

Bailing out Irish economy

We need to remain vigilant against similar pitfalls in the future

The Republic of Ireland seems to be in a crisis of historic proportions. For its banking system has lost confidence of the depositors and the government has already bankrolled to the tune of \$60 billion to bail them out. As it happened in the USA in 2008 when the US government had to come to the rescue of the bankrupt financial institutions and big businesses, so it is now the turn of the Irish government to save its financial institutions with the taxpayers' money. But the government already facing a huge budgetary deficit is not in a position to shoulder the burden alone. Which is why it is now in need of external assistance to get over the crisis.

The European Union (EU), the European Central Bank (ECB) and International Monetary Fund (IMF) officials are now in the country's capital Dublin to discuss the crisis and what they can do for Ireland in this respect. But it is hardly surprising that many government leaders including members of the older generation are finding it so hard to digest the fact that they have to look for such foreign help in the first place.

And to add fuel to the fire, the EU leaders, especially Germany and France, are asking Ireland to raise its corporate tax to bolster the government's revenue earning. But as the Deputy Prime Minister Mary Coughlan said the 12.5 per cent corporate rate, which is very low compared to the average European rate, was "non-negotiable."

In the circumstances, will the Irish government be able to broker a fair deal with the EU and IMF officials in Dublin? For raising of the corporate tax would certainly be seen as a disincentive by the multinationals and other big investors in the Irish economy. For an economy already battered by its major banks going broke one by one, any flight of big capital from it may prove to be the last straw that broke the back of the proverbial camel.

The bail-out package, which, if Ireland is ready to accept the conditionalities, would be around \$108 billion. But is there a guarantee that the fund will save the Irish financial institutions and the economy at large? This is a big question before the present leadership of Ireland to answer in unambiguous terms.

But there is lesson for developing economies like Bangladesh have been the financial crises that the developed economies have been falling into one after another. The banks in those economies have become too big, while the loans they extended have gone beyond their limits. The booming property market was the biggest casualty of the overstretched bank loans. But it was not the property market alone, the entire economy and along with it the consumer habit was whetted by cheap credit and all its derivatives. But spending beyond ones means is not a sustainable way to prosper. So, it was not at all surprising when the day of reckoning arrived. The Western economies are now paying the price for their profligacy. It is however, not a basic flaw of the free market economy as such. On the other hand, the present crisis rather reflects the failure of the American model of credit-crazy free market economy. Hence it is now the turn of the smaller western economies like Greece, Ireland, Spain and Portugal that followed the same model to face the music.

The good news is the highly developed western economies are trying to mend their spendthrift ways. That the Asian economies were so far less affected by the western economic downturn was only because they were yet to catch up fully with the advanced consumerism and their excessively credit-dependent transactions. Now with painful European and American lessons before them, the Asian economies, as demonstrated by China so far, may well avoid the slippery path trodden by the highly advanced countries. In Bangladesh, we must also remain vigilant against any similar pitfalls in the future.

Protecting endangered species

Law-implementing agencies should be strengthened and activated

Despite the ban, capturing and killing of animals belonging to the endangered species is going on unabated. In a recent drive by the Wildlife Management and Nature Conservation Department, some 374 turtles of three rare species have been seized from shops in Khulna district. Officials who raided the places where the turtles were kept hidden said, those turtles were waiting to be smuggled out of the country at an opportune moment.

Catching of these animals is a punishable offence under sections 5 (1) and 15 (1) of The Bangladesh Wildlife Preservation Act, 1974. But how then those involved in this illegal business of catching and smuggling of rare turtles have been carrying out their business with impunity so far? It has been learnt that the local UP chairman had given those illicit traders the necessary licence to deal in turtles.

However, the Divisional Forest Officer (DFO) who conducted the raid could not take action against the said turtle traders as they produced their licence.

The government should take prompt action to apprehend those traders and bring them to justice. At the same time, it should look more closely into how the offenders managed to get the so-called licence and if a UP chairman is the proper authority to issue it as they claimed.

With the unraveling of this racket dealing in rare turtles, the government needs to be more active in stopping the practice of catching, selling and smuggling of rare animals in the country. The way guest birds, which are also prohibited under law to be caught, sold or killed, one often comes across sale of these birds even within the city under the very nose of the law enforcing agencies. So, it is again enforcement, rather than the mere existence of the laws that is the crucial part of the Wildlife Preservation Act.

Along with the enforcement, people's level of awareness about the issue needs also to be heightened. In this regard, the department concerned, the media and the different pro-wildlife and environment organizations should play their roles in making the people aware of their responsibilities in protecting and preserving the wildlife, especially the rare and endangered species.

Hartal culture stages a come back?

In absence of sound policies and proper administrative action, we are losing whatever prospect we had. Even the glimmer of garments and shrimp export that appeared to be so bright for a while, would now face serious challenges if this 'hartal culture' stages a come back again.

MD. ASADULLAH KHAN

It remains shrouded in mystery why the lawyers of eminence defending Begum Khaleda Zia in the apex court in the cantonment house case did not prefer an appeal for stay of the execution of the High Court order to vacate the house after expiry of the dead line on November 12. Sensible citizenry and legal luminaries say that aware of the weak merit of the case and the end result that might come out in the ultimate legal battle, the mercurial lawyer Barrister Moudud Ahmed and a stalwart in the BNP hierarchy defending the case had already indicated in press briefings that the house issue would be sorted out in the 'Rajpath.'

Ominously, as Begum Khaleda Zia vacated her cantonment house either on the insistence of the Cantonment Board or of her own accord obeying court order, the streets of Dhaka turned into a theatre of violence. Hoodlums backed by BNP circle vandalized at least 100 vehicles and torched about a dozen of government owned and private cars. The party also issued a countrywide dawn to dusk hartal call on November 14 last that brought in its wake a nightmarish experience for the home goes before Eid-ul-Azha.

To enforce hartal just two days before the Eid-ul-Azha, the second biggest Muslim festival on such a personal issue when thousands of people were preparing to go to their village homes to celebrate Eid with their near and dear ones must have been a cruel decision. Home-bound people with their families were subjected to enormous sufferings even if they had painstakingly made their journey up to bus and launch terminals and railway station.

This has been a very lame-duck issue for the proponents of hartal to throw the country into chaos and suffering even when the BNP chairperson has already got a house in the posh Gulshan area of the city leased out to her on a token price of 101 taka on one bigha and 11 katha land.

People have been paying a heavy price through loss of lives and property whenever a hartal was imposed. And now as we see it, the biggest casualty to this post-election turmoil turns out to be the badly needed economic expansion, as investors from abroad and home grow wary of venturing into an inflammable area. It would be a very hard experience for the party that might come to power in future to get rid of this scourge of hartal.

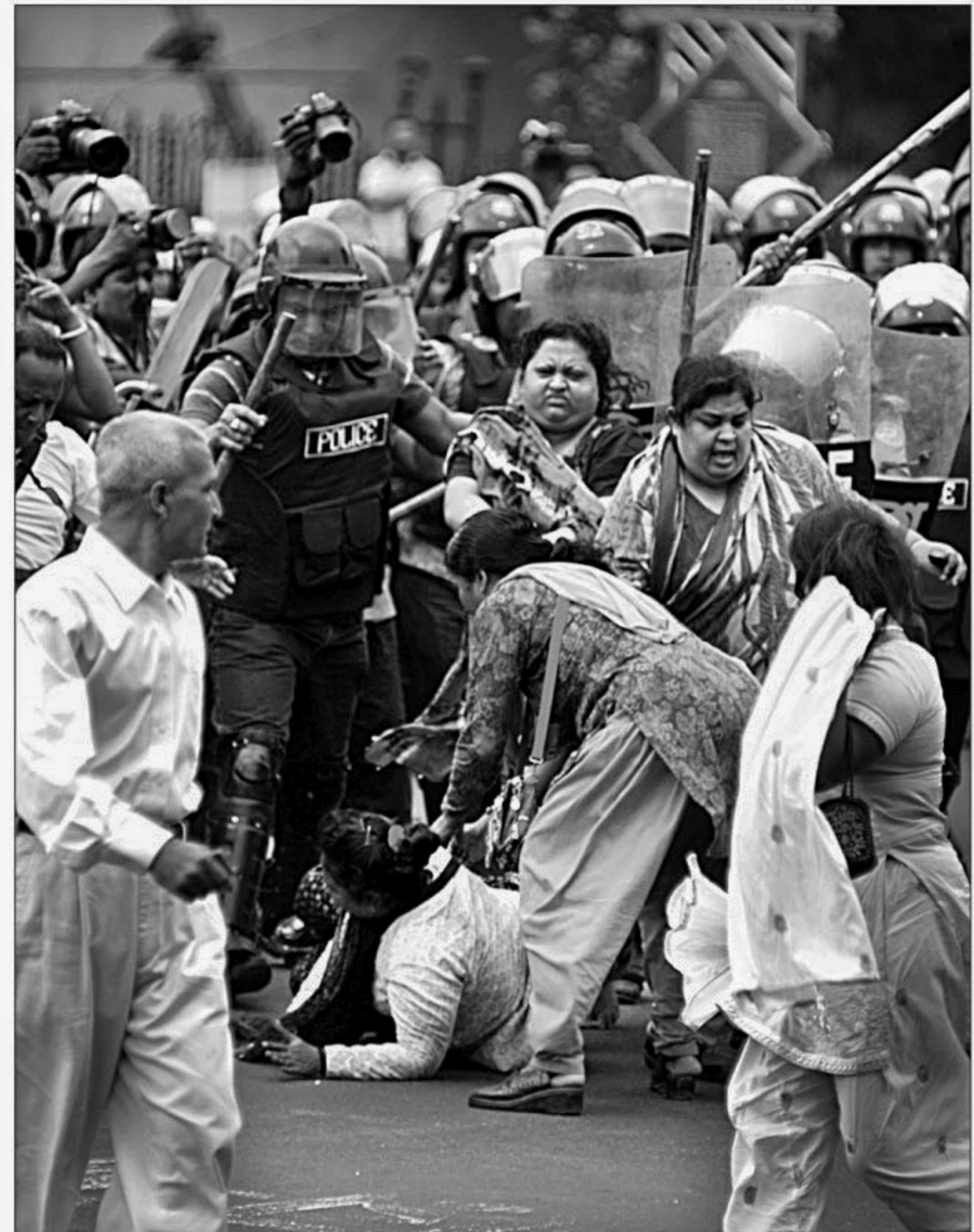
Undeniably true, the higher a government's creditability with the private sector, as experts opine, the better will be

private investment and economic growth. This calls for upholding the rule of law and establishing a judiciary independent of the interference from the executive. It must be emphasized that no nation that disregards rule of law and ignores individual rights can prosper in the long run. So instead of resorting to frequent 'hartal business' on flimsy and trivial issues, why not the aggrieved parties either protest or call strike to free the country from the interference of the executive? Because only an independent judiciary can protect the rights of an individual from arbitrary state action or from the tyranny of the majority.

When people from all segments of the society know that it is only the instruments of the government that violate individual rights, it is better to cure the disease than its symptoms. Although hartals are often used as means to challenge the government of the day, people in the country by now feel convinced that hartals these days are not means to register protest but violation of individual rights, most importantly the right to earn a living either for an individual or his family.

On the other hand the ruling party must allow the opposition to express its views freely and openly and efforts must be taken to resolve the conflicting points through discussion. Why not the mainstream opposition party take some more cogent issues to garner people's support? Even after passage of three years, the Sidr and Aila affected people in the south western part of the country are still without any shelter, have no access to safe drinking water and have no provision to eke out a living. Most disappointingly, the mainstream opposition party BNP has never raised this issue of resettlement of these unfortunate climate victims before the government.

BNP secretary general Khondakar Delwar Hossain in a press briefing warned that the party will go for tougher action after the Eid-ul Azha, presumably on this property issue! So there will be more blood-letting, more destruction of government and private properties. The question that naturally arises is: if the country could afford such colossal damage year in and year out? It seems that the party is running short of issues other than Khaleda Zia's cantonment house debacle. If Sheikh Hasina could have given her father's house at Dhanmondi for use as Bangabandhu Memorial museum, why can't she follow the suit when she has one more house in the posh Gulshan area? She would have lived in history by making such generous gesture of giving away this 165 katha land for



How long this unwanted violence?

construction of apartment blocks for the BDR carnage Shaheed army officers' families.

It seems inconceivable that, by all reasoning and consideration, a personal issue has been brought to the fore to launch 'oust government' movement. It never conforms to any logic and political connotation that a government elected democratically has to be ousted before completing its term unless it follows authoritarian and tyrannical methods in dispensing the affairs of the state.

In democratic parlance, feuds and dissent are resolved by debates in the floors of the parliament. But the cantonment house issue is now in the court and pending the decision of the apex court, all parties have to wait to know the final verdict. And that verdict must be obeyed by all if we want to establish the rule of law in the country.

The general people in the country are obsessed by ever increasing threats to their lives that come in the form of growing menace of terrorism, sexual harassment of women, extortion, mugging and even killing of innocent in their houses, price spiral of commodities with no ostensible reason, campus violence, tender manipulation, and a host of other ills. But shockingly, this has never crossed the mind of our political leaders, as if they are only fighting for policies and power and not for anything related to

people's sufferings and woes.

In absence of sound policies and proper administrative action, we are losing whatever prospect we had. Even the glimmer of garments and shrimp export that appeared to be so bright for a while, would now face serious challenges if this 'hartal culture' stages a come back again. Most outrageous, the country will be held to ransom by a handful of hoodlums who are out on the street backed by some unscrupulous politicians to protect the rights of the people! Whose rights are they protecting? If that was the avowed desire then these vast cohort of people would not have been languishing in poverty and destitution. It is about time to ponder whether the general public, especially the poor and the middle class do ever care to endorse such capricious actions.

It is harder to accept that a democratic process that has completed two decades and that should have matured in the meantime, cannot produce men and women of sturdier political morality. Taking all these ominous developments into consideration, it's about time the middle class launch a new movement to introduce probity and accountability in the affairs of the state.

Md. Asadullah Khan is a former teacher of physics and controller of examination, BUET. e-mail: aukhandk@gmail.com

MARITIME CONTROL

Balance in relation should be maintained

In the face of Indian and Myanmar objection Bangladesh is trying to lease out three blocks (5,10 and 11) under PSC 2008 to US company Kunco Phillips and Irish company Tullow. Bangladesh needs careful handling of these objections. What is needed is to maintain balance in her relation with the international super power and the Asian super powers.

ABMS ZAHUR

COMPARED to many countries in the world Bangladesh has some natural advantages like vast tract of oceanic area, prospective land for building industrial infrastructure and cultural unity. It is considered that the South Asian nations would play a vital economic role in the world in future. This has resulted in taking interest in the Pacific Ocean and Bay of Bengal by big powers. Future role of Bangladesh in this regard depends on power relation of powerful countries of south and south-east Asia.

In Asia presence of India and China indicates military diplomacy. Among the allies of India are United States and Israel. The allies of China are Russia and anti-US, relatively weak, states. With high growth rate India is taking advantage of the situation to increase its military strength and has increased its military activities on land and sea in south Asia. As Bangladesh is an important country strategically, the super powers and the big military powers are taking interest in Bangladesh since long.

India has close relation with Israel for a long time. She has purchased a huge

quantity of arms from Israel. Under New Delhi-Tel Aviv Agreement of 2004 Israel would supply these arms by the end of 2010.

Some military analysts consider supply of Israeli AWACs to India would encourage competition for acquiring modern military weapons in Asia. India is defending its position by saying that acquisition of these arms is only for its own protection against China and Pakistan.

Not only in Asia India also aims at gaining its position as a major power in the world. In 2001 the then foreign minister of India, Mr. Jaswant Sinha stated that Indian frontier was spread up to Iran in 1947 and Indian rupee was the legal currency in Kuwait up to 1938. In commenting on India-US nuclear deal present Indian prime minister stated that India might regain its past glory through the US-India nuclear pact.

During last September Nuclear Supplier Group (NSG) agreed to allow India trading nuclear fuel with NSG countries under heavy pressure of US and strong Indian lobby. The experts have questioned the declared intention of India to produce electricity from uranium because the present production of

its electricity from nuclear energy is only three percent and it would be raised to only seven percent in 2025. How this small increase goes to the benefit of the common people remains open to question. To them acquisition of nuclear fuel became easier due to this treaty.

After producing electricity from the uranium the remaining ashes through reprocessing becomes plutonium, the main ingredient for manufacturing nuclear bomb. The experimental nuclear explosions by India in 1974 and 1998 prove that India has already acquired technology for reprocessing uranium ashes into plutonium. Despite Chinese and Pakistani opposition to India's dream of becoming atomic power India succeeded in gaining support from US.

US-India nuclear deal resulted in increase of military display by India in the Bay of Bengal. India is trying even to control Indian ocean. For increasing control in Bay of Bengal and Asia-Pacific region India arranged the conference of MILAN 2010. Bangladesh navy also participated in the said conference. The main objective of the conference was implementation of the policy of looking east.

China is the main obstacle to India's desire to increase its power in the Bay of Bengal and the Indian Ocean. As stated by India the main objective behind the conference was to represent its sole interest which included securing sea lanes, stoppage of smuggling of human beings, controlling terrorist activities. However, the experts are of the opinion that without support from China and Australia (a naval power in the area) it cannot be done. They observe that presence of any super power in the Bay of

Bengal would result in serious disturbance of peace in the area.

China is not sitting idle. It has developed closer relation with Sri Lanka and Myanmar. In 2007 Sri Lanka allowed China to build sea port in Hambantota located north of Sri Lanka and south of India. Furthermore, China has built a sea port in the Cocoa island in Myanmar to ensure its supply of fuel from the middle east to Kuming and Yunan.

In November 2008 Bangladesh-Myanmar relation became seriously strained. Efforts are on to solve issue of Bangladesh-Myanmar sea frontier through UN negotiation. Some analysts observed that controversial PSC model-2008 prepared by the then caretaker government, resulted in preparation for a Bangladesh-Myanmar war.

Some experts (both national and international) are of the opinion that huge quantity of fuel (either oil or gas) exists in the Bay of Bengal. This has made the region strategically important. Though India has friendly relation with US it does not like the presence of US in the Bay of Bengal.

In the face of Indian and Myanmar objection Bangladesh is trying to lease out three blocks (5,10 and 11) under PSC 2008 to US company Kunco Phillips and Irish company Tullow. Bangladesh needs careful handling of these objections. However, she need not worry. What is needed is to maintain balance in her relation with the international super power and the Asian super powers. Such balance of necessity remains relevant to its interests.

The writer is former joint secretary.