



By ALBERTINA ALMEIDA

What Price Regional Comprehensive Economic Partnership?

The deals that Governments sign with foreign dealers or countries often receive little popular attention because a number of us assume that it does not have any impact on our lives. The reality, however, is that it is more than just a deal between two countries. These deals can, in fact, have a profound bearing on people's lives.

Up to 2015, India had entered into 15 Free Trade Agreements (FTAs). And yet, as per the database of the International Trade Centre Trade Map, between 2005 to 2013, India's trade share with its existing and potential trade partners did not show any quantum leap vis-à-vis its trade in goods, as a result of these trade agreements. So the economy as such did not gain from the FTAs. On the contrary, lay people have been at the receiving end of the Agreements. Yet another FTA called Regional Comprehensive Economic Partnership (RCEP) is proposed between Governments of the ten South East Asian States and Australia, China, India, Japan, South Korea, and New Zealand.

Free trade by its very nature involves undercutting. For instance, multinational food manufacturing companies can and will compete with the small and medium enterprises of women. The former undercut the latter with their massive advertising budgets. We saw how multinational products were glamorised, made to appear more hygienic, and their prices reduced to capture the market. The small scale groups could not sustain themselves through this period.

To add to it, the Government do not reveal most of the details of these agreements to the public. They then surreptitiously sign away your fundamental rights through these agreements. The Power Purchase Agreement signed by the Government of Maharashtra and the Government of India with Dabhol Power Company, a subsidiary of Enron behind the backs of people, in 1993, is a case in point. Power tariffs were increased in keeping with that agreement. that implied increase in power tariffs for the common people. Then the Government claims helplessness saying that what they promised you, they cannot do because their hands are bound by these agreements.



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According to leaked documents (such as those from Wiki leaks), RCEP extends to intellectual property, patents, data exclusivity on medicine decreasing access to affordable medicine. It will regulate every aspect of services such as health, education, water, and banking.

Going by the leaked text, the RCEP will even sign off the minimum protection clause of employment of local labour, because there shall be no preference for local labour. So for example, in Goa, it will mean that when these investors are setting up base, any promises made by politicians that they will ensure that the trading unit will employ maximum Goans, cannot be honoured.

With bilateral agreements where community sovereignty over community resources was taken away by Governments signing off community's rights by protecting foreign and multinational investors from labour and environmental rights claims, there were investor dispute settlement clauses (ISDS) in the agreements that guaranteed immunities from people's assertions.

Take the case of the Anglian Water Group Ltd, a foreign investor in Argentina before the ICSID arbitral tribunal (accepted as the arbiters in such agreements). Argentina had responded to the concerns of citizens who had not been provided with clean water and faced huge price increases as a result of a new deal with investors, by regulating the prices of water and insisting on the delivery of potable water. It had to pay a price for thus responding to the citizens. The Tribunal held that the human right to water has to be 'counterbalanced' against 'fair and equitable treatment' to the investor, even if Argentina had agreed to the unfair agreement under pressure of an economic crisis.

Clearly these agreements have adverse implications for people's survival and particularly for women who bear the double brunt of rise in prices of water, or cutting down of social sector budgets such as for health care.

Governments do not put out the RCEP negotiating text for public discussion because people will oppose such an economic partnership deal being signed on their behalf. It will mean that the hidden agenda of subserving big corporates through signing this Agreement, so that the ruling politicians can enrich their coffers, will be defeated.

The fundamental rights of peoples cannot be bartered away at the high table of an RCEP, in which the people and specially its marginalised sections, including women, unorganised workers, depressed castes, tribes, of the concerned countries do not have a say. Activists affirm that people's rights must prevail over investor's "rights" and that there has to be equity, justice and fairness in the global trading system.

The memory of the turnaround by the ruling party in Goa with casinos, saying their hands are tied by the earlier Government's amendment of the law and granting of licences is fresh in our minds. So one can well imagine what the candidates, who have already started coming to your doorstep as elections near, will say post-election, in the face of a Regional Comprehensive Economic Partnership (RCEP) that India will have signed by then. "Our hands are tied"! All their election promises will be gone with the wind. Unless we would have succeeded in getting India to retreat from the proposed RCEP, or we decide to hold the elected people responsible if they still sign such an RCEP, with a befitting retort at the hustings, to the ruling party whose Government signs such Agreements.

(First published in *O Herald*, dt: 3 November, 2016)



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