

Bangladesh fares well in fighting food insecurity

Researcher at the Institute of Development Studies of the UK says memory of 1974-famine acts as a powerful driver

SOHEL PARVEZ

BANGLADESH handled the recent global food price spike and its effects quite well compared to some countries.

The introduction of an employment generation scheme in 2008 and a permanent social safety net helped the poor in the country tackle the negative effects of food price shocks better than others.

Naomi Hossain, a research fellow at the Institute of Development Studies at the University of Sussex in the UK, links Bangladesh's such responsiveness to policymakers' understanding of the sufferings of people, particularly the poor.

The lesson learnt from the 1974-famine, when thousands died, also played a vital role in making the government responsive to food shortages and price hike of staples.

"In Bangladesh, there is an understanding I think. The memory of the famine (the latest in 1974), I think, has been a very powerful driver of tackling acute food insecurity," Naomi said in an interview with The Daily Star in Dhaka recently.

"Long-term problems with malnutrition, stunting, water and sanitation do not get that kind of action. But if you have a sudden price hike, you get that kind of action."

She had come to Dhaka to unveil the findings of a study, Life in a Time of Food Price Volatility, and a report, Them Belly Full (But We Hungry), focusing on food rights struggle in Bangladesh, India, Kenya and Mozambique during price volatility between 2007 and 2012.

Naomi, a political sociologist, is the lead researcher of the two joint studies. Professor Ferdous Jahan at the University of Dhaka also works with her on food price volatility.

Naomi's work focuses on the politics of poverty and public services. She is also the author of a book -- Elite Perceptions of Poverty in Bangladesh.

Naomi said people faced hard times in



Naomi Hossain

2008, but by 2010, the price stabilisation mechanism as well as stock was better. "People knew what to expect. People knew and they were not surprised that time. Still angry, but they were kind of used to it," she said. "I think, in Bangladesh, they (government) handled it pretty well. In 2008, they already had an employment guarantee programme."

She said Bangladesh has a much stronger permanent safety net scheme, which allows the government to tackle crisis like natural disasters, cyclones, flood, or drought and food price volatility.

"This is a key thing. When there is a crisis like earthquake, tsunami or drought, you cannot suddenly invent a whole system and whole government structure there to deliver."

"It has to be there already. It has to happen automatically every time the price goes up or there is a flood or something. Actually, the Bangladesh government has always been quite good because of natural disasters like cyclones and flood. This kind

of responsiveness is quite good."

The other thing that Bangladesh has but the three other countries -- India, Kenya and Mozambique -- do not, is 'some understanding' of policymakers about the miseries of poor people for food price spikes, Naomi said.

This comes from proximity with people living in urban and rural areas, and poor people's migration to cities in search of better livelihoods, she added.

"Compared to these other countries, Bangladeshi policymakers, political classes, the elites and the food policy people actually have some understanding, have some closeness to the people who suffer, not a lot, but more than you will get in India or you might get in Kenya."

Naomi said everyone has close relatives in the village; poverty is very visible, especially in Dhaka.

"So we know more or less. It is not that we do not see them. We see these people. We know these people. That struggle is not easy in Kenya and Mozambique."

The 1974-famine left a lesson for the policymakers here; more than a million people died during the period from July 1974 to January 1975, said Bangladesia, referring to some estimates. The government estimate of mortality was, not surprisingly, only 26,000, according to Bangladesia.

"It is really dangerous, stupid and a wrong thing to let things get that far," she said, adding that people should talk about starvation so that the younger generation does not forget those bad days.

Unless the matter is discussed, the next generation might forget and might be careless in tackling food shortages and food insecurity, she said. "You have to remind people what happened."

RIGHT TO FOOD

Despite the responsiveness of policymakers and political classes, Bangladesh lags behind others, particularly India, in ensuring rights to food.

"Bangladesh and India have a similar history but very different politics of food. In Bangladesh, we do a lot but we do not talk about rights much. In India, they talk about rights a lot and there are also quite a lot of programmes."

The reason, she said, is a lack of civic movement to ensure rights to food. Naomi said the rights to food should be the first right that people should have.

She said although there is no legal right to demand food, people, particularly in Bangladesh, believe it is their natural right.

"It is a right because I am human, because I live in a community. If I live in a community and I am hungry, other people -- that neighbour, school teacher, chairman, and my cousin -- are responsible for helping me."

But giving rights in law helps people a lot in times of food price spirals and volatility, she said. The Bangladesh government does quite a lot of good social protection work, without anyone having any right to claim, she added.

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Myanmar national carrier in name change rebrand

AFP, Yangon

MYANMAR'S state-owned national carrier has changed its name in a rebranding exercise, the company president said Friday, as the airline tries to attract foreign investment in the face of stiff competition from private rivals.

Myanma Airways, the state controlled airline for the last 66 years, has renamed itself Myanmar National Airlines (MNA).

"We changed the name according to the law approved by the parliament. It has been in effect since December 8 according to the law," Than Tun, managing director of MNA, told AFP.

The airline was established in 1948 and currently operates mostly domestic services using Fokker F28 jets and ATR turboprops.

The rebranding is part of an ongoing makeover for the carrier that has gone on a recent spending spree as it eyes international routes.

In February it announced it would upgrade its fleet by leasing 10 Boeing 737s aircraft in a deal worth nearly \$1 billion. Delivery of the planes is scheduled to begin in June 2015.

The airline also signed a deal in July for up to a dozen new-generation ATR propeller-driven planes at the Farnborough airshow.

The carrier's sole international destination currently is Gaya in India, an important site for Buddhist pilgrims.

Myanmar has seen a rapid rise in both domestic and international passenger growth rates since decades of junta rule ended in 2011, bringing with in an influx of tourists.

Analysts say that the rebranding is a way to stand out from an increasingly busy crowd as Myanmar opens up to a slew of private operators.

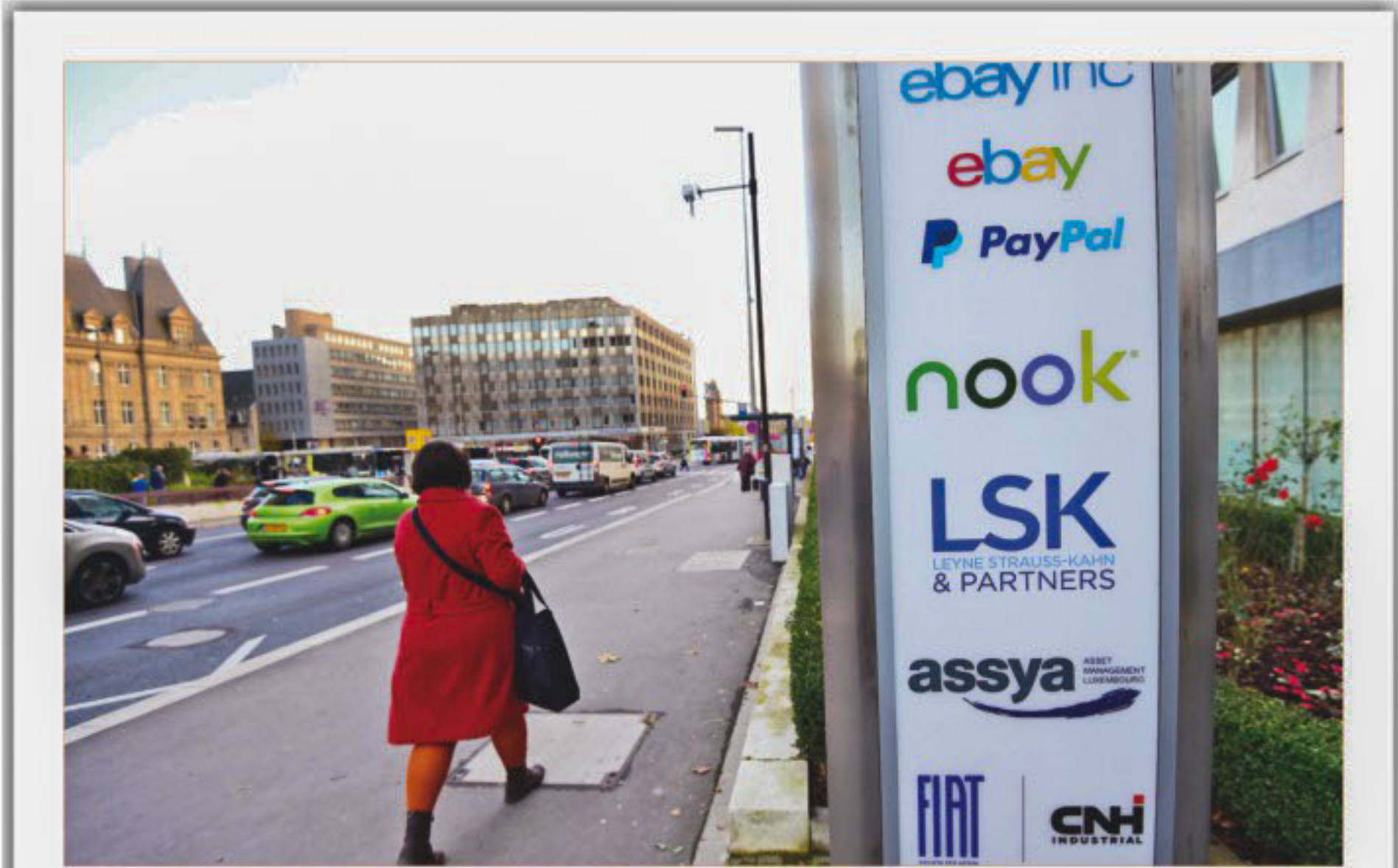
"It's a way to differentiate itself as the national flag carrier," Shukor Yusof, an aviation analyst at Standard and Poor's Capital IQ, told AFP.

In a statement the company also announced that it had set up a new board of directors which, it said, would give it more leeway to make decisions independently of the Ministry of Transport -- although the airline remains under government ownership.

Yusof said the move looked like "a first step towards attracting foreign investment".

"What airlines in Myanmar need are foreign investment, expertise and know-how. And I don't think there is any shortage of interest as the country is the last frontier in Asean when it comes to airlines," he said.

Myanmar President Thein Sein has overseen a series of dramatic reforms since taking office in 2011, including the release of political prisoners and the election of Nobel Peace Prize winner Aung San Suu Kyi to parliament.



AFP

A woman walks past signs of international companies in Luxembourg. The suspected leaker of documents that revealed secret tax avoidance deals between Luxembourg and hundreds of multinational companies has been charged with theft, money-laundering and exposing trade secrets, prosecutors said yesterday. The suspect's identity has not been revealed, but the Luxembourgish newspaper reported that he is a French former employee of auditing firm PwC Luxembourg.

Crude's plunge sends global equities tumbling

AFP, New York

CRASHING oil prices dragged US stocks to one of their worst losses of the year Friday, completing a global rout of equity markets after what has been for many a banner year.

Fears that the now-45 percent crash in crude prices could do more harm to many countries, companies and banks than it does help to consumers drove the fall in stocks, on top of the impact it has had on oil industry shares.

On Wall Street, the Dow Jones Industrial Average fell 1.79 percent and the S&P 500 tumbled 1.62 percent. It was the S&P 500's first weekly loss in nearly two months and its worst single-week decline -- 3.5 percent -- since May 2012.

Likewise in Europe, London's benchmark FTSE 100 index slumped 2.49 percent, France's CAC 40 lost 2.77 percent, and Frankfurt's DAX 30 dropped 2.72 percent.

Elsewhere, Bombay stocks lost 0.91 percent, Brazil 3.73 percent, and Hong Kong 0.27 percent, while the earliest to open, Tokyo, brooked the trend with a 0.66 percent gain.

Analysts blamed some selling on politi-

cal turmoil in Greece, still-slowing growth in Europe, and some trimming of the market froth of recent weeks -- both the Dow and S&P 500 ended last week at records.

"It was a bad week, but similar to other upswings this year, the decline after several highs was moderate and controlled," said Howard Silverblatt, and analyst at S&P.

"The question, however, remained the same as it was before -- is that it?" he said.

But market analysts said the plunge in oil prices was the main catalyst in Friday's market routs, and said that was not likely "it" for the crude trade.

Oil prices fell more than three percent on Friday alone, to their lowest levels since the first half of 2009 after the Paris-based International Energy Agency slashed its 2015 global demand outlook.

Demand is now expected to grow less than one percent next year, well below the pace of the increase in supplies.

In reaction the New York price of the US benchmark WTI crude sank \$2.14 to \$57.81 a barrel, while in London Brent crude lost \$1.92 to \$61.76. "Oil markets look set to end 2014 on a sour note and the prospects for early-2015 look even worse," JPMorgan said Friday in a market analysis.

Investments in Uber's Indian rivals uncertain after taxi app ban

REUTERS, Mumbai

A ban on online taxi services in India, following the arrest in New Delhi of an Uber driver accused of rape, has brought uncertainty to the millions of dollars of international investment pumped into Uber's Indian rivals Ola and TaxiForSure.

Ola raised \$210 million in October from a group led by Japan's SoftBank Corp.

TaxiForSure attracted \$30 million in August from backers including US private equity firm Accel Partners, known for investing early in Facebook Inc.

But concern about passenger safety prompted the government to halt taxi services from companies not registered as taxi providers. It also ordered a review of safety measures which could lead to in-car cameras and GPS tracking being made compulsory.

Uber, Ola and TaxiForSure can continue offering services in the states where they are registered. But in other states where they operate, they will not be able to register until they meet as yet undetermined safety standards in a country notorious for slow governance.

"It's a real concern. I don't think banning is a great idea to resolve a law and order issue," said the managing director of a US private equity fund that has invested in Ola. The person declined to be identified due to the sensitivity of the issue.

Unregistered taxi services have



REUTERS

Uber taxi drivers hold placards during a protest against the ban on online taxi services, in New Delhi on Friday. A ban on such services in India has brought uncertainty to the millions of dollars of international investment pumped into Uber's Indian rivals Ola and TaxiForSure.

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Unregistered taxi services have

been banned in New Delhi and Hyderabad. Similar decisions are likely in Mumbai, Bengaluru -- formerly called Bangalore -- and other cities, local media reported.

Ola and TaxiForSure said they are working with states to address registration and safety. Ola has started installing GPS devices in cars on its platform, while

TaxiForSure is working with taxi firms to follow processes suggested by authorities.

Uber said it will review its India operations and intensify driver screening.

Ola and TaxiForSure, like Uber, charge a fee for connecting passengers with drivers contracted to local taxi firms. The services add to a burgeoning e-commerce market into which SoftBank plans to invest \$10 billion.

"It's not so much that we were interested in the taxi business as that we're interested in Internet services. Their growth is remarkable," said an official at SoftBank, who declined to be identified because of sensitivity over the issue.

"Although there has been this incident, GrabTaxi is well-managed. So is Ola," said the official, referring to Ola's Southeast Asian peer in which SoftBank has also invested.

TaxiForSure's investors include US private equity firm Bessemer Venture Partners and Indian peers Helion Venture Partners and Blume Ventures.

Accel, Bessemer and Helion did not respond to requests for comment.

Washington takes on Uber with its own taxi app

AFP, Washington

WASHINGTON is developing a smartphone app to enable its taxis to compete head-on with Uber and other ride-sharing services, the US capital's taxi commission said Friday.

Beta testing of the Universal DC TaxiApp is scheduled to begin in March, and if all goes well it could be fully in service by late spring.

"We are the first in the country to have a universal taxi cab app," DC Taxi Commission spokesman Neville Waters told AFP.

"This is not targeting Uber per se," he said. This is a result of what consumers have been demanding -- and it enables taxis to compete on a level playing field with other private operators."

All 7,000 licensed taxis in Washington will be

obliged to make themselves available on the app whenever they are out on streets and on duty.

Drivers and taxi companies will be free to keep using alternative taxi-hailing apps alongside the Universal DC TaxiApp, Waters said.

Consumers, meanwhile, will still be at liberty to opt for Uber, Lyft, Sidecar or other ride-sharing services in lieu of a conventional cab.

While the DC Taxi Commission is developing the app, it will be up to a taxi industry cooperative to maintain it and set user fees.

In New York, the city council is considering a bill that would not only create a similar app, but also enable taxis to be called using Uber, Lyft or other third-party apps.

"Instead of making new technologies illegal or regulating them out of business, we should provide a level playing field with fair competi-

tion so that companies, drivers and riders all win," said New York councillor Ben Kallos, the bill's sponsor.

A darling of Silicon Valley, Uber has disrupted the taxi industry enough to trigger bans in Spain and Thailand and lawsuits in some big US cities.

It is currently prohibited from operating in New Delhi after a passenger alleged she had been raped by one of its drivers late last week. Six months ago, several hundred taxi drivers in Washington snarled downtown traffic to condemn smartphone car-hailing services -- mirroring protests in several global cities.

Hailo, a privately-run taxi hailing app, pulled out of Washington in October. It still operates in nine European and Asia-Pacific cities, as well as in Ireland.