

## Suffering high prices of essentials

### Failure in managing grain stock buffer

PEOPLE in fixed income groups have been suffering the brunt of spiralling price of essentials. While traders love to blame rising prices of vegetables on supply shortage, adverse weather and the rains, the situation with the price of rice is a bit more complicated. Yes, this year's floods did pretty much wipe out at least one major crop in the wetlands of the Sylhet division. However, it is now common knowledge that the government granaries had been allowed to dwindle to dangerously low levels. By the time the imports kicked in, the effects of the shortages in the supply chain were sending shock waves at retail level where people go to buy their rice.

How does one explain the double-digit increase in prices of vegetables across the board so long after the floods and the rain have come and gone? And how is it that prices only seem to go up and not come down in our kitchen markets? The situation with the lower-income group may well be termed dire. Millions of working class people have income levels of around Tk 10,000 per month, particularly those who work in the readymade garments sector. With retail price of coarse rice trading at Tk 46-50 (as per latest Trading Corporation of Bangladesh data), it is little wonder that corners are being cut and putting food on the table becomes increasingly hard.

The ministry concerned has apparently imported white rice being sold through OMS and naturally there are not many takers among poorer people. People can't be expected to change their eating habits overnight. All in all a glorious mess, but one that needs rectification with direct government intervention to supply markets with grain to stabilise prices and enforce anti-hoarding laws.

## Violence against children continues

### For many, justice remains a far cry

IN the nine months since January this year, at least 363 children were raped and 15 died as a result, according to Manusher Jonno Foundation (MJF). Furthermore, 884 children became victims of acid attack, child marriage and other kinds of violence during the same time period. The findings of the survey, based on news reports from January to September, are hardly surprising, as violence against children seems to have become an everyday phenomenon in the country. Barely a day goes by when we don't come across horrific news reports of children being raped, killed or abducted.

More often than not, incidents of abuse seem to only get attention when they result in the child's death or when media reports surface. The accused are often set free on bail and victims' families threatened to keep silent. Then there is the indifference of law enforcement agencies towards pursuing these cases—especially when the perpetrators wield power and influence—which only makes things worse. This essentially sets the ground for a culture of impunity whereby perpetrators of such crimes are given carte blanche whereas the victims and their families rarely ever see the light of justice.

Despite repeatedly highlighting the need to adopt a zero-tolerance policy for violence against children, there have been no signs of the government taking such measures. This would entail, among other things, reforming the legal system as the low conviction rate under the Women and Children Repression Prevention Act 2000 indicates. It is high time that such reforms were undertaken to ensure robust investigations of crimes of violence against children and to prevent perpetrators from taking advantage of the loopholes of the legal system.

## LETTERS TO THE EDITOR

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### Complete JnU hall construction work

The construction work of a student dormitory at the Jagannath University has been underway since 2011. There were a number of extensions to the project deadline, but the authorities seem unconcerned about the delay in project completion.

The construction has been going on at a leisurely pace with zero accountability, which is unacceptable. Since the project is being supervised by the education engineering department, the university administration says that it cannot intervene directly. Both the parties have apparently turned a blind eye to the sufferings of the students, especially females.

I hope that the authorities will take the necessary steps to complete the work as soon as possible.

Rashidul Hasan, Jagannath University

### Protect child rights

This newspaper has recently published a report about child labour. Child labour is a criminal offence according to our labour law, but our social structure is such that engaging children in labour has been more or less accepted by the general people.

I think we need more social awareness programmes to highlight the dangers of jobs that involve children. Unfortunately, these children, mostly from underprivileged backgrounds, don't even know their rights.

The government should consider the task of protecting children as its priority. The government, the society, rights groups and others who believe in children's welfare must come together and fight on behalf of these children.

Zubair Khaled Huq, By email

M SHAHIDUL ISLAM

CHINA and Myanmar share a close linguistic link. The Burmese and Chinese are both parts of the Sino-Tibetan language and people. They were also involved in conflicts in the past. It was during the critical times of World War II that China realised that Burma had geostrategic and military significance. The Burma Road is the most illustrious example of Myanmar's importance to China that helped the allied force defeat Japan in World War II. Originated in Assam of India, the road provided a lifeline to the British, Chinese and other allies to move weapons and goods into Japanese-besieged Burma and China.

The relations between India and Burma also date back centuries. Burma was made a province of British India in 1886. In 1937, it became a crown colony of Britain acting as a buffer zone between India and the rest of Asia. However, in the post-independence era, the relations between India and Myanmar varied markedly. While China backed the military government of Myanmar, India rendered its support to the country's pro-democracy movement. New Delhi reversed its decades-old policy of isolation adopting the "Look East" policy in 1990s.

While China has been investing in Myanmar for decades, in recent years, one notices greater Indian interests in the country. In this piece, I will try to explore both China and India's stakes in Myanmar.

#### CHINA'S STAKE IN MYANMAR

Myanmar shares about 2,000 km borders with the Chinese province of Yunnan. The province is the starting point of the Yangtze River Delta and the Pearl River Delta. It connects China with Southeast Asia, South Asia and two oceans, the Indian Ocean and the Pacific. Beijing has empowered the province to function as a bridgehead to Southeast Asia and South Asia.

A seamless connectivity between China and Myanmar offers Beijing an alternate route to passage of goods through the Straits of Malacca which is essentially controlled by the United States. To pursue its goal, Beijing has invested at least USD 15 billion in Myanmar. Under the aegis of "Yunnan International Passage," the local government has developed roads and highways leading to Myanmar. The roads of Kunming-Ruili-Yangon and Kunming-Tengchong-Myanmar-India are the updated versions of the Burma Road. The Kunming-Ruili-Muse-Mandalay-Yangon is the main trade and connectivity route of China and Myanmar.

The Yunnan government has modernised the key trading borders between the two countries. It pumped millions into developing the Ruili Development and Experimental Zone (RDEZ), the biggest land port of Yunnan bordering Myanmar. The China-Myanmar oil and gas pipeline project also passes through the region. Ruili is linked with Muse, a border town and port in Myanmar's northern Shan State, which is connected to Myanmar's second largest city Mandalay via Lashio. The historic Burma Road reaches Yunnan through Mandalay, Lashio and Muse. There is also a plan to connect the two countries through railway reaching up to Kyaukphyu of the Rakhine State.

China is also investing heavily in Rakhine. A USD 2.45-billion pipeline from Kyaukphyu to Western China is already operational. The goal of the pipeline (793 km gas and 771 km oil pipeline) is to secure a key route for Beijing to import crude oil from the Middle East, reducing the country's reliance on oil supplies that pass

through the Strait of Malacca. The pipeline can carry up to 22 million tons of oil a year, accounting for about 5-6 percent of China's annual oil imports. Myanmar itself is also a hydrocarbon-rich country.

Moreover, Beijing has an ambitious infrastructure development plan worth USD 7.3 billion in the state developing the Kyaukphyu Special Economic Zone and a deep seaport. It is one of the major projects of China's Belt and Road programme in the region, connecting the country to the Bay of Bengal. A consortium led by China's CITIC Group intends to take a 70-85 percent stake in the port project, although Myanmar government prefers a 50/50 joint venture. The port is part of two projects including a special economic zone. CITIC was awarded the lead role in both initiatives in 2015.

#### INDIA'S STAKE IN MYANMAR

Myanmar's importance to India increased markedly following the launch of India's new "Act East" policy in 2014. From a security perspective, Myanmar is very critical



Chinese port terminal seen in Made island outside Kyaukphyu, Myanmar.

PHOTO: Reuters/Soe Zeya Tun

to maintaining stability in Northeast India (NEI). The four states of NEI—Arunachal Pradesh, Manipur, Mizoram and Nagaland—share a common border of 1,643 km with Myanmar. Myanmar is also critical to limiting the influence of Naga insurgency.

Moreover, as China's clout increases in Myanmar and Bay of Bengal, New Delhi intends to counter the influence by increasing its presence in the country. The confluence of all these factors has prompted New Delhi to build up maritime and other infrastructure in Myanmar, including the Kaladan multimodal project, a road-river-port cargo transport project, and India-Myanmar-Thailand Asian Trilateral Highway.

The Kaladan Multi-Modal Transport Project is India's flagship investment programme in Myanmar. The USD 484-million project, consisting of river dredging and port and road construction, is designed to connect Sittwe in Rakhine and Chin hinterland with Mizoram of India. This could provide the land-locked northeastern India with a vital route to Bay of Bengal along the Kaladan River. It would also reduce the distance from

least partly, to Naypyidaw's current policy to reduce its overdependency on China. In doing so, the country faces huge diplomatic challenges to manage the two Asian giants. Nevertheless, there are some real challenges both for China and India beyond their rivalry.

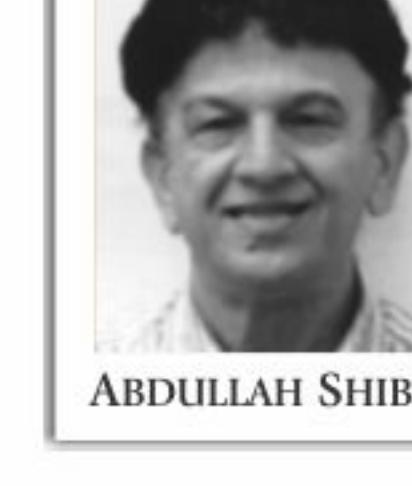
Myanmar's volatile politics and fragile society are constant worries for Beijing and New Delhi as they pump billions into the country. While there is a ceasefire with a number of ethnic groups, the country has been waging the world's longest continuing civil war in which the ethnic Bamar Buddhist majority seeks to dominate dozens of non-Buddhist ethnic minorities. The volatile Rakhine, the home of Rohingyas, is a real worry for all the parties.

India and China's growing presence in Rakhine, which is barely 150 km from Chittagong, is changing the region's economic and geo-political maps very rapidly. Bangladesh is losing its strategic importance to its near neighbour.

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## BREXIT AFTER A YEAR

### Theresa May and the future of negotiations



ABDULLAH SHIBLI

TERESA May, the British Prime Minister (PM), is a tough cookie. She took charge on July 13, 2016 following the Brexit vote, and has since then steered UK through some very choppy waters. Tories almost lost the snap polls she called last June, and celebrated the first anniversary of her premiership amid growing uncertainty

regarding the future of UK after it leaves the European Union (EU) on March 29, 2019. Recently, the PM landed herself in trouble with very lacklustre performances at a EU summit in Florence, Italy and a Conservative Party conference in Manchester, England. However, all said and done, the entire coterie of her rivals for premiership, including Boris Johnson (Foreign Secretary), Philip Hammond (Chancellor of the Exchequer) and David Davis (Secretary for Brexit), have offered their unqualified pledge of allegiance to her. However, that did

status of the legal framework that now ties UK to EU. British press accounts, where the PM is often jeered for her seeming equivocation on Brexit and the contradictory speeches by the four Brexiteers (Johnson, Hammond, Davies, and Fox), have only exacerbated the feeling of uneasiness in business circles and even among negotiators who are at a loss as they try to work through the terms of separation from Europe and at the same time not give away the kitchen sink. At the Manchester party conference, International Trade Secretary Liam Fox and David Davis have called for an end to pessimism over Brexit and for the British public to "keep their eyes on the prize" on offer.

The key sticking point at this juncture, apart from the money that UK is willing to offer towards EU's budgetary commitments, is the trade negotiations. If the negotiations fail, and there is no trade deal by March 2019, British exports will no longer be able to enter European markets duty-free, as they currently do, and the tariffs on British products might negatively impact exports, productions and employment. This scenario,



Since Brexit negotiations began last April, there have been some dissension within the ruling Conservative Party on the stance that the UK will take and the fate of the country should negotiations fail.

not end the bickering over Brexit negotiations or dampen speculations about what type of deal UK should or will be able to work out with her EU partners.

Since Brexit negotiations began last April, there have been some dissensions within the ruling Conservative Party on the stance that the UK will take and the fate of the country should negotiations fail. Hanging in the balance is the future of the economy, the status of citizens of UK in EU countries, and vice versa, and the

however, is not envisioned by Liam Fox, who said that while "he wanted a new deal to be done it would not be the end of the world if an agreement could not be reached!" Philip Hammond, the Chancellor of the Exchequer, immediately retorted that no deal would represent a "very, very bad outcome" for Britain. Fortunately, Theresa May in trying to keep the warring factions from derailing the Brexit negotiations, has indicated that she wants a balanced trade deal with EU.

She rejected both options offered, the Canadian free trade deal and the pact that governs EU trade with countries such as Norway and Iceland. The PM considers that the European Economic Area (EEA) pact in which Norway and Iceland are members as close clones of the EU and would tie UK to the same swath of regulations which British voters rejected. While the recently activated trade compact between Canada and EU, known as Comprehensive Economic and Trade Agreement (CETA) is considered a model for future ties between Britain and the EU after Brexit, the PM has voiced her concerns about it too.

Previously, the European Union had indicated that their three main concerns were the rights of 4.5 million expatriates, Irish border arrangements, and settlement of British financial obligations, before they sit down to discuss a post-Brexit free trade pact. Following the latest round of discussion, once again finances and how much UK was willing to cough up is reported to be holding up progress in these talks. Pro- and anti-Brexit forces are once again trying to influence public opinion. Boris Johnson claimed once again that EU could save £350 million per week, while UK's statistical office contradicted him, and it appears that it is actually half that amount. And then, the gains from free trade with EU is equivalent to this amount. At the next round of talks, in mid-October, both sides will do some tough bargaining behind the scenes to settle the "Brexit bill". As one commentator observed, "The question is probably only what cheque size we have to write to appease the accountants at the European Commission, who are cross that they are going to lose £19 or £20 billion a year out of their budget."

Looking ahead, Theresa May and her cabinet will need to clear the deck for the trade negotiations with EU to begin as soon as UK is ready and has a clearly outlined strategy. While the post-Brexit era will offer UK an opportunity to pursue new trade arrangements with US and the rest of the world, its ties with EU will still be important. As she and David Davis know well, trade negotiations with EU will be a tough bargaining game. The ruling party has to agree on how much they are willing to offer to gain the free access UK will aspire for. And the deals have to be done before 2019, and during this time the government needs to marshal the best trade lawyers and economists, and invest in business intelligence. And failing that, the UK government could attempt to "neutralise the two-year time limit by agreeing a transition arrangement to govern UK-EU trade relations for as long as necessary between when the UK leaves the EU and when a longer-term agreement is concluded," according to a London School of Economics policy paper.

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