WORLD BUSINESS

SOUTH ASIA

Onions, coconuts and the politics

AFP, New Delhi

Food and politics have always been closely intertwined in the developing countries of South Asia, but when national taste buds are at stake the relationship can become especially volatile.

A shortage of onions in India, a dearth of coconuts in Sri Lanka and the soaring price of cooking oil in Bangladesh are currently posing a serious challenge to the governments of all three countries.

The issue is more cultural than nutritional.

Nobody's going to starve in India because of an onion shortage, but their food is either going to taste different or it's going to cost them more to keep it tasting the same -- and that makes a lot of people unhappy.

Onions are considered an indispensable ingredient of most Indian cooking, providing -- together with garlic and ginger -- the pungent foundation for a thousand different curries and other dishes.

Similarly, the coconut -- both its flesh and milk -- is what gives Sri Lankan cuisine its unique flavour, tempering spices and enriching sauces.

The current "onion crisis" in India has seen prices triple to nearly 80 rupees a kilogramme (88 cents a pound), triggering allegations of hoarding, official incompetence and price-ramping by traders.

The humble onion has a surprisingly weighty track record of political influence.

In January 1980, Indira Gandhi exploited rising onion prices to storm back to power, appearing at campaign rallies waving huge strings of them with the message that a government that can't control onion costs has no right to govern.

And in 1998, a six-fold surge in the cost of onions was held partly responsible for the electoral defeat of

the ruling Delhi state government.

Already under pressure over food inflation and wary of historical precedent, Prime Minister Manmohan Singh's government has stepped in forcefully, banning onion exports, scrapping import taxes and even trucking in onions from arch-rival Pakistan.

But shoppers at a vegetable market in south Delhi, like Avinash Sangar who has been forced to halve his weekly onion purchase, were still furious.

"Of course it makes me angry, but what can I do about it? What can anyone do about it," Sangar said.

Suman Gupta, a housewife living in an up-market Delhi neighbourhood, was also cutting back.

"But you have to have some onions and tomatoes, otherwise the food becomes tasteless," Gupta said.

"If we are feeling the pinch, imagine the lower classes. They will have to eat their chapatis with salt and green chillies, that's all. It's very difficult," she added.

In the meantime, the Times of India is running tips from five-star hotel chefs on cooking onionless curries, and an enterprising tyre trader in Jharkand state is offering free onions with every purchase (five kilos for a truck tyre, one kilo for a car tyre).

In Sri Lanka, the government has also been forced to step in to alleviate a severe coconut shortage, banning the felling of coconut palms and, for the first time, arranging nut imports from India and Malaysia.

Coconuts are as indispensable to Sri Lanka's national cuisine as onions are to India's and shortages can have a similarly dramatic political impact.

In 1977, a leftist coalition govern- black market. ment was voted out amid public anger at soaring food prices. The cost of coconuts had become so high that traders would often crack a nut and sell the two halves separately.



An salesman checks a printer cartridge while onion bags are offered for free with the purchase of a printer ink cartridge to attract customer inside an shop in Kolkata on Friday. The Indian government Wednesday scrapped tax on imports of the vegetable to try to rein in its prices.

Last week, the government set a ceiling retail price of 30 rupees (27 US cents) per coconut in a network of state-owned stores, but stocks quickly sold out and then reappeared at more than double the price on the

Coconuts have traditionally been a key Sri Lankan export, after tea and rubber, but the conversion of plantations for housing development and increased consumption has fuelled

the current shortages.

In Bangladesh, the problem is a surge in the price of cooking oil, especially the edible palm oil used by most families.

The government, which sets the prices, has been quick to place the blame on traders, accusing them of ignoring state guidelines and profiteering.

"This is not an anarchic country," Commerce Minister Faruk Khan

lectured traders last month. "You can't just set the price you want."

Others insist the authorities are not doing enough to enforce price

After the cost of cooking oil shot up nearly 20 percent in a single day in November, the High Court in Dhaka ordered the government to explain why its inaction should not be declared illegal.

Anwar Hossain, a Dhaka-based

grocer, said he was compelled to pass price hikes by his suppliers on to the consumer.

"Customers are enraged when they see the price jumps, but they have no choice but to buy it," Hossain said.

Bangladesh was among the countries hit by global unrest over food price rises in 2008, with thousands of workers rioting in the streets of Dhaka.

At Christmas, elves in Quebec become lumberjacks

AFP, Saint-cuthbert, Canada

Seven-year-old Marie, wading through snow up to her knees, squealed in delight at one of Santa's helpers: "Elf, elf, come here. I found my Christmas tree!"

red-haired man in a pointed hat and colourful tunic, smartly chopped down a two-metre (seven foot) bushy evergreen

Montreal.

creates holiday magic for thousands of families eager to enjoy a tractor-pulled hay ride into the snow-covered forest to pick their ideal Christmas tree.

The elves then invite the children and

Those with hearty appetites head to a huge barn for vegetable soup, pancakes

and sausages smothered in maple syrup. Others enjoy the sugar shack, where boiling hot sugar is poured onto the snow for kids to roll up on maple-covered popsicles -- so called "sugar on snow."

All this entertainment is part of an effort over the last decade to boost business on the tree farms through diversifi-

Thanks to its notoriously cold winters, Canada has long been known for its prized coniferous trees, in particular its Balsam firs -- the most popular species of Christmas tree in North America.

At the beginning of the century, nearly two million Canadian Christmas trees were sold every year to the United States

and Mexico. In recent years, however, industry competition and a strong Canadian dollar have pushed down exports from 1.8 million in 2008 to 1.7 million in 2009. And

The elf, who was actually a 20-year-old

with a handsaw. He was just one of several elves at Plantations Fernet, a sprawling tree farm in Saint-Cuthbert in Quebec's countryside, some 100 kilometres (62 miles) north of

The farm is a winter wonderland that

their parents into a century-old wood cabin to warm up amid the glow and crackle of logs burning in a cast iron

artificial trees in 2007. For many Canadians there is nothing sweeter at Christmas time than the smell of a freshly cut Balsam fir in the living

ans imported 44 million dollars worth of

The tradition of using evergreens as Christmas trees in Canada dates back to handicrafts. the 1780s.

room.

into the forest, found a big tree and chopped off the top of it,"said Cecile the farm's bar or a hot meal on a cold,

People dressed as Fathers Frost and Snow Maidens walk by a decorated Christmas tree in central Bishkek on Wednesday.

more and more North Americans are now Grandchamp, who runs Plantations snowyday. buying artificial trees made in China. Fernet. "It's a Quebec tradition, a magic I wanted to revive." According to Statistics Canada, Canadi-

Plantations Fernet tries to enrich the experience for families by offering kids additional winter activities such as sledging, horse drawn sleigh rides, and a chance to meet Santa himself.

The farm also has a boutique that sells maple sugar products and locally made

During the rest of the winter season, "Back in the old days, families went the farm provides a good pit stop for snow-transport and placed -- by elves of mobilers interested in having a drink at

The farm's efforts to diversify and please customers have paid off; more than 10,000 visitors come to Plantations Fernet every year before Christmas.

Once families choose their trees and bring them back on the tractor, excited children wait for the "dance of the Christmas tree" -- when a mechanical shaker that vibrates and detaches all the loose needles.

The tree is then wrapped in plastic for course -- in or on top of cars for the family to take home.

Japan approves record \$1.1tn budget

AFP, Tokyo

Japan's centre-left government on Friday approved a record 1.1-trillion-dollar budget for the next fiscal year that aims to boost the flagging economy but adds to a mountain of public debt.

Prime Minister Naoto Kan's cabinet backed the 92.41 trillion yen draft budget for fiscal 2011 which starts on April 1.

To finance the massive outlays, Japan aims to issue fresh bonds worth 44.3 trillion yen -- meaning that for the second year in a row new debt will be bigger than tax revenue, projected to raise just short

of 41 trillion yen. "I think it is not a normal picture," said Banri Kaieda, minister in charge of economic and fiscal policy, commenting on the state of public finances. "We must correct it as soon as possible."

Japan's public debt is already estimated at about 200 percent of gross domestic product, the highest level among industrialised nations.

The new budget is slightly larger than the initial budget for fiscal 2010, which stood at 92.30 trillion

It will finance some of the spending pledges made by Kan's Democratic Party of Japan (DPJ) -which ended more than half a century of nearcontinuous conservative rule last year -- such as cash for families with young children.

Kan said the budget was designed to "dispel the sense of stagnation" surrounding the country and revitalise the economy, in comments reported by the Jiji Press news agency.

Finance Minister Yoshihiko Noda defended the draft, which includes jobs and growth programmes to sustain the ailing Asian economic giant, which expects growth to slow to 1.5 percent in 2011 from

3.1 percent in 2010. "We were able to draft the budget... while walking a fine line to achieve both improvement of fiscal health and economic growth," Noda said.

The Japanese economy -- which lost the global number two spot to China this year -- has been battered by chronic deflation, a high yen that hurts exports, weak domestic demand and feeble consumer confidence.