

**Dr Mahathir fires another salvo at Pacific trade pact**  
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Tun Dr Mahathir Mohamad (pic) has criticised the government's move to be a part of the Trans-Pacific Partnership Agreement (TPPA) calling it a restriction on free trade.

Malaysia's fourth prime minister argued that free trade agreements (FTAs) have failed in the past because countries have to "regulate trade through agreements rather than free trade".

Cautioning that the TPPA is restrictive, he also noted that the agreement veils in an element of threat.

"If the TPPA is not accepted, then the recalcitrant nations will face restrictions against their freedoms to trade with members of the TPPA," Dr Mahathir wrote in a commentary published by the government-backed daily The New Straits Times today.

According to Dr Mahathir, Malaysia is already enjoying the perks of trading with countries of the TPPA.

However, if Malaysia does not join the TPPA, it will lose its trade with these countries as the agreement favours trade among member countries.

He also warned that the country is opening itself up for a floodgate of litigations since the "law and terms of the proposed agreements very often override national laws".

Citing an example from Peru, the South American nation that has a FTA with the United States, Dr Mahathir wrote that "governments of TPPA countries will expose themselves to being sued by private companies in a court which may not have the interests of the countries concerned at heart".

In the piece, Dr Mahathir said that Peru "was required to pay Renco the largest ever damage award of RM13.68 billion for stopping the processing of its products that had contaminated the La Oroya River and had poisoned 95 percent of the children there".

He emphasised that such disputes, decided by the International Centre for Settlement of Investment Disputes, is clearly tasked with upholding the TPPA.

He noted that in Malaysia, economic policies are used to correct social ills.

"These may be against the interest of foreign companies and we may have to abandon our policies regardless of the damage to society," he warned.

Dr Mahathir said some in Malaysia may welcome this but discrimination in favour of local companies in government contracts and procurements will also be exposed to litigation under the TPPA.

The former prime minister spared no critique toward the United States, writing that "the draft (TPPA) is crafted by huge corporations of the US and they must have their own interests at heart".

"And we know their interest is to penetrate the markets of the resource rich but poorly developed countries". – August 3, 2013.

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