

Time to take FTAs to Parliament

Kinibiz.com

Apr 21, 2014

By Stephanie Jacob

The Malaysia-Turkey FTA, signed last week, will only kick in upon congressional approval in Turkey. But in Malaysia it was immediately ratified as it only needs cabinet approval. In light of criticism around the Trans-Pacific Partnership Agreement (TPPA) negotiations, Tiger thinks it's time for Malaysia to overhaul its approval system for such things.

The jungle does not have a governing system, the animals do not all get together at regular intervals to cast votes to choose their leader. Such a gathering would be nothing but a good opportunity for us big cats to have a feast — so much good food all helpfully congregated in one place.

Yummy, purrr...oh Tiger digresses.

No, in the jungle the only things that matter are strength and intelligence. Tiger obviously has both, making her the apex predator, and she does not need anyone else to validate her position. Actually come to think of it, if one insists on defining the jungle's political structure you might have to settle on dictatorship (benevolent for the most part, Tiger only kills to eat and defend its ground after all).

Fortunately or unfortunately, democracy is said to be the name of the game in the Malaysian political arena. Of course democracy comes with all those 'rights' for the people — freedom of speech and freedom of information, and all those sorts of pesky things.

Over the past year, concerns over the ongoing Trans-Pacific Partnership Agreement (TPPA) negotiations — which this Tiger examined last year — has resulted in many Malaysians exercising their freedom to speak (against) and to demand for information about the prospective agreement quite voraciously — so much so that even the Ministry of International Trade and Industry (MITI), the ministry leading negotiations, have been taken by surprise.

Its minister Mustapa Mohamad for one admits that the debate around the TPPA shows that the days of "government knows best" are long gone in Malaysia.

Central to the controversy surrounding the TPPA is the fact that it is being negotiated under total secrecy. This basically means that Malaysia's representatives and their counterparts from 11 other nations are negotiating over the deal, without making very much public.

The public's participation is limited to engagement meetings between the various ministries and the relevant stakeholders to seek their views and their opinions.

Whether or not their views are actually taken into account is unclear, as the negotiation text is kept under wraps.

The reasoning for secrecy is simple: trade agreements require give-and-take and must be viewed in a holistic manner. Secrecy is necessary to allow negotiations to proceed in a frank and open manner.

Furthermore as the text is constantly changing as negotiations progress, earlier versions quickly become obsolete.

While that reasoning might seem fair, critics are not buying it. They are worried about everything from Malaysia's sovereignty and Bumiputra rights to pharmaceutical patents and geopolitical relations with China.

And they are asking a simple question — would you sign a document you have not read?

So there are two fair points, each at either end of the spectrum. Can there be a healthy middle? Tiger believes so.

In Malaysia, a free trade agreement (FTA) does not have to gain Parliamentary approval to be ratified. It merely needs to be approved by the Cabinet and the minister in charge will then be mandated to sign the agreement. Upon signing, the FTA will be seen as ratified in Malaysia.

This is not the case in every country.

Take for example the FTA with Turkey, which was just signed last week. While the agreement was immediately ratified upon being signed in Malaysia, it will likely not come into effect for another 12 months at least.

Why? Because the Turkish government is now required to take the agreement back to its congress to receive congressional approval before it is ratified.

In the United States, any FTA is required to be taken to Congress which then can suggest changes that should be made to the agreement before it is voted on.

Although the Obama administration is trying to push for more power to be given to the president to negotiate and fast track these trade deals — the administration would still have to put the agreement before congress for at least an up or down vote.

So Tiger thinks it is time for Malaysia to consider changing its FTA approval system. It is time that the government at large accepts what MITI's Mustapa Mohamad already understands — the days of government knows best are over.

Perhaps Malaysia can adopt a system similar to Turkey's where after negotiations are complete and an agreement has been reached, it is sent on to Parliament for approval. This will give the members of parliament, stakeholders and the public a chance to debate a holistic document rather than bits and pieces of a leaked documents.

Of course Tiger is not naive, she is fully aware that any majority government will be able to whip the votes and ensure that its own members of parliament toe the line and vote accordingly. Yet if the finished product has enough reasonable opposition from the relevant stakeholders, the government might accept that it needs to see if the agreement can be re-negotiated or perhaps shelved.

Mustapa has said that the government will consider tabling the TPPA in Parliament so that it can be debated, and Tiger sincerely hopes that he can convince the prime minister and his fellow cabinet members to agree to this. Tiger then hopes they take it another step further and overhaul the approval process entirely.

Admittedly this will translate into more work for the government. It will have to work hard to layout the merits of the deal and convince Malaysians that the agreement is in their best interests.

But then again, is that not part of their job description?

GRRRR!!

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <http://www.kinibiz.com/story/tigertalk/82296/time-to-take-ftas-to-parliament.html>