

## Govt's new price control measures

### Raise number of importers and eliminate middlemen's clutch

SET against a backdrop of spiralling prices and in light of their latest discussion with wholesale traders the government has decided to implement a seven-point action programme. This includes vigorous open market sale from mid-June, emergency import of six lakh tonnes of rice, removal of restrictions on transportation of rice and storage at some known locations, permission to carry cereals beyond five tonnes and free movement of rice-laden trucks and vans through the rickshaw-free streets in the capital between 11am and 4pm.

The approach is food centered for obvious reasons. Boro production on which hopes were pinned to offset the inflationary fallout of Aus and Aman deficits is estimated to be lower than projected earlier on. More to the point, food expenses account for 60 percent of the budget of the poor and middle-income groups who constitute more than 80 percent of the populace.

While citing the crisis management measures contemplated by the government we would like to turn our attention to the news that the Centre for Policy Dialogue (CPD) has, at the behest of the commerce ministry, put across 30 recommendations for containment of the rising prices of a wider variety of essentials in a report lately filed to the government. Let's focus on a select few recommendations which we think provide the key recipe for reinvigorating supplies and bringing down prices to a tolerable level. In order of priority these are: lowering of tariff on import of essentials; if possible, zero-tariff on food import; reducing the number of middlemen and commission agents along the distribution channels, increasing the small businessmen's access to import trade by bank lending and other forms of encouragement and greater involvement of TCB in import and distribution of essentials.

Besides, at the retail level, prices vary widely from place to place. In most cases, the packaged stuffs have no price labels affixed to them. The listed dealers offload their goods to retail sellers at a commission that varies from dealer to dealer which largely explains the differences in the retail prices. To obviate this problem the highest retail price should be clearly mentioned on the packaged commodity (aside, of course, from the expiry date).

Market prices of imported essentials are manipulated by a tiny minority of importers who have monopoly business. On the other hand, as far as the commodities produced domestically go, middlemen at different tiers intervene between the producers and the consumers and skim off profits leading to exorbitant prices at the retail outlets. So, we need to increase the number of importers and reduce the number of hands that a commodity changes since leaving the grower.

## Militant threats

*Determined efforts needed to neutralise them*

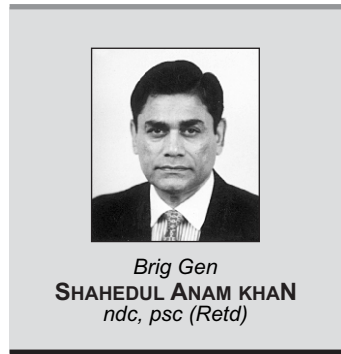
THE report that members of the Jama'atul Mujahideen Bangladesh, a banned militant outfit, are now regrouping themselves in the remote *char* areas in the northern region is a harsh reminder of the truth that militancy in the garb of religion continues to be a source of major concern. The JMB men are also reported to have formed suicide squads to apparently carry on the "unfinished job" of their leaders who were executed in April last.

There can be no other reason for such regrouping except hitting back with a vengeance. And it is precisely this possibility that the law enforcers have to bear in mind and address by launching a vigorous drive against the JMB operatives. They have already gathered information about the regrouping and training programmes of the militants. It is evident from what has transpired so far that the JMB has a wide network spread over the districts. It is also clear that they introduce themselves as madrassah students to the local people. They are certainly exploiting the religious sentiments of people in their mission for lethal subversive activities.

Such threats of militancy have to be combated simultaneously on a few fronts. First, the law enforcers have to launch a direct assault on the JMB strongholds in the areas, many of which are not easily accessible. So the law enforcers have to enhance their ability to move swiftly into the places where the JMB men are active now. Secondly, it is imperative to ensure community involvement to neutralise the threats. People must be sensitised at the grassroots level regarding their nefarious activities in order to put up social resistance against them. Thirdly, the media, which has been playing a laudable role in highlighting issues of militancy should start a robust campaign against the scourge.

Finally, it might be a great blunder to think that the law enforcers are dealing with remnants or "left-overs" of what once looked like a threat of great magnitude. Isn't it only expected that the highly fanatical elements when pushed to the wall will make frantic efforts to stage a comeback? The law enforcers and society at large must remain awake to such dangers.

## Tale of two letters



TWO recent letters have created quite a stir in Bangladesh; each of those, coming from very good friends of Bangladesh, has received two very different kinds of responses, as they ought to have, merited by the contents of each. We would like add that the one addressed to our chief executive has not come to hand yet. (One wonders what might have happened to it. Some letters have an uncanny knack of being waylaid, or may be "laid on the way").

And what were the two letters about? Let us address each of them separately.

Let us take the one that has been written by several US Senators, in fact fifteen of them, which, in spite of the fact that it has not yet reached the addressee in Bangladesh, the chief advisor (CA), has nevertheless found wide coverage in our media. The fifteen US Senators wanted the CA to specify the date of parliamentary election in Bangladesh and to lift emergency.

Not only that, they wanted the

### STRATEGICALLY SPEAKING

The fundamental task for the CTG to fulfill is the election. And as we have said before, not any election will do. If the January election was postponed, our friends had not a very small part to play in bringing to bear all sorts of pressure on various forces to see that a sham election was not held. And it was to the great relief to the people, and one presumes even to the main political antagonists who were quickly losing control of the situation, that matters turned out the way they did. The CTG should be beholden to the people of Bangladesh and to no one else, and see that it does not abdicate its primary responsibility.

government to give a timeframe of all the events related, and leading up to, the next election, and sought from the caretaker government (CTG) an idea of the road map to the political d nouement, that too within the next two months. I, for one, am very uneasy when I get to hear talk of "roadmaps" coming from the Americans. Look at the Middle East "roadmap" which has gone totally awry, or for that matter the "roadmap" for Iraq that they drew up, of which there is very little of the road left, and nothing of the map, to talk about, alas!

However, what one is surprised at is that this letter came in the wake of the CA's special emissary's mission to the US, which was ostensibly to update our American friends on the CTG's future plans, including the holding of elections by end 2008. It was either that our US friends were not convinced enough (although the letter was not from the US government, these senators carry lot of weight in the corridors of power in

their country) by our arguments, or that the purpose of the visit was other than what we have been given to understand.

It elicited comments from our foreign advisor, although the communication was not in our government's hand. But we can assume that his comments were what the response would have been had the letter been received, and had the contents been the same as that which appeared in the press. It is a pity that we will never know what the detailed response would have been, but the initial response does not comfort us very much.

If the foreign advisor sees it merely as a demonstration of a very friendly inertest in our affairs, sometimes that interest can become overbearing and too demonstrative for the comfort of the friend. Sometimes too much interest can prove to be harmful for us.

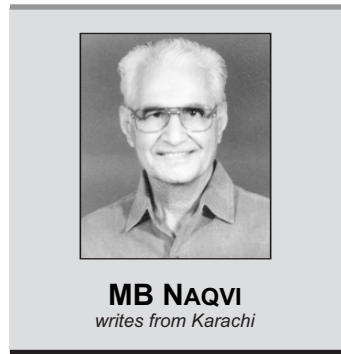
It is not the first time that the GoB has received letters from US senators, and the perception of it is as

had been in other cases also, that it is but a nuanced way of putting pressure on the friend, motivated by God knows which quarter. We expect our friends to be more aware of the various compulsions that the CTG is facing, and be more sensitive to the fact that there are several obligations that it has to fulfill before the people's demands can be fully met.

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## Time for America to retreat



AMERICA has begun talking to Syria and Iran -- something it had avoided for long. But these are early, rather shy, talks and nothing much seems to have come out of even the recent Sharam-al-Shaikh conference. But since both Iran and the US have substantial interests in making up, the talks will have to become more substantive during the upcoming Baghdad conference on May 28.

America now needs Iran's trust and cooperation vis- -vis the future of Iraq. That requires, among other things, some realpolitik adjustments, plus what Iranians call an exit strategy, complete with a withdrawal timeframe from Iraq.

The US is still refusing to leave Iraq. Apart from prestige, it wants to preserve some gains from its Iraq venture -- at least oil contracts and some tolerance from Iran for US interests. Will Iran oblige with a realpolitik d t te?

It is scarcely likely. And that will not amount to a US exit strategy from the Iraqi imbroglio, much less from the region where its presence is now increasingly being endangered by a plethora of new forces, including Islamic extremism and various nationalisms. Unless the

### PLAIN WORDS

The question recurs: what are the Americans really after? One thing that they have to realize is that no great power in history has retained all its options all the time. America inherited exhausted Anglo-French imperialism, and gave them a subordinate place in the Brave New World it inaugurated in 1945. Times have changed. New challenges to American unipolarity are surely and steadily emerging. The strategy of keeping all the Arabs down and keeping Israel up is now failing.

Americans revise the aims and role that they assumed in the post-1945 period, they will remain hobbled by the lack of what Bush senior called the "vision thing."

The starting fact is that two of the big American enterprises, Afghanistan and Iraq, are doing badly. Iraq is a quagmire, and it may soon be out of control, and might even split up -- unless all Iraqis unite around an Iraqi national reconstruction programme.

Few in the west talk about Afghanistan; it is an open-ended war that is going nowhere; no one is likely to win it and perhaps, in the end, all will lose it. The Americans have lulled themselves with the thought that by persuading Nato to take over, they had found a master solution. That is an illusion, and is progressively being shown as such.

What precisely are America's aims and objectives in Afghanistan has been less clear than what the American interests could be in Iraq. They issued from purely strategic calculations that would stand in good stead for the US if and when its forward foreign policy in Central Asia begins to roll, with or without cold wars with Russia and China. But right now Afghanistan is as much a bog for

Nato as Iraq is for other Europeans.

The basic weaknesses of American positions are twofold: one is the over-reliance on a heavily militarized Israel. Last year, Hezbollah in Lebanon fought Israel to a stalemate, and punctured its pride. The political actions of Israel are a constant source of anger in the so-called Arab Street.

The American contribution is that it has helped kill the old, ambiguous Israeli Left, and has pumped up the ugly Israeli Right to such an extent that it might have become a danger to Israel itself. The Israeli shenanigans in Palestinian areas are a source of total alienation of all Arab thinking. At this point one should pause to think a little harder.

A not-so-subsidiary aim of the Americans was to secure Middle East oil; it has to remain in control of western oil giants, or the Seven Sisters. That task included the preservation of all manner of actually anti-democratic Arab regimes in all major oil producing countries.

America was only too happy to provide them security. But what that has done to the Arab peoples has not been fully taken into account, either by the Americans or by many others, including

perhaps many Arabs. The Arabs simply perceive the Americans as unjust colonial masters sustaining hated regimes -- against their wishes. For one thing, it has made Arab opinions paranoid and partly narcissistic.

It has also opened wide the doors of Arab hearts and minds to Iranians, whom they used to contemptuously call *Ajamis*. The Iranian propaganda has made serious inroads, and is now a factor. Iran is now a pre-eminent local power. That its foreign policy has imperialistic undertones is only a part of the story; the other part of the story is that their analysis of what is happening today in the Arab Street fits the thinking of Arabs bang on. They have simply to agree.

True, the Iranians are an ambiguous force. They can play a useful anti-imperialist role throughout the region, but can also get enmeshed in some of the local territorial disputes over islands with Gulf Sheikhdoms. Hitherto, Iranian diplomacy has been suave and sophisticated. How it will develop will depend on a number of factors, including its own domestic politics.

To revert to Iraq, Islamabad recently organized an OIC foreign ministers' conference with some fanfare, and the word went out

abdicate its primary responsibility. Admittedly, the CTG has taken upon itself various reform plans, which are perhaps more than easy to handle. But we would like to believe that it is not the lack of sincerity, but the capacity of the government, with the inherent constraints in delivering on all the proposals that are interlinked in the process leading up to the election, which has prevented the expected progress of work in these areas.

The government has initiated a program of action which must be allowed time to be completed, and we need not remind the US Senators that it was one of their presidents who had said that there are risks and costs to a program of action, but they are far less than the long-range risks and costs of comfortable inaction.

We all want that action on the two fronts, political and administrative, should move faster. The cleansing operation should be hastened, including the fight against corruption, which brings us to the second letter in question.

Another US Congressman, and a founder co-chairman of Congressional Bangladeshi Caucus, pleaded on behalf of a Bangladeshi businessman who preferred to leave the country rather than furnish the account of his wealth and property to the ACC.

Let the law of the land be the judge of the innocence or guilt of the gentleman, who apparently has a lot to answer for the way he acquired his wealth; but for a US lawmaker to advocate special treatment for a "controversial

businessman" is, at best, double standards.

Aren't we dispensed homilies regularly by our friends and our development partners about transparency and honesty, and getting the system and, indeed, the country freed from the corrupt and the dishonest? And now, when we have started to go after the suspects, we face opposition from abroad.

I believe that the reply of the ACC chief to the Congressman is worth every penny of the postage. The anti-corruption drive is very closely linked with the other reforms that the government is trying to implement. And if the corrupt and the crooks, who have been largely controlling the politics of the country, aren't made ineffective there is very little of good politics that we will get to see in Bangladesh. The ACC chief is on a personal crusade against corruption; that is well taken.

There are many components of the fight against corruption; many of them will take time to be put in place before they can yield results. But for the immediate watertight cases must built up, and the individuals in custody on corruption charges proceeded against on the basis of foolproof evidence. Delay in doing so may sap the confidence in, as well as the credibility of, a body in which the people have reposed great faith.

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## India wants a seat at the table



INDIA is the world's second most populous country, with 1.1 billion people, and the seventh largest in area (3,166,829 square kilometers). It occupies a dominant position at the head of the Indian Ocean, which reaches out from Egypt to the Straits of Malacca.

India is a nuclear power, possesses a large army (1.3 million), and has been growing economi-

### BOTTOM LINE

The raising of the number of seats in the Security Council seems to be far away, until major players, including the five permanent members, agree. Only then will India have a chance to get into the Council as a permanent member, but without veto-power. Until that occurs, India has to be satisfied with a non-permanent seat at the Council. Although a win in the non-permanent seat will not strengthen its candidature for a permanent seat, a loss could have implications for India's standing.

cally at 8-9% percent over the past two years. Its GDP stands at \$775 billion, which is the second largest among 147 developing countries. Its high-tech service sector constitutes half of the GDP.

Against this background, it is understandable that India wants to be represented permanently at the UN Security Council. In 2005, its attempt to obtain a permanent seat in the Council was not successful

due to opposition of some veto-carrying permanent members of the Council (believed to be US and China). Naturally, India was disappointed.

The Security Council comprises of 15 members, five permanent (UK, US, France, China and Russia) and ten non-permanent members. Non-permanent members are elected for two years. Every year, five non-permanent

member-countries are elected through a rolling election process. Typically, their term starts on January 1.

The process of choosing members to represent the five regions of the world (Asia, Africa, Latin America and the Caribbean, Western Europe, and others including Eastern Europe) is a complicated one, involving a modicum of consensus within the region

about the country to be supported for the non-permanent seat. The current ten non-permanent members are Panama, Italy, Belgium, Indonesia, South Africa, Congo, Ghana, Peru, Qatar, and Slovakia.

Indonesia replaced Japan this year. India wishes to contest the Council's seat in 2010 from the Asian region, replacing Indonesia. Bangladesh was a member of the Security Council twice -- the first time in 1979-80 and the second in 2000-2001.

At one stage, India was not interested in the non-permanent member's seat because it felt that its chance for seeking a seat as a permanent member would be compromised. But when it saw that Japan became a non-permanent member, it revised its earlier decision. It is believed that India's prime minister took the decision while visiting Japan last December, and

that India had consultations with Japan on this issue.

### Two views within India

There is a view that if India contests the election for a seat of non-permanent member, much of the agenda on permanent membership becomes weak. India would be seen as settling for number the lower seat at the Council.

The other view is that India has no chance of getting a permanent seat. The support for this view is strengthened by the fact that:

India currently contributes just 0.4 per cent of the UN budget, and its clout is not much. Last year, India lost goodwill by nominating Shashi Tharoor as a candidate for the post of secretary general and until the Kashmir dispute is resolved, Pakistan is likely to attempt to derail India's chances.

Therefore, India should be realistic and contest for a non-permanent

member's seat.

### India's strategy

India knows that Kazakhstan and Thailand are the only two candidates that have declared their intention to contest the seat in 2010. India's initial intention was to contest in 2009, but since Lebanon had already announced its candidature, it deferred it to 2010. Pakistan has chosen 2011 for its bid. If India wins in 2010 and Pakistan wins in 2011, then they would together be in the Council in 2012, the second time since 1984.

Tradition has it that countries announce their intention years in advance, making it known to other countries in the region and outside. For example, Bahrain wants to contest in 2029, the United Arab Emirates in 2021, and Yemen in 2017.

India claims that it, by itself, has more people than all of Africa with 53 countries as well as the Americas

with 35 nations. To ignore the population criterion of representation as permanent member in the Council seems odd to India, and the formula for representation should be changed.

However, the raising of the number of seats in the Security Council seems to be far away, until major players, including the five permanent members, agree. Only then will India have a chance to get into the Council as a permanent member, but without veto-power. Until that occurs, India has to be satisfied with a non-permanent seat at the Council. Although a win in the non-permanent seat will not strengthen its candidature for a permanent seat, a loss could have implications for India's standing.

Barrister Harun ur Rashid is former Bangladesh Ambassador to the UN, Geneva.