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TPPA must benefit all Malaysians

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ENSURING BENEFITS: Cabinet directive is a reminder to International Trade and Industry Ministry to be sensitive to people's needs

KUDOS to Prime Minister Datuk Seri Najib Razak for taking preemptive measures on the controversial Trans-Pacific Partnership Agreement (TPPA).

The cabinet's decision is a soft reminder to the Ministry of International Trade and Industry (Miti) to be more sensitive to the aspirations of the people.

Miti is accountable to the cabinet, which in turn is answerable to the people.

The cabinet has set the litmus test for Malaysia joining TPPA: favourable terms for those affected by the treaty.

The ball is now back in Miti's court, which must make sure TPPA

benefits Malaysians.

It would have been a different narrative if, for example, Miti negotiators were to first consult some experts in trade policy and the affected parties before taking on the "big boys" — five of the TPPA members have gross national product per capita above US\$40,000 (RM131,820) compared with US\$12,000 for Brazil and US\$5,000 plus for Malaysia.

One trade expert that Miti should consult is Cambridge-educated and former Universiti Sains Malaysia colleague Martin Khor.

Had Miti held its belated "open house" much earlier and long before former prime minister Tun Dr Mahathir Mohamad and others criticised TPPA, Miti would not

have gone through this soul searching process. A few of us were among those concerned with Miti's defensive style, which inevitably dented its credibility.

Members of the public are not privy to the negotiations. While we put our trust in Miti, we also expect it to do rigorous homework. Now, we know that a comprehensive study has not been completed and that no cost-benefit study in two critical areas was conducted.

We can only hope that the results of these studies will be made public as the people have every right to know what is in store for them.

Whether the Miti open house on Aug 1 was an afterthought or otherwise, the session was a welcome opportunity to "exchange" views.

Unfortunately, the forum turned out to be an unusual exercise in public relations. At the session, Miti merely restated its position that everything was above board. Of course, as expected, it promised to bring the expressed concerns for further discussion.

Knowing what we want is half of the picture. Getting what the cabinet has mandated is a challenge our negotiators must live up to.

Will the "big boys" continue to listen to our pleas and woes? Is it not too little too late to renegotiate the terms when the clock has start-

ed ticking? What is the fate of millions of Malaysians whose livelihood depends on the state-owned enterprises (SOEs) and small and medium enterprises (SMEs) once the TPPA comes into operation, for example?

Many thousands of poor Malaysians suffering from cancer, AIDS and myeloid leukaemia, who depend on cheaper generic drugs, have reason to smile after the cabinet made a decision that it would not agree to any provision in TPPA that limits access to affordable medicine and healthcare.

Under the TPPA rule on intellectual property rights, only patented drugs are allowed. With regard to this, the Indians are more fortunate following a recent Supreme Court decision that rejected a patent for a cancer drug; the cheaper generic version costs only US\$165 and the patented drug US\$2,666 a month.

Renegotiating issues like jurisdiction in the investor-state dispute settlement mechanism, status of government procurement policies, status of SOEs, policies on financial services, including capital controls,

and the impact of intellectual property rights on the cost of medicine and healthcare is, in my view, difficult at this late stage.

The multinationals are using TPPA to rewrite the rules of international trade and financial services. The multinationals are determined to rein in the role of state enterprises and promotion of local small and medium private companies, which they allege have been blocking access to markets in Third World countries.

The role of the state as actor in international relations will likely be eroded under the TPPA trade-imposed regime; the multinational companies have supplanted their role. The fear in some quarters that the state can no longer exercise sovereign immunity over certain trade-related issues is quite justified.

With the multinationals in the driver's seat, anti-smoking pictures or slogans like "smoking is bad for your lungs", "second hand smoke kills" or "smoking leads to cancer" will no longer be allowed. Governments can be sued for displaying these slogans!



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