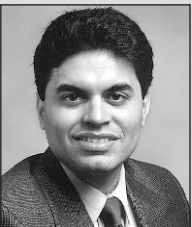


What's wrong with Europe

Of course, what Europe desperately needs is more of all the trends that are producing populist paranoia. It needs more economic reform to survive in a new era of global competition, more young immigrants to sustain its social market, and a more strategic relationship with the Muslim world, which would be dramatically enhanced by Turkish membership in the EU.



FAREED ZAKARIA
writes from Washington

IN English, a double negative usually means yes, but not in European. Last week's double "no" from France and the Netherlands has for all practical purposes killed the new European constitution. Most Americans are not quite sure what to make of this. The clearest and loudest voices have been gleeful. Conservative commentators have delighted in the results, seeing them as a defeat for Jacques Chirac and his dreams of an alternative to American hyperpower.

The European constitution is a badly written, confused document whose death no one need mourn. But as Princeton's Andrew Moravcsik has written, the constitution would have changed little, codifying existing arrangements in almost all areas. There are two exceptions: a more coordinated and unified approach to crime fighting and foreign policy.

On foreign policy, the constitution would actually have changed little. Europe's currently powerless High Representative of foreign policy was to become an equally powerless "minister." It wouldn't change the fact that neither Jacques Chirac nor Tony Blair would ever delegate serious policy-making to a Brussels bureaucrat. When things get serious, as with Europe's negotiations with Iran, look who negotiates: the foreign ministers of the Big Three powers. The High Representative gets to go to conferences on the Middle East peace process.

This is the irony of last week's votes. It was a revolutionary moment that will keep things as they

are. In fact, one could argue that Europeans cast their votes in the full knowledge that it would have changed nothing in their day-to-day lives. That means it provided the perfect opportunity for a symbolic protest vote. But symbolism does matter. And the signal that has been sent is threefold.

First, it's a signal against economic reform. If you want to understand why people voted against the constitution, listen to the advocates of rejection. Virtually no one campaigned against a more unified foreign policy (which has more than 70 percent support in poll after poll) or more coordinated police work (which, post-9/11, is also extremely popular). Almost all those leading the "no" movement spoke out against one thing above all the free-market-oriented reforms that Brussels is associated with.

Throughout continental Europe, the people who vote in favour of "Europe" in one way or another tend to be urban, educated and, above all, involved in private business. That's because they have seen that it is Brussels that created a common market, lowered tariffs and deregulated industries. It is Brussels that now aggressively urges further reforms such as the so-called Lisbon Agenda.

The only European voice that claims Brussels is an enemy of the free market is Britain's Europhobic Tory press and its fellow travelers in the United States. So The Wall Street Journal editorial page bizarrely asserted last week that the constitution "would have enhanced the leverage of French socialism on the Continent." The Journal must believe that all of Europe's business groups and entrepreneurs (who supported the constitution) and all of Europe's labour unions, pensioners and protectionist groups (who opposed it) suffer from what Friedrich Engels called "false consciousness." I tend to think that European entrepreneurs on the ground have a better sense of what Brussels has meant than New York editorialists.

The second signal that this vote

sends is against immigration and labour mobility. The "no" from Holland is clearly related to this. The nightmare unfolding in that country is that a large segment of its North African immigrant population is proving to be illiberal, unwilling to assimilate and, increasingly, violent. Against this grim backdrop, the Dutch look at an ever-expanding Europe of lowered borders with great suspicion. There is a related backlash against foreign aid. The Dutch are now the largest per capita contributors to Europe and believe that the EU's expansion has taken place on their backs.

Finally and related to these first two: the most emphatic signal from last week is about Turkey. Turkish membership in Europe has suffered a mortal blow. The most potent arguments on the campaign trail were anti-Turkish, and politicians will take note of that. In two years, the likely leaders of both Germany and France (Angela Merkel and Nicolas Sarkozy) will be staunchly opposed to Turkish membership in the EU.

Of course, what Europe desperately needs is more of all the trends that are producing populist paranoia. It needs more economic reform to survive in a new era of global competition, more young immigrants to sustain its social market, and a more strategic relationship with the Muslim world, which would be dramatically enhanced by Turkish membership in the EU.

Perhaps the European project has been too elitist and its leaders too unwilling to explain their actions to their populations. But before we start singing paeans to people power, let us hear what the people actually said and ask ourselves, Is this good for Europe, for the United States and for the world in general?

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Fareed Zakaria is Editor of Newsweek International.

Let's increase exports to Australia

ABDUL QUADER writes from Canberra

AUSTRALIA was the first developed country (and fourth in the world) to recognise Bangladesh as an independent country. It established a diplomatic mission in Dhaka in 1972, and since then relations between the two countries have gone from strength to strength in terms of development cooperation and trade, among other things.

In recent years, several high level visits from Bangladesh to Australia have taken place. In 1999, the then Prime Minister of Bangladesh Sheikh Hasina Wajed visited Australia followed by the current Prime Minister Begum Khaleda Zia in March 2002 to attend the Commonwealth Heads of Government Meeting (CHOGM). Commerce Minister Altaf Hossain Chowdhury visited Australia in April 2004 to open the Bangladesh Festival in Sydney which featured the trade opportunities and rich cultural heritage in Bangladesh.

Two-way trade between Bangladesh and Australia has increased over time, although not in a consistent manner and often with some year-to-year volatility. Bangladesh imports more from Australia than it exports to it. Recent trade statistics show that Bangladesh has an adverse balance of merchandise trade with Australia of over \$200 million (Australian dollars). This trade gap fluctuates from year to year, depending on the amount of exports and imports traded per year. For example, in 2001, Bangladesh had a trade deficit of \$304 million (exports: \$46 million, imports: \$350 million) that went down to \$181 million in 2003 (Source: Composition of Trade 2003, Australian Department of Foreign Affairs and Trade).

The principal exports of Bangladesh to Australia comprise fertilizers, leather, woven fabrics, and textile manufactures, while the principal imports from Australia are milk and cream, fresh vegetables, butter, cotton, oil seeds and oleaginous fruits, machinery and transport equipment, and mineral products (aluminium, lead, and zinc). Bangladesh has a narrow range of

With total bilateral trade over \$310 million in 2004, there is a potential for further growth in exports to Australia. Bangladesh now enjoys trade concessions from Australia. Since July 1, 2003, products from Bangladesh enter Australia duty-free and quota-free.



PHOTO: INTERNET

Busting Sydney should be a prime destination for our goods.

products exported to Australia compared to the large variety of goods being imported from Australia.

With total bilateral trade over \$310 million in 2004, there is a potential for further growth in exports to Australia. Bangladesh now enjoys trade concessions from Australia. Since July 1, 2003, products from Bangladesh enter Australia duty-free and quota-free.

I consider that Bangladesh needs to develop a country specific trade strategy if wants to increase its exports to Australia by any significant amount so as to decrease its trade deficit with Australia. There is a Commercial Counsellor working at the Bangladesh High Commission in Canberra. Among

other things, he makes contacts with Australian trade and industry bodies, including importers, trying to promote Bangladeshi products for export.

While the efforts of the Bangladesh High Commission in promoting Bangladeshi exports to Australia is commendable, more resource need to be committed especially by the private sector exporters and their associations in Bangladesh in order to carry out effective promotional and marketing activities in Australia. Like any other market in an increasingly globalised economy, the Australian market is very competitive and the Australian importers have access to a wide range of international markets from which to source their imports. For

instance, China has a huge presence in Australia in terms of its exports that include so many products, from toothpaste to electronics to garments and what not.

I think the Bangladeshi exporters or their associations (such as BGMEA) should examine the commercial viability of establishing a representative office in Sydney or Melbourne that can provide the opportunity for them to make closer and more effective contacts with the existing and prospective importers in Australia. Most of the Australian importers are based in Sydney and Melbourne and these two cities account for about 40 per cent of Australia's total population of 20 million.

The representative office can

provide an important platform for the Bangladeshi exporters to do business with Australia. This does not need to be a big office -- only two to three people having export marketing knowledge and experience may be enough to do the contacts/liaison job and any other activities that will help obtain business from Australian importers. This office may also be tasked to carry out some occasional promotional and marketing activities in New Zealand and other South Pacific island countries such as Fiji.

The cost of establishing and maintaining the above office could be shared by those exporters' associations in Bangladesh which have a keen interest in growing their business in Australia. Consideration could be given to involving the Export Promotion Bureau (EPB) in Bangladesh. The EPB may be willing to contribute towards sharing the costs of maintaining the office in Australia through some financial arrangements. EPB's active involvement will be consistent with its export policy objectives of increasing exports and reducing trade deficit through practical measures. In general, any public-private partnership works well to achieve the desired goals. Thus the partnership between the exporters' associations and the EPB in establishing and maintaining a representative office in Australia is expected to make a positive contribution to increasing exports to Australia.

Some sector specific areas where more efforts may be needed to increase exports to Australia, I believe, are: jute and jute goods, tea, other agro-based products, sea fish and prawns/lobsters, leather and leather goods, computer software, textiles and garments, and handicrafts. The Bangladeshi exporters and other stakeholders may wish to do some further research in this regard to have a better understanding of where resources need to be committed.

In any case, without vigorous and aggressive promotion and marketing activities in Australia, it is unlikely that the exports from Bangladesh will increase to have a significant positive impact on the trade deficit with Australia.

Abdul Quader is an economist.

If Watergate happened now

In truth, President Nixon was forced to resign in 1974 by Republicans in Congress like Barry Goldwater, who realized from the so-called smoking-gun tape that he was a crook. This was after the Supreme Court by a Nixon appointee unanimously ruled against him in the tapes case.

JONATHAN ALTER

FROM a distance, Watergate seems like a partisan affair. But that's because we tend to look at it nowadays through red- and blue-tinted glasses. In truth, President Nixon was forced to resign in 1974 by Republicans in Congress like Barry Goldwater, who realized from the so-called smoking-gun tape that he was a crook. This was after the Supreme Court by a Nixon appointee unanimously ruled against him in the tapes case.

But imagine if Nixon were president in this era. After he completed his successful second term, I'd have to write a retrospective column like this:

President Nixon left office in 2005 having proved me and the other "nattering nabobs of negativism" wrong. We thought that his administration was sleazy but we were never able to nail him. Those of us who hoped it would end differently knew we were in trouble when former Nixon media adviser Roger Ailes banned the word "Watergate" from Fox News' coverage and went with the logo "Assault on the Presidency" instead. By that time, the American people figured both sides were just spinning, and a tie always goes to the incumbent.

The big reason Nixon didn't have to resign: the rise of Conservative Media, which features Fox, talk radio, and a bunch of noisy partisans on the internet and best sellers list who almost never admit their side does anything wrong. (Liberals, by contrast, are always eating their own.) This solidarity came in handy when Bob Woodward and Carl Bernstein of The Washington Post began snooping around after the break-in at the headquarters of the Democratic National Committee. Once they scored a few scoops with the help of anonymous sources, Sean Hannity et al. went on a rampage. When the young reporters printed an article about grand jury testimony that turned out to be wrong, Drudge and the bloggers had a field day, even though none of them had lifted a finger to try to advance the story. After that, the Silent Majority wouldn't shut up.

Some argue the Watergate story died right there, but Nixon's attorney general wasn't taking any chances. Just as in the Valerie Plame case, the Justice Department subpoenaed

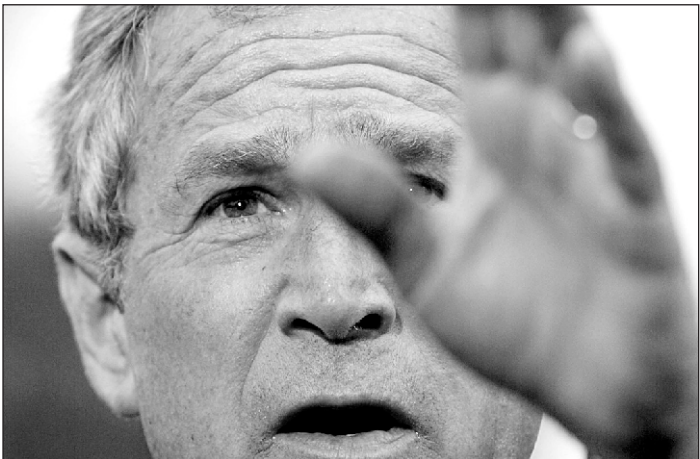


PHOTO: AFP

Presidential cover-up in 2005?

Woodward and Bernstein to testify before the grand jury about their sources. When they declined, they were jailed for 18 months on contempt charges. Talking pointsmemo.com and a few other liberal bloggers complained that it was hypocritical! White House aides were suspected of shredding documents, suborning perjury and paying hush money to burglars but to no avail. Public support for the media had hit rock bottom.

Whistle-blowers didn't fare much better. With Woodward and Bernstein out of business, the No. 2 man at the FBI, W. Mark Felt, held a press conference to air complaints that the White House and his own boss were impeding the FBI probe. Of course it was only a one-day story, with Ann Coulter predictably screaming that Felt was a "traitor." Rush Limbaugh dubbed Felt "Special Agent Sour Grapes" because he'd been passed over for the top FBI job. Within hours, the media had moved on to the tale of a runaway bride. And because both houses of Congress are controlled by the GOP, there were no "Watergate" hearings to keep the probe going. John Dean and other disgruntled former aides had no place to go.

For a while, I hoped that the Nixon tapes might bring some justice. But soon the tapes just became more fodder for those legal scoundrels. The Supreme Court split 5-4, along largely partisan lines, as it did in Bush vs. Gore. That allowed Nixon to keep control of the tapes. When he burned them, the bipartisan outcry you would have heard in

the old days over destruction of evidence was muffled by a ferocious counterattack from the GOP's legion of spinners. A group calling itself "Watergate Burglars for Truth" set up a 527 to argue that Bill Clinton and other Democratic presidents had ordered more black-bag jobs than Nixon. There was nothing to prove them wrong. Reports of a tape showing that Nixon directly ordered the cover-up were just rumours, not anything that could be posted on smokinggun.com.

Nixon gave a TV interview to the British journalist David Frost in which he said, "When the president does it, that means it's not illegal." This explained why he felt comfortable approving the break-in at the office of Daniel Ellsberg's psychiatrist. Ken Duberstein and a few other principled Republicans weighed in that Nixon was bad news, but they were drowned out by former aides like Pat Buchanan and G. Gordon Liddy, who wanted to firebomb the Brookings Institution. When "Firebombing Brookings:

Good Idea or Not?" became the "Question of the Day" on MSNBC, Liddy's radio show got a nice ratings boost. After Ralph Reed disclosed that Nixon and Henry Kissinger had been on their knees praying in the Oval Office, Nixon went up 15 points in the Gallup, double among "people of faith." Our long national nightmare was just beginning.

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Jonathan Alter is a senior writer for Newsweek.

World Day Against Child Labour

Ending child labour

LAMIA RASHID

CHILD labour is a most pressing problem for millions of children and families in Bangladesh and one which demands the immediate attention of the Prime Minister and national policy makers. There are about seven million children in the country who are "economically active," according to the 2002-2003 Bangladesh Bureau of Statistics Child Labour Survey.

This figure is likely a conservative estimate, particularly given the many girls and boys who were not counted because they do not get paid for their work. Of the "economically active," over three million children, again a likely underestimation, are categorised as "child labourers" because the work they do is harmful to their physical, mental, or moral development, in that they are too young or work too many hours according to internationally agreed standards and conventions.

Save the Children (SC), a child rights organisation which supports children's active participation in decisions that affect their lives, has asked children all over the country, over the course of several years, how they would define harmful work.

Children have said that if they have to work long hours so that they cannot attend school, that work is harmful. If they don't get paid for their work, or if wages are paid irregularly or promised and not paid, that work is harmful and exploitative. If employers subject children to physical and verbal abuse in the workplace, the work is harmful. And finally if work is dangerous and leads to illness in the short and long-term, the work is harmful.

These views of children call for the government to take a leadership role in protecting these millions of children and standing at the forefront of changing social norms that perpetuate the practice of involving children in harmful work.

For example, in rural and urban areas alike, child domestic workers, many of whom are girls, are sent to work in the houses of wealthier families. They are often not allowed to attend school, instead they are asked to make preparations for the employers' children to attend school. They are on-call from dawn to late hours at night, often asked to do tasks which they are physically or mentally unable to grasp. They are routinely subject to verbal, physical, and even sexual abuse by employers. And they are paid a pittance, if anything at all.

Boys, particularly in rural areas, are sent, sometimes with fathers and sometimes alone, to do agricul-



PHOTO: AFP

The face of exploitation.

ture work or any other available work. If they are with fathers, they receive no wage at all. If fathers are poor, they save on the cost of hiring in agricultural labour by engaging their sons, even if it means that the child is unable to attend school. In rural areas, boys are often involved in the heavy work of rickshaw-pulling from as early as age ten and in urban or peri-urban areas, in heavy and dangerous factory based work using ancient technologies.

While several multi-million dollar projects in the country have targeted child labourers in a select few occupations, these have been able to protect some thousands of children. If we make a very rough under-estimate that, following the approach of these projects, every \$10 million spent has protected fifty thousand children from harmful work, it would take \$600 million to

protect the current three million child labourers. Therefore, government must look to urgently attack the root causes of child labour.

In education, the government must address the poor quality of education which makes work a better option for many children to gain future livelihood skills. To do this, the education allocation in the national budget must focus on improving education quality. This would require that the very important cash for education programmes, which make up a large part of the education budget, receive allocation from other budgets, such as social security and welfare, in order to sustain the gains in enrollment and extend coverage to reach all poor primary school-aged children in rural and urban areas.

The government must provide

adequate social protection for families who are otherwise forced by poverty to depend on child labour, such as education stipends for the poorest children. The poorest parents and guardians must also have access to asset transfer and financial services programmes to cope with disasters and under- and unemployment and be able to invest in income earning activities.

Finally, the government must provide support to the vast numbers of domestic producers, many of whom are in the "informal" sector, to provide safe working conditions for those children who are not barred from working under internationally agreed conventions.

This kind of attack on the root causes of child labour will require a multi-sectoral framework driven from the top-level in government. Policy makers must urgently put into

place a comprehensive Child Labour Policy to protect children and prevent child labour.

The government must make the necessary investments to turn policy into practice and implement activities directly and in coordination with other stakeholders, from local communities, district administrations, the business sectors, NGOs, schools, as well as parents and children themselves, to reduce the harm caused by child labour.

Making these investments today will not only bring immediate benefits for children, but will also have long lasting impacts for the future of Bangladesh as a thriving economy and caring society.

Lamia Rashid is currently Head of the Poverty and Working Children Programme of Save the Children UK in Bangladesh.