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Trans-Pacific Partnership (TPP)

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What is the {term}? Trans-Pacific Partnership (TPP)

The Trans-Pacific Partnership (TPP) is a proposed [free trade](#) agreement among 11 [Pacific Rim](#) economies. The United States was included initially. In 2015, Congress gave Barack Obama fast-track authority to negotiate the deal and put it to an up-or-down vote without amendments; all 12 nations signed the agreement in February 2016. The following August, Senate Majority Leader Mitch McConnell said there would not be a vote on the deal before Obama left office.

Since both major-party nominees, Donald Trump and Hillary Clinton, opposed the deal, it was considered to be dead on arrival. Trump's victory solidified that view, and on January 23, 2017 he signed a memo instructing the U.S. trade representative to withdraw the U.S. as a signatory to the deal and pursue bilateral negotiations instead.



BREAKING DOWN TRANS-PACIFIC PARTNERSHIP (TPP)

The agreement would have lowered [tariffs](#) and other trade barriers among Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam. In the United States, the deal is viewed in the broader context of the Obama administration's military and diplomatic "pivot" toward East Asia, which then-Secretary of State Hillary Clinton outlined in an Op-Ed in Foreign Policy 2012.

That year, Clinton said the deal set the "gold standard in trade agreements." Her comment was likely in response to an unexpectedly fierce primary challenge from Senator Bernie Sanders; she has since said that she opposes the deal. Her opponent, Donald Trump, has opposed the TPP and similar deals – including [NAFTA](#), which Clinton's husband signed into law as president in 1993 – as a centerpiece of his campaign.

Opposition to the deal centers around a number of themes. The secrecy surrounding the negotiations is considered anti-democratic. In addition, trade deals are believed to be the source of foreign competition that has contributed to a loss of U.S. manufacturing jobs. Some are disturbed by the "investor-state dispute settlement" (ISDS) clause, which allow corporations to sue national governments that violate trade agreements.

Supporters of the deal contend that trade agreements open new markets for domestic industries creating new jobs and contributing to economic growth.

Alternatives to the TPP

Following Trump's order to pull the U.S. out of TPP, other signatory countries – which had negotiated for seven years to finalize the deal – have discussed alternatives.

One is to implement the deal without the U.S. Australian Prime Minister Malcolm Turnbull reportedly discussed this option with the leaders of Japan, New Zealand and Singapore following the withdrawal of the United States. A Japanese government official told reporters that the country would not continue to pursue the deal, however. The United States is by far the largest economy to have participated in TPP negotiations, and other countries likely consider the trade-offs involved as unattractive without access to the U.S. market.

China is also pushing for a multilateral Pacific Rim trade deal called the Regional Comprehensive Economic Partnership. The deal would link China to Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam, Australia, India, Japan, South Korea and New Zealand. While in office, Obama repeatedly