

The Economic Times — dated:

22/8/08

(Ahmedabad/Bangalore/Chandigarh/Chennai/Hyderabad/Kochi/Kolkata/Lucknow/Mumbai/Pune)

Redefining parliamentary oversight

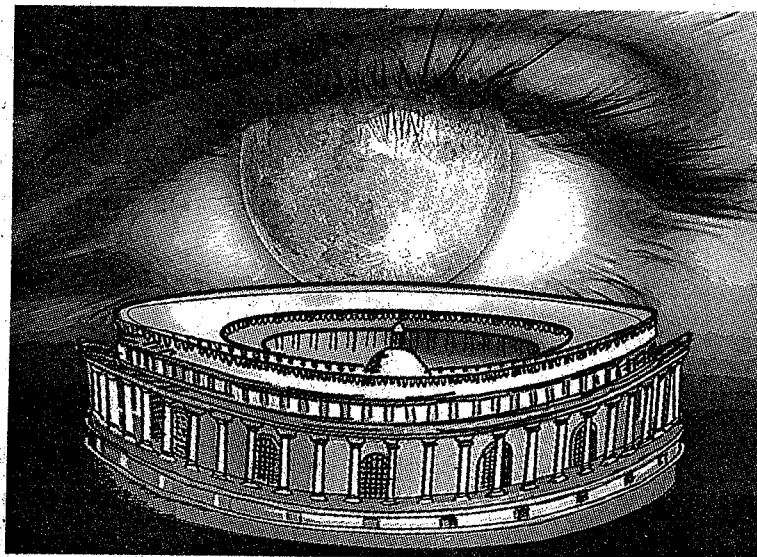
While the broad structure of the Constitution, which assigns well-defined obligations to the Centre need not be diluted, the altered circumstances require a vastly improved consultations mechanism with the states, says N K Singh

IT IS now just over a month since the confidence vote in Parliament put the civil nuclear energy deal on a fast trajectory. Since then, we have been overtaken by terrorism and deterioration in the economic data. The wounds created by the mishandling of the Amarnath shrine yatra will take long to heal. Just when the wounds begin to dry, some event inflicts more wounds again. All this unsettles investor confidence. It also takes away our focus from the more important priorities.

During the parliamentary debate, the issue of whether under our Constitution and conventions, international treaties need parliamentary endorsement was only marginally discussed. The earlier accepted paradigm was that only governments which have majority support remain in office and as long as this majority exists no separate ratification of treaties was necessary. The era of fractured coalition politics, however, alters this paradigm. The prime minister in his speech mentioned this debate was unnecessary and a detraction of "attention from attending to essential programmes in the priority areas of concern".

The leader of the Opposition had earlier commented that the prime minister was himself to blame for inflicting a special session and seeking a vote of confidence. The basic issue, therefore, remains unanswered. What kind of international obligations and treaties should the executive be free to enter into without parliamentary approval? Should there be an ex-post discussion, or an ex-ante engagement, that is should the government seek MP's views before the finalisation of a treaty or international commitment?

The ongoing WTO negotiations are going to affect the lives of millions of Indian farmers and will have a more immediate impact than the civil nuclear arrangement. WTO issues have not been discussed in Parliament at least in recent times. These negotiations affect agriculture, industry and services. They affect the livelihood of farmers, since the enhanced competition the WTO agreements generate forces us to compete even when our



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productivity, energy availability for agriculture, infrastructure and linkages remain suboptimal.

The current WTO negotiations broke down with an initial round of blame-game on assigning responsibility for the failure. Of course, all this is on the well-expected proposition that a multilateral trading agreement generates multiplier gains and is clearly preferable to bilateral or preferential agreements, which often create a spaghetti bowl of trade distortionary arrangements. So, whichever country or group is seen to obstruct the more preferred multilateral arrangement must bear the consequence of denying themselves and to the international community the benefits of gains from trade.

The commerce minister expects the talks to resume in a few months. In fact, WTO director general Pascal Lamy was here recently to improve the contours of agreements, hoping to revive the dialogue process. While it is encouraging that we did not compromise the interest of agriculture and industry, we need to know much more. What kind of negotiating options did the commerce minister have? For in-

stance, would it not be preferable in overall terms that bilateral talks on services proceed further and the services sector, where we have a strong interest and which is also ripe for negotiations, so that compromises on further access for industrial products from developed countries can be balanced with the accommodation which we seek to achieve in the services sector? This is both in respect of freer access of natural persons both in numbers and on barriers like unreasonable social security charges imposed by EU countries even in respect of short or medium-term work permits.

HOW many of us, for instance, know that Americans, in fact, sought a reduction in our applied rates, which is quite different from compressing the difference between the bound and the applied rates? Have we evaluated the unilateral concessions, which we have already made — no doubt, to improve our own competitiveness — without securing reciprocal benefits from others?

While the actual strategy and the negotiating dynamics cannot be discussed in public since WTO talks involve mutual

give and take, the broad contours must be subject to greater transparency. This exercise cannot be undertaken in undue secrecy. Keeping Parliament and political parties out of the exercise is neither appropriate nor acceptable. There is, therefore, need to act on three issues:

First, international treaties and agreements which have a wider implication in the strategic domain of foreign policy or economic domain must be first debated in Parliament. Government needs to be more transparent in taking the country along before they enter into irrevocable commitments.

Second, agreements entered into need not automatically be ratified. Contracting parties should understand the ratification after agreement would be subject to parliamentary approval.

Third, while the conduct of foreign policy, defence, strategic relationship and trade lie in the domain of the Centre, technological advances and interdependence is increasingly blurring many distinctions. Wherever these affect the states, consultation with them — given our federal polity — should be encouraged. The matrix governing Centre-state relations have also undergone significant changes because homogenous governments at the Centre and states have been replaced by a heterogeneity of regional parties which do not necessarily see eye-to-eye with the Centre on many issues. While the broad structure of the Constitution, which assigns well defined obligations to the Centre need not be diluted, the altered circumstances require a vastly improved consultations mechanism with the states.

Global inter-dependence and globalisation have opportunities but also consequences. Opportunities in terms of what increased productivity and technologies access can do to secure improved life quality. However, its inevitable consequence is also increased accountability to the people and to Parliament. Parliamentary oversight needs redefinition. The nuclear debate has reopened settled paradigms in more ways than one.