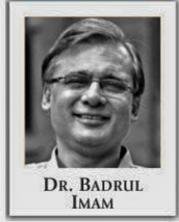


Is Chevron leaving our gas fields in good hands?



DR. BADRUL IMAM

IN an unexpected manner, Chevron, the world's third largest oil company, has been on the move to quit Bangladesh, where it holds three gas fields (Bibiya, Jalalabad and Moulvibazar) in Sylhet, that combined, contributes about 55 percent of the total daily gas produced in the country today. This is surprising because

Chevron made an agreement to sell and transfer the gas fields to a Chinese oil company named China Zhenhua Oil in February 2017 without the knowledge of Petrobangla or any other governmental agency. Furthermore, in April, a team of eight Zhenhua Oil Company personnel was invited by Chevron to Bangladesh and taken on a tour of the gasfields, again without prior permission or knowledge of the Bangladesh authority.

This is in spite of the fact that according to the Production Sharing Contract (PSC) with Bangladesh, Chevron is obliged to seek prior permission from Petrobangla, should it wish to transfer the gasfield to another company. In case Petrobangla makes a judgment that the proposed company is technically and financially sound and fit to run the gasfields, only then may Chevron move for a transfer negotiation. To many insiders, the way Chevron made its move is unlawful and even outrageous whereby the Bangladesh authority has been undermined.

What is the status of the oil company Chevron chose to leave our gas fields with? How strong is its technical competency? How experienced is the company in running oil-gas exploration and development in the international arena? How does it compare with Chevron?

With its headquarters in San Ramos in California, Chevron is active in 180 countries in all aspects of oil and natural gas industries. It has 11 billion barrels of oil equivalent proved reserves worldwide. The company has a daily production of 2.6 million barrels of oil equivalent from its global oil and gas reserves.

In comparison, the Chinese company Zhenhua Oil is a small entity with oil gas business links in only six countries including Kazakhstan, Iraq, Syria, Egypt and Myanmar. It is understood from the company website that Zhenhua Oil is involved as an operator in oil gas activities only in one country, i.e. Egypt, while in the remaining countries Zhenhua does not operate but holds shares in oil gas acreages. The total reserves of the company in these countries amount to about 1.6 billion barrels of oil equivalent, considering the share it holds in these assets. Likewise, the daily production of the company is about 80,000 barrels of oil equivalent – peanuts compared to what Chevron produces.

Zhenhua Oil, a company incorporated in 2003 and engaged as an operator in one country outside China, is likely to fall short in experiences and expertise in gas field development when compared to bigger and more robust oil companies, not to mention the oil giant Chevron. The upscale technology used by Chevron, the link services, the trained technical workers needed to be in place for

the future health of the gas field – these are factors that have to be considered. The three gas fields operated by Chevron namely Bibiyan, Jalalabad and Moulvibazar, together form a major hub on which the present gas supply system of the country is heavily dependent.

There have been unofficial allegations from the Petrobangla reservoir experts that Bibiyan has been subjected to over-production and this may have harmed the gasfield reservoirs. Truly, the rate of production is high and the gas field may lose its high production capability sooner than later. The projection of future production indicates that Bibiyan will start sharply dropping its production level as early as 2022 to 2023 and thereafter, the gas field will run towards depletion. Ideally, a gas field as large as Bibiyan should be running for many more years than the projection given. It is a little odd that out of 20 producing gas fields in Bangladesh, a single gas field, Bibiyan, produces more

Zhenhua Oil is a small oil company compared to not only Chevron, but also big Chinese oil companies like Sinopec or PetroChina. It has limited exploration and development experience. As far as the technical experiences of running oil or gas developments are concerned, Zhenhua is no match to Chevron. This is very important for Bangladesh because the upscale technology being used by Chevron in developing the three gas fields has to be continued; otherwise the system may fall back and the vital supply of gas from these fields may be interrupted. Bangladesh has to ensure that the company to which the gas fields will be transferred has sufficient competency and experience in upscale technology in gas field development so that the production supply line remains intact.

Chevron had been in the driving seat of the international oil activities since the heydays of the 1940s to



than 45 percent of the total gas produced in the country per day. Chevron, however, categorically denies that this is a case of overproduction. Anyway, Bangladesh allows and often asks Chevron to produce this much to get relief from the gas deficit the country is facing.

Zhenhua Oil has one advantage on its side though. It is a state owned company and a subsidiary of the defense investment conglomerate Norinco. Petroleum observers opine that the company therefore does not play for immediate financial benefit solely, but is involved in geopolitics to some extent. China, an emerging superpower, wants to establish and enhance its influence in the South and Southeast Asia, and has been prompted to avail the opportunity to enter into the vital area of the energy sector. As stated in the company website "... the company is one of the major state-owned enterprises involved in implementation of China's strategy of going global. ..."

1960s when giant and super giant oil field discoveries changed the face of many nations. During that period, seven oil companies, one of them being Chevron, ruled the global oil industry with absolute power. As the famous British writer Anthony Simpson described in his bestseller, Seven Sisters, the annual budget of these companies used to be bigger than those of many developing nations. Since the fall of the colonial era, those powers were gone, yet Chevron remains one of the most vibrant and globally active oil companies in the world. But Chevron needs to understand that it has a responsibility to be transparent, lawful and ethical, especially when it comes to dealing with a sovereign nation. It should not unethically compromise on technical competency of a firm for its own financial gain. Bangladesh must make sure that this does not happen.

The writer is Professor, Department of Geology, University of Dhaka.

The Spectacular Seven

Others should learn from them

SEVEN adolescent girls from Nandail upazila of Mymensingh have set an example that the elders and some local administrative officials should learn from. They have joined hands to prevent child marriage in their area and have indeed prevented two such marriages taking place. Given that Section 19 of Child Marriage Restraint Act 2017 have frustrated most people, and the waivers in a way legalise underage marriage, the resolve of the young girls must not only be praised but also supported from all quarters. It is indeed heartening to see that their headmaster and other teachers have backed them up in their effort, particularly in tipping off the police and civil administration of an impending child marriage.

The tendency among some parents, particularly in the rural areas, to exploit the special provisions to marry off their young daughters, has been noticeable. Regrettably, while a few of these could be prevented, thanks to the initiatives of some local organisation, particularly led by girls as in this case under the name of 'Ghashhful,' some others could not be due to the unwillingness of the local administration on very flimsy and unacceptable grounds, that since mobile courts are now shorn off their magisterial powers they are unable to act. One fails to understand the correlation between granting magisterial powers to executive magistrates and preventing the commission of an offense by the relevant authorities.

While we offer our accolades to these brave young girls we hope that their efforts would be emulated by others across the country.

Torture of 10-year-old

Violence on children cannot be the normative

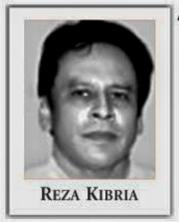
EVERY aspect of the story of 10-year-old Sagor, published yesterday by this paper, horrifies. Sagor was accused of stealing Tk. 2000 by some locals. He was beaten by the mob mercilessly, put in a sack, tortured with needles injected into his fingers, denied water when he asked for it – all because the mob was adamant to force a confession from him. This continued for three hours! That no one came forward to save a 10-year-old makes us wonder if abusing children has somehow been normalised in our society.

When he was finally rescued, his family filed a case with the help of journalists. Now, the family has started receiving threats. A certain caller, identifying himself as an information ministry staffer, threatened the family and the journalists who reported on the incident, claiming that not even the police could do anything to his brother, who is one of the accused.

It was a crime to torture a child in the first place, whatever the reasons. Even if he had done something wrong – and we must remember, that there was no evidence or reason to believe he had – there are law enforcement institutions for a reason. It is not for the mob to take the matter into their own hands. Secondly, that Sagor's family is now being threatened shows that powerful influentials are already trying to cover up the incident.

With his leg badly fractured, Sagor is fortunately out of danger. But this could have easily turned into another instance such as that of Rajon or Rakib. The police have made arrests, but they should focus their investigations on who led the mob and who are the ones making threats now. We have the laws; they need implementation. But social awareness is needed to change the idea that it is alright to use physical violence, to administer "justice".

WHITE HOUSE UNDER SIEGE: The Muscovite candidate?



REZA KIBRIA

"IT appears the Republican Party is losing any resemblance to a traditional western political party. Instead, turning into something more commonly found in the developing world: a

platform to support the ego, appetites and interests of one man and his family."

— Fared Zakaria (CNN host and columnist), May 16, 2017

"Patriotism means to stand by the country. It does not mean to stand by the

true in the American system of government where the "winner takes all" principle does not apply, due to the separation of powers between the three branches of government, and a federal structure which gives considerable power to state and local governments.

The features that promote some balance in the swing of the political pendulum in the United States seem to be under challenge. One party now controls both the House of Representatives and the Senate, two-thirds of governorships and legislatures, and has been responsible for appointing a majority on the Supreme Court. On the other hand, the federal bureaucracy

outcome of the last presidential election, and the Trump Administration. Citizens of any self-respecting nation such as the United States find it unacceptable that their leaders would be controlled by or beholden to any foreign power. This was the theme of the 1962 film, The Manchurian Candidate, about an American politician brainwashed by a foreign power. Recent events such as the firing of FBI Director Comey have heightened concerns about the Trump Administration's Russian links and a possible cover-up ("an obstruction of justice") to a level where the appointment of a Special Counsel on May 18 by the Deputy Attorney General was welcomed by leaders of both parties.

Mr. Trump's open admiration of authoritarian rulers in regimes operating under "democratic" systems such as those of Russia and Turkey is well-known. This in itself was a cause of unease to many Americans as the operating principles of these regimes stand in stark contrast to the liberal democratic values championed by the United States. However, the line was crossed with the alleged sharing of classified information by the president with important Russian visitors at the White House and reports following the Comey dismissal regarding attempts to suppress the FBI investigation of former National Security Advisor General Flynn.

President Trump must be exasperated that his policy agenda has suffered a setback due to the Russia issue. The appointment of an independent Special Counsel (a respected former head of the FBI) may well provide an opportunity to exonerate the Administration in a credible manner and restore focus on policy issues. One silver lining from the Administration's perspective is that the appointment allows the White House to deflect awkward questions by refusing to comment on an ongoing investigation by the Special Counsel.

Comparisons to the Watergate scandal that brought down President Nixon have been made. At that time, the Special Prosecutor (similar in role to a Special Counsel) Archibald Cox zealously pursued the trail of criminality reaching to Nixon. Attorney General Elliot Richardson and Deputy Attorney General William French Smith – both Nixon appointees – chose to resign rather than fire Cox as the president had ordered. The role of Senator Howard

Baker at that time is also noteworthy. He was the ranking Republican on the special senate committee convened to investigate the 1972 break-in of the Democratic National Committee headquarters in the Watergate building in Washington D.C. Baker had asked the famous question (now seeing a revival in the media), "What did the President know, and when did he know it?" As a Nixon ally, Baker's original intention was to exonerate the president by pinning the blame on subordinates. Baker turned against fellow Republican Nixon when the truth became clear.

History suggests that Mr. Zakaria's comment about Republicans is unfair. If the evidence is sufficiently strong, the leaders of the party tend to act in the interests of the Republic and not the party. The Republican Party is not a monolithic entity and its leaders are certainly not under the thumb of any Supreme Leader. Unlike the "banana republics" of Central America - where rulers were maintained in power for the benefit of foreign commercial interests - in the United States, there are powerful political forces and leaders of independent mind who can and will oppose the president if the nation's sovereignty and interests are threatened.

Detractors of the United States point to the Trump presidency and the chaos in the White House to denigrate the quality of its political processes. However, recent events should actually heighten admiration for that nation. The greatness of American democracy lies not in the fact that mistakes are never made in policy or in the choice of leaders or even that the democratic process operates perfectly. What sets the United States apart are three things: First, the courage and commitment of citizens and public officials (such as Elliot Richardson and Howard Baker of Watergate fame) who look beyond personal loyalties and partisan concerns when the national interest is at stake; Second, stabilising features in apolitical framework based on checks and balances and the separation of powers, and; Third, a free press and media composed of journalists of courage and conviction. Whatever problems the United States faces, these three factors ensure the generation of forces for honest introspection, self-correction and ultimately, renewal.

The writer is IMF Macro Fiscal Advisor, Ministry of Economy and Finance, Cambodia.



President."
 — President Theodore Roosevelt

In any genuine democracy, after a tough electoral struggle, the first challenge of the new incumbent is to unite the nation and reconcile those who did not vote for the winning side. Mr. Trump seems to have singularly failed in this regard. The gap in approval ratings among Democrats and Republicans is probably the widest ever seen.

Some degree of reconciliation would help refocus attention on the Trump policy agenda, which may require some support from political opponents and the federal bureaucracy. This is especially

certainly operates under the direction of Trump appointees, but their cooperation is important and unquestioning loyalty to the incumbent of the White House cannot be assumed. Unlike the employees of Trump Inc., federal employees cannot be fired at will and Mr. Trump is discovering that they are unwilling to abide by the standards of obedience he could demand from his company staff.

There is one issue on which Mr. Trump has succeeded in uniting the nation. There is deep concern across party lines about the influence of a foreign power such as Russia on the

LETTERS TO THE EDITOR

letters@thedailystar.net

Leaked question papers becoming a norm

Agrani Bank's recruitment test for senior officers was postponed yesterday because of leaked questions. This is becoming an increasingly common phenomenon in our country and the authorities don't seem to be as concerned about it as they should be. Last week, Prothom Alo published a report on leaked Math questions of a secondary school certificate exam. But since then, we haven't heard of any stern actions taken by the concerned authorities to trace or arrest the culprits.

It is alarming that even some parents are encouraging their children to acquire questions illegally when they see other students getting ahead of the race academically. They have no alternative but to become part of this moral culture that everyone is participating in.

Thousands of qualified, educated youth come to Dhaka to sit for these tests, all the way from Kurigram or Rangpur. The journey costs them around Tk 1,000 – the equivalent of a month's tuition salary that pay back home. They reach Dhaka to find that the tests have been postponed due to leaked papers. Will the Agrani Bank bear the transportation costs of these struggling candidates? Is it their fault that they cannot purchase a job with Tk 5 or 10 lakh like others?

We urge the authorities, especially the Education Minister, to take concrete and substantive action to put an end of this diabolical trend. We do not want hear any more political rhetoric.

Juel Rana
 Institute of Social Welfare & Research
 University of Dhaka