



## **EU and US Bishops' recommendations on the negotiations of the Transatlantic Trade and Investment Partnership (TTIP)**

Prior to the proposed Transatlantic Trade and Investment Treaty (TTIP) being completed, endorsed and ratified, it is essential to undertake a thorough social and environmental cost/benefit analysis. Such a review should consider not only economic theory, but also an objective analysis of the real effects of the proposed pact upon our citizens, our societies and our planet. This study must take into account TTIP's potential impact on basic needs, the fundamental elements of well-being, and the rights to access and opportunity. TTIP must contribute to the well-being of all citizens, especially the poor. All should participate in decisions that impact their lives. Presumed benefits must be shared equitably, so as not to exacerbate inequality. In sum, TTIP must lead to a more secure and peaceful world, rather than intensify economic and political tensions.

It is true that policy making for a better common future, respectful of the rights of present and future generations, cannot be realized by either excessive regulation nor by radical de-regulation. Pacts and treaties must sustain social dynamism by both the confidence that they give to the inventive powers of the mind and heart and the equitable participation that they promote to members of the one human family.

What Pope Francis has written to the G-8 nations in 2013 applies to TTIP: "The goal of economics and politics is to serve humanity, beginning with the poorest and most vulnerable" (Letter to the Right Honorable David Cameron, June 17, 2013). History provides evidence that increased trade and investment can be truly beneficial, provided that they are structured in a way that helps to reduce, not exacerbate, inequality or injustice. Trade policies must be grounded in people-centered ethical criteria, in pursuit of the common good for our nations and for all people around the world. The negotiation or implementation of trade agreements must abide by principles which promote and defend human life and dignity, protect the environment and public health, and promote justice and peace in our world.

Certain principles must be used to evaluate any proposed trade deal, including TTIP:

**Sustainability and precaution.** The bishops of the US and of the EU wish to underline the principles of sustainability and precaution. One of the implications of the principle of precaution is that priority must be awarded to the prevention of harm. Patience must be exercised in the endorsement of products or procedures until such a time as there is sufficient scientific evidence to show that they are causing no significant harm to present or future generations, nor that they are putting the natural ecology at risk.

**Labor Protections.** Human dignity demands the protection of workers and their just rights as a priority. We support workers' rights, including the right to organize themselves, as well as compliance with internationally-agreed labor standards. Any agreement must be accompanied by firm commitments to help affected workers, as well as their families and communities, cope with both the social and financial strain

of dislocation that free trade might cause. Special attention must be paid to safe working conditions, reasonable work hours, time off, living family wages, and other recognized social benefits.

**Indigenous People.** Catholic bishops throughout the world minister extensively among indigenous groups. Out of respect for their cultural heritage and in view of their economic development, TTIP must honor the patrimony of these indigenous communities, and share equitably the benefits of any commerce with groups in which traditional knowledge and natural resources originated.

**Migration.** Our Church has long defended the right of people to migrate when conditions in their home countries are unsafe or prevent them from providing for themselves and their families. If migration is to be reduced, we believe that it must be done through alleviation of the conditions that impel people to leave their homelands. Any trade or investment agreement should be designed in a way that would assure a reduction in the need to emigrate.

**Agriculture.** Our brother bishops at home and abroad, along with other partners with whom we work, have expressed grave fears about the vulnerability of small agricultural producers when confronted with competition by agricultural products that enjoy a notable advantage due to applicable government policies and subsidies. Any agreement should promote the agricultural sector of developing countries and protect those who live in rural areas, especially in the case of small farmers.

**Sustainable Development and Care for Creation.** Increasing global economic integration holds potential benefits for all participants, but it should do more than simply regulate trade and investment. The essential link between preservation of the environment and sustainable human development requires giving priority attention to protecting the environment and health of communities, including assistance to poor countries that often lack sufficient technical knowledge or resources to maintain a safe environment. Agreements should include relieving the crushing burden of external debt held by poor countries and supporting development which increases self-reliance and broad participation in economic decision-making. The TTIP should not allow for trade and investment in certain commodities that can undermine the common good (such as illicit weapons or narcotics).

**Intellectual Property Rights.** We are also concerned about intellectual property rights provisions with regard to pharmaceuticals and agriculture. We must take into account the need for access to medicines and agricultural advances for vulnerable populations. The Church locates intellectual property rights within the broader framework of the common good and believes these rights should be balanced with the needs of the poor. The principle of the common good requires not only legitimate protection of private interest but also that the local and global common good be taken into account. Agreements cannot be founded or accepted merely on the basis of the benefits for the bilateral contractors. Account must also be taken of benefits and costs for third parties, especially the poor, the vulnerable, the young, the elderly and the infirm.

**Dispute Resolution Mechanisms.** We question the merits of requiring sovereign parties to international treaties to agree to binding international arbitration as the forum for dispute resolution, whether through the mechanism of investor-state dispute settlement structures (ISDS) or by means of the recently proposed international investment courts. Either path may lead to unfair advantages for commercial interests willing to exploit the rules of the arbitral or judicial systems and may result in the weakening of important environmental, labor, and human rights standards. Private interests should not eclipse public goods. The impact on environmental and social legislation, or on health, education and cultural policies, needs to be carefully studied. Undue regard for regulatory harmonization or simplification cannot be the basis for undermining adequate safety, labor, health and environmental regulations locally enacted by national, state or regional bodies.

**Participation.** It is critical all people have a voice in decisions that touch their lives. Human dignity demands transparency and the right of people to participate in decisions that impact them. Participation has particular application to the negotiation of TTIP and other trade agreements. They should be pursued in fora and through processes that will assure that voices from affected sectors of society can be heard and their interests reflected in whatever agreements emerge. Justice must be applied to every phase of economic activity; the canons of justice must be respected from the outset, as the economic and political process unfolds, and not just afterwards or incidentally.

In his apostolic exhortation *Evangelii Gaudium*, Pope Francis notes: “The world wide crisis affecting finance and the economy lays bare their imbalances and, above all, their lack of real concern for human beings; man is reduced to one of his needs alone: consumption” (no. 55). Pope Emeritus Benedict XVI, in his encyclical *Caritas in Veritate*, stated: “*The economy needs ethics in order to function correctly--not any ethics whatsoever, but an ethics which is people-centered*” (no. 45). Our teaching puts people--especially the poorest and most vulnerable--first. The proposed TTIP agreement must be judged by these high standards.

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