

Look East approach taking shape

Dhaka-Hanoi cooperation set on course

MANIFESTLY, there is a new-found interest in Hanoi and Dhaka to provide impetus to their bilateral ties. The emphasis is clearly laid on economic cooperation in a highly competitive world. Thankfully, they have complementarities to work and build on towards the furtherance of their mutual interests in a globalised trading regime.

This is a potential value addition to the Look East policy direction Bangladesh has been taking lately having already encompassed Malaysia, Myanmar and Thailand in a chain of bridge-building efforts for substantial sub-regional and inter regional tie-ups. And, now we have Hanoi within the frame.

Prime Minister Khaleda Zia's visit to Vietnam, the first-ever by any head of government from Bangladesh following the maiden trip of Vietnamese President Tran Due Luong to Dhaka last year has marked the high-point in the renewal of bilateral interest to provide greater depth and dimension to their relationship. The official talks between Prime Minister Khaleda Zia and her Vietnamese counterpart Phan Van Khai have yielded a common resolve to expand the areas of bilateral cooperation. The thrust areas for multi-sectoral cooperation include trade, commerce, agriculture and investment.

The signing of a bilateral accord on promotion and protection of investment and that of memoranda of understanding (MOUs) between Vietnam Garments and Textiles Association and Bangladesh Textiles Mills Association and also between the Hanoi Union of cooperatives and Bangladesh business bodies represent a stride taken in terms of serving mutual interests within a framework.

What deserves special mention is the agreement in principle to form a joint commission whose job it will be to take follow-up actions on the decisions made and accords signed during our PM's visit to Hanoi.

The new areas identified for exploration of potential for further collaboration are education, science and technology, disaster management and service sectors. Given the importance of the new grounds aimed to be broken, we urge that the exploratory phase should not be a long-drawn-out process so as to see the interest dissipate on both sides.

Indeed, the two countries can benefit immensely from people-to-people relations in a context where they have historical familiarities and emotions to share.

Black money issue

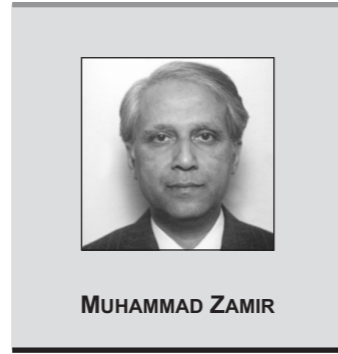
The decision to stop the whitening process is praiseworthy

THE finance minister has said that the provision for whitening black money will be withdrawn from the next fiscal year. The government, we are told, has also decided to appoint a tax ombudsman to streamline the tax administration.

The government decision to discontinue the opportunity given to whiten black money is a move in the right direction. Obviously, whitening of black money through investment in any form is not morally justifiable, a point the minister himself raised while commenting on the decision. However, we believe there are many other factors that weigh in favour of taking a clear stand on the issue. When black money holders find an easy way out, genuine taxpayers and honest businessmen can only feel discouraged. If black money earned through tax evasion or resorting to some other illegal means is allowed to become legal, it will only help swell the ranks of tax evaders. It sets a bad example, to say the least.

So it is an ethically, morally and economically erroneous concept to allow people to whiten their black money. But stopping the whitening process is not enough to set things right. The truth of the matter is that unless the routes of amassing wealth through illegal activities are sealed, black money will continue to accumulate. It is no secret that kickbacks and commissions from million dollar deals, and corrupt practices like money laundering, under-invoicing, over-invoicing etc are responsible for the growth of black money. So it is imperative that such practices are eliminated. The government should not dismiss the allegation that there is corruption within the ruling party and those earning money illegally often get shelter in it. Political clout gives these elements some kind of invincibility. The government has to refute these allegations through taking some tangible steps. Finally, the Anti-corruption Commission must be activated to counter the growth of black money.

Iran and China: Politics of energy and security



MUHAMMAD ZAMIR

IRAN has consistently been in the news for the past few months over its efforts to develop nuclear energy and move ahead in its negotiations with the IAEA and the European Union.

In recent weeks, the process of negotiations has gained momentum and assumed urgency, given the fact that Presidential elections are due in Iran in the near future. Liberal cleric Mohammad Khatami will be stepping down this summer after two four-year terms. This is expected to open the gates for several candidates. Of them, the former President Akbar Hashemi Rafsanjani (1989-1997) appears to be the front runner.

Known as a pragmatic conservative, Rafsanjani's presidency initiated important steps related to economic re-structuring. Currently, he heads the Expediency Council (Iran's top legislative arbitration Council) which has contributed towards general privatisation within Iranian State Owned Enterprises. However, he is also known to be less flexible on state security issues compared to Khatami.

It is this possible development that has raised the stakes in Iran.

Tehran has already gone on record in the end of April that it has not seen enough incentives from the European Union to pave the way for a deal over its controversial nuclear activities. Senior Iranian negotiators have also warned that Tehran might even pull out of further talks with the

EU3 representation if tangible progress is not achieved. Iranian officials have complained that European effort aimed at allaying international concern over Iran building a nuclear bomb has not been enough.

It may be recalled that Britain, France and Germany have been trying to 'secure' objective guarantees that Iran will not use its atomic energy ambitions to acquire weapons. In exchange, these three EU countries have been offering a package of trade, security, diplo-

matic and technology benefits for Iran. The IAEA, the USA and several other developed countries have viewed these steps as being on the right track and aimed at arriving at a 'logical and balanced solution', sufficient to guarantee Iran's strategic safety. Tehran has however alleged that such areas of assistance are not backed up by 'firm guarantees.'

This difference in perception has now assumed special significance given the consistent pressure created by the neo-con elements, who are formulating US foreign policy. Iran today finds itself facing a serious scenario. President Bush's re-election and recent changes in the equation and balance in the Middle East have both become critical factors for the Iranian leadership.

Iran agreed last November to suspend enrichment activities as a goodwill gesture for a maximum of six months. The Europeans want this suspension to become perma-

nent. Washington and the EU3 have also tried to sweeten the pill by tempting Iran with the twin carrot of membership to the WTO and permission to access to spare parts for its civilian aircrafts. Israel, for obvious reasons has gone along with the idea. Nevertheless, this demands is being seen as 'absurd' by the Iranian authorities.

Any possibility of buckling in by Iranian officials has been reduced by the fact that changes are due in the forthcoming Iranian Presidential elections. Transformation of policy

ripple effects over the next few years well beyond Iran balance sheet.

Under this gas agreement, China will import more than 270 million tons of natural gas over the next 30 years from Iran's South Pars field in the Persian Gulf. This, it may be mentioned, is the largest natural gas reserve on the planet, and Iran shares this with its tiny neighbour Qatar.

This will bring Iran about US dollar 70 billion in hard currency, and that is just for starters. The two

part deal also gives Sinopac a half-share in one of Iran's most important new discoveries -- the Yadavaran field, an energy rich area in south-west Iran, allowing the Company to explore for more oil over the next few decades. With the field's oil reserves estimated at about 17 billion barrels, China's operations could be worth over another US dollar 100 billion.

One thing is clear. This long term alliance with the world's fastest-growing economy will give Iranian leadership greater international security than they have enjoyed since the Islamic revolution 26 years ago.

Through this Iran is also openly challenging the options open to its bitter foe-- the Bush Administration, which in more ways than one, have hinted that it might eventually consider a military strike against Iran, if that country is found to be pursuing nuclear weapons. Analysts agree that by opting for close cooperation with China, Iran is trying to guaran-

tee its future security for the next thirty years.

The agreement with China has also been a great boon for Iran's energy industry. It has been labouring for decades with a creaking oil infrastructure resulting out of the US sanctions which were imposed more than a decade ago when Iran was beginning to recover from its devastating war against Iraq, which destroyed hundreds of oil facilities and killed about 300,000 Iranians.

These new deals will permit Iran to attract investors over the long

Metro's first two lines in traffic congested Tehran. Chinese companies have also won major contracts to build a dam north of Tehran, a highway and an oil pipeline to the Caspian. China's economic invasion of Iran, in other words, has become a function in Iran's equation and quest for state security.

These elements will slowly, but definitely, shift Iran's economic focus away from the West.

Pakistan and India have been following this evolution in Iran very carefully. They are also now trying to conclude negotiations over a US dollar four billion pipeline that will ship gas from Iran across Pakistan into India. It is understood that discussion on this project figured prominently during the recent visit of the Pakistani President to New Delhi.

These energy deals are providing a toe-hold in Iran for both China and India as they scramble for minerals which Iran has in quantity -- coal, zinc, lead and copper. USA has been following these developments with great care and has not hesitated to indicate its anxiety to the Indians. New Delhi has however, till now, refrained from buckling down to pressure. They do not want to lose out to China -- their strategic rival.

Iran believes that its alliance with China, a permanent member of the UN Security Council, will help it to build links across Asia and enable it to break out of US imposed isolation, exacerbated that much more because of changes in Iraq and Afghanistan, its neighbours on both sides. This is a practical alliance where the lure of hydrocarbons is expected to provide Iran with the necessary insurance, at least for the moment.

Muhammad Zamir is a former Secretary and Ambassador -- any response to mzamir@dhaka.net

POST BREAKFAST

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OPINION

Ctg election, governance and other issues

KAZI ALAUDDIN AHMED

CHITTAGONG City Corporation Mayor election fought practically between two candidates was successfully held. Mr ABM Mohiuddin Chowdhury displayed wonderful charisma emerging victorious with a sizeable margin of popular votes. This is for the third time in succession that Mr. Chowdhury has been elected as the Mayor of the port city. His mighty opponent, the nominee of the 4-party alliance Mir Nasiruddin backed up by the government machinery, ministers, members of parliament and party leaders couldn't succeed. The margin of vote difference has been little less than 92 thousands. The Nagorik Committee, literal pseudonym for Awami League, claimed that the difference could be wider if there was no 'rigging' for the ultimately defeated candidate.

The political situation ensuing after the Chittagong City Corporation election has obviously turned out to be very compelling for the 4-party alliance now in power. Besides, some intriguing information in the air since the election results were announced on May 10, 2005 provide yet additional grounds for BNP to make an objective re-thinking and re-appraisal of its continued alliance with Jamaat. Even the massive campaign conducted by ministers, members and parliament and party leaders has now come under critical surveillance. There is news of duplicity and double standard on the part of some of the campaigners.

Nevertheless, ABM Mohiuddin Chowdhury's victory in the election has passed out a positive message of consolidation among the people of Chittagong. Evidently, the tremor is very much palpable to the BNP Chairperson who asked her party MPs to go further close to the people in their respective constituency making frequent visits there. This is though generalised instruction, yet it is a pointer to the debacle in Chittagong having maximum number of min-

isters and equally maximum number of factions within the party there.

Chittagong City Corporation Mayor election and the consequential jolt sustained by the 4-party alliance kept apart, the government has been deeply engrossed with a number of controversial issues which have evoked large-scale condemnation both nationally and internationally. Among them the so-called 'cross-fire' episodes enacted by the Rapid Action Battalion (RAB) has been on the top of the agenda.

It could be a strange yet most desirable coincidence that the issue of such 'extra judicial' killing came up for a review in a meeting at the cabinet sub-committee on law and order. The meeting on May 11, 2005 had decided to institute judicial inquiries into all such killings, so as to determine the circumstantial incongruities or compelling situation that prompted such action on the part of the custodians of law and order. The inquiry committee would also identify the person(s) who could have been responsible for any 'extra judicial' killing without any justification. The inquiries or investigations thus envisaged would be "executive" not "judicial" any way as demanded recently by the leader of the opposition.

In this context, it may be recalled that the EEU parliament had taken a number of resolutions last month on the crude happenings in Bangladesh including the aforesaid 'extra judicial' killings which, according to their judgement tantamounted to gross violation of human rights. Even though the proposed 'administrative' or 'executive' investigations into all killings at the hands of RAB and police and that too by the bureaucrats/police themselves, may not bring up the unprejudiced picture; the decision when implemented shall set in a blissful augury against the current blatant infringement of human rights.

Coming by the heels was the resentment and anxieties expressed by Ms. Christina Rocca, US Assistant Secretary of State, during her visit to Bangladesh on May 11, 2005.

Prior to her departure from Dhaka the US dignitary met the press which afforded an opportunity to formally let us have a piece of her mind. She was very critical about the 'extra-judicial' killings which, she informed, were not acceptable to 'the United States'. They were not also acceptable to the international community at large, she emphatically claimed. While expressing her genuine concern for the life and security of Sheikh Hasina, Ms. Rocca opined that the actual culprits behind Shah AMS Kibria's murder and the 21 August 2004 grenade assaults should be brought to books. This would necessitate transparent and full length investigations into those diabolical incidences immediately, she firmly insisted.

Among other important issues those she discussed with the government leaders besides those related to the mutual interests of our two countries, included terrorism, extremist activities, protection of minority interests and rights including those of the Ahmadiyahs. She thought the Bangladesh government would take meticulous care that the Ahmadiyahs lived in peace and that religious extremists and fanatics were kept under constant control and surveillance.

On the economic front the US Assistant Secretary of State could not give the business community here any encouraging message. She was unable to give them any assurance on their request for duty free entry of exportable goods to USA. On the contrary, she advised for development and improvement of Chittagong port. She did, however, promise to convey the views of Bangladesh business committee to US administration. She thought that the Bangladesh caucus in US Congress could do the lobbying to get tangible results.

Kazi Alauddin Ahmed is an industrial management consultant.

Pay-hike and price-hike

ABU IMRAN

FOR quite sometime, the government had been exercising on the issue of allowing the overdue pay-hike to its employees. The formation of pay-commission, its recommendations and finally its approval and implementation -- are all soothing and welcome news at least for the employees under the Republic since the pay they are allowed is perhaps the lowest compared to other regional countries. Perhaps keeping this and very high inflation rate in view the pay has considerably been raised. This shall surely help them fight out the inflation which has crossed all the limits over the past half a decade.

No doubt a bulk of the working people will be benefited as the government is one of the biggest employers. But what about the condition of the employees in the private sector and those self-employed poor wage earners? They have become seriously affected because of the conventional back lash that go with such pay-hike. It influenced the price-hike in three stages:

(1) When the idea of pay-hike was conceived at the government level, that lured the traders to increase the price. This is also because the government has no control over the price-hike. Perhaps it is also because the government has no moral strength to ask others not to go for price-hike because the government itself often increases the prices of some commodities ignoring the inconvenience of common people. The increases in the rates of electricity, gas and petrol, oil and lubricant is a glaring reference. That gave a strong plea to the private businessmen.

(2) Next time the prices went up

when the pay commission formulated its recommendations and presented it to the government and,

(3) The third time the prices went up when the government announced approval for implementation of the pay commission's recommendations. As a result now the prices have skyrocketed, which is every body's common experience except of the big guys who have lot of money and the high ups who have to bother little or not at all with the market prices.

As the price-hike has affected the majority badly, it is the duty of the government to address it because, it is the fallout of the action taken by the government in the form of allowing pay-hike to the government employees. To minimise the sufferings, the government can take the following measures to help the wage earners in the private sector:

1) Ask the private employers to enhance the pay of their employees at least by 50 percent so that somehow they can fight the high prices now obtaining in the market.

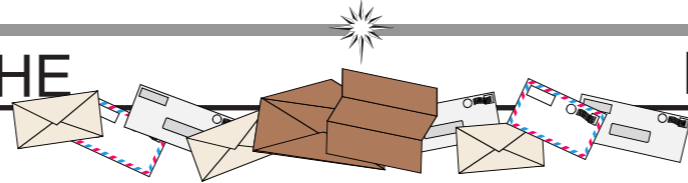
2) To help the private employers, the government may allow incentive/relief in the form of concession on duty/taxes/levies/VAT etc. so that they are also compensated when they would enhance the pay/allowance of their employees.

3) Any other measure that may help fight the inflation by the working class people.

With the above measures, it is expected that more people may be brought under the pay-hike net and thereby greater good to the greater number may be done which is the normal expectation from an elected democratic government.

Abu Imran is a former government official.

TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR



Letters will only be considered if they carry the writer's full name, address and telephone number (if any). The identity of the writers will be protected. Letters must be limited to 300 words. All letters will be subject to editing.

The Savar Tragedy

I was shocked by Ms. Rubana Huns' obvious bias towards the owner of Spectrum Sweaters in her article, I cry, you cry; A manufacturer's perspective. (April 28, 2005). She is more concerned about the negative exposure the garments sector will suffer rather than about the workers who were dead or injured. So rather than media bashing like our revered politicians she should better solve the problem. In one place of her article she wrote that some workers told her that their owner was a "great guy". But this "great guy" is a murderer who made a 9 storied building on four storied foundation which resulted in Bangladesh's biggest and deadliest building collapsed. This "great guy" didn't provide the rescuers with the building plan which could have saved more lives. And because of this "great guy" some workers died who were not supposed to be present on that fateful night shift.

These workers were forced to work when they went to draw their rightful monthly salary or else their salary would be withheld. And now when they are dead their families reportedly are not paid the salary yet, let alone compensation. The management is now telling the workers that they cannot pay the whole salary because they have suffered great loss. Ms. Huq said, along with the factory management, that the building collapsed because of a boiler explosion. But workers near the boiler at the time did not hear the boiler explode.

All the facts that I have mentioned are collected from The Daily Star, so I hope nobody can suspect yellow journalism. To conclude I would say that even though my father is a garments factory owner, unlike Ms. Huq, who is a director of one such factory, I cannot defend the perpetrator of such horrendous crime. Who can support such a man without being blamed as a criminal.

Farhana Hussain, One-mail

About a cellphone disservice

I, being a user of Banglalink, am extremely disappointed, frustrated, angry (and what else?) about their value added service. Yesterday I was trying to download the newly uploaded ring tones and logos for my siemens A-52 set from their website (www.banglalinkgsm.com). I wrote the desired ringtone code and sent it to the number 444 (as specified), but the message couldn't be sent. I tried several times, 10 to be precise, but still the message couldn't be sent. Then I checked my balance and was thundered to here that I lost 110 taka. But my ringtone request wasn't even sent! I just tried 10 times. That means they cut 9 Tk+VAT for every try! Now what is this for? Banglalink is owned by Oroscom Telecom and we all know that it's a multinational giant. This is certainly not what is expected

from them. Few of my friends who use Banglalink also fell victim to this. One of them lost 200 tk for his 20 tries only!

I am extremely frustrated about this incident I don't want anybody to lose their valuable money in such hoax.

Tamim Mostafa
Mirpur, Dhaka-1216

Farcical ad

Advertisement of any commercials is a piece of art in this 21st century. Renowned companies appoint qualified personnel to enhance the beauty of their ads. Moreover, there are quite a few ads of some companies that catch the viewers' eyes through their versatile appeal. Recently I was quite taken aback seeing an ad of a renowned company in our country on our TV channels.

If anybody happens to come across the Grameen phone mobile advertisement that is being telecast

on some private TV channels like NTV, channel-i and the like will undoubtedly agree with me that it's the worst kind of it that's devoid of any taste or relevance. This extremely ridiculous ad goes like this: a comical man being chased by a friend of his, reaches a Grameen Phone centre after some donkey dances. Having reached the centre the man starts taking out money from his pockets. In doing so what he does is extremely farcical, and that appears as if he's either a snatcher or a pickpocket. He takes out his split money from his shirt pocket, from inside the socks and most despicably from inside the high of his pant and finally takes the wallet -- puts all on the table then asks the receiver to take all this in order to refill his account. In addition, on his way his friend catches back again in his donkey-dance. In reply to his friend's demand he says in a local dialect that he's given all to refill his cell account.

The whole ad is done in so much a flippant and vulgar way that one can only wonder how come a reputed company makes such an ad, that only reveals the hollowness and the flippancy in us. Moreover, there is tag in that ad that reads to be continued!

At this point I make an appeal to the conscience of the people if we're willing to let this sort of indecent ads run!

Rafiqul Islam Rime
Agrabad, Chittagong

Bangladesh and EU resolution

I actually agree with Mr. Didarul Alam (25/5/05) completely. I don't know why our opposition leaders lower themselves in front of foreign powers like this.

It's degrading. I think the EU lacks the virility to implement or extend its policy measures on the world stage any-

way. The EU's financial condition is not in good shape either, with its leading countries Germany having high unemployment and France feeling threatened enough not to want to open its service sector to other EU countries.

I think our interests lie more with the US long term. Or, even the UK which understands our history, culture and context better. And regionally with China and India as well. But that does not mean we have to act like lackey's (chamchas) with them either. In the long run all countries are in it for their own interests. So I don't think we should give them ammunition by sacrificing our self-interest.

If the opposition wants to bring up an issue like the caretaker government, it should do so in a legitimate way. It should build genuine public opinion. This is how democracy works, by taking it to the people. Not crying and moaning in front of foreigners. There are avenues to

build opinion such as newspapers, meetings in villages and so forth. If there are legitimate issues, and if the opposition is intellectually honest, the people will genuinely support them. The opposition should not treat the people of the country as dumb, that's a good way of alienating them.

The government on its part should definitely improve law and order. And they should sit together with the opposition and do it in a non-confrontational manner.

It is good that the eyes of the world are watching. The government should always be aware of that, when it gets the urge to dabble in corruption. But I don't think the opposition should kow tow to foreigners to suit its own self-interest.

K Siddique
Exeter, UK