

TPPA is to 'control trade', not 'free trade', warns Dr M

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By Ram Anand

The Trans-Pacific Partnership Agreement (TPPA) is a form of "control trade" and not "free trade" as espoused by the United States, former prime minister Dr Mahathir Mohamad said today.

"With the conditions given (in the TPPA), trade will no longer be free. We will be bound by the agreement," he said in his speech at a roundtable on the TPPA today.

Mahathir said the US has become a poor country and was thus trying to reinforce its economic strength by accessing the resources of smaller countries that used to be colonised by Western powers.

"The US has more debt than income for some time now. They are trying to increase their wealth through these agreements," he stressed.

Mahathir has been vocal in rejecting TPPA in the past, and has described the agreement as a form of "colonisation" attempt on the part of the US.

He described the opportunity for Malaysia to enter the US market through the TPPA as merely a "bait".

"American companies can become Malaysian companies with this agreement. The US is a big economy, they have many things to export, while we don't have as many things. We are not a developed nation yet," Mahathir warned.

He questioned why a big economy such as China was left out of the TPPA and instead 11 small countries from the Pacific are part of the agreement.

NONE "The US is making it seem like it alone is not initiating TPPA. But by drafting in 11 small countries, the US wants to expand its economic bloc in order to block the progress that China has been making in this region," he said.

Mahathir said the government could stand to lose billions of ringgit with the agreement as it can be dragged to an international tribunal by foreign investors.

"Let's say we want to have defence procurement. We would have do it via open tender. If the American company does not get the tender, it might question our open tender process and bring us to a court that is not under our jurisdiction.

Chances are we will lose and have to pay out billions," he said.

Mahathir even speculated that should the TPPA be signed, the Western powers would try to "sell the ringgit" again in order to depreciate the value of our currency, something that he accused the Western powers of doing during the 1997 financial crisis.

"They might do it again, because under the agreement, we would then have no control over currency exchange," he said.

"We became an independent nation so that we can decide our own affairs," he said, describing the agreement as akin to making Malaysia a "colony" of the US.

The country, he said, does not need the TPPA to expand its trading horizons.

"We are a relatively small country, yet we have expanded our trading to be worth about US\$1 trillion. And we did this without the TPPA. We can do more without having to sign the TPPA," Mahathir added.

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