

PRESS RELEASE

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About IATP

Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. IATP is headquartered in Minneapolis, Minnesota with an office in Washington D.C.

USITC ignores TPP food safety costs, overstates benefits for farmers

MINNEAPOLIS – The U.S. International Trade Commission (USITC) has published its assessment of the potential impacts of the Trans Pacific Partnership (TPP) on the U.S. economy and on the “interests of U.S. consumers,” as required by the Trade Priorities Act. Judging by the agricultural trade deficits of past Free Trade Agreements, the USITC projections of the agreement’s impact on U.S. agriculture exports and imports are likely optimistic. Despite the best efforts of the USITC, it is questionable whether the report analyzes adequately the costs of trade that affect the interests of U.S. consumers.

Steve Suppan, Senior Policy Analyst at the Institute for Agriculture and Trade Policy (IATP) contributed written comments and was interviewed by the USITC in preparation for the report. He had urged the Commission “to use current methodologies for evaluating the agri-environmental, social and labor cost impacts of trade liberalization in the TPP. We urge the Commission not to externalize TPP agriculture input and food trade-related costs, particularly in sectors such as dairy, where imports are redundant to the huge surplus in U.S. and global dairy production.”

Commenting on the new report, he said, “Even when U.S. agricultural exports do increase, that does not translate to prosperity to farmers and ranchers. Instead, they depend on Farm Bill subsidies to survive.”

“The projections also downplay the broader consumer impacts of increasing food imports,” Suppan added. “The combination of rising imports and appallingly low FDA food inspection rates could result in increased foodborne illness. The Centers for Disease Control identified imported foods as the source of 18 of 120 foodborne illness outbreaks in 2015, but also estimated that only three percent of U.S. food-borne illness was reported to authorities, usually that which required hospitalization.”

“Given the very low percentage of foodborne illness that is reported, and the estimated \$93.2 billion annual cost of U.S. foodborne-illness health-related costs, weakening food inspection and testing intensity to expedite imports under the TPP is not in the interest of U.S. consumers. Furthermore, importers of contaminated food face lawsuits, loss of business and reputational risk.”

“TPP will compound the problem of low inspection rates by adding new mechanisms to allow companies to challenge inspectors’ decisions – and to insist that they do so quickly. New food safety rules that Congress or state governments might propose could be challenged as trade barriers or subject to investor-state dispute settlement.”

Because the TPP is at least as much about subordinating consumer protections to expediting trade, the USITC must analyze in greater detail the capacity of U.S. federal agencies to ensure that trade takes place safely.

More analysis on how the TPP will affect our food and farming system can be found at: iatp.org.