

To: Senator Chris Van Hollen (R-MD)  
From: Shirui Zhou  
Date: 05/22/2015  
Re: Recommendation Regarding the Vote on final Senate passage of HR.1314 (TPA)

## **Background**

In 2015, amid the post-recession quest for economic revitalization, the Trans-Pacific Partnership (TPP) emerged as a pivotal strategy to stimulate growth, countering China's burgeoning influence in the Asia-Pacific realm without its inclusion in the pact. As nations grappled with economic recovery, the TPP promised to catalyze trade by diminishing tariffs, fostering export opportunities, and in turn, creating jobs. Simultaneously, it aimed to sculpt the architecture of global trade, setting ambitious standards on intellectual property, labor, environmental protection, and burgeoning digital commerce. Considering your strong stance in establishing bipartisan efforts to enhance trade oversight, enforcing fair trade practices, and advocating for the protection of American economic interests, I would recommend voting 'yea' on the final passage of H.R.1314 Trade Promotion Authority (TPA) to facilitate the passing of TPP.

The critical developments related to the Trans-Pacific Partnership (TPP) during 2015 were not about the TPP agreement itself being passed, but rather about the Trade Promotion Authority (TPA), also known as the "fast-track" authority. Senate Majority Leader Mitch McConnell deeply initiated cloture to circumvent potential filibusters and deftly negotiated across the aisle, promising integration of TAA—key for garnering Democratic support—directly into the trade agreement and ensuring votes on trade preferences and customs, a strategy that secured the necessary bipartisan backing. To maximizing the overlapping interest between different parties, McConnell also looped And the USA Freedom Act and the USA Freedom Act to push forward his priority- the passing of TPA. After brought up bill on May 7th and successfully pass the cloture, Hatch Substitute is the TPA that they're going to strip out everything from that shell. While the major proponent of bill such as Hatch and Ryan emphasizing the consequence of huge tariffs on agriculture goods, and the threat of China making the rule with the absence of U.S., opponent such as Brian, Bernie Sanders, and Ray as well as session argued the losers outweigh the winners and trade and the wealthiest 5% of the country typically game from trade agreements that the middle and lower.

To address the concern, Brown amendment, whose purpose was to restore funding for the trade adjustment assistance program to the level established by the TPA extension act of 2011, attempt to expanding the number of dollars authorized and appropriated for TAA. On the contrary, Senator Flake's argument was that TAA, GAO, so the government accountability organization, has found that TAA is duplicative and wasteful. McConnell agreed to entertain both by putting TAA into the package. The Portman-Stabenow amendment No. 1299, proposed during the TPA legislation (HR 1314) deliberations, aimed to tackle the issue of currency manipulation by trade partners—a practice that could undermine American industries. This amendment intended to strengthen the TPA by including provisions that would compel the U.S. to confront nations that skewed their currency values to gain unfair trade benefits. While there was significant support for the amendment as a protective measure for U.S. jobs and fair trade, opposition arose, including from the Obama administration, on the grounds that it might jeopardize the TPA's smooth passage and complicate diplomatic relations.

Your support for measures such as the AfCFTA and your efforts to protect American investors from risks associated with Chinese companies, as evidenced by the TICKER Act, align with your broader agenda of fostering secure and equitable trade policies, incorporating strategic value in participating in large multinational trade agreements that aim to set high standards for labor, environment, and intellectual property rights, which are areas he has shown a keen interest in throughout his political career. On trade and economic policy, it's clear that you values trade agreements that promise to create jobs and enhance the United States' competitive edge while ensuring fair play.

## **Administration position**

The Obama administration's position on the 2015 Trade Promotion Authority (TPA) and the Trans-Pacific Partnership (TPP) was strongly supportive, viewing these initiatives as vital components of the administration's economic and strategic

pivot to Asia. President Obama actively advocated for the TPA, which would empower his administration to negotiate trade deals that Congress could approve or disapprove but not amend, thereby streamlining the process for ratifying complex agreements like the TPP. The administration argued that the TPP would open markets, enforce high labor and environmental standards, and counter China's growing influence in the Asia-Pacific region. To rally support, President Obama personally reached out to Democratic senators, urging them to support the TPA and TPP despite some opposition within their ranks over concerns about the potential impacts on American workers and industries. The administration's intensive lobbying efforts included direct calls and meetings with legislators, public speeches, and engagement with business and labor groups to build a broad coalition in favor of the trade deals, underlining their importance for America's economic future and geopolitical standing.

### **Positions of Congressional leadership**

In 2015, the Trade Promotion Authority (TPA) was a point of significant contention in Congress, splitting leaders often along ideological lines but also creating unconventional alliances. Republican leaders, including Senate Majority Leader Mitch McConnell and Speaker of the House Paul Ryan, championed the TPA, advocating for its ability to promote economic growth through free trade and strengthen U.S. strategic interests, particularly in the Asia-Pacific region. Democratic leaders were divided; while President Barack Obama and some pro-trade Democrats supported the TPA, arguing it would come with robust protections for workers and the environment, others, such as House Minority Leader Nancy Pelosi, navigated a fine line due to pressure from labor unions and environmental groups. This led to complex negotiations, with McConnell and other Republicans aligning with the Democratic president to advance the TPA, indicating the intricate and often cross-partisan dynamics of trade policy.

### **Positions of key special interests**

Key special interests were deeply divided, as evidenced by congressional records and public statements. Business coalitions like the U.S. Chamber of Commerce advocated for the TPA, highlighting potential economic benefits and access to new markets, while labor unions, spearheaded by the AFL-CIO, vehemently opposed it due to fears of job losses and eroding labor standards, citing negative outcomes from past trade deals. Environmental groups, notably the Sierra Club, campaigned against the TPA, concerned about its implications for environmental regulations, while tech and pharmaceutical industries lobbied in favor, seeking enhanced intellectual property protections. The agricultural sector, through organizations such as the American Farm Bureau Federation, supported the TPA, anticipating growth through reduced tariffs and increased exports. In contrast, consumer advocacy groups like Public Citizen's Global Trade Watch opposed the TPA, arguing it could compromise consumer protections. These varied stances were reflected in a mixture of lobbying efforts, op-eds, and formal congressional testimonies during the lead-up to the legislation's passage.

### **Positions of Foreign Government**

Foreign governments, particularly those of the countries involved in the Trans-Pacific Partnership (TPP) negotiations, were generally supportive of the 2015 Trade Promotion Authority (TPA) in the United States. They saw it as a critical step toward finalizing the TPP, a landmark trade deal that aimed to strengthen economic ties and create a strategic economic bloc in the face of a rising China. Nations like Japan and Australia publicly expressed their belief that the TPA was essential for providing the U.S. administration the authority to negotiate effectively and bring the TPP to a successful conclusion. However, the negotiations also had their skeptics; some countries were wary of stringent intellectual property laws and investor-state dispute settlement mechanisms. They expressed concerns over potential loss of national sovereignty and the ability to regulate in the public interest. Nonetheless, the predominant view among the negotiating partners was one of cautious optimism, with a focus on the potential economic and geopolitical benefits that a unified trade agreement could provide.

In conclusion, support for the TPA will affirm that the United States remains a steadfast proponent of free trade and a leader in shaping global economic standards. This moment calls for decisive action to maintain our comparative advantage and to champion an agenda that promotes growth, innovation, and the American values of fair trade and economic opportunity.