

TTIP and TISA, the 'secret  
privatisation pact that poses  
a threat to democracy'  
With hidden ratchet clauses  
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# With hidden ratchet clauses which never can be reversed.

An international trade deal being negotiated in secret is a “turbo-charged privatisation pact” that poses a threat to democratic sovereignty and “the very concept of public services”, campaigners have warned.

But this is not [TTIP](#) – the international agreement it appears campaigners in the European Union have [managed to scupper over similar concerns](#) – this is TISA, a deal backed by some of the world’s biggest corporations, such as Microsoft, Google, IBM, Walt Disney, Walmart, Citigroup and JP Morgan Chase.

Few people may have heard of the Trade In Services Agreement, but campaign group Global Justice Now warns [in a new report](#): “Defeating TTIP may amount to a pyrrhic victory if we allow TISA to pass without challenge.”

Like the Transatlantic Trade and Investment Partnership, TISA is being negotiated in secret, even though it could have a major impact on countries which sign up.

While TTIP is only between the EU and US, those behind TISA have global ambitions as it involves most of the world’s major economies – with the notable exceptions of China and Russia – in a group they call the “Really Good Friends of Services”.

The Department for International Trade dismissed the idea that public services were at risk from TISA, adding that the UK was committed to securing an “ambitious” deal.

But according to Global Justice Now’s report, the deal could “lock in privatisation of public services”; allow “casino capitalism” by undermining financial regulations designed to prevent a recurrence of the 2008 recession; threaten online privacy; damage efforts to fight climate change; and prevent developing countries from improving public services.

Jeremy Corbyn vows to veto TTIP

**NOTE: This report is from 2015 but as valid today to explain the dangers of the hidden ‘ratchet’ clauses of NO RETURN.**

# The new TTIP? Meet TISA, the 'secret privatisation pact that poses a threat to democracy'

In effect it means unelected transnational corporations can dictate the policies of democratically elected governments AFP/Getty 1/6 The NHS Public services, especially the NHS, are in the firing line. One of the main aims of TTIP is to open up Europe's public health, education and water services to US companies. This could essentially mean the privatisation of the NHS. The European Commission has claimed that public services will be kept out of TTIP. However, according to the Huffington Post, the UK Trade Minister Lord Livingston has admitted that talks about the NHS were still on the table Getty 2/6 Food and environmental safety TTIP's 'regulatory convergence' agenda will seek to bring EU standards on food safety and the environment closer to those of the US. But US regulations are much less strict, with 70 per cent of all processed foods sold in US supermarkets now containing genetically modified ingredients. By contrast, the EU allows virtually no GM foods. The US also has far laxer restrictions on the use of pesticides. It also uses growth hormones in its beef which are restricted in Europe due to links to cancer

US farmers have tried to have these restrictions lifted repeatedly in the past through the World Trade Organisation and it is likely that they will use TTIP to do so again Getty 3/6 Banking regulations TTIP cuts both ways. The UK, under the influence of the all-powerful City of London, is thought to be seeking a loosening of US banking regulations. America's financial rules are tougher than ours. They were put into place after the financial crisis to directly curb the powers of bankers and avoid a similar crisis happening again. TTIP, it is feared, will remove those restrictions, effectively handing all those powers back to the bankers Getty/Bloomberg 4/6 Privacy Remember ACTA (the Anti-Counterfeiting Trade Agreement)? It was thrown out by a massive majority in the European Parliament in 2012 after a huge public backlash against what was rightly seen as an attack on individual privacy where internet service providers would be required to monitor people's online activity. Well, it's feared that TTIP could be bringing back ACTA's central elements, proving that if the democratic approach doesn't work, there's always the back door

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An easing of data privacy laws and a restriction of public access to pharmaceutical companies' clinical trials are also thought to be on the cards AFP/Getty Images 5/6 Jobs The EU has admitted that TTIP will probably cause unemployment as jobs switch to the US, where labour standards and trade union rights are lower. It has even advised EU members to draw on European support funds to compensate for the expected unemployment. Examples from other similar bi-lateral trade agreements around the world support the case for job losses. The North American Free Trade Agreement (NAFTA) between the US, Canada and Mexico caused the loss of one million US jobs over 12 years, instead of the hundreds of thousands of extra that were promised Dave Thompson/Getty Images 6/6 Democracy TTIP's biggest threat to society is its inherent assault on democracy. One of the main aims of TTIP is the introduction of Investor-State Dispute Settlements (ISDS), which allow companies to sue governments if those governments' policies cause a loss of profits

In effect it means unelected transnational corporations can dictate the policies of democratically elected governments AFP/Getty

Migrant workers could be classified as "independent service suppliers", the report says, meaning they would not be eligible for the minimum wage or be allowed to join a union.

People going to another country may find their visa is tied to their job, so if they were sacked, they would be deported.

"This sort of system of modern indentured labour is wide open to abuse by unscrupulous employers who may get away with illegal practices safe in the knowledge that they can threaten any employee with deportation if they complain," the report says.

"This sort of system is used in countries like Saudi Arabia, the UAE and Qatar and has resulted in working conditions that have been described as being close to slavery."

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The global economic crash of 2008 was precipitated by the sale of complex financial products linked to unsafe "sub-prime" mortgages. The report says there is a danger the final TISA deal would "undermine efforts to regulate risky financial products" with a proposal that firms should be allowed to offer "any new financial service".

"The danger is that TISA will deter governments from limiting the use of such 'innovative' financial products and leave us powerless to stop the next financial crisis," it says.

TISA could also potentially prevent governments from favouring renewable energy over fossil fuels - despite the need to reduce greenhouse gas emissions and the health effects of air pollution.

Private firms would also be allowed to move online data from one country to another under one proposal being considered. While the original country's privacy laws would have to be respected, the report said it was "not clear how this will be ... enforced".

While developed countries in Europe have established public services that would not be threatened unless a state's government decided to open them up to private firms, the same is not true of many developing countries. If they signed up to the deal, it could effectively prevent them from setting up public institutions taken for granted in the West.

TTIP controversy: what an FOI request revealed

1/14 TTIP controversy Responding to a Freedom of Information request from an EU watchdog regarding contacts between officials and the tobacco industry, the European Commission released a set of documents that had been so heavily redacted as to be meaningless. In this 14-page letter from British American Tobacco from its London HQ, outlining its "serious concerns with the consistency of [redacted]", only five per cent of the text was visible

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The TISA negotiations were held behind closed doors for about 18 months until they were publicly revealed by the global trade union group Public Services International (PSI). Information about some of the proposals has been also disclosed through Wikileaks and similar sites.

Daniel Bertossa, PSI’s director of policy, said: “Anybody who’s interested in maintaining democratic control of national institutions should be very concerned about the Trade in Services Agreement that is being negotiated in secret.

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"It will remove large sections of national sovereignty and the ability of any government, including the UK Government, to regulate important service sectors [on issues] such as energy, such as transport, such as privacy. The Trade in Services Agreement is part of a radical project to limit governments' sovereign right to regulate and freeze it almost in permanence in the interests of foreign corporations."

According to the European Commission, TISA is about "facilitating trade in services".

"The EU is the world's largest exporter of services with tens of millions of jobs throughout Europe in the services sector. Opening up markets for services will mean more growth and jobs," [its website says](#).

The *Independent* has contacted "Team TISA", a group of [mainly American companies](#) in favour of the deal, asking for a comment.

Corbyn: Labour would veto TTIP

On [its website](#), it says: "Services are the fastest growing sector of the global economy and account for two thirds of global output, one third of global employment and nearly 20 per cent of global trade.

"The TISA provides an opportunity to expand services trade among over 50 countries, covering nearly 70 per cent of global trade in services.

"The potential expansion TISA provides will benefit not only global growth, but also US domestic growth.

"As the world's largest services exporter, with over \$1.3 trillion (about £1 trillion) in annual cross-border and foreign-affiliate sales, the US will benefit tremendously from elimination of services barriers."

A Department for International Trade spokesperson said: "Public services are under no threat whatsoever from this deal or any other trade agreement. The UK remains committed to an ambitious Trade in Services Agreement."