

Tony Nuzio: Let's give the Trans-Pacific Partnership a chance

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By Tony Nuzio

Having completed negotiating the Trans-Pacific Partnership treaty – TPP for short – President Obama now passes the baton to Congress. A vote on this massively significant treaty should come sometime in 2016. I expect a loud and passionate debate where both pros and cons are discussed and fully aired out.

Weighing the ups and downs myself, ultimately I support passing the treaty. My reason: economic growth.

If Congress ratifies the agreement, the U.S. joins a 12-nation trade bloc that includes Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Viet Nam. This will be one of the world's largest free-trade regions, encompassing 800 million people and touching an astounding 40 percent of the global economy.

While I have some concerns about the agreement's impact on jobs, ultimately the TPP will galvanize our country and our region. I believe that the pact will spur exports and make imports less expensive. It will create new jobs servicing the international market, jobs which tend to be higher-paying than local-market employment.

It could prove particularly beneficial to Long Island, which – although on the Atlantic side of the continent – needs export-related jobs for GDP growth. As consumers, Long Island businesses and residents should experience lower costs for wholesale supplies and consumer products involving the other member nations.

I look for transportation and logistics costs to fall, as trade barriers – including unnecessary procedures and wait times for arriving shipments – are eliminated or phased out by the TPP.

Here are four potential advantages to signing the pact, as cited by participating nations:

1. Comprehensive market access- The TPP eliminates or reduces tariff and non-tariff barriers across substantially all trade in goods and services and covers the full spectrum of trade, including goods and services trade and investment, so as to create new opportunities and benefits for the members' businesses, workers, and consumers.
2. Regional approach – The TPP facilitates the development of production and supply chains, advances seamless trade, enhances efficiency and supports job creation, raising living standards, enhancing conservation efforts, and facilitating cross-border integration, as well as opening domestic markets.
3. New trade challenges – The TPP promotes innovation, productivity, and competitiveness by addressing new issues, including the development of the digital economy, and the role of state-owned enterprises in the global economy.
4. Inclusive trade. The TPP includes new elements that seek to ensure that economies at all levels of development and businesses of all sizes can benefit from trade. It includes commitments to help small and medium sized businesses understand the agreement, take advantage of its opportunities, and bring their unique challenges to the attention of the TPP governments.

Let's just move forward and see what shakes out. We may all be surprised by the outcome. Wouldn't that be a great thing?

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