

Beware of rumor mongers

We must be on guard

THE country is passing through very critical times. Admittedly, nerves are frayed and tempers are bound to run high when we are faced with an issue that influences the collective psyche of the nation. And such a moment as this calls for every one of us to retain rationality and exercise the utmost caution in our words and actions against all provocations.

A situation like this is bound to be exploited by the nation's enemies. Regrettably, the situation has been confounded by dragging religion into an issue that revolves around the call for awarding the maximum penalty to the convicted war criminals. And there is an insidious move by some elements who are trying to portray Shahbagh as being anti-Islam.

There is an apprehension that Jamaat may use new tactic to precipitate the situation, where violence may be incited by deliberately using inflammatory language against religion, and to which the simple minded God fearing people might succumb.

A case in point here is what happened in Singair on Monday. We are given to believe that misleading messages were broadcast over the public address system there at a time when the anti and pro-hartal groups were chasing one another. The message had hurt the sensitivities of the local people. The result was police firing that unfortunately cost the lives of four people and left more than 50 injured including many policemen. And none of them belonged to any political party, according to the locals.

At a time like this we must guard against rumor mongers and rumor mongering. And this is where the leadership, particularly at the local and grass roots levels, should exercise their influence to sober people's anxieties. This we know can be done by cutting across party lines for the sake of the nation's security. And only a united stance against those who want to undo the nation deflate the trouble mongers' ill motivations.

Prospects for BCIM

Trade barriers must be removed

BANGLADESH, China, India and Myanmar, which make up the BCIM Forum, cover 9 percent of the world's area, 40 percent of the population and 7.3 percent of the global GDP. Thus the cooperation of the four countries is of great importance to their own economic growth as well as its reflection on the world economy.

The recent Forum held in Dhaka urged governments to remove trade barriers for greater economic cooperation in the region in accordance with the fast-changing global and regional dynamics as well as to promote multimodal connectivity through rail-road-water and air linkages. The multi-track initiative promotes both intra-regional and extra-regional trade and investment and the countries involved could gain significantly from trade and transit agreements and through benefit-sharing arrangements along prospective trade and transport corridors, as was noted in a 12-point joint statement issued at the end of the Forum. Investment in infrastructure was noted as being a key area in stimulating cooperation and ensuring energy security remains a major concern. The Forum also noted significant opportunities for joint exploration of natural resources, collaborative investment in energy sector development and cross-border trade and movement in energy within the region.

The Forum also observed several challenges, however, such as tariff and non-tariff barriers, weak trade facilitation measures, lack of custom harmonisation and obstacles to cross-border movement of goods arising from weak infrastructure at and beyond the borders -- all of which raise the cost of doing business in the region. These discourage trade-oriented investment, financial flows and undermine competitiveness of entrepreneurs in the region.

We would like to reiterate the concerns of the Forum as well as to highlight the opportunities and prospects ahead for the region, calling upon the governments to consider the Forum's proposals towards enhancing and enriching economic prosperity for the countries, region

Rohingya: Testing democracy in Myanmar

JOSE RAMOS-HORTA and PROF. MUHAMMAD YUNUS

ONE of the fundamental challenges of a democracy is how to ensure the voice of the majority does not trample the essential rights of the minority. In the founding of the United States this was addressed by the Bill of Rights, some form of which is integrated into most democracies today.

Even as we applaud and rejoice in the new freedoms enjoyed by the Myanmar people, the country's newly elected government must face this challenge as they evolve from autocratic rule into a democratic state. The tragedy of the Rohingya people, continuing to unfold in Rakhine State in the country's western corner, on the border of Bangladesh, will be its proving ground.

The minority Muslim Rohingya continue to suffer unspeakable persecution, with more than 1,000 killed and hundreds of thousands displaced from their homes just in recent months, apparently with the complicity and protection of security forces.

The charge that the Rohingya are illegal immigrants to Myanmar is false. There is evidence that the Rohingya have been in present day Myanmar since the 8th century. It is incontrovertible that Muslim communities have existed in Rakhine State since the 15th century, added to by descendants of Bengalis migrating to Arakan (Rakhine) during colonial times.

The borders between present-day Bangladesh and Myanmar have shifted back and forth throughout these periods, resulting in ethnic Rakhine Buddhists living in Bangladesh today, and ethnic Bangali Muslims such as the Rohingya in Myanmar. As the Rakhine Buddhists are rooted in their Bangladeshi communities today, the Rakhine State in

Myanmar is the only home the Rohingya know.

A glaring injustice was done to the Rohingya in 1982 when the ruling junta instituted a new law excluding them from the list of the 135 national races recognised by the Myanmar government, effectively stripping them of their nationality. Since that time they have been banned from travelling even short distances or from getting married

with some 200,000 refugees estimated to still be living in neighbouring Bangladesh and hundreds of thousands more having fled to other parts of the world.

The 20th century gave us a term for the ugly phenomena of stripping individuals of their nationality and persecuting them for no reason other than the colour of their skin, their religion, or their ethnicity: "ethnic cleansing."

trust that when the world knows of their suffering it will no longer turn its back on their persecution.

We humbly add our voices to the simple demand of the Rohingya people: that their rights as our fellow human beings be respected, that they be granted the right to live peacefully and without fear in the land of their parents, and without persecution for their ethnicity or their form of worship.

We ask the world to not look away, but to raise its collective voice in support of the Rohingya. In these days of public diplomacy the citizens, civil societies, NGOs, private investors and the business community have a vital role to play in the context of democratic reforms, human rights and development around the globe. We must use this voice.

We close with an appeal to the Myanmar government. You must amend the infamous 1982 law, and welcome the Rohingya as full citizens of Myanmar with all attendant rights. In doing so you will end the possibility of the radicalisation of the Rohingya and channel their energies for the development of Myanmar. You will remove the impetus for extremism and terrorism being generated by the current mistreatment of this vulnerable minority. A strong, stable and democratic Myanmar is not only in the interest to countries of the region, but will serve the cause of global peace and stability as well.

A government must in the end be judged by how it protects the most vulnerable people in its midst, and its generosity towards the weakest and most powerless. Let not the good work of this government be clouded by the continuing persecution of the Rohingya people.

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AURUP KANTI DAS

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without a permit. When a marriage permit is granted, they must sign a commitment to have no more than two children.

Half of the Rohingya population is estimated to have fled the periodic pogroms that have reduced their villages to ashes and left thousands killed or raped in horrendous massacres. After having lived side by side with the Rakhine Buddhist communities, today they are an uprooted and stateless population,

When the Myanmar government considers its progress on reform toward an open and democratic system of government, they must address one of the most barbaric remnants of their recent past, ethnic cleansing taking place in their midst, and right the wrongs done to the Rohingya population.

We wish the Rohingya to know that they are not alone. We hope to help share their plight with the world, in the hope and faith and

Now we pay the price



SYED MANSUR HASHIM

BANGLADESH has to pay a high price for availing \$1 billion Extended Credit Facility

(ECF) Fund from the International Monetary Fund. As pointed out in *The Financial Express* on February 24, the government is effectively moving to revise prices of fuel, power and fertiliser in the current fiscal to help "meet the budgetary subsidy cost of the government and reduce the subsidy-related loans to loss-making state-owned enterprises." Indeed, as per the note sent to the IMF by the government: "We will continue to contain subsidy costs by making timely adjustments of fuel, electricity, and fertiliser prices, with necessary social safeguards, to avoid crowding out priority spending and pushing up domestic borrowing."

A number of reforms were put into place as part of the ECF conditionalities set by the IMF and agreed to by the government. What is interesting to note here is that the prime minister stated publicly in a speech recently that there would be no further hike in electricity prices. However, given the document sent by the ministry of finance to the IMF dated February 10 titled "Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding" and being made available on the IMF website, we beg to differ with the public statement.

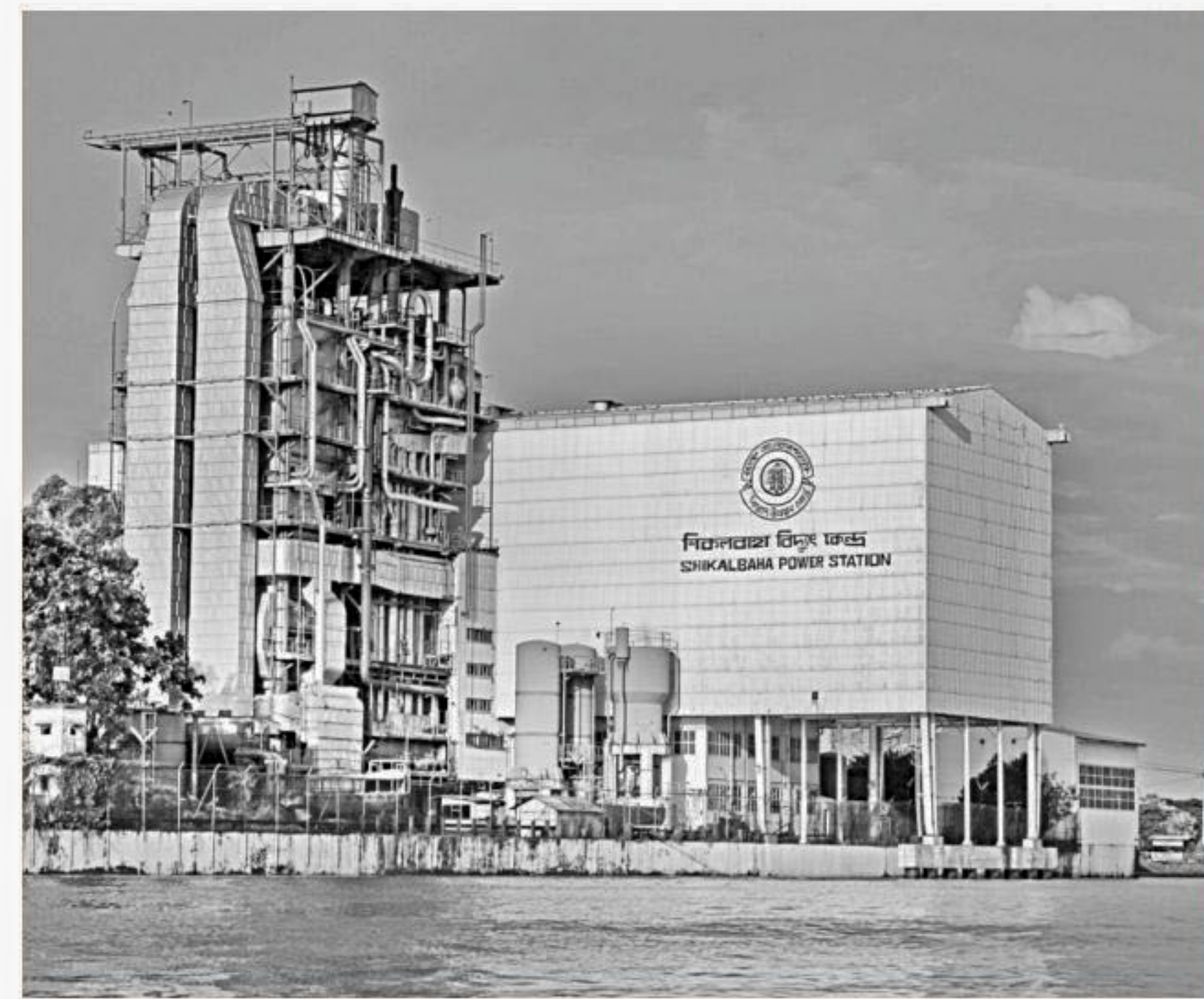
With regards to "energy subsidies" it is stated that fuel and electricity prices have regularly been adjusted upwards since 2011 with the intention to safeguard overall fiscal position and protect high-impact spending. There will be price adjustments this year too since the ministry has gone on record to state "we remain committed to adjusting domestic fuel prices, as necessary, as done in January, 2013, in order to keep them well aligned with inter-

national prices and limited budgeted subsidies. To help contain subsidy costs, rental power units will be phased out as quickly as possible, substituting them with lower-cost base power plants."

This is interesting of course. The "lower-cost power plants" mentioned is possibly in reference to the 2,700 MW of new base-load gas power plants, the international contracts for which have been signed since October 2011. The installation and commissioning of these plants are in the pipeline but not all will become operational in the immediate future. Hence, we will in all probability be stuck with the rental power units for some time and given the upward adjustment of "fuel and electricity" prices, the consumers will continue to bear the brunt of IMF conditionalities.

Then there is the case of fertiliser subsidies. The government has capped fertiliser subsidies at Tk.60 billion for FY13. A committee has apparently been formed and its work "will be guided by a proper set of metrics for determining margins for importers, producers, and distributors in order to contain costs, recommending adjustments to fertiliser prices, as needed, to stay within budgetary limits, with adequate safeguards put in place to better target the intended beneficiaries of these subsidies, foremost small and subsistence farmers." That is a very tall order. We certainly hope the various government agencies including the ministries of finance and agriculture, BCIC and "other agencies" work in perfect harmony to meet the challenges for determining the various "margins." Given the track record of our bureaucracy with its various branches working in disjointed fashion, this however appears to be extremely ambitious.

All these reforms are being initiated to avail the second instalment of the ECF worth \$139 million. With a hike in fuel prices comes a hike in bulk and retail pricing of electricity. Certainly not the best policy, especially since this is election year. Yet



WAHID ADNAN/ DRIKNES

The ECF comes in six equal instalments with a number of tough conditionalities attached with each segment of the loan that have to be met in a timely and satisfactory fashion to avail the fund. As the additional conditionalities that were given along with the second tranche of the loan indicate, there are likely to be other new conditionalities in future.

it cannot be avoided. Or could it have been avoided? Economists and bankers voiced their opposition when the government announced plans to avail the billion-dollar loan agreement. At the time the government was sitting on a foreign exchange reserve of approximately \$12 billion and yet it opted for taking the loan. The ECF comes in six equal instalments with a number of tough conditionalities attached with each segment of the loan that have to be met in a timely and satisfactory fashion to avail the fund. As the additional conditionalities that were given along with the second tranche of the loan indicate, there are likely to be other new conditionalities in future.

Ultimately, we keep coming back to the issue of ensuring "low-cost power plants." The inability or

unwillingness of the government to go for exploration of coal -- which happens to be the primary source of fuel for most of the largest economies including the United States, China and India to name but a few has put all of us in a hole so deep, we will find it increasingly difficult to crawl out of it. Thanks to the stringent IMF conditionalities, policymakers will have no option but to revise fuel and electricity price upwards, which will inevitably have an adverse impact on cost of doing business, competitiveness and most importantly, the potential impact it will have on inflation. In an election year, how politically wise such steps will be is of course open to debate.

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The writer is Assistant Editor, *The Daily Star*.

THIS DAY IN HISTORY

February 26

- 1815**
Napoleon Bonaparte escapes from Elba.
- 1935**
Adolf Hitler orders the Luftwaffe to be re-formed, violating the provisions of the Treaty of Versailles.
- 1961**
Hassan II becomes King of Morocco.
- 1980**
Egypt and Israel establish full diplomatic relations.
- 1987**
Iran-Contra affair: The Tower Commission rebukes President Ronald Reagan for not controlling his national security staff.
- 1991**
Gulf War: United States Army forces capture the town of Al Busayyah.
- 1992**
Nagorno-Karabakh War: Khojaly Massacre: Armenian armed forces open fire on Azeri civilians at a military post outside the town of Khojaly leaving hundreds dead.
- 1993**
World Trade Center bombing: In New York City, a truck bomb parked below the North Tower of the World Trade Center explodes, killing 6 and injuring over a thousand.