

Secret Oper

The most shadowy of all the trade deals being negotiated around the world, TISA could prevent essential services such as healthcare ever returning to public ownership, reports **Clare Speak**. It's the multinationals that stand to benefit – not the public

As the Labour Party announces that reversing NHS privatisation would be a priority for a future Labour government, the first details are emerging of a secretive new international trade deal that would open up the UK's public services to an "influx" of multinational for-profit providers and make all existing privatisation permanent and irreversible.

Shadow health secretary Andy Burnham vowed last month that a future Labour government would repeal the Health and Social Care Act, which he says has "placed the NHS on the fast track to fragmentation and privatisation".

But under the proposed trade deal, no future government would be able to reverse existing privatisation, even in cases where it had failed.

The treaty, known as the Trade in Services Agreement (TISA), is now being negotiated between a group of 20 developed countries – with the EU counting as one – who are calling themselves the "Really Good Friends [of Services] (RGF)".

Campaigners warn that with TISA "governments are planning to take the world on a liberalisation spree on a scale never seen before".

The negotiations are shrouded in secrecy, but researchers behind the first study of TISA say it would prevent the British government from running vital public services such as healthcare and childcare,

and would also restrict its ability to regulate the financial, energy and telecommunications sectors.

The *TISA versus Public Services* report, commissioned by the

The department refuses to disclose details as it says this may compromise ongoing negotiations

the report's findings.

"The aim of public services should not be to make profits for large multinational corporations," Rosa Pavanelli, PSI's general secretary, tells *The Big Issue in the North*. "Ensuring that failed privatisations can never be reversed is free market ideology gone mad."

Nick Dearden, director of the World Development Movement, tells *The Big Issue in the North*: "In the last few years, enormous amounts of competition from the private sector have been introduced into the NHS by the government. You could just see that as a trial to see how it works, and if it doesn't work, we'd go back to how things were before. But under TISA that would be completely impossible.

Public Services International union (PSI), found that the deal "would put public healthcare, broadcasting, water, transport and other services at risk". The union is now leading a campaign against TISA following



"Every bit of the NHS that's already been opened up will remain open forever. And any change at all that the government makes to the NHS would be moving in the direction of further liberalisation and privatisation, not away from it. That's what's currently on the table under TISA.

"For transport services, the same thing will apply, and anything that's currently run in competition with the private sector – which applies to very large amounts of what we may see as public services – that all has to remain liberalised. For all of these services, it is potentially a very, very big threat."

It's not known which of the UK's

Once aspects of the NHS are privatised, the new trade agreements will mean they cannot be renationalised.

Photo: Rui Vieira/
PA Wire



public services would be covered by TISA. The government's Department for Business, Innovation and Skills has confirmed that the government has already decided which services are to be included or exempted under the deal, but the department refuses to disclose any details as it says this may compromise ongoing negotiations.

But, as Dearden explains, all public services would be automatically included unless the government specifically says that they should be left out.

"You have to put up things that you won't allow to be covered, rather than those you will allow, which of course means much more coverage,"

NHS NOT FOR SALE, INSIST NORTH WEST LABOUR MEPS

In a joint statement given to *The Big Issue in the North* on 2 July, North West Labour MEPs Julie Ward, Afzal Khan and Theresa Griffin said that they welcomed negotiations "on a trade agreement aimed at expanding opportunities for such a key sector" but aimed to address "rising concerns around the TISA".

"Our main priority is to ensure a robust protection of public services by exempting certain sectors such as education, transport, water supply, waste management and healthcare," the statement reads. "Our NHS and our public services are not for sale.

"But it is also important to remember that we are still in a phase of negotiations. We believe that closing the door to discussion is not the solution for problems that are both domestic and global. Particular sectors considered as crucial can be exempted from agreements.

"For example, France succeeded in excluding culture and audio-visual services from the EU-US free trade (TTIP) negotiations, believing that culture is not only a commercial good and does fulfil other social purposes that are incompatible with the rules of the free market.

"Concerned citizens should continue to ask questions.

"The new Parliament is determined to put the interests of its citizens at the heart of its work and will not let the Commission and the Council decide what is best for the future of the European Union without a transparent and inclusive process."

he says. “Of course, that also means things that don’t exist yet. So if you want to create a new public service, or if you want to extend public services to new parts of your country, they’d automatically be covered.”

Political economist Julius Sen, from the London School of Economics, says: “The theory of course is that more open markets means higher quality services at lower prices.

“But experience tells us that the opposite can happen if the big multinationals are dominant in any particular market and can manipulate prices to suit themselves.

“The criticism is that TISA will favour multinationals in the services sector at the expense of local providers.”

The secrecy surrounding the talks makes it hard to tell what an ideal final agreement would look like, Sen says, and means that there are “a lot of ifs”.

“But going by the overall experience of privatisation and contracting out in the UK, business benefits the most, the government keeps some stuff off the balance sheets – so public finances look better – but the public doesn’t really benefit.”

As with other trade deals being negotiated at the moment, the draft negotiation texts for the deal are being kept out of the public eye.

“The amount that people know about it at the moment, even in the world of campaigning, is really tiny,” says Dearden.

“We have very little idea of what’s on the table.

“For an agreement that is so unbelievably sweeping, which is going to have such an important impact on the lives of people in all of the countries that sign up and beyond, you’d expect there to be far more debate about this.”

PSI insists that the deal is being negotiated “with the explicit aim of drawing in the rest of the world to the agreement after it has been finalised”.

A PSI spokesperson says: “This means that TISA will potentially affect all countries in the world – regardless of whether they are currently participating in negotiations.”

Unlike with other large trade deals currently being negotiated, no official statements have been made by any of the parties involved in negotiations on how the treaty would benefit anyone other than large multinational companies.

“For the UK one of the arguments that I guess will come out is that our entire economy depends on the services industry, so anything that allows liberalisation of the services industry is going to be good for British people,” says Dearden. “But I haven’t seen a justification of it anywhere.

“They just haven’t even felt the need, as things stand at the moment, to justify it to a public which knows nothing at all about it.”

Critics of TISA say it is strongly linked to other international trade deals that, despite also being negotiated in secret, have now come to public attention and sparked protests across the world.

Dearden describes these trade deals as “part of the same offensive”.

He says: “TISA is specifically aimed at services but it’s all about the power of big corporations, big business, over our society and over democracy.

“Right across the board, you’ve got a very similar purpose. It’s really about locking in the role of the private sector across a massive range of different industries.

“In this case obviously there’s an even more crucial role in whether or not states, countries, governments should be able to provide decent public services to their people, and should they be run and controlled in the public interest or rather as utilities.”

Sen adds: “Sometimes a negotiation runs in parallel to put pressure on the others to move in the main negotiation. TISA will run in parallel with the Transatlantic Trade and Investment Partnership (TTIP) negotiations, to put pressure on them to reach a conclusion. So this could be a pressure tactic as much as anything else.” ■



MEPs Afzal Khan and Julie Ward, and the WDM’s Nick Dearden

AN EXTENSION TO GATS?

The General Agreement on Trade in Services was agreed by all countries within the World Trade Organisation (WTO) in 1995.

Because of huge campaigns across the world, and resistance from developing countries, the GATS treaty was much weaker than many would have liked.

Critics say TISA is an “an attempt to secretly extend the most damaging parts of the infamous GATS agreement” outside of the WTO framework, and that it aims to extend GATS “by the back door”.

In fact, according to the World Development Movement’s Nick Dearden, in some ways the new treaty goes even further.

“One of the things in GATS that made it, I suppose, a little bit more acceptable was that governments had to proactively say which areas that they were putting up for coverage by the treaty. TISA is reversing that.”

TRADE DEALS ON THE TABLE

TISA is by far the least known of three trade deals currently being negotiated around the world, which campaigners say are “three prongs of the same offensive on democracy”.

Transatlantic Trade and Investment Partnership (TTIP)

Currently being negotiated in secret between the EU and US, this trade deal aims to make trading across the Atlantic easier. Proponents say it will create “jobs and growth” for both economies, but critics say the treaty would not bring any economic benefits and would in fact put jobs in both the EU and US at risk.

The Big Issue in the North reported in January how the deal had been called a “threat to democracy” by politicians and campaigners, as rules expected to be included in it would allow corporations to sue national governments if they felt a country’s laws and regulations stood in the way of them making a profit.

Trans-Pacific Partnership (TPP)

A similar trade agreement being negotiated between the US and 11 countries in the Asia-Pacific region (Australia, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Brunei Darussalam, Singapore and Vietnam), TPP has also been heavily criticised as being anti-democratic. It is expected to include the same rules that would allow corporations to sue national governments.

This deal is expected to be agreed upon sooner than TTIP and the outcome of negotiations is expected to give us an idea of what the final TTIP agreement will include.