

What Drives Corporate Support for PTAs?

Evidence from the TPP

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Intro

Understanding what the important issues are for corporate America and the broader key public policy issues are imperative to political science research. Firms have multidimensional trade interests covering:

1. Removing Barriers to Market Access (SIs)
2. Easier Sourcing from foreign markets (Src)
3. Regulatory Changes that facilitate 1 and 2 (Reg)

Research Question

What issues regarding PTAs garner the most concern from Corporate America?

Methods

Developing a database of frequently discussed topics in submissions to the United States Trade Representative. USTR submissions are written comments by firms and coalitions regarding the TPP. Firms outline whether or not they support the agreement, as well as specific provisions they are concerned about.

- Coded Topics by Paragraph
- Over 600 USTR Submissions

Figure 1

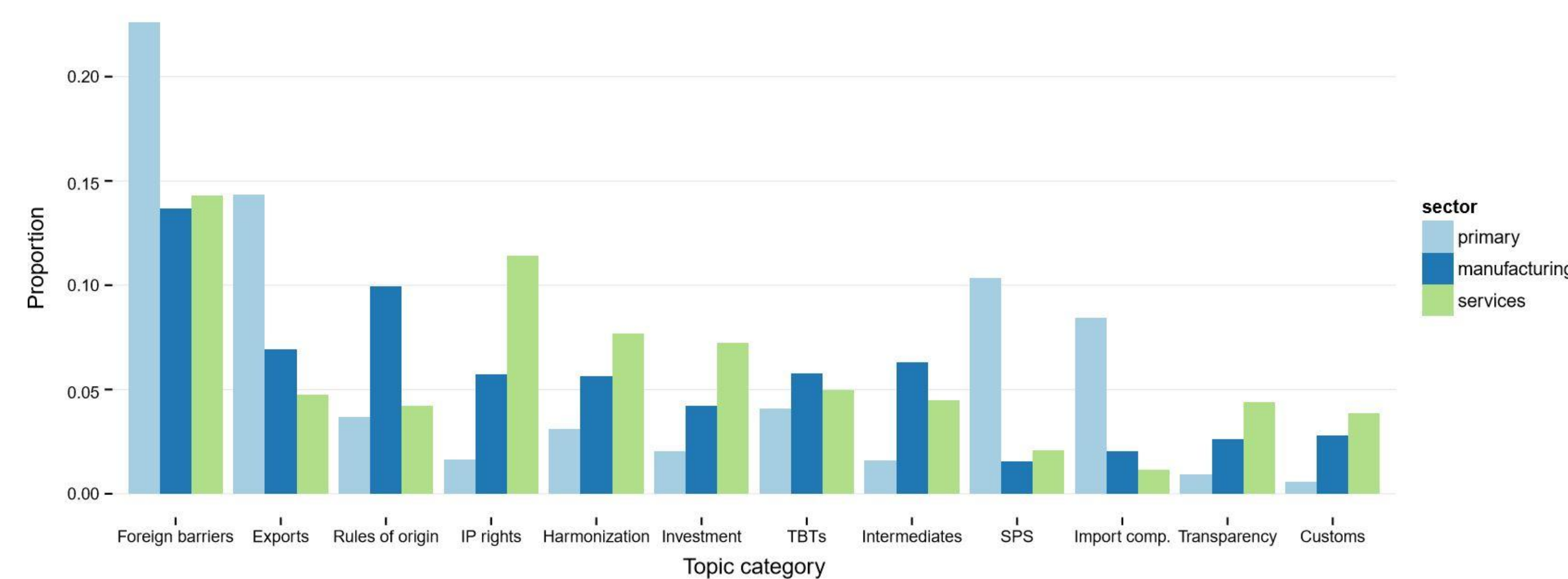
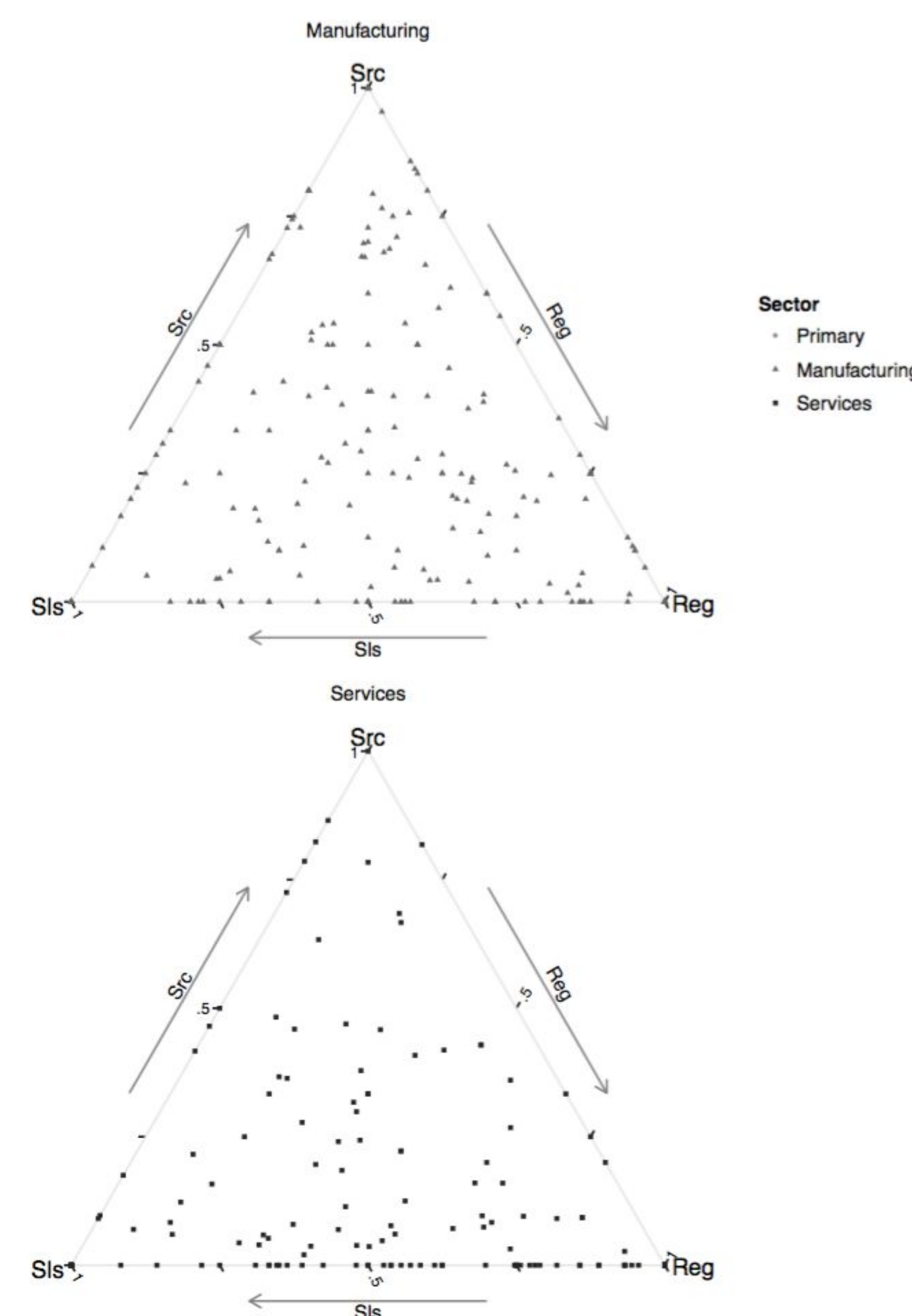


Figure 2



Results

Figure 1:
The top two topics are Foreign Barriers and Exports, it is clear that market access and sales issues are important to a wide variety of U.S. corporations. Another important issue revealed through our research is sourcing. A large portion of the discussion of rules of origin (3rd topic) is firms discussing how rules of origin affect their global sourcing and supply change. Finally, the third most important category of subtopics discussed was regulatory barriers to trade. This includes transparency issues, technical barriers to trade (TBTs), and Sanitary and Phytosanitary (SPS) issues.

Results (cont'd)

Figure 2:
This ternary plot shows that even within sectors, firms/associations are very heterogeneous in what they concentrate on. This variation contributes to the breadth and magnitude of multinational trade deals.

Essential Findings

1. All three categories of topics are covered extensively, but market access is discussed the most
2. Firms and industries, even within the same sector, are very heterogeneous in their areas of main interest