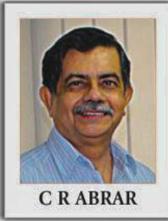


THE ROHINGYA RELOCATION PLAN

Imprudent decision, improper timing



C R ABRAR

THE media is abuzz with reports on the Rohingya issue. The statement of the UN High Commissioner for Human

Rights validating claims that Myanmar's security forces have committed mass killings and gang rapes of Rohingya Muslims and burned their villages since October last year, the visit of a three member Rakhine Commission to Bangladesh to hear testimonies of Rohingyas who fled the recent spate of violence by state agencies, and the released plan of the Bangladesh government to relocate Rohingya refugees to a desolate island, have drawn attention of the national and international media.

Over the last few months, faced with intransigence of the Myanmar authorities in acknowledging the gross human rights violations of its security forces in the Arakan region, let alone addressing the root causes, the Bangladesh government has shored up efforts for mounting international pressure on its eastern neighbour.

In the second week of January, this year a clear message was conveyed to the visiting special representative of State Counsellor Suu Kyi that it was Myanmar's responsibility to create an enabling environment for the return of all Rohingyas currently living in Bangladesh. Likewise, Bangladesh was also unequivocal in reiterating the stance at the session of the Organisation of Islamic Conference convened by Malaysia in mid January 2017. Bangladesh called for ensuring basic rights of the Rakhine Muslims and sustainable return of refugees and displaced Rohingyas to their homeland. The meeting ended after adopting a resolution that emphasised "immediate halt of atrocities, unhindered humanitarian access, end of discrimination, ensuring basic rights including restoration of citizenship through

reviewing the existing law and sustainable return of refugees and displaced Rohingyas to the Rakhine State".

In August 2016, faced with increasing international criticism on its treatment of the Rohingyas, the Myanmar government was forced to institute the Kofi Annan Commission to provide recommendations on the complex challenges facing Rakhine. In November, Ms. Suu Kyi bowed to weeks of international pressure to appoint another commission to investigate the original attacks and the allegations of human rights abuses by the military conducted since October 2017.

The second half of January was also marked by the visit of a three member team of the Office of the UN High Commissioner for Human Rights to Bangladesh that conducted interviews of people who fled Myanmar after attacks on a border post in early October, the ensuing counter military operations and a lockdown in north Maungdaw. Its subsequent report issued just days verified the reports of mass gang-rape, killings, including babies and young children, brutal beatings, disappearances and other serious human rights violations by the country's security forces. The findings of the Commission members led the Head of the UN Rights body to acknowledge that the "devastating cruelty" was "unbearable" and acknowledged that "the gravity and scale of these allegations begs the robust reaction of the international community".

It was at such a critical juncture when Myanmar's Rohingya policy had come under sharp multi-pronged international scrutiny (never witnessed before) that the Bangladesh government announced the resurrection of its plan to relocate all Rohingyas staying in the country to the remote Thengar Char island, albeit in phases.

On January 26, 2017, the Cabinet Division issued a notification on 'illegally intruding Myanmar nationals in Bangladesh'. It referred to the recent influx of the Rohingyas through the Teknaf-Ukhia border and

expressed concern on their "intermingling with the mainstream community" and "dispersal to various parts of the country". The authorities noted that all these portend "deterioration of the law order situation, spread of infectious diseases increasing the health risks of the local people and various kinds of social and economic problems".

It is in this context that the authorities have formed 'Identification Committees for Illegally Intruding Myanmar Nationals (IMN)' at different tiers of administration. Among other responsibilities the district level committee is tasked to (a) take appropriate actions to coordinate activities with people's representatives to halt illegal infiltration of Myanmar nationals, (b) identify IMNs by using people and intelligence agencies, (c) resist any move to refrain them from

intermingling with the mainstream population, (d) help concerned authorities prepare a list of IMNs and if those identified wish to cross the demarcated area then arrest them under the law or push them back to the camp area, and (e) assist in relocation of all registered refugees and unregistered IMNs to Thengar Char of Hatiya Upazilla of Noakhali district. Along with these, the district committee has also been authorised to set up temporary shelters like makeshift camps near the permanent camps to provide humanitarian assistance to this group of people.

The government's position of blaming Rohingyas for all ills of the neighbourhood is not justified. There is no compelling evidence about their engagement in criminal activities or spread of infectious diseases. Like any other group, some delinquent

elements may exist within the community, but that should not be the ground for labelling the entire community. Contra evidence indicates that it is the Bangladeshi criminal gangs who use the vulnerable Rohingya.

Undocumented Rohingya live without any protection and have to fend for themselves. The absence of any protection mechanism has exacerbated their plight as they are subjected to arrest and detention for illegal entry, discrimination and exploitation. If minimum structures were in place to meet the basic necessities of the undocumented Rohingyas (as the reason for the flight was essentially the same as that of registered Rohingyas) then along with addressing their vulnerability, the framed national security concerns (law and order, spread of disease, and

depletion of forest resources) could also be mitigated.

The relocation plan raises a number of apprehensions. Principal among those is the intent behind such relocation. Bangladesh rightly insists that the solution of the Rohingya problem rests with their return to Myanmar. If that is the case, why then invest huge amounts of resources to develop a recently accreted land with facilities that will surely give signal to the Myanmar authorities that Bangladesh is considering providing them some form of semi-permanent status?

The second issue is the selection of the site. Media reports inform that the Char that emerged about a decade ago, is unstable and uninhabitable. It is still prone to flooding during high tide and cyclones during monsoon season and is quite inaccessible (it takes two hours by speedboat from mainland). The remote location makes it a target for pirates. The plan that the Char could be made inhabitable within years through infrastructure development, setting up of civic facilities and police posts also appear to be farfetched. The remoteness of the site may very well be the ideal breeding ground for radicalisation of its degraded ghettoised dwellers, the very reason for their relocation in the first place. The third issue is the question of livelihood. Even if the authorities provide for poultry, animal husbandry and the like, ensuring livelihood for 400,000 people on this remote land will be an almost impossible task.

The government needs to take a fresh look at the Rohingya relocation plan. Its forthright stand in garnering international support to exert pressure on Myanmar has begun to yield meaningful dividends. Instead of experimenting with a temporary location site that has already invited unnecessary international attention the government should remain resolute in its demand that durable solution of the Rohingya problem lies in their return to Myanmar in dignity.



While the international community wants Myanmar to grant the stateless Rohingya citizenship, many among the country's Buddhist majority term this Muslim minority Bengali and deem them interlopers.

PHOTO: AFP

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Monetary policy for a 'grandson' economy

OPEN SKY



BIRU PAKSHA PAUL

After the announcement of the new monetary policy for January-June 2017, the stock market faced a rapid decline, suggesting a negative response of the capital market to the central bank's stance and attitude.

ONE of the richest philanthropists in the world, Warren Buffet, appeared on a three-generation TV show. It was amazing to see how Buffet along with his son and

grandson express their goals and priorities. The gap was more evident between Buffet and his grandson in all aspects. Buffet was happy with his 25-year old flip cell phone; his grandson was using the latest tech iPhone. Buffet was happy with maintaining what he had achieved in life; the grandson appeared to be more of a risk-taker and adventurous about investments and ideas. Bangladesh can be compared to a grandson that is ready for new things. In fact, the policymakers of a 'grandson economy' like Bangladesh should think almost the same way as Howard Buffet, Warren Buffet's 33-year old grandson, who prioritises growth and envisions his planning accordingly, not like his 86-year old grandfather who plans to act conservatively.

After the announcement of the new monetary policy for January-June 2017, the stock market faced a rapid decline, suggesting a negative response of the capital market to the central bank's stance and attitude. Policy rates

remained the same, expressing a restrained outlook. A drop in repo (repurchase agreement) and reverse repo even by as low as 25 basis points would have given a different signal to the market.

A monetary policy's main objective in Bangladesh is to maximise output subject to maintaining moderate inflation. In developed economies, once actual output is above the long-term potential output line, central bankers will tighten monetary policy by raising policy rates so inflation remains within control, say, 2 percent. Thus, making monetary policy in developed countries is structurally different from that in emerging nations.

The diet for a grandfather is not the same as that for a young boy. Grandpa is a senior citizen who needs to only maintain a healthy life, whereas the teenage grandson needs to grow, and fast. Many developing countries, including Bangladesh, do not have any calculation of the potential output line. These economies rather believe that the line is still above the actual output and hence they devote maximum resources to grow as fast as possible just like the young grandson - as long as inflation does not exceed the tolerable and moderate level of, say, 5 to 6 percent or so.

The grandpa does not need more weight gain or growth, given his age and health condition. In 2009, economist Martin Feldstein projected

average yearly growth of the US to be only 1.9 percent for the whole of the 2010s. The grandpa is happy with that kind of lacklustre growth. However, he needs to check his blood pressure - which we can compare with inflation - almost every day and take medicine if needed, so that he does not die of high blood pressure.

That is why most developed economies are now targeting inflation as a single goal of their monetary policy. No one criticises central bank governors in developed countries that much if growth becomes even one percent or zero, but they are likely to be fired if inflation exceeds, say, 3 percent. That is how the grandfather has different priorities than the grandson who focuses more on health building.

India's high growth period following liberalisation was coupled with moderately high inflation. Had the country checked inflation in the same style as other developed countries usually do, India would have ended up having poor growth and even a lower per capita income than ours. They did not pay attention to the IMF's constant advice or the World Bank's perennial suggestions of achieving disinflation by sacrificing growth.

A little heat with inflation provides stimulus to investors and borrowers in developing economies. Many of us forget that a grandpa's medicine is not

necessarily appropriate for a teenage grandson like Bangladesh. Over-conservatism takes toll on growth. A grandpa-style diet control will slow down the grandson's health and those conservative prescriptions will further delay our catching up with the developed economies. With a declining trend, inflation reaching as low as 5.5 percent is not news to panic about right now. Such apprehension has been haunting the central bank for years and did not let the regulator reduce policy rates for years.

The policy rates such as the repo and reverse repo rates (now 6.75 and 4.75 percent) were reduced by only 50 basis points in the last 3 years when inflation dropped by more than 300 basis points. As a result, even the constancy of the repo and reverse repo rates in the last monetary policy was perceived as rather a tightening of monetary policy. If policy rates do not understand the market, the market will make them redundant. That is what has happened to the fate of the policy rates. They became heavily ineffective and their non-market position caused their anticipated but premature death. That has not happened for India because the Reserve Bank of India makes policy rates move up and down pretty frequently keeping a track with the call money rate (interest rate on a type of short-term loan that banks give to

brokers) - which they think is the true reflector of their market liquidity.

As economist Jayanth Varma asserted in 1997, it would not be wrong to say that the Mumbai call money rate is the true benchmark rate of interest in the Indian economy. Many studies later followed India's call money rate to understand India's monetary policy stance. The correlation between the call money rate and the central bank policy rates is much higher in India than that in our policymaking. The ex-RBI governor Raghuram Rajan believed in policy activism and changed policy rates swiftly whenever needed to earn optimal results for investment and output.

Dhaka's call money rate is around 3.5 percent whereas the repo rate is still as high as 6.75 percent. Thus, the recent monetary policy does not reflect policy activism in response to the continued fall in inflation for the last four years and the prevailing liquidity condition in the market. Private credit growth is falling since last June. We should not stop helping private credit only out of fear from the ghost of the 2010 stock market crash. Let the stock market regulator be vigilant about the stock market and the central bank should be more supportive to investment and growth in this 'grandson economy'.

The writer is adjunct faculty of the Institute of Business Administration at the University of Dhaka.

QUOTABLE Quote

UMBERTO ECO, FOUCAULT'S PENDULUM
ITALIAN NOVELIST, LITERARY CRITIC, PHILOSOPHER, SEMIOTICIAN, AND UNIVERSITY PROFESSOR

As the man said, for every complex problem there's a simple solution, and it's wrong.

CROSSWORD BY THOMAS JOSEPH

ACROSS

- 1 Went fast
- 5 Young fellows
- 9 -- balance
- 10 Less friendly
- 12 Hawaiian hello
- 13 Pound parts
- 14 Genetic oddity
- 16 Mom's mate
- 17 Harrow rival
- 18 Hubble and Moses
- 21 Writer Deighton
- 22 Sprinkle with oil
- 23 Incline
- 24 With suspicion
- 26 Bird that gives a hoot
- 29 Class cutter
- 30 Opera song
- 31 Sleeve filler
- 32 Learned one
- 34 Scout settlements
- 37 Kitchen cooker
- 38 Prepare to propose
- 39 Bengal cat
- 40 Waiter's aid
- 41 Winter glider

DOWN

- 1 Greet a superior
- 2 Nucleus part
- 3 Patriot Allen
- 4 College bigwig
- 5 Sassy talk
- 6 High card
- 7 Evening meal, in slang
- 8 Trig function
- 9 Caravan animal
- 11 Cincinnati team
- 15 Lease signers
- 19 Warning word
- 20 Humor
- 22 Arkin of "Argo"
- 23 Reggae's kin
- 24 Unmitigated
- 25 Warm season
- 26 Pulp source
- 27 Like Cupid
- 28 After a while
- 29 Poster holder
- 30 Use
- 33 Painting and sculpture
- 35 Soup veggie
- 36 Cunning

YESTERDAY'S ANSWER

S	C	U	M	T	O	W	I	T
T	A	S	E	R	O	R	A	T
O	M	E	G	A	G	O	T	H
R	E	D	C	I	A	S	I	T
M	O	U	S	E	R	T	O	N
S	P	A	C	E	J	U	N	K
L	A	P	E	L				
S	P	A	R	E	T	I	R	E
L	E	A	D	A	S	P	E	N
A	X	E	G	T	O	A	T	L
P	U	L	S	E	N	A	D	I
S	A	L	O	N	S	L	U	R
E	L	A	T	E				
A	P	E	S					

BEETLE BAILEY by Mort Walker

BABY BLUES by Kirkman & Scott