**Involvement of the U.S. regarding the Trans Pacific Partnership**

The Secretary of the Treasury is a member of the Presidential cabinet and is fifth in the presidential line of succession. The main role of the Secretary of the Treasury is to lead the United States Department of the Treasury,[[1]](#footnote-1) and its goal is to "promote economic prosperity and ensure the financial security of the United States".[[2]](#footnote-2) The current secretary is Steve Mnuchin.

The U.S. left the Trans-Pacific Partnership (TPP) on January 23, 2017 when President Trump signed a memorandum to remove the U.S. from talks involving the TPP. This act immediately ceased U.S. involvement in the deal since Congress had not ratified the trade deal. During an on November 30, 2016, Mnuchin said that the TPP was a bad deal and that "we believe in bilateral negotiations".[[3]](#footnote-3)

**Background Information and Past International Action Regarding the Trans Pacific Partnership**

The Trans-Pacific Partnership (TPP) is a trade agreement between 12 nations (11 after the U.S. withdrawal on January 23, 2017) that aimed to “eliminate or reduce tariffs or other restrictions on industrial and agricultural goods.”[[4]](#footnote-4) Originally, the TPP was intended to be a broadening of the Trans-Pacific Strategic Economic Partnership Agreement (TPSEP), and later on, more nations joined the negotiations, thus expanding the agreement. Until the U.S. left the agreement in January of 2017, it was the largest trade treaty ever created, and its nations represented 40% of global GDP and 20% of global trade.[[5]](#footnote-5) After the US’s withdrawal, the 11 TPP nations assented that the agreement would continue.[[6]](#footnote-6)

**Proposed solutions**

The United States priority is to ensure that its bilateral commercial relations have not deteriorated because of its withdrawal from the TPP. This can be done by renegotiating trade deals with other nations to give America a greater playing field, since multinational deals have allowed other nations to benefit at the US’s own cost. There are many nations that would benefit from increased access to the American market; however, the U.S. should only pursue bilateral negotiations with countries that the U.S. [Office of Information and Regulatory Affairs](https://fas.org/sgp/crs/misc/RL32397.pdf) estimates will bring a neutral or positive balance of trade.

During bilateral negotiations, there are two things that the U.S. should persuade all nations to abandon; the devaluation of currency, and “dumping” in foreign markets. By devaluing currency, other nations are increasing the prices of imports, but making that nation’s exports more financially accessible. However, this is unfair trade since the shifting in prices of items should be based on consumer consumption and demand, not artificial manipulation. Moreover, the U.S. should stop “dumping” in foreign markets because it is unfair competition and has financial repercussions that could go beyond the two nations. To incentivize nations to do so, a joint pact could be signed where it is emphasized that both countries do not condone this type of action. In addition, tariffs on certain exports from specific nations could also be adjusted.

The U.S. must also ensure that service sector rules are not in favor of offshore investments and jobs by companies. Even though the U.S. is a developed nation that provides more services than manufacturing, it is still a crucial part of the American economy. According to the National Association of Manufacturers, "Manufacturers contributed $2.17 trillion to the U.S. economy in 2015", for every dollar put into manufacturing, $1.81 was added to the economy and manufacturing accounts for “9 percent of the workforce” and “12.3 million jobs”.[[7]](#footnote-7) The $1.81 gain for every $1.00 spent on manufacturing shows that the industry is very profitable for both corporations and small business. Also, the fact that manufacturing accounts for 9% of the workforce shows the gaping hole it would create if the industry collapsed.

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