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 **TODAY'S "QUICK HIT":**
MULTINATIONAL
AGREEMENTS:
FORCING SQUARE
PEGS INTO
ROUND HOLES!



By Stephen L. Bakke  November 26, 2016

Here's what provoked me:

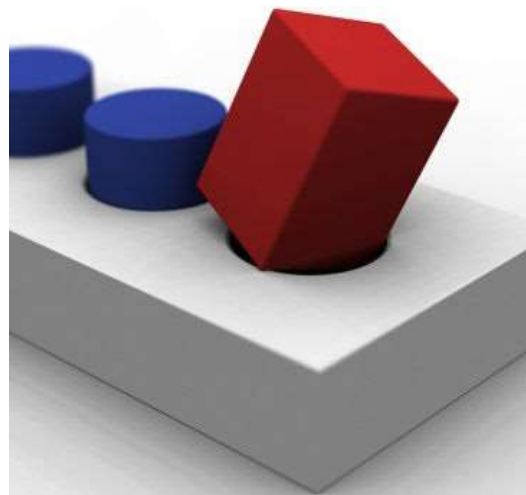
There will soon be much attention to the Trans-Pacific Partnership, an 11 country draft trade agreement between Pacific rim countries, including the United States. Trump has vowed to reject the agreement.

Here's my response:

Multinational Agreements: Forcing Square Pegs into Round Holes!

We've been hearing a lot of criticism of the Trans-Pacific Partnership (TPP), a free trade agreement involving 11 Pacific rim countries, including the United States. It has not yet been ratified by the U.S. Congress. On 11/26, an editorial from the L.A. Times was reprinted ("Trans-Pacific Partnership- Trump should work on art of a deal"). It concluded that Trump should accept the invitation to "tweak" parts of the agreement.

Multinational agreements are great in theory, but inherently problematic in terms of practicality and feasibility. With the TPP, there are 11 different sovereign countries involved. Each has its own unique laws, culture, language, priorities, form of government, economic policies, and financial strength. And I must add, each has its own unique "bad habits," and there are various levels of sincerity to make the agreement work. Those are similar to the problems faced by members of the European Union, and which resulted in the British intention to terminate its membership. It's a lot like trying to fit a square peg into a round hole.



In that context, I agree that Trump should negotiate fiercely to make sure the U.S. is well served by the agreement. I'm all for active international trade, but unless he accomplishes that, I think the U.S. would be better off negotiating individual bi-lateral agreements with the individual members of the draft agreement.