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SUMMARY

BANGLADESH: Bangladesh's principal opposition parties have decided to launch a joint stir against Prime Minister Sheikh Hasina's government whose policies they say are 'anti-national'. Bangladesh wants to hasten a free trade agreement with India to narrow the huge trade gap it suffers with its bigger neighbour. A free trade pact is one of the answers to our most pressing concerns — the huge trade imbalance between India and Bangladesh, Chinese ambassador in Dhaka Zhang Xianyi on Thursday said his country awaited Bangladesh proposal for Beijing's assistance for the planned deep sea port in the Bay of Bengal while Chinese Vice President Xi Jinping was set to arrive here on a two day tour next week. Tripura Chief Minister Manik Sarkar has urged union Home Minister P. Chidambaram to deploy more security on the India-Bangladesh border along the northeast region to check the movement of militants. When the current Awami League (AL)-led government came to power in January 2009, they promised to allow freedom of expression, not to control media and not to interfere with the judicial process, and so on. But their policies and performance during the last one and a half years in office suggest that there is a wide gap between their public utterances and their actions. The banning of Amar Desh and taking into remand its acting editor Mahmudur Rahman have been seriously protested and condemned, both nationally and internationally. The British and US diplomats in Dhaka are reported to have expressed concerns at the government's attempt to gag the media and to curtail freedom of expression. Meghalaya Chief Minister Mukul Sangma Friday said the opening of border 'haats' (markets) between India and Bangladesh is in the advanced stage of approval by both neighbouring countries. Bangladesh launched a crackdown Monday on shoddy buildings and illegal chemical factories in residential areas after an apartment block collapse and huge fire that killed almost 150, officials said. After deciding to construct a bridge over the Feni river in south Tripura to get access to the Chittagong port in Bangladesh, India has decided to convert the connecting two-lane national highway into four-lane one, officials said Tuesday. A training project aimed at improving the skill set and employability of workers in Bangladesh has been granted US\$79m in funding by the World Bank.

Nepal: UCPN Maoist to unveil its policy on Friday to integrate or rehabilitation the People liberation army (PLA). A meeting of the Maoist held on Monday decided to this effect. The UCPN (Maoist) has claim that next government should be formed under its own leadership. The Maoist has made the decision that national government can not be formed unless the Maoist led the government. An informal meeting of the office bearers of the Nepali Congress discussed the party's upcoming general convention, election directive and distribution of active membership, among other contextual political matters Thursday morning. The Chinese autonomous region of Tibet will tie up with Nepal to make Lhasa a trans-border tourism destination. Director of Lhasa Tourism Office Chyang Hwa said they are tying up with Nepal, India and Bhutan to make Tibet a world tourism destination. As Nepal stepped up its crackdown on Tibetan refugees under

pressure from China, the ruling alliance was left red-faced after its MPs were found to have gone on a junket to Tibetan spiritual leader Dalai Lama's seat in India to meet top leaders and attend the self-styled Tibetan parliament in exile. Nepal's central bank has ruled out changing the exchange rate of the national currency against the Indian rupee. 'This is to inform the public that since the exchange rate (with the Indian rupee) acts as the foundation on which economic stability rests, there is no situation to alter the rate or process,' Indian Ambassador to Nepal, Rakesh Sood met Prime Minister Madhav Kumar Nepal here on Friday and discussed the recent incidents of reported violence against Nepali speaking persons in Meghalaya. After bringing to a halt work on a medium-sized hydropower project by Indian infrastructure company GMR's joint venture in Nepal, the opposition Maoist party is now threatening a mega project signed between the governments of India and Nepal. According to the daily, the project is also being opposed by several ethnic groups, including the Kirat Yakthung Chumlung and Kirat Rai Yayokkha. Top industrialists of the country have urged the government to create a secure environment with improved law and order situation and ensure regular power supply and easy access to finance at low interest rates so that industries can flourish.

Srilanka: Sri Lankan President changing law to extend rule Plans to amend legislation, which limits the country's leader to serving only two terms, have been approved by the government. Sri Lankan newspapers have had no coverage of the World Classical Tamil Conference that begins in Coimbatore on June 23. The Karunanidhi administration in Tamil Nadu is sponsoring the event. 2011 is an election year in Tamil Nadu. Sri Lanka flexed their diplomatic and political muscle over India to hold the 11th International Indian Film Academy (IIFA) awards in Colombo from June 3rd. The Festival ended on the 6th with disappointing results. Upon the continuous protests from politicians and cinema actors, the Film Employees Federation of South India (FEFSI) organized a meeting and called upon all the South Indian actors and actresses to boycott the event, as it took place in Colombo just to seek legitimacy for the Sri Lankan government who is finally in control after their ethnic cleansing of Tamils in the last phase of the Eelam War IV. The Sri Lankan government invested 9 million USD for the success of the event while the FICCI IIFA Global Business Forum promised the Sri Lankan government that the event would earn over 126 million USD, which would be handed over to the Sri Lankan government. India is likely to push Sri Lankan President Mahinda Rajapaksa to quickly resettle ethnic Tamils still living in camps more than a year after the end of a near three-decade civil war during talks in the capital today. With major economic contributions from the North East, Sri Lanka's economy is to bounce back and become a major trade hub in the South Asian region with the end of the 30-year-old terrorist problem boosting business opportunities in the war ravaged North East. The Sri Lankan economy has improved, recording better results and showing 6% economic growth in the first quarter, according to Central Bank Governor Ajith Nivard Cabraal. Colombo, more money allocated to army than economy, despite war being over Population's disbelief over 201 billion rupees (1.5 billion) allocated to the Ministry of Defence despite the war ending last year. Education, health and economic development are in crisis.

Detailed News:

Bangladesh opposition parties to launch stir against Hasina

Bangladesh's principal opposition parties have decided to launch a joint stir against Prime Minister Sheikh Hasina's government whose policies they say are 'anti-national'. The decision was taken by leaders of the main opposition Bangladesh Nationalist Party (BNP) and its key political ally Bangladesh Jamaat-e-Islami (JeI) who met here Saturday evening. JeI said it would join the June 27 strike announced by the BNP. Both the parties have been critical of the five deals Hasina signed with India during her New Delhi visit in January and have separately announced that they would not allow them to be implemented. The agreements pertain to trade, exchange of criminals and information on militancy afflicting both South Asian neighbours. JeI chief Matiur Rahman Nizami said: 'There is no alternative to waging a movement. BNP has already announced programmes to that end and we have taken those positively.' The two parties shared power during 2001-06, but lost badly to a Hasina-led alliance in December 2008. This was their first formal meeting after 19 months. The meeting indicated divergence of views on the issue of the government's move to hold 'war crimes trials' against those who killed unarmed civilians during the country's 1971 freedom movement. The top brass of the JeI is on the list of the accused. However, JeI secretary general Ali Ahsan Mohammed Mojahid was quoted as saying by the Daily Star Sunday: 'We don't have any disagreement on any issue.' However, BNP chief Khaleda Zia told the Jamaat leaders that BNP 'is talking about the issue from its viewpoint and Jamaat should go ahead with its own strategies', the newspaper said. The Hasina government has amended relevant laws and set up a tribunal in March to begin the trial of those who allegedly engaged in killing unarmed civilians in the run up to the movement that led to separation from Pakistan. While JeI opposed the stir on ideological and political grounds, the BNP was founded by slain president Ziaur Rahman, himself a freedom fighter. Khaleda Zia has not opposed the government move, but says that it should not lead to political witch-hunting. According to media reports, Zia has engaged other opposition parties for a joint stir against the Hasina government and has garnered their support.

Bangla presses for free-trade deal

Bangladesh wants to hasten a free trade agreement with India to narrow the

huge trade gap it suffers with its bigger neighbour. “A free trade pact is one of the answers to our most pressing concerns — the huge trade imbalance between India and Bangladesh,” said Bangladesh high commissioner Tariq Ahmad Karim in an interview with The Telegraph. “But it has to be a meaningful FTA, sans devils in the fine print such as non-tariff barriers to trade,” he said. India sells \$3.37-billion worth of goods annually to Bangladesh and imports a mere \$358 million. Bangladesh has often complained that duty sops offered by India do not help as non-tariff barriers or delays in notifying rule changes hold up Bangladesh exports. “We know the trade gap cannot be bridged. But through an FTA we may discover a huge new market, which can negate the need for our exporters to travel across oceans to sell,” the Bangladesh envoy said. Bangladesh, which grew 6.2 per cent last year, exports \$15.91 billion worth of goods, mostly to the US, European Union and Japanese markets from where its merchandise benefits from a generalised system of preferences. However, the recent economic downturn in the US and the European markets has forced it to look at other markets. “We have walked the extra mile in addressing India’s concerns,” said Karim. Bangladesh security agencies are believed to have helped to “guide” Indian militants hiding in its territory into the hands of Indian security forces at border crossings, though both sides have chosen not to speak of this.

“Now Bangladesh is looking for something solid ... otherwise there could be a backlash,” the high commissioner warned, alluding to domestic political parties which have been campaigning against pacts signed by Prime Minister Sheikh Hasina offering India use of Mongla and Chittagong ports. Indian officials said they were working on a blueprint for an FTA which could be signed as early as next year, freeing imports of products in which Bangladesh enjoys a cost advantage, such as ready-to-wear garments, ceramics, tea, marine and farm products, besides leather goods. Finance ministry officials said, “There are directions from both Prime Minister Manmohan Singh and finance minister Pranab Mukherjee to be liberal in our trade offer and to be sensitive to concerns on non-tariff barriers.” Bangladesh has complained that India’s offer to import duty free 8 million pieces of garments annually, made in 2006, could not be taken up for years because of various non-tariff barriers. Studies by various global agencies showed that Bangladesh would gain in a manner similar to the way Sri Lanka did when it signed a free trade pact with India. Karim said Indian investments had started picking up in his country and pointed to the Bharti group buying out Bangladeshi telecom operator Warid. Referring to Tata Group which withdrew its Rs 10,000 crore investment offer, he said, “The Tatas are most welcome, if they move away from the idea of

buying cheap gas from us for their projects. We do not have gas to spare.”

The high commissioner added that Bangladesh wanted to invest in India. “We have sought a 25 per cent investment in the Tripura gas fired power project.”

'Beijing awaits Bangladesh proposal on deep sea port'

Chinese ambassador in Dhaka Zhang Xianyi on Thursday said his country awaited Bangladesh proposal for Beijing's assistance for the planned deep sea port in the Bay of Bengal while Chinese Vice President Xi Jinping was set to arrive here on a two day tour next week. "It's a big project in which China wants to contribute," the envoy told a press briefing at the embassy convened to outline the first ever visit to Bangladesh by a Chinese vice president coinciding with the 35th anniversary of Dhaka-Beijing ties two months after Prime Minister Sheikh Hasina's maiden China tour. Zhang Xianyi said Bangladesh could not exploit the business potentials of its crucial geographic location for want of a "bigger port" while "if you have a bigger port, the cost of operations will also be reduced". Beijing earlier expressed its keen willingness to support construction of the proposed deep sea port in Bangladesh which is to be used by the East as well as the South Asian neighbours. Foreign minister Dr Dipu Moni said being a leading exporting country in terms of product volume, China also would be greatly benefited by using the facility as it would significantly reduce its product prices across the globe while it would earn huge revenue for Bangladesh. The envoy said Xi's visit was a follow-up visit by the Bangladesh premier to Beijing while bilateral trade and connectivity would dominate the bilateral talks during the visit when the influential Chinese leader would hold a meeting with Sheikh Hasina and call on President Zillur Rahman, Speaker Abdul Hamid Advocate and meet main opposition Bangladesh Nationalist Party (BNP) chief Begum Khaleda Zia and representatives of Bangladesh-China Friendship Society. The ambassador, however, said the talks was also expected to follow up the agreements and proposals reached or surfaced during Sheikh Hasina's visit particularly focusing on project-based issues including the Shahjalal Fertilizer Factory in Syleht for which Beijing already promised 1.6 billion Chinese Yuan and now planned to provide more assistance. Another such major project was the crucial expansion of Bangladesh's telecom sector with Chinese assistance to reach the goals of digital Bangladesh envisaged by the current government, he said. Zhan said the road and railway connectivity was another crucial area of bilateral interests also involving common neighbour Myanmar and added that "my impression is all the three players are positive . . . but the

project (road and railway link) may take some time".

During Hasina's China tour Bangladesh signed three treaties and a memorandum of understanding (MoU) expanding the development cooperation between the two neighbours during the summit while the summit laid its top priority on connectivity for mutual economic benefit. Over the past few years, China has replaced India as Bangladesh's biggest import destination with bilateral trade between the two nations standing at US\$4.58 billion, though heavily skewed in favour of Beijing with Bangladesh import being \$4.4 billion. China, however, offered last month duty-free access to some 5,000 Bangladeshi products in a "goodwill gesture" in a significant development in economic ties between the two countries after the premier's Beijing visit. "It's not all the countries with which China build such partnership" as it intended to do with Bangladesh, the Chinese envoy said.

Tripura seeks more security along border with Bangladesh

Tripura Chief Minister Manik Sarkar has urged union Home Minister P. Chidambaram to deploy more security on the India- Bangladesh border along the northeast region to check the movement of militants. 'Bangladesh-based northeast terrorists are using the Tripura border as their corridor. Hence, four more battalions of Border Security Force (BSF) should be deployed along the border with Bangladesh,' Sarkar told reporters Wednesday after returning from New Delhi. He met Chidambaram Saturday and discussed various security-related issues, including curbing of terrorism in northeast India. 'Many camps of northeast militants still exist in Bangladesh,' the chief minister said. Sarkar, who also holds the home portfolio in the state, said there were 16 battalions of the BSF currently guarding the 856-km Tripura border with Bangladesh. One BSF battalion has nearly 1,100 security personnel. He told Chidambaram that to maintain effective vigilance on the border, the distance between border out posts (BOPs) of the BSF should be cut from the present 4.5 km to 2.5 km, keeping in mind the region's topography. 'Chidambaram has responded positively to these demands,' he said. The chief minister also requested the union home minister to allow the Tripura government to raise two more Tripura State Rifles (TSR) battalions to deal with the separatist outfits. Counter-insurgency trained TSR battalions were constituted in 1984 to curb terrorism in the northeastern state -- 75 percent of its troopers are from Tripura while the remaining are from across the country. At present, there are 13 TSR battalions in the state. Nine of them are under the Indian Reserve battalions category and could

be deployed anywhere in the country. Sarkar also demanded sanctioning of Rs.3,000 by the central government for each special police officer (SPO), who assist the regular forces to tackle terrorism and local crimes.

Bangladesh: Suppressing Media Freedom

When the current Awami League (AL)-led government came to power in January 2009, they promised to allow freedom of expression, not to control media and not to interfere with the judicial process, and so on. But their policies and performance during the last one and a half years in office suggest that there is a wide gap between their public utterances and their actions.

The latest example of the government's dealing with the prestigious daily newspaper Amar Desh and its acting editor Mahmudur Rahman exposes the hypocrisy of the ruling group towards 'embarrassing media' in general and an extreme form of vengeance towards an 'uncompromising editor' in particular. This sort of actions against a national daily and its editor is totally unjustifiable and unacceptable. Amar Desh was closed down last week (on June 1) and Mahmudur Rahman arrested after a night-long seize of the paper's headquarters and its printing press by strong contingents (about 200) of police and security personnel. These brutal actions were taken without any court order, but on the basis of an allegation extracted under duress by the National Security Intelligence (NSI) from the publisher of the paper. Mr. Rahman was sent to jail immediately after his arrest. The whole nation witnessed, with great apprehension and horror, another mid-night drama staged by the Awami League government during the closure of Amar Desh and arrest of Mahmudur Rahman. According to media reports on June 7 (bdnews24.com), the government charged Mr. Rahman for alleged 'sedition' (in addition to fraud, obstructing police in their duties, etc) and took him into police 'remand' for questioning. The latest news on June 8 is that the remand period has been extended to twelve days and that he has been charged with another serious 'crime' of 'militancy'. We do not know the exact language of these charges at the time of writing this article, but it looks like the government wants to 'finish off' Mahmudur Rahman by implicating him with 'sedition', 'conspiracy' and 'Islamic militancy'. These are all very serious charges and the government would probably produce fabricated documents and false 'witnesses' to 'prove' the allegations in a 'kangaroo court' so that Mahmudur Rahman is awarded the heaviest punishment possible. The government does not seem to have an iota of shame in resorting to outright lies and nakedly using the state organs to demonise and destroy the strongest media voice in the country.

The AL leaders and their apologists, say that Amar Desh was closed by the Deputy Commissioner (DC) of Dhaka, who is theoretically in charge of permitting or canceling the publication of a newspaper and that the government has nothing to do with it. Nothing can be further from the truth. The DC could not take such a controversial decision without instructions from 'higher authorities'. In fact, the DC is as guilty as the 'higher authorities' for not acting upon the request of Amar Desh owners for the change of publisher's name in time. The facts related to the dispute between the government and Mahmudur Rahman on Amar Desh and

leading to the latest episode has been described by eminent journalist Shafiq Rehman (<http://www.dailynayadiganta.com/2010/06/06>). It is evident from this report that it is not Mahmudur Rahman but the government itself which is guilty of creating such a dangerous situation with unforeseen consequences.

Sheikh Hasina's role

Is Prime Minister Sheikh Hasina beyond criticism for the government's latest assault on their perceived enemies and 'disobedient' media? The answer is most probably 'no'. It is no secret that the current government is basically 'one person' show (a legacy of past Bangladesh history); she is surrounded by about sixty ministers and advisers but most of them are only 'post holders' and not decision makers. Top posts everywhere in the administration and security services are entrusted only to those who are Hasina loyalists and have pro-India leanings. This is very sad, but true. There has been a witch-hunt in all government departments including the police and security agencies and those officers suspected to be disloyal to Hasina and India have been ruthlessly thrown out of service. It is also known that those within the ruling party notorious for making controversial, crude and motivated comments against political opponents as well as a few with allegations of criminal acts are close to Sheikh Hasina. She is forgiving to the misdeeds of her own family members and followers but totally uncivil and hostile to her political opponents. She enjoys being called the so-called 'daughter of democracy' and 'champion of human rights' by her sycophants and blind followers, but in reality she is extremely autocratic in decision making, vitriolic to opposition leaders but indifferent to the crimes of her own party leaders and 'cadres'. Mahmudur Rahman has been a thorn in the flesh of Hasina government and her foreign patrons, but he is neither a 'conspirator' nor a 'traitor' as alleged by the government. He wrote powerful columns during the highly controversial Moeenuddin-Fakhruddin regime against the arbitrary arrest and detention of both Khaleda Zia and Sheikh Hasina (as well as hundreds of political and business leaders and thousands of grass-root political workers). He argued for quick restoration of democracy and the need for legitimacy by electoral mandate to govern the country. He was one of the very few journalists and columnists to unmask the evil designs of Bangladesh's foreign enemies and their local collaborators including the 'gang of four Generals'. Mahmudur Rahman earned nation-wide fame and respect by virtue of his knowledge, personal and intellectual honesty, analytical skill, and, above all, by his sincerity in belief and commitment to democracy and justice. But at the same time he earned the wrath of powerful quarters for being straightforward in expressing his views and exposing their deficiencies and misguided policies to make Bangladesh a vassal state of the Indian hegemons.

To many observers, the latest measures against Amar Desh and Mahmudur Rahman could not have been taken by the state organs/authorities unless ordered, instigated or allowed by Sheikh Hasina herself. She is the 'supreme leader' of AL and its allies, and nothing significant happens in Bangladesh today without her order or consent. This tradition of 'personal power' exposes the bankruptcy of the major political parties, and intolerance and cruelty of our rulers as a whole, but especially of those under the AL flag. Their contempt for freedom of expression and rule of law has no parallel. According to one senior political analyst, Sheikh Hasina thinks that her father

made Bangladesh and only she and her family have the natural right to own and rule the country. In her mind, no other leader or party have any right to rule the country even if they are elected by the people.

Mahmudur Rahman's life in danger

Everybody knows what the word 'remand' means in Bangladesh. This dreadful word means psychological pressure, blackmail and physical torture on the detainees to extract confessional statements, extort money, and in extreme cases even to eliminate hostile witnesses. During the BDR investigations, for example, hundreds of detainees were tortured and many (about 70) of those allegedly died 'from heart attack' or they committed 'suicide' as the government would claim. But those stories were received with skepticism by most human rights workers who believe that the detainees died due to carelessness and/or excessive torture by the interrogators. In the existing culture of torture in detention and the blanket impunity enjoyed by those responsible for such unlawful practices, we have every reason to be seriously concerned about the safety and life of Mahmudur Rahman. The human rights organization, Odhikar, is also seriously concerned about the life of Mahmudur Rahman. In a statement issued on June 6, it says "The chain of events is very alarming. Mahmudur Rahman has been physically attacked a couple of times. Heavy stones and bricks have been thrown at his car in Bangladesh and he was also attacked with a sharp object during his visit to London, which could have fatally injured him. Given this history the repeated attempts by the government to take him to remand is of grave concern to us." "Odhikar has always fought against custodial torture and death. Despite the fact that the government has made repeated promises to the international community regarding upholding human rights, gross violations of human rights have not abated in the country. In this context, Odhikar is deeply concerned about the life and safety of Mahmudur Rahman. We therefore, appeal to all the human rights defenders to write to the Prime Minister of Bangladesh to ensure the safety of Mahmudur Rahman and to stop all attempts to take him into remand, against the fundamental principles of human rights and international norms."

It is to be noted that eliminating political opponents is nothing new to AL culture. Remember the murder of Siraj Shikder under detention in dubious circumstances on January 2, 1975, and the subsequent boasting by the topmost AL leader? How many people belonging to the opposition parties were killed during the first AL rule (1972-75) by the infamous Rakkhi Bahini and pro-government activists? The commonly quoted figure is twenty-five to thirty-five thousand. How many newspapers were banned? All but four daily newspapers under government control. Was there any guarantee of 'natural death' for journalists? No, not for those writing critical reports on the AL corruption and violence, according to the legendary journalist Nirmal Sen.

People may be more conscious now than in 1970s about their political and intellectual freedom, but has the character of the ruling elite changed? Have they become more tolerant and less aggressive towards the opposing points of view and those perceived as contenders or threat to their power, position and privileges? The answer is 'No', if we consider the recent moves by the government.

All round condemnation

The banning of Amar Desh and taking into remand its acting editor Mahmudur Rahman have been seriously protested and condemned, both nationally and internationally. The British and US diplomats in Dhaka are reported to have expressed concerns at the government's attempt to gag the media and to curtail freedom of expression. Editors of 27 national dailies, weeklies, news agencies and periodicals in a joint statement on June 5 demanded immediate withdrawal of the order canceling the declaration of the daily Amar Desh and release of its acting editor Mahmudur Rahman. (New Age, June 6, 2010). The statement reads, "We think such steps of the government are a grave threat to the freedom of expression. The decision to close down a newspaper would send a negative message to international arena about tolerance towards others' opinions, democratic values and culture in Bangladesh. At the same time it will be seen as an obstacle to practice of democracy and its nurture at home."

"Besides, the decision would make seven hundred permanent and part-time staff of the newspaper jobless and throw their families into terrible hardships. We call for immediate withdrawal of the order canceling the declaration of the daily Amar Desh and release of its acting editor Mahmudur Rahman," it said. Several international media watch-dogs and human rights organisations have also condemned the latest actions by the government against Amar Desh and Mahmudur Rahman. Paris-based international media watchdog Reporters Without Borders (RSF) condemned Bangladesh authorities for closing Amar Desh and expressed concerns about the paper's detained editor. "The night-time raid by armed police on the daily's headquarters and the use of force to arrest editor Mahmudur Rahman are unworthy of a government that claims to respect the rule of law," the group said in a statement. It also said that members of the National Security Intelligence service had taken the publisher, Hashmat Ali, to their headquarters where he was forced to sign blank sheets of papers.

The Vienna-based (Austria) International Press Institute (IPI), a global network of editors, media executives and leading journalists, expressed concerns. "We are concerned that the Bangladeshi government is using administrative sanctions to limit the newspaper's ability to criticize its policies," said IPI Director David Dudge. "I urge Prime Minister Sheik Hasina to live up to her promises and ensure that journalists are allowed to distribute information and opinions free of harassment or intimidation," he added. The New York based Committee to Protect Journalists (CPJ) issued similar statements. It termed the shutdown as politically motivated. "Using 200 police to shut down a newspaper in the middle of the night over alleged publication irregularities is excessive and suggests the government is trying to suppress a critical media outlet," said Bob Dietz, CPJ's Asia program coordinator.

The Hong Kong-based rights group Asian Human Rights Commission (AHRC) urged the Bangladesh government to stop media repression. It urged the Bangladeshi authorities to restore the publication of the newspaper and also to release the detained media workers immediately and withdraw fabricated cases against them.

Other media outlets censored/closed

Amar Desh and its acting editor are the latest victims of the AL assault on free media, but not the only ones. According to AHRC, “the cancellation of the declaration of the daily Amar Desh was not an isolated incident in Bangladesh, it was, rather, part of a ‘trend that has happened as a continuous process in the closing of two private television channels and the blocking of Facebook in the country without any reasonable grounds.”

During the last eighteen months, the government has closed down two TV stations, Channel One and Jamuna TV, and banned DeshCalling blog, Youtube and Facebook on various pretexts. It has closed several TV talk shows and imposed different restrictions on what can be telecast. There are informal instructions by the government agencies not to invite ‘wrong’ kind of people in TV programmes. Newspapers editors have been asked not to print material criticising government and its policies. Mr. Nurul Kabir, Editor of the daily New Age was attacked by pro-government hooligans for his strong criticisms of some government policies.

Many other political, media and community groups both in Bangladesh and abroad including The Voice for Justice World Forum, Justice for Bangladesh, Journalist Rights International, Amar Desh Readers Forum, Campaign for Freedom of Press and Media based in London have condemned the government actions and demanded withdrawal of ban on Amar Desh and release of Mahmudur Rahman. The report on Amar Desh and Mahmudur Rahman got headlines in the foreign press including BBC, the Guardian in UK, The Hindu in India, and AFP.

Why close Amar Desh and punish Mahmudur Rahman?

It is now clear that the AL government has been suppressing the media in fear of criticism of its own actions that threaten the democratic process and rule of law in Bangladesh. But why the government has let loose such a reign of terror specifically on Amar Desh and Mahmudur Rahman when it is already under severe criticism on the recent Facebook ban?

According to journalist Shafiq Rehman, Amar Desh and Mahmudur Rahman are targets of government vendetta for five reasons: The paper has published (1) regular reports on the deteriorating law and order situation and exposing the criminal activities of its youth and student wings, (2) statistical reports on the crease in the price of essential items, (3) report on the connection of Sheikh Hasina’s son Shajib Wajed Joy with the US oil giant Chevron and alleged corruption, (4) report that the father of Engineer Mosarraf Hossain, a minister and Sheikh Hasina’s close relative, was a ‘razakar’ (a fact also confirmed by Hasina’s deputy Sajeda Chowdhury), and (5) connection of state minister Kamrul Islam and his family with ‘Hekimi’ or ‘Islamic’ medicine business and other allegations. (Daily Naya Diganta, June 6, 2010).

The reasons mentioned by Shafik Rehman are all fact-based and valid. But in my opinion, there are also other very crucial reasons (not discussed openly) which led to the government’s deadly assault on Amar Desh and Mahmudur Rahman.

Firstly, Amar Desh has been publishing (in several installments), prior to its closure, the 'official' version of the Anisuzzaman Report on BDR Massacre, which clearly implicates the controversial roles of some AL leaders including Nanak, Taposh and Mirza Azam in the dreadful massacre, and the sheer incompetence and/or stupidity of some ministers including Faruk Khan and Sahara

Khatun. The Report has raised more questions than providing credible answers on the roles of some AL leaders and some officers within the security/intelligence establishments. As is the usual practice, the government does not want the truth to be revealed, so that their own alleged involvement in the crime is not exposed. The agenda to destroy the BDR and Army has been implemented without people realising how deep was the conspiracy and who masterminded the whole scheme.

Publication of Anisuzzaman Report and other articles related to BDR conspiracy, BSF killings at the border, lowering the guard on the country's own defence and security, etc., could not be tolerated by leaders who have personal, family and political debt to pay to others. They have to strike back at those media and people who are considered as 'trouble-makers' and 'enemies'.

Second, Amar Desh and Mahmudur Rahman, together with some other writers and analysts at home and abroad, have been in the fore-front to expose the imperialist and hegemonic agenda (led by India and supported by the US, EU and some international organisations including the rubber-stamp UN, IMF, World Bank, ADB) to turn Bangladesh into a vassal state like Bhutan (without any disrespect to the Bhutanese people).

Third, Sheikh Hasina is now giving away (for what?) genuine national, economic and strategic interests of Bangladesh to the New Delhi rulers in different fields such as permitting India transit/corridor facilities through Bangladesh at the latter's cost (money borrowed from India at much higher interest rate than available from other sources such as China, South Korea, WB, etc), offering sea port facilities for unknown gains, giving a free hand or preference to Indian citizens and businesses in different sectors including telecommunications, transport, health, media, entertainment, etc. Amar Desh as a media and Mahmudur Rahman as a columnist and campaigner have been constantly asking questions about these offers to India by the AL government without any concrete returns to Bangladesh.

Fourth, India's water aggression against Bangladesh (Farakka, Tipaimukh, Teesta, Brahmaputra, etc) is a topic AL wants not be raised and discussed. Amar Desh has become an enemy of AL, Hasina and India by raising this issue. Photographic depictions of the dry river beds of Padma, Teesta and Brahmaputra in recent issues of Amar Desh must have embarrassed the incumbent rulers and their Indian patrons.

Fifth, Amar Desh has given prominence to the news and views on the deployment of Indian Commandos (special forces) in different places in the country including its Embassy in Dhaka and bringing in Indian 'air marshals' in Dhaka airport. These steps and also the arrests and handover of some leading Indian insurgent leaders in secret operations have been published in Amar Desh, to great annoyance of AL and India.

Sixth, Hasina under Indian pressure has distanced Bangladesh from China, entered into secret military pact with India in a scheme to turn Bangladesh army into a reserve force for India's ongoing wars in the north east and possible future conflict with China. Mahmudur Rahman has raised a strong voice against this evil design and also against Bangladesh becoming a 'junior partner' in the US-India-Israel led 'war on terror'.

Conclusion

Amar Desh and Mahmudur Rahaman have become deadly targets by the AL government and their foreign patrons for many visible and invisible reasons. No body should think that this is a simple legal or procedural dispute. It is a declaration of war on free media by a regime, which is contemptuous to opposing political views and revenge-driven. We must realise that if they succeed in 'finishing off' Amar Desh and Mahmudur Rahman now, there would be more victims in the coming days and months.

Talks on for reopening India-Bangladesh border markets

Meghalaya Chief Minister Mukul Sangma Friday said the opening of border 'haats' (markets) between India and Bangladesh is in the advanced stage of approval by both neighbouring countries. The markets will be set up at the border points between Kaliachar in Meghalaya's West Garo Hills district and Lawar Ghar in Bangladesh's Sunamganj district and between Balat in West Khasi Hills district and Narayantala in Bangladesh's Sunamganj district.

'Though, there are a number of proposals for reviving the border haats (which were closed down after creation of Bangladesh in 1971), the two places have been selected to establish border markets on a pilot basis,' Sangma told legislators during the question hour in the assembly.

To a query on the criteria for setting up the market, the chief minister said the area should be inaccessible and people residing in the border areas must be inter-dependent with people from across the border to ease economic problems faced by the local populace.

On the regulatory mechanism, Sangma said the government proposed to sell locally-produced agricultural products, fresh and dry fish, poultry, spices, forest products, dairy, and products of local cottage industries including furniture, utensils and iron agricultural equipment.

The weekly markets will be located on the zero line of the international border and it will be fenced with barbed wire with entry and exit points on both sides.

Border markets are much-sought among the people on both sides of the border living in remote enclaves and hilly areas as they find it difficult to buy and sell products needed in everyday life.

India had proposed setting up 22 border markets.

What is now the border between the two countries was dotted with markets when India was undivided. Some of them continued to exist until the independence of Bangladesh.

In 2008-09 India imported \$277 million worth of products from Bangladesh, while Bangladesh imported products worth \$2.84 billion from India, according to the commerce ministry.

Bangladesh targets dangerous high-rises

Bangladesh launched a crackdown Monday on shoddy buildings and illegal chemical factories in residential areas after an apartment block collapse and huge fire that killed almost 150, officials said. The blaze left 119 people dead as it raged through the historic heart of Dhaka Thursday, fuelled by an illegal chemical warehouse in the basement of one of the buildings, officials said.

Two days earlier, a four-storey block of flats collapsed and fell onto three tin shanties, killing at least 25 garment workers and poor labourers. The accidents have raised concerns among Dhaka residents, forcing the government to act. "We set up two taskforces to crack down on unapproved buildings and illegal chemical factories and warehouses," food and disaster management minister Abdur Razzak told AFP. "We won't allow chemicals being stored in residential areas. It's too dangerous," he said. "We shall also identify and demolish high-rise buildings that have gone up while flouting construction laws." Local officials have already started knocking down a seven-floor building seen tilting dangerously on Friday, magistrate Mohammad Rokonuddowla said. "We will also demolish two more multi-storied buildings in the next seven days, as they too have tilted. They were built without government approval," he said. Police shut down four chemical stores in residential districts of old Dhaka, according to the ATN Bangla television channel. Fire fighters said Thursday's blaze was made worse by an illegal chemical warehouse which caught fire, creating a huge fireball which engulfed the surrounding buildings. Two burn victims died in hospital Monday, bringing the death toll to 119. Dozens of critically injured patients are still being treated in Dhaka hospitals.

India will develop national highway linking Bangladesh

After deciding to construct a bridge over the Feni river in south Tripura to get access to the Chittagong port in Bangladesh, India has decided to convert the connecting two-lane national highway into four-lane one, officials said Tuesday.

'The National Highway Authority of India (NHAI) would convert the Agartala-Sabroom portion (133 km) of the Assam-Agartala national highway (NH 44) from the existing double lane to four-lane at a cost of Rs 2,000 crore by 2013,' Tripura public works department (PWD) chief engineer Sunil Bhowmik told reporters here. Bhowmik said Scot Wilson India Ltd, a NHAI approved consultancy agency, had been asked to prepare a detailed project report (DPR) for the conversion project. The 133-km long highway from Tripura capital Agartala to the border town of Sabroom would be reduced to 127 km as the existing alignment of the highway would be changed in 119 locations. It would avoid passage through Agartala city and the Sipahijala wild life sanctuary and national park in western Tripura. A high-level NHAI team, led by its Chief General Manager S.S. Nahar, visited the northeastern state Sunday and held a meeting with the state government officials and planned the strategies to start the works. The 630-km long NH 44, considered the life line of Tripura, Mizoram, southern Assam and eastern Manipur, also connects Meghalaya capital Shillong with Sabroom. Of the 630 km length, 184 km is in Meghalaya, 111 km is in southern Assam and 335 km is in Tripura. Works is now in progress to convert the NH 44 from southern Assam to Agartala into four lanes. India has decided to construct a bridge over the Feni river to get access to the Chittagong port for carrying goods and heavy machineries for the land-locked northeastern region. The Bangladesh government has earlier this year agreed to allow India to use the Chittagong port, about 75 km from Sabroom. Tripura Commerce and Industry Minister Jitendra Choudhury said the centre would provide required funds from the

assistance to states for developing export infrastructure and allied activities (ASIDE) scheme to construct the bridge. 'The proposed bridge would connect Sabroom town with Ramgarh town of southeastern Bangladesh. Besides construction of the bridge, various other tourism-related amenities and infrastructure would also be constructed in and around the area,' he added.

BANGLADESH: World Bank funds \$79m training project

A training project aimed at improving the skill set and employability of workers in Bangladesh has been granted US\$79m in funding by the World Bank. The Skills and Training Enhancement Project (STEP) is designed to strengthen public and private training institutions in the country, improving the abilities of workers who support Bangladesh's vital garment industry in particular. The recent rapid growth of industries such as the garment trade, along with the increased participation of women and young people in the workforce, has put education and training institutions under growing pressure. Now the World Bank says that meeting the demand for training by improving the Technical and Vocational Education and Training (TVET) system will help increase Bangladesh's international competitiveness. "An increasingly skilled labour force will be needed to accelerate economic growth in Bangladesh," said Ellen Goldstein, World Bank country director for Bangladesh. "Enhancing vocational training will increase employability, allow workers to command higher wages in international markets, and allow for greater diversification and value-added in export production."

Nepal

Maoist's to unveil its own integration policy

UCPN Maoist to unveil its policy on Friday to integrate or rehabilitation the People liberation army (PLA). A meeting of the Maoist held on Monday decided to this effect. According to the source the Maoist is giving its three months time line for completion of the task. The Maoist is going to give its time line as the political parties of Nepal bickering on the numbers and modalities to integrate. However, source claims that Maoist's policy would not address the government alliance's concerns as they have been insisting that about three thousand combatants would be integrate at the security agencies. Government coalition decides to talk with Maoist. Nepali Congress (NC) and CPN-UML, the major coalition partners of the incumbent government has on Tuesday has decided that Prime Minister Madhav Kumar Nepal will tender resignation if the political parties sealed package deal. A meeting of the two parties has also concluded to initiate discussion with the UCPN (Maoist) for a package deal. We are open to settle the differences through consensus if the Maoist comes up with positively.

Maoist adamant for lead the next government

Kathmandu, Nepal – The UCPN (Maoist) has claim that next government should be formed under its own leadership. The Maoist has made the decision that national government can not be formed unless the Maoist led the government. A Standing Committee meeting of the Maoist concluded on Friday to this effect. However, the Maoist did not entered on the debate at the standing committee meeting on the issue of person to led the government from the party. Maoist spokesperson Dinanath Sharma informed about the party decision stating that the Maoists will not give up its claim over the government leadership

NC agrees to resolve dispute over active membership distribution

An informal meeting of the office bearers of the Nepali Congress discussed the party's upcoming general convention, election directive and distribution of active membership, among other contextual political matters Thursday morning .During the meeting held at the residence of the party Acting President Sushil Koirala at Maharajgunj, the leaders agreed to collect the applications for active membership and resolve the dispute over distribution of active memberships at the earliest. Party spokesperson Arjun Narshing KC said, the meeting discussed scientific definition of indigenous people and minorities by rising above the government definition and ensure their representation in the party election accordingly. The meeting also discussed the draft consensus prepared by the NC and UML for the implementation of the three-point deal reached on May 28.The issued discussed in the meeting would be forwarded to the party central committee meeting scheduled to meet in the afternoon, KC said.

Nepali congress would next government: Koirala

Nepali congress acting President Sushil Koirala has said that Nepali congress would lead the next government if the nation seeks congress leadership. “Nepali congress is the only party which had played lead role on the critical juncture” Koirala made such a statement speaking at a program organized at Thali on Saturday. He also accused the Maoist of not playing responsible role to draft the constitution and reach te ongoing peace process into logical conclusion. Timely constitution was not possible due to the irresponsibility acts of the Unified CPN (Maoist), Koirala
accused.

Tibet to work with Nepal for tourism

The Chinese autonomous region of Tibet will tie up with Nepal to make Lhasa a trans-border tourism destination. Director of Lhasa Tourism Office Chyang Hwa said they are tying up with Nepal, India and Bhutan to make Tibet a world tourism destination. Quoting Hwa, Chinese media reports said today that such a decision was taken during the fifth forum on “Ways to make Tibet a world class tourism destination”. During the function, Chinese officials concluded that

there is a need of multilateral cooperation among Nepal, India, Bhutan and Tibet to make Lhasa a trans-border tourism destination and promote its tourism in other countries. The Tibet government is also ready to make big investment to develop transportation in Tibet. Chinese officials are preparing to operate flights between India, Bhutan and Lhasa besides Nepal. Tibet is also preparing to implement on-arrival visa policy. According to Chinese officials, nearly 70,000 tourists travelled to and from Tibet via Kodari checkpoint in 2009

Nepal in fresh Dalai Lama row

As Nepal stepped up its crackdown on Tibetan refugees under pressure from China, the ruling alliance was left red-faced after its MPs were found to have gone on a junket to Tibetan spiritual leader Dalai Lama's seat in India to meet top leaders and attend the self-styled Tibetan parliament in exile. Two lawmakers from the Nepali Congress, the biggest party in the coalition government, and a third from Terai party Madhesi Janadhikar Forum were part of the delegation from Nepal taken to visit Dharamsala town in northern India. Nepali MPs Harshajit Lama, Lalita Kingring Magar and Om Prakash Yadav on Thursday met the Dalai Lama's "prime minister" Samdhong Rinpoche, and attended a dinner hosted by the Tibetan government in exile. On Friday, they are scheduled to attend the ongoing session of the Dalai Lama's parliament in exile. The visit has triggered a stinging row with the opposition Maoist party saying it violated the "One China" policy of Nepal which regards Tibet as an integral and inalienable part of China. The Maoists are also alleging that the visit is tantamount to supporting the "Free Tibet" protest movement by Tibetan refugees which the Nepal government has been trying to suppress on China's command. The new row comes a year after six Nepali MPs visited Dharamsala and met the Dalai Lama in June 2009. It stung China into seeking an explanation from the Nepal government, which tried to hush up the matter by saying the MPs had not been fully informed about their itinerary. One of the MPs told IANS that it was a purely religious visit for her as she was a Buddhist and revered the Dalai Lama as the leader of all Buddhists. Under pressure from Beijing, Nepal in 2005 closed the office of the Dalai Lama's representative in Kathmandu and it has not been allowed to re-open officially since then. Nepal has also beefed up patrols on its northern border adjoining Tibet to foil Tibetans from escaping to India via Nepal. In 2008, in an unprecedented move, Nepal put a temporary curb on climbing Mt Everest, the highest peak in the world, to prevent anti-China protests at a time Beijing was hosting the Olympic Games. Nepal also prevents Tibetans from celebrating the Dalai Lama's birthday in public and does not invite the Nobel laureate to the annual Buddhist meets it holds in Lumbini in southern Nepal, the birthplace of the Buddha.

Nepal rules out changing exchange rate with India

Nepal's central bank has ruled out changing the exchange rate of the national currency against the Indian rupee. 'This is to inform the public that since the exchange rate (with the Indian rupee) acts as the foundation on which economic stability rests, there is no situation to alter the rate or process,' Nepal Rastra Bank (NRB) said in a statement. The Indian rupee fetches NRs.160.15 as per NRB guidelines while authorised foreign exchange dealers sell per 100 Indian rupees at NRs.160.15. NRB said its attention was drawn to media reports claiming that the value of the Nepali rupee vis-a-vis the Indian rupee would be changed after the London-based Financial Times carried an interview with NRB governor Yubaraj Khatiwada. Nepal's local media accused Khatiwada of pressing the panic button and triggering a rush in buying Indian currency for fear that it would become dearer soon. The NRB said the media had misconstrued its governor. 'Though Nepal feels the exchange rate should be evaluated in a bid to cut down on the ballooning trade deficit with India as well as discourage cross-rate trading, the governor had indicated that it would not be possible till certain conditions are met,' said Gopal Prasad Kafle, NRB spokesman. 'And some of these conditions may take a long time.' Nepal, smarting under political turmoil since the 1990s, first needs political stability and improved security conditions, according to the conditions laid down by the governor. It also needs stability in the macro- economy, greater confidence in the Nepali rupee and a stable foreign exchange reserve. With Nepal scheduled to get a new constitution in May 2011, followed by general elections within six months of that and the formation of a new government, it will be at least 2012 till the issue comes up for discussion among the ruling parties. Given the Himalayan republic's failure to promulgate the much-awaited new constitution in two years and being forced to postpone the last elections twice, it might take even longer to have a new elected government which can take the issue up for discussions. The talks would also take time, including discussions with India, Nepal's biggest trading partner accounting for over 60 percent of trade.

Meanwhile, to allay panic-buying of the Indian rupee, NRB also issued a separate statement, warning it would take action against unauthorised dealers and even authorised dealers found to be charging buyers more per Rs.100 than the mandatory NRs.160.15. The first crackdowns started in the towns bordering India, where the demand and illegal trade in Indian currency is the highest. In Butwal town in southern Nepal, police arrested an Indian who had come to sell Indian currency at a higher rate. Chandra Shekhar Baniya, 38, was arrested Sunday with Rs.350,000 in possession. Baniya, who had no authorization, was hoping to make a quick profit of NRS3,500 from the transaction, police said. The Indian also violated the ban on 1000 and 500 Indian rupee notes in Nepal due to the mushrooming of fake Indian currency. He was carrying the money in banned notes wrapped in a piece of cloth tied round his waist, police said.

Indian envoy Sood calls on Nepal PM, discusses Meghalaya incidents

Indian Ambassador to Nepal, Rakesh Sood met Prime Minister Madhav Kumar Nepal here on Friday and discussed the recent incidents of reported violence against Nepali speaking persons in Meghalaya. The meeting comes at the time when the state government has been accused of

remaining silent over the atrocities against the Nepali speakers in Meghalaya. They also discussed ongoing efforts for consensus, peace process and Constitution drafting in Nepal. There have been clashes between the Nepali speaking persons in Meghalaya for the past one month. Earlier, the Young Communist League (YCL), youth wing of the UCPN (Maoist) has submitted a memorandum to the Indian Embassy denouncing the recent violence. According to Kantipur, the YCL has demanded that India should guarantee the Nepali speakers' right to live a dignified life. The statement submitted by YCL coordinator Ganeshman Pun said that India should immediately take steps to maintain social harmony and provide compensation to the victims and take stern action against the perpetrators. (ANI)

After GMR, Maoists oppose mega India-Nepal power project

After bringing to a halt work on a medium-sized hydropower project by Indian infrastructure company GMR's joint venture in Nepal, the opposition Maoist party is now threatening a mega project signed between the governments of India and Nepal. The Sapta Kosi Multipurpose Project, which is expected to generate 3,300 MW of hydropower as well as irrigate wide swathes of land in India's Bihar state and parts of Nepal, has been ordered to stop by the Maoists. The former guerrillas have condemned it as being "against the interests of Nepal, Nepalis and especially the tribal and indigenous people of the area". "We will stop work on the detailed project report till the people approve of the project," the party was quoted as saying by its mouthpiece, the Janadisha daily, on Sunday.

Nepal's Maoists accuse government of 'betrayal'

According to the daily, the project is also being opposed by several ethnic groups, including the Kirat Yakthung Chumlung and Kirat Rai Yayokkha. On Saturday night, a team of local Maoist cadre, led by their central committee member Prahlad Budathoki, went to eastern Nepal, where an official team has begun work on the detailed project report (DPR), asking them to stop. The official team is led by senior Indian engineer Rakesh Kashyap. Kashyap was handed a memorandum by the Maoist protesters, asking him to halt the work. Nepal and India began talks in the early 1940s to develop the multipurpose project, which was envisioned to generate power, provide water for irrigation, control floods on the Kosi river, known as the 'Sorrow of Bihar', and create a waterway.

Make Naxals win this war: Arundhati

Though a team of experts from both countries was formed in 1991, nearly a decade since then, it has been able to hold only six meetings due to the political turmoil in Nepal. A feasibility report by India's Central Water Commission in 1981 recommended building a 269-metre high dam, which is being opposed by environmentalists, who say it would be hazardous in an earthquake-prone land like Nepal. The Maoists and ethnic communities are also opposing the dam, saying it will submerge dozens of Nepali villages, including those rich in religious and cultural relics. A joint office was opened in Nepal's eastern Biratnagar town in 2004 to prepare the DPR, which was expected in 30 months. However, the report could not be completed due to the security situation in Nepal. In March this year, Nepal informed India that the security agencies had been asked to help the work.

Fairytales and Naxal dreams

However, with the new threat, it remains to be seen if the survey can continue. The Maoists have forced work on GMR's 250 MW Upper Marsyangdi hydropower project in northwest Nepal to stop since February. Despite GMR authorities urging Nepal's Energy Minister Prakash Sharan Mahat for security, work on the halted project is yet to resume.

PM assures better law and order condition

Top industrialists of the country have urged the government to create a secure environment with improved law and order situation and ensure regular power supply and easy access to finance at low interest rates so that industries can flourish. During the 44th annual general meeting (AGM) of the umbrella organisation of the Nepali private sector on Friday, they appealed to create a conducive environment in which politics does not interfere with business. Prime Minister Madhav Kumar Nepal while inaugurating the AGM committed to improving the overall situation including security in the country.

Kush Kumar Joshi, president of the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), said a common minimum economic agenda should be prepared, and that should act as the guiding principle for any government that comes to power till the Constitution is prepared and promulgated. The umbrella organisation of the Nepali private sector earlier in

the afternoon organised a discussion on Nepali Economy Under the Shadow of Politics. The leaders of the major political parties — Nepali Congress (NC), UCPN-Maoists, CPN-UML — though admitted that the economy is in a bad shape and needed foreign investment, they could not commit to creating an investment-friendly environment. “Business without politics is the need of the hour,” said former finance minister (NC) Mahesh Acharya. “Economy should be strong, if a nation wants to be independent,” he said. Former finance minister Dr Baburam Bhattarai (UCPN-Maoists) said that a modern industrial structure is needed for economic development of the country. “Institutional reform is the need of the hour,” he said. The land ownership pattern should be changed and “the government should own the land that could be leased to the entrepreneurs or those who till the land”. Bharat Mohan Adhikari, former finance minister and CPN-UML stalwart expressed serious concerns over growing trade deficit. “The rising import and declining exports is making the country more paralysed,” he said. Despite being an agricultural economy, Nepal has to heavily depend on India for vegetables and meat products. “The country has all the symptoms of a failed state,” the CPN-UML stalwart said. Ironically, the present government is led by his own party and even Finance Minister Surendra Pandey is also from his party. “The economy is in contraction,” he said. Moderator of the interaction Prof Bishwhambher Pyakurel said that the huge purchase of Indian Currency in the recent months is historic. “It exposes the fact that the imports are rising and Nepali industries are in sorry state,” he said. “It calls for an immediate action.” The industrialists repeated their concerns and requested the parties to implement the economic agenda that promised during the election campaign.

Srilanka

Sri Lankan President changing law to extend rule

Plans to amend legislation, which limits the country's leader to serving only two terms, have been approved by the government. Officials in Colombo said the cabinet had effectively rubber-stamped the proposal; thereby allowing President Mahinda Rajapaksa to run for the presidency again and to push ahead with his wish to further cement his family within the country's establishment. The reform will be brought before parliament, where the President's United People's Freedom Alliance believes it has enough support to secure the two-thirds majority required for constitutional change. "These proposals are to be brought before parliament as an urgent bill," a

government spokesman told reporters, saying that the matter would also be put before the country's Supreme Court. Mr Rajapaksa, 64, has steadily tightened his grip on the country's politics since he defeated the Tamil Tiger rebels in 2009. Many members of his family hold senior political positions, with three brothers filling the posts of Defence Minister, Speaker of the parliament and Economic Development Minister. His son was also elected to parliament earlier this year. His opponents accuse him of cracking down on free speech and arresting dissidents and journalists. Mr Rajapaksa became prime minister in 2004, and President in 2005

Karunanidhi and the politics of Tamil culture

Sri Lankan newspapers have had no coverage of the World Classical Tamil Conference that begins in Coimbatore on June 23. The Karunanidhi administration in Tamil Nadu is sponsoring the event. 2011 is an election year in Tamil Nadu. Karunanidhi, allied to the Congress party in New Delhi, just celebrated his 87th birthday. His DMK is on a strong wicket until such time that he retires. That would likely lead to a split in the party between his two sons, Stalin and Azhagiri. This conference is an effort to bolster the image of his party in the run-up to the state polls. Karunanidhi played a significant role in upholding the then minority Congress party as the Sri Lankan military crushed the Tamil Tigers in the run up to the Indian general elections in May, 2009 . Had Karunanidhi insisted that India exert pressure on Rajapakse, the Congress Party, which depended on his support in the Indian parliament, would have been forced to do so. Prabhakaran anticipated Karunanidhi to bail him out. Karunanidhi chose not to provide that help to the LTTE. Despite the public pretense of concern at the situation of Sri Lankan Tamil civilians for electoral reasons in Tamil Nadu, Karunanidhi helped Sri Lanka by his deliberate and calculated inaction. This allowed Manmohan Singh to provide the strategic space for Sri Lanka to pursue a determined military option despite western pressure.

For once, Colombo, New Delhi and Chennai were on the same wavelength. While Karunanidhi went through the public motions of expressing alarm on behalf of Tamil IDPs caught in the cross fire, his disingenuous inaction served Sri Lanka. The Congress led administration could not have covertly supported Sri Lanka and survived in office without his explicit backing. Karunanidhi despite the public posture had no real interest in the Sri Lankan Tamils. His understandable priority was the political consolidation of his

legacy.

The upcoming Tamil Conference has a similar objective. It is intended to leverage Tamil ethnic pride on the eve of the state elections. It will consist of pageants, exhibitions, awards, literary speeches, poetry sessions, dance operas and music performances to showcase Tamil history. It even includes a marathon race. There is very little in terms of academic research. There have been eight earlier conferences between 1966 and 1995 held at roughly three year intervals. The Tamil political establishment uses such conferences to boost its political standing.

English, French, Chinese, Spanish, Japanese, Arabic, Russian and perhaps Hindi-Urdu have had more international literary, scientific and entertainment clout in the contemporary world. And yet, one does not witness regular conferences to pander to the self-esteem of the speakers of these languages. This appears to be a Tamil phenomenon.

The pomp and pageantry in Tamil Nadu appears to be directly inverse to the real influence of the Tamil language in scientific research, 20th century literature and contemporary academic discourse, all of which is conducted in the English language in Tamil Nadu! The contrast with contemporary Chinese or even Hindi-Urdu can not be more pronounced. The Chinese dialects are spoken by 1,200 million people while Hindi-Urdu is spoken by at least 700 million individuals in India and Pakistan. The political imperative in Tamil Nadu explains the need to link the Indus valley civilization with Tamil history despite no real evidence and repeatedly showcase the Tamil literary past when little has been achieved in the 20th century.

A particular discussion on Thiruvalluvar and his Thirukural would be relevant here. Much of the Karunanidhi administration's cultural policy is to celebrate the classical Tamil poet Thiruvalluvar. Professor Vaiyapuri Pillai, a noted etymologist, dates Thiruvalluvar to 600 AD based on internal textual evidence including its syntax and vocabulary. The dating is contested by some with widely discrepant alternate dates provided.

However, what is clear is that unlike the earlier Sangam era Tamil literature, the Thirukural owes much to the ideas and cultural motifs prevalent in the

The Sri Lankan Government has tarnished its own image - Bruce Haigh

The Sri Lankan Government has tarnished its own image, without help from

anyone else, Bruce Douglas Haig, former Deputy High Commissioner of Australia to Sri Lanka in 1994, said in an exclusive interview with the Sri Lanka Guardian. Bruce Haigh joined the Department of Foreign Affairs and Trade in 1972. He served in South Africa from 1976/79 with the Australian Embassy. He worked in the Australian Embassy in Saudi Arabia from 1982/84. From 1984/86 he was Director of the Indonesia Section. During that time he travelled within the Indonesian archipelago. From 1986/88, he was at the Australian Embassy, Islamabad. He travelled to Afghanistan where he reported on the war and other aspects of the Soviet occupation. He also undertook the photographic recording of Soviet activities and installations.

Bruce has visited or worked in Zimbabwe, Tanzania, Kenya, Israel, Egypt, Iran, Saudi Arabia, Kuwait, Bahrain, the Yemen, Pakistan, India, Afghanistan, Sri Lanka, Thailand, Malaysia, Singapore, Indonesia, Papua New Guinea, Canada, the United States and Europe. He was involved in high level trade and foreign policy negotiations.

Excerpts:

Q. I would like to start by inviting you to give us an introduction about your present role as a retired diplomat. You have worked as Deputy High Commissioner of Australia in Colombo. Later you wrote many articles and made a number of speeches on Sri Lanka's ethnic issues as well as the situation involving the Sri Lankan Diaspora. Could you also please give us an introduction of your role prior to retiring as a diplomat and how you have helped to build Australian-Lankan relations?

A. I don't have a role as a retired diplomat. That profession plus my earlier studies equipped me to analyse people, policies and politics and that is what I do. Australian/Sri Lankan relations have yet to be built on a proper and sound basis. Australian security agencies have driven the relationship in the wake of 9/11, when the Sri Lankan Government convinced some Western governments that it was waging a war against terror. That veil has been lifted and it is plain for all to see and now widely accepted that it was a civil war.

. Sri Lanka's diplomatic missions have gone through rapid changes over the past decade. It is also the case with the Sri Lanka's foreign policy. Unfortunately, Sri Lanka lacks a strong establishment and its foreign missions have become heavily politicized fronts with the political appointees. Are these politicized missions healthy for Sri Lanka?

A. Sri Lankan diplomatic missions have been a partisan disgrace. Thoroughly politicised; they have been vehicles of propaganda and harassment of expatriate Tamils, often with the compliance of host governments. That is now changing, as host governments question their role.

Q. Going further, it is general knowledge that political appointments have weakened Sri Lanka in many fronts? This includes inexperienced political diplomats unable to do their jobs properly. Further, these missions are unable to bring fusion between the Diaspora communities and tend to work with heavily politicized extreme Sinhala nationalist groups. This is not helping Sri Lanka to reach to the minority Sri Lankan communities to build bridges. What is your advice to Sri Lanka on this?

A. Enter the real world, embrace the new realities.

Q. The Government of Sri Lanka celebrated its first anniversary of crushing the Tamil Tigers, which is banned and listed as a terrorist organization in many countries including Australia. So what is your assessment of the post military victory against the so-called terrorist organization?

A. The LTTE is not listed as a terror organisation in Australia. There is no victory in the humiliation of the vanquished. The root cause of the civil war has not been addressed. Look at Palestine.

Q. Sri Lanka has crushed the LTTE militarily? The LTTE outfit is the product of the political failures of Sri Lanka for over six decades in not positively addressing the legitimate political demands of the Tamils. This underling political issue is haunting Sri Lanka in spite of defeating the LTTE. Can Sri Lanka continue to prolong the agony by engaging in heavy handedness towards its minorities?

A. No, but you have answered your own question.

Q. The Sri Lankan President Mahinda Rajapaksa is undertaking an important visit to India. What is your assessment of the Indo-Lanka relationship in the post –War Sri Lanka? Meanwhile Chinese vice premier is scheduled to visit Sri Lanka with a huge loan that is expected

to help galvanize the semi-dead economy of Sri Lanka. Do you think President Rajapaksa's anti-west foreign policy will achieve its goal?

A. Sri Lanka wrongly believes that it can be very clever and play China and India off against one another for advantage to the SLG. It will end in tears with Sri Lanka losing autonomy. It was a big mistake to get into bed with China, particularly under the nose of India. The Sri Lanka Government has stupidly, in my opinion, stupidly transgressed Indian notions of its sphere of influence. My own government has behaved just as stupidly and clumsily toward India.

Q. There are so many allegations against the government over corruption, war crimes, human rights violence, nepotism, manipulations, sexual abuses etc. Despite these, in the last few elections the majority of the people are with the President Rajapaksa. Why there is wide gap on the opinion of the President within and outside Sri Lanka. Is the West's attitude towards Sri Lanka justified?

A. The Sri Lanka Government killed press freedom. Debate is at best stifled and at worst crushed. Ordinary people look for financial security, a level playing field, they are desperate for jobs, prosperity, predictability, voting for Rajapaksa, partly represents that and also represents the lack of choice. Expectations relating to politics and politicians are low. How could they be otherwise in a corrupt, quasi police state?

Q. The section of the pro-LTTE Diaspora has formulated a Transnational Government which the government of Sri Lanka is vehemently opposing. Do you think a Transnational Government will be an impediment rather than a constructive effort to build bridges between communities in Sri Lanka?

A. No. It was done to influence the thinking and perceptions of Western governments and peoples.

Q. Once again the UN Special Rapporteur urged the Government of Sri Lanka to allow international access to investigate War Crimes during the final battle between the government forces and the Tamil Tigers rebels. But in his reply to Prof. Philip Alston, the Attorney General of Sri Lanka says, the allegations are baseless and issues raised are strictly the internal matters of Sri Lanka. It is alleged that Prof. Alton is tarnishing the image

of Sri Lanka internationally. What is your opinion on Sri Lanka opening its door for an international inquiry into war crimes? Do you think Sri Lanka can continue to halt the process to investigate war crimes?

A. The Sri Lankan Government has tarnished its own image, without help from anyone else. Not opening the door to an international UN backed investigation relating to war crimes is a significant statement in itself. Through the movement of segments of its population around the world the issues relating to the murder of prisoners of war, rape and killing of non combatants have become issues of international concern. They are not internal matters, just as the issue of widespread corruption in government and other institutions impacts upon the ability to conduct international trade.

Q. What is your opinion of Tamil political parties and their role in the conflict? How can they involve themselves to achieve a sustainable solution?

A. Sincere and honest discussion, negotiation and other positive interactions, of which we have seen no sign of from the government.

Indian awards ceremony in Colombo a total flop

Sri Lanka flexed their diplomatic and political muscle over India to hold the 11th International Indian Film Academy (IIFA) awards in Colombo from June 3rd. The Festival ended on the 6th with disappointing results. Sri Lanka was keen to hold the event as it concluded the first anniversary of winning the Tamil Tigers in Vanni in May 2009. Tamil Diaspora and Tamils numbering over 75 million across India staged a vehement protest, resulting in a huge impact in making the event a total flop.

This is the 11th IIFA annual awards ceremony to promote Bollywood. The IIFA Awards are watched by over half a billion TV viewers in over 100 countries. This time Bollywood faced an acid test. They never realized that they would face a real challenge from their South Indian counterparts.

When Amitabh Bachchan, the outstanding superstar in Bollywood who is in charge of promoting the event, travelled to Colombo in March, he announced that the IIFA event will take place in Colombo starting June 3rd. Since then, the Southern Indian State of Tamil Nadu politicians took up arms against Bollywood. Followed by their protest, Tamil Nadu cinema leading actors such as Rajanikanth, Kamalhasan, and others came in support, boycotting the

event, saying they would not participate in a country where the Tamils were massacred by the government armed forces.

Sri Lanka's actions regrettable

Upon the continuous protests from politicians and cinema actors, the Film Employees Federation of South India (FEFSI) organized a meeting and called upon all the South Indian actors and actresses to boycott the event, as it took place in Colombo just to seek legitimacy for the Sri Lankan government who is finally in control after their ethnic cleansing of Tamils in the last phase of the Eelam War IV.

The FEFSI joined forces with the politicians and actors, and even the Mumbai-based Bollywood boycotted the event. They warned that if any actors attended the film festival, the movies would be banned through South. The FEFSI went on to say that even should any cinema industry actors, directors, or producers make movies in Sri Lanka, those movies will not be screened throughout South India unless the Sri Lankan war criminals are put in trial with international investigations.

In a historic move, the South Indian cinema industry supported Eelam Tamils as never before. Cinema is one of the most influential media in India, receiving a wide audience from all sectors of lives including people who beg on the streets to people who are billionaires.

Sri Lanka worked hard to make the event a success so it can show the world that Sri Lanka is a safe haven after the war with the LTTE. Film festival success meant that Sri Lanka could lure foreign businesses and grow a booming tourist industry. However, the cinema's industry boycott in South India shows that Sri Lanka cannot be forgiven by the over 80 million Tamils world-wide and their supporters.

The South Indian film industry clearly stated that they are not against the IIFA, but they are against the venue, as Sri Lankan leaders are facing international war crimes probes. Even the United Nations has blamed the Sri Lankan government for their actions. The UN wanted accountability for what happened to the civilians who died in the thousands within a matter of weeks after kicking out the UN agencies and media. The LTTE ultimately had to silence their guns in order to safeguard the civilians. If the LTTE continuously fought with the government forces, the casualty figure would have risen to an unprecedented number. The actions carried out by the government was not acceptable and further, the government, which is now

failing to take responsibility for their actions, continues blundering with their own agenda. In this context, Sri Lanka's actions are regrettable by any human being and obviously it would be pity if the Dravidians, including Tamils who share culture, history, and language with the Tamils in Sri Lanka, do not come in support of their counterparts in Sri Lanka. This is the sentiment that the South Indian film industry justly showed, and it has a very valid reason.

High price paid for nothing

Bollywood and the major Indian trade unions, the Federation of Indian Chambers of Commerce & Industry (FICCI), were joining hands with Sri Lankan government to make this event a success. The flagship organiser of the business event was the FICCI-IIFA Global Business Forum. Hundreds of Indian CEOs and business heads and the cinema industry travelled to Sri Lanka to take part in the IIFA event. The Indian businessmen were also scheduled to sign business deals with Sri Lanka.

The Sri Lankan government invested 9 million USD for the success of the event while the FICCI – IIFA Global Business Forum promised the Sri Lankan government that the event would earn over 126 million USD, which would be handed over to the Sri Lankan government. But, due to the boycott of the South Indian film industry, the leading Bollywood actors and actresses did not show. Only second level Bollywood actors and actress, along with technicians from Mumbai, made an appearance. Salman Khan, Hrithik Roshan, Vivek Oberoi, Lara Dutta, Boman Irani, Ritesh Deshmukh, Dia Mirza, Zarine Khan, Sharman Joshi, and Jenaliya were among the Bollywood actors and actresses who took part in the event despite heavy protest from South Indian film industry and politicians.

The Sri Lankan government leaders were frustrated about the boycott. The South Indian film industry followed through on their promise and released all the actors and actresses who participated in the event from their committed movies. For example, actress Jenaliya, who attended the event, is being removed from Vijay's next film "Vellayutham". Though the question is, how long the ban for these actors and actresses will be in force? Or it is a permanent ban? The answers to these questions should be firm. That would be the only way the South Indian film industry's actions will be kept respectful and that would really show solidarity with the Tamils throughout the world who are still grieving over what happened to their relatives in the last phase of war.

Sri Lankan President Mahinda Rajapaksa flip-flopped, saying that he was not really committed to attend the event. It is a reliable fact that Rajapaksa, along with his wife, promised to attend in order to hand out the awards. Their no-show disappointed a lot of the audience. Local media also maintained that Rajapaksa did not attend the event because the majority of the Bollywood stars did not make an appearance at a brunch hosted by him on Saturday morning. The President's Secretariat insisted that he was never scheduled to attend the event.

Even some Sinhala artistes complained they were sincerely hurt and angry at the way the organisers treated members of the Sri Lankan Film and Art industry by giving top priority to the Indian artistes. A local actor and former MP, Ravindra Randeniya, said that the invitations to local media personalities were sent to the local artistes in an insulting manner. Sri Lanka paid a high price for the event as well as the FICCI – IIFA Global Business Forum. The Indian artists who took part will have to suffer due to the ban in the South for their upcoming movies and some of them will definitely face problems in upcoming roles in South Indian films.

The 11th IIFA awards ceremony is a total failure and this shows that humanity never dies. However, it is sad that the ones who participated came forth heavily against the ones who did not take part in the event. The artists even advocated through public speeches that all the cinema industry in India should come forth to help the friendly neighbour Sri Lanka. This shows that the cinema artists who aspire to dominate in politics try to make friends abroad for their own survival in the deaths of innocent civilians. It is, however, obvious that even their ghosts would not pardon these artists for supporting State terrorists. It is the aspiration of the Tamils worldwide that the South Indian film industry should stand behind the Eelam Tamils until they receive justice.

War Refugees a Concern as Sri Lanka's Rajapaksa Visits India

India is likely to push Sri Lankan President Mahinda Rajapaksa to quickly resettle ethnic Tamils still living in camps more than a year after the end of a near three-decade civil war during talks in the capital today.

Rajapaksa, 64, arrived in New Delhi yesterday for a four-day trip, his first to Sri Lanka's northern neighbor since winning re-election in January. Meeting representatives of the Tamil National Alliance on June 7, he restated his vow to permanently heal the island nation's ethnic divisions. Indian leaders will be

keen to keep him to his word, analysts said.

“Except for rhetoric, Rajapaksa has not moved toward reconciliation and nothing has happened on the ground to give confidence to Tamils that they can live in peace in Sri Lanka,” said S. Chandrasekharan, director of the South Asia Analysis Group, based in a suburb of New Delhi. India may push the president to ensure Tamils “feel they have a role to play in the administration.”

Before sweeping to the biggest election win in 16 years, boosted by his May 2009 victory over the Liberation Tigers of Tamil Eelam who had been fighting for a homeland in the country’s north and east, Rajapaksa said he would submit proposals for a political solution after talking to all parties. He pledged to spend \$1 billion annually on ports, roads and power plants to reintegrate war-hit areas.

Protests against the president’s visit erupted yesterday in the southern Indian state of Tamil Nadu, which shares close cultural and religious links with Sri Lankan Tamils. The ruling party in the state is a key member of the Congress party-led federal coalition government.

‘Trust Me’

About 76,000 Tamils forced from their homes during the conflict are still living in government run camps, Rajapaksa told the Indian government in March. Up to 300,000 people may need rehabilitation in the north of the country.

“Trust me and together we can find a solution to the problems faced by all our people,” a statement by Sri Lanka’s presidential secretariat quoted Rajapaksa as telling the Tamil National Alliance, which backed the main challenger in January’s poll. “I want a permanent solution. But I will not bow down to terrorism, and what the terrorists wanted I will never give,” the statement said.

Rajapaksa will hold meetings with Indian President Pratibha Patil, Prime Minister Manmohan Singh, 77, and senior ministers for talks on trade and economic cooperation, the Sri Lankan government said in a statement.

Gandhi Assassination

India avoided direct involvement in Sri Lanka's war with the Tamil Tigers after a peacekeeping force it sent to the island in 1987 withdrew in March 1990 following clashes with Tamil rebel forces.

It blamed the Tigers for the May 1991 assassination of former Indian Prime Minister Rajiv Gandhi, the husband of current Congress president Sonia Gandhi, in Tamil Nadu.

Sinhalese, who are mostly Buddhist, account for 74 percent of Sri Lanka's population. Tamils make up almost 12 percent and live mainly in the north and the east.

India is assisting Sri Lanka in building houses and hospitals, constructing rail lines and supplying buses for reconstruction and rehabilitation. It has offered \$425 million in credit for railway projects in the north. The two nations have had a free trade agreement since March 2000.

The end of Sri Lanka's war has spurred investment in agriculture and tourism, helping lift expansion in the \$41 billion economy. Inflation is half the average rate of the five years through 2009 as agricultural supplies from former Tamil rebel-controlled areas increase.

Lankan Minister predicts booming economy for Sri Lanka with north-east contribution

With major economic contributions from the North East, Sri Lanka's economy is to bounce back and become a major trade hub in the South Asian region with the end of the 30-year-old terrorist problem boosting business opportunities in the war ravaged North East. This prediction was made by Minister of Rehabilitation and Prison Reforms, Dew Gunasekera , who is also the Chairman / General Secretary – Communist Party of Sri Lanka, when he addressed the certificate presentation ceremony of 120 ex-LTTE combatants who successfully completed a vocational training programme, after their rehabilitation in Colombo on Tuesday.

The vocational training programme had been conducted at the Handwork Training Centre in Malegoda, Payagala providing the ex-combatants training in carpentry, electrical wiring, welding and masonry. He pointed out that people in the Eastern Province have now begun to contribute to the national economy. The fishing and dairy industries in the

region are growing fast.

As a result of the speedy infrastructure development work implemented under the Eastern Reawakening programme, people in the East could now send their produce faster to other parts of the country, he said. Fish and dairy products from the East are now available in markets in the South, opening new markets for the people who have been rescued from LTTE terror during the humanitarian operations in the East.

He revealed that the contribution of the East to the national economy is around 4% to 6% of the GDP. Mr. Gunasekera noted that an unprecedented development programme is being implemented in Hambantota in the South making the area a strategic economic location in the island. The construction work of the Mahinda Rajapaksa International Conference Hall and the new administrative complex are nearing completion at a cost of Rs.2 billion with Korean assistance. Sri Lanka will host a Commonwealth Heads of Government conference 2013 at this hall in the southern town of Hambantota which will also be attended by Britain's Queen Elizabeth, he said.

In order to build capacity of conflict affected people to pursue the livelihood and economic activity of their choice, these ex-combatants who either surrendered to the forces or captured by forces and currently under the Office of the Commissioner General of Rehabilitation, successfully concluded a 100-hour residential vocational training in construction industry-related fields.

The rehabilitation programme had been initiated by the FCCISL CHEER (Chamber Network Engagement in Economic Rehabilitation) project which is funded by the European Union. OXFAM, together with FCCISL and its member district Chambers of Commerce and Industry of Ampara, Batticaloa, Trincomalee, Vavuniya and Mannar had implemented the training programme, said the President of FCCISL Kosala Wickremanayake.

CB chief puts 1Q growth at 6%

The Sri Lankan economy has improved, recording better results and showing 6% economic growth in the first quarter, according to Central Bank Governor Ajith Nivard Cabraal. "We have seen much improved conditions in the economy during the first quarter, where all the sectors have shown greater improvement and see around 6% growth in the economy, better than expected," he said. The Governor also said that the recent reduction of the

taxes imposed on imports would bring more benefits to the economy, as more people start investing in these areas, therefore boosting economic activity.

"Duty reduction will also result in the reduction of duty concessions to State sector employees and other professionals. The present system will offer everyone in the economy the ability to afford what they want to buy without relying on additional duty concessions such as duty free permits," Governor said.

Governor Cabraal also said that the banking sector was going to see more improvements in the coming months, with two additional international banks having requested licences to enter Sri Lanka.

"Their requests are now in the pending stage and it's too early for me to announce which banks they are," Cabraal said.

Sri Lanka's Economic Growth Expected to Exceed 6% in 2011

In the two years following the end of a brutal war, Sri Lanka's economic growth is projected to exceed six percent, according to the World Bank's first annual assessment of regional economies. The expectation follows a period of record-breaking expansion. Although the country's overall growth in 2009 was hindered by a slow start to the year, the second half of 2009 saw Sri Lanka's economy expand by 3.3 percent, the fastest rate of economic growth reported since 2002. "The short-term prospects for the Sri Lankan economy are positive, for several reasons," the World Bank predicts. In addition to an increase in private investment growth and private consumption, the Bank expects "continued robust public investments—for reconstruction in the north and for other large-scale infrastructure projects—will provide added impetus to growth in 2010." According to an appropriations bill submitted in Parliament Tuesday, the Sri Lankan government is planning on an allocation of \$527 million for economic development while \$1.7 billion is targeted for defense spending.

"As peace returns, the post-conflict peace dividends can be large but are not automatic; policy settings need to be supportive—potentially raising growth by two to three percentage points annually in the countries and more in the sub-regions severely affected," said Andrew Steer, the World Bank acting chief economist for the South Asian region. The report said South Asia is expected to rebound "strongly following the global financial crisis." The region is expected to grow by about seven percent in 2010 and nearly eight percent in 2011. "Over the past 15 years, the region has become much more

open—and it appears that the form of openness it has chosen has provided resilience in the face of recent shocks,” said Steer. The report says that remittances have become the biggest source of foreign earnings in the region, representing an average of 10 percent of GDP.

“Remittances, exports of goods and services such as in the IT and garment sectors, and foreign direct investments kept up during the crisis,” Steer said. “At the same time, policy response in most countries played a key role in boosting confidence and accelerating recovery.”

Sri Lanka: Colombo, more money allocated to army than economy, despite war being over

rupees (1.5 billion) to the Ministry of Defence for 2010. It is the highest sum in the last 25 years. Last year 177 billion (1.3 billion) were allocated to the army, but the war against the Tamil Tigers (LTTE) was still ongoing, and only formally ended May 18, 2009. Several people, who prefer to remain anonymous, tell *AsiaNews* that "the war is over. What need is there to strengthen the army? The intention is clear: the foreign bank accounts of prominent people will increase "

The June 8 draft budget, calls for the availability for the financial year 2010, of approximately 975 million rupees (7 million) for the public services sector. The cost of living in Sri Lanka is very high and workers cannot survive without proper state assistance. The 201 billion rupees allocated to the Ministry of Defence have enraged citizens, especially when compared with the 61 million (450 thousand Euros) earmarked for the Ministry for Economic Development, the 2750 (20 million) for education and 5310 (39 million) for health.

The Secretary General of the *World Forum for Fisher People* (WFFP) commented on the news to *AsiaNews*: "The situation is pathetic, we can not accept this bill. Regarding education, apart from teacher salaries, the rest must be paid by parents. There are no medicines in hospitals, patients have to buy paracetamol in pharmacies. The Government has always justified its spending with the war, but now the war is over. "

Unofficial sources believe that the money will serve to help the Government to establish in the Sinhalese domination of the north. The Sinhalese are the majority ethnic group in Sri Lanka, making up about 74% of the population

and live mainly in the centre, south and west of the country.

Sri Lanka: Colombo, more money allocated to army than economy, despite war being over

Population's disbelief over 201 billion rupees (1.5 billion) allocated to the Ministry of Defence despite the war ending last year. Education, health and economic development are in crisis.

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