend. See Figure 5.

Dairy exports have also become increasingly important to the industry in recent years as shown in Figure 6.

The big growth areas for the U.S. meat industry are expected to be in Pacific Rim countries included within TPP—particularly Japan, Vietnam and Malaysia. But without question Japan is the biggest market target because of the variety of tariffs they use to protect their own farmers and food system from a flood of imports. Despite existing tariffs, Japan is currently the top U.S. export meat market.

While it’s easy to see why big meat companies would want to lower tariffs and regulatory barriers to expand their exports, it’s not so clear that they can actually achieve that market expansion through TPP. The National Farmers’ Union has pointed out that beef exports to Korea since the passage of the U.S.-Korea FTA have actually fallen, which they attribute to currency manipulation by the Korean government. Whatever the reality, however, there is little doubt that these corporations are pushing hard to weaken regulations and consolidate power, both in the U.S. and in potential TPP countries.
Meat industry influence over the U.S. Trade Representative agenda

The big meat companies have long been influential in trade talks—and have been major beneficiaries of past trade agreements. Their influence continues today. The USDA’s Agriculture Trade Advisory group for the Obama Administration includes representatives from the U.S. Meat Export Federation, USA Poultry and Egg Export Council, and the National Cattlemen’s Beef Association, among others. The Trade Advisory Committee for Trade in Animals and Animal Products includes a subsidiary of Smithfield, National Milk Producers Federation, and the American Meat Institute, among others.

Who’s Behind the powerful meat industry trade groups?

US Meat Export Federation—Cargill, JBS, Smithfield, Tyson and Hormel.

USA Poultry and Egg Export Council—JBS/Pilgrim’s Pride, Tyson’s, Jenny O Turkey and Perdue Farms.


Not surprisingly, the USTR’s agenda on TPP has almost entirely been in sync with the meat industry’s agenda of lowering tariffs and eliminating regulations that might provide more local control of agricultural systems—something the USTR calls “localization barriers.”

Tariff targets

While the U.S. already has free trade agreements with some TPP countries, like Australia, New Zealand, Canada, Mexico and Peru, the TPP is another opportunity to revisit longstanding issues, even within those countries. But it is Malaysia, Vietnam and particularly Japan that the USTR and meat industry is intensely targeting to remove what they see as barriers to trade. Here are some of the issues for the meat corporations in those countries:

MALAYSIA: Poultry from the U.S. faces a 40 percent tariff in Malaysia, according to the USTR. More broadly in agriculture, Malaysia maintains tariff-rate quota (TRQ) systems for 17 tariff lines (different agriculture products), including live poultry, poultry meat, milk and cream, pork and round cabbage. These products incur “in-quota” duties (duties on imports that make it in the allocated quota) of between 10 and 25 percent and out-of-quota (meaning if imports go beyond the set quota) duties as high as 168 percent, according to the USTR. U.S. poultry may be imported into Malaysia only if Malaysia’s Department of Veterinary Services (DVS) issues a permit authorizing its importation. The NPPC has complained about the DVS standards for refusing permits, as well as Malaysia’s 5 to 10 percent tariff on pork. In its 2013 report on Technical Barriers to Trade, USTR cites Malaysia’s insistence on its own culturally specific standards for halal beef as an unfair barrier to trade.

VIETNAM: Vietnam has up to 20 percent tariffs on beef, poultry and pork, according to the U.S. Meat Export Federation. The NPPC also has some specific barriers to trade that it wants Vietnam to eliminate, including: an on-again, off-again pork offal ban; restrictions based on veterinary drug residues; zero tolerance for pathogens; excessive paperwork for exporting facilities; and a variable and unpredictable tariff system.

JAPAN: Without question, Japan is the big target in TPP. And there is deep concern from the meat industry that the USTR and Japan will cut a deal that will still allow some tariffs, setting a precedent for other countries within TPP and future trade agreements. The U.S. and Japan have had disputes over the import of beef—with Japan refusing imports of beef from cattle under 20 months, citing concerns around mad cow disease; last year, the country raised the age limit to 30 months. Japan also has a 38 percent tariff on beef imports, with the flexibility to go up to 50 percent to protect against a flood of imports—this tariff is a main target of the National Cattlemen’s Beef Association.

Japan is already the largest export market for U.S. pork on both a volume and a value basis, importing 433,000 metric tons in 2012, worth $1.9 billion. The Japanese import tariff for pork is established by a gate price system that applies a 4.3 percent tariff when the import value is greater than or equal to the established reference price in Japan. When the value of imports falls below reference prices, the importer pays an additional duty equal to the difference between the import value and the reference price. The NPPC has been the most vocal opponent of Japan’s tariffs, calling on several occasions for Japan to be removed from the TPP unless they drop their meat tariffs. If Japan is included within TPP, without significant tariff cuts, NPPC says they won’t support TPP.

“Allowing Japan to exempt products from going to a zero tariff and preserving the gate price on pork sets a horrible precedent,” says Dr. Howard Hill, NPPC President. “Other TPP countries may demand similar treatment, which could jeopardize the entire agreement, and that precedent would make it much harder to obtain a good outcome for pork and other agricultural products in future trade deals.”

For poultry, the Senate’s Chicken Caucus (Senators who support the industry) have also spoken out against Japan limiting access to U.S. chicken. In a letter to the USTR, the Chicken Caucus wrote, “Japan’s administrative guidance sets an unofficial quota on U.S. chicken products. Japan is a
significant potential market for U.S. chicken products, and a truly open trade agreement would create substantial opportunity for growth.”

Canada and New Zealand

**Canada:** Canada’s supply management program, which protects its dairy, poultry and egg industries from competition, has been a longstanding target of the industry. Although all other industrial sectors attempt to balance supply with demand, only in agribusiness is supply management considered a trade barrier. After decades of aggressive lobbying by agribusiness, the U.S. eliminated the last vestiges of its agricultural supply management programs, save for sugar, in the 1996 Farm Bill, purportedly to implement WTO and NAFTA commitments.

The Senate’s Chicken Caucus speaking on behalf of the industry wrote to USTR stating, “We are particularly concerned about Canada’s supply-management program that severely limits U.S. chicken exports to our northern neighbor. As you know, despite ratification of the North American Free Trade Agreement (NAFTA), Canada has continued to impose restrictions on imports of U.S. chicken products and the U.S. has been unsuccessful in lifting those restrictions. We urge you to continue to work to address this long-standing, unjustified issue during the TPP negotiations and create true free trade for U.S. poultry.”

**New Zealand:** The Senate’s Chicken Caucus also is “concerned about Australia and New Zealand’s use of non-scientific barriers related to poultry disease that prohibit trade of U.S. chicken products to these countries.”

The U.S. dairy production sector, represented by the National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC), on the other hand, are worried about dairy imports from New Zealand. They want to limit New Zealand’s access to the U.S. market for its dairy products. The groups also want USTR to curtail the global market power of New Zealand dairy giant Fonterra, the largest dairy exporter in the world. The dairy groups allege that New Zealand’s domestic policies give Fonterra an unfair advantage in the marketplace and want the country to apply competition policies. New Zealand dairy comprises a full third of international dairy trade, particularly in cheap processed Milk Protein Concentrate.

Food safety standards—the lowest common denominator

Another major priority within TPP for the meat industry are food safety standards, called "Sanitary and Phytosanitary Standards" (SPS) in trade parlance.

All TPP countries already operate under World Trade Organization SPS rules, which require that food safety rules be "least trade restrictive." This mandate has been the source of much criticism for favoring trade for multinational corporations over protecting public health. Now under TPP, agribusiness wants to go beyond WTO rules to something they call "SPS-Plus." In May 2012, the American Meat Institute, National Pork Producers Council, National Chicken Council and the U.S. Dairy Export Council together called for TPP to go beyond WTO SPS rules. The meat industry called for food safety regulators to "select the least trade-restrictive of available risk management options," and to promote trade through the "recognition of inspection systems and harmonization of export certificates." The industry emphasized that "Most importantly, these WTO-plus provisions must be fully enforceable under the agreement," calling for a strong dispute settle system when the industry feels its ability to trade is being undermined by food safety regulations. An SPS-plus deal, with a strong dispute mechanism, will help strengthen the hand of these companies, allowing them to legally attack food safety rules in other countries that they believe restrict trade. Not surprisingly, USTR’s position once again mirrors the industry, including a recent shift to support stronger dispute settlement mechanisms within SPS rules.

What are the food safety regulations the industry is troubled by? Food safety concerns for the meat industry that have emerged within the ongoing US-EU trade negotiations include meat and poultry production and processing methods —like the use of chlorine rinses to wash off bacteria, hormones and the drug Ractopamine in animal feed to speed up growth, and mad cow disease regulation. The NPPC is even using the lure of entry into TPP to push Taiwan to eliminate its restrictions on the dubious additive Ractopamine. Following NPPC pressure on USTR, the Taiwanese legislature voted to allow imports of beef produced with Ractopamine in 2012. But it continues to ban pork imports with the additive, something the U.S. government has protested on the industry’s behalf at the WTO.

Another key issue identified within the proposed U.S.-EU trade deal, known as the Transatlantic Trade and Investment Partnership (TTIP), involves inspection. According to a leaked draft TTIP SPS chapter, import re-inspection and testing at port of entry, traditionally the last step in food safety management to verify that other programs are working, will not be needed. By reducing inspections, the industry protects
itself from regulator trace back of products to their origin and therefore reduces the likelihood of company liability for exporting or importing contaminated products.74

Other SPS issues that relate to the production of animal feed include regulations on genetically modified crops and pesticide use.75 New Zealand has fairly comprehensive laws on labeling GMOs in processed foods, and doesn’t allow genetically modified fresh vegetables, fruit or meat at all. Japan and Australia both have comprehensive labeling laws for GMOs as well. Peru is in the middle of a push for similar GMO labeling legislation, and already has a ten–year ban on planting genetically modified crops instituted in 2013.76

Finally, within the U.S.–EU negotiations, U.S. agriculture and food industry groups want to eliminate the EU’s uses of the “precautionary principle”—which allows for pre-emptive regulation when there is insufficient data to perform a risk assessment, lack of consensus about data quality or uncertainty about the basic science underlying a technology or product.77 The USTR’s plan is not to attack the precautionary principle directly, since it is enshrined in the EU’s constitution. Rather USTR is attacking the principle’s implementation in EU member states as a disguised trade barrier that violates the “least trade restrictive” criterion.78 While the SPS plus chapter of TPP has not been made public, it is reasonable to assume that these same issues are also of concern to the industry within TPP.

Corporate rights

Another important provision within TPP that is relevant for the meat sector is the inclusion of investor-state dispute resolution (ISDR), which grants corporations broad rights to challenge policies that affect expected future profits—including food safety rules. A draft of the negotiating text on investment (as well as draft intellectual property rights proposals), indicate the inclusion of this corporate rights provision, was leaked in 2012 and published online by the U.S. Citizens’ Trade Campaign.

Cargill has already used this corporate rights provisions in other trade agreements to attack national laws. Under NAFTA, Cargill challenged Mexico’s implementation of trade barriers to High Fructose Corn Syrup (HFCS) in favor of domestically produced sugar. A secret NAFTA dispute panel ruled against Mexico, awarding Cargill and two other firms a total of $169.18 million in compensation.79 In another corporate rights case, Cargill charged Poland, under the U.S.–Poland free trade agreement, with setting quotas on isoglucose (a wheat-derived sugar that Cargill produced) to benefit sugar. Again, a secret tribunal ruled that Cargill profits had been harmed.80

Many countries, and some TPP countries, are already bound by investor-state provisions through other free trade agreements, such as the U.S.–Peru agreement. But another TPP country, Australia, refused to agree to investor-state in its previous trade deal with the U.S., and other countries like Germany are starting to question the wisdom of granting power to corporations to circumvent domestic legal systems.81

At a December 2011 hearing on TPP, Cargill urged the U.S. to challenge Australia’s refusal on invest-state by making TPP “a comprehensive undertaking. That means that the agreement includes all products, all sectors, in all TPP economies. This means, for example, that Australia must agree to investor state dispute settlement.”82

**Conclusion: Trade versus democratic, local control**

While the meat industry feverishly attacks tariffs, food safety regulations and locally set public safeguards within trade negotiations, that’s not how most people see these policy tools. Tariffs are in place (like those that protect the U.S. sugar program) to protect farmers and rural economies in that country. Having farmers on the land, along with the ability as a nation to grow your own food, is important for food and national security for most countries around the world. Last year, the U.S.-based National Farmers Union and the Japanese-based cooperative farmer group JA Zenchu put out a joint statement to TPP negotiators emphasizing the critical importance of supporting farmers—and not just the big agribusiness companies. They wrote: “Agricultural terms in any trade agreement must be aimed toward improving quality of life for farmers, protecting consumer interests, and ensuring food and energy security for all.”83 These terms, of course, differ greatly from the meat industry’s interests.

As the global meat industry becomes increasingly dependent on trade, setting up shop around the world, the Trans-Pacific Partnership increases in importance. The industry hopes to set a new precedent for how trade rules should work for meat companies—zero tariffs, weaker food safety inspection system, and recourse for the companies in the face of unwanted farmer, consumer or community protections. The industry also fears that Japan’s ability to hold out on tariffs, and Australia on investor state, could set a bad precedent for future trade deals.84

As the global meat giants look to TPP to expand their market position, the stakes are also high for those trying to support fair, sustainable and locally based agriculture systems. More CAFOs means more pressure on land to grow animal feed, and
greater threats to the natural resource base of rural communities. Rural communities get the manure and polluted water and air; the meat companies get the profits.

Despite the precedents set under other trade negotiations like at the World Trade Organization (WTO), the TPP governments have refused to release negotiating texts. Instead of a public debate about appropriate protections for farmers, rural communities or health, these negotiations are taking place behind closed doors. But as we’ve learned over and over again, trade policy is simply too important to be left to government officials of the executive branch and corporate advisors.

To make sure that our trade agenda reflects democratic values and the interests of farmers, rural communities and consumers, the following actions need to be taken:

**NO MORE SECRECY:** The people living in TPP countries have a right to know what is being negotiated in their name.

**NO PASSAGE OF FAST TRACK:** Fast Track allows the USTR to negotiate trade agreements behind closed doors, and then rush them through Congress, circumventing ordinary review, amendment and debate procedures. To create policies that are accountable to people, not just big corporations, Fast Track must be rejected.

**FOOD AND AGRICULTURE ARE SPECIAL:** Food and agriculture systems not only represent the livelihoods and bloodstream of rural communities in all TPP countries, they are also essential for both food and national security. Trade agreements should allow countries to support their own farmers and protect the health of their consumers—these policies support democratic local control, and aren’t simply “barriers” to be knocked down.

**OPPOSE THE TPP:** From the beginning the TPP has been designed to further the power of private corporate interests. It is part of a free trade agenda that has thus far failed farmers, workers and the environment. Negotiating in secret to advance private, corporate interests is a dead end.

**Endnotes**


82. Ibid.
