

NEWS WRAP

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Army Generals and their civilian front autonomous offices have promised elections in Bangladesh, for 2008. Efforts have been initiated to rectify a voters' list, which has millions of extra names. But the state of emergency continues, with sincere politicians hesitant to enter electoral politics, while army administration continues. Having been unsuccessful in despatching the two bading civilian politicians to exile, Khaleda Zia (Bangladesh Nationalist Party) and Sheikh Hasina Wajed (Awami League) are imprisoned, under Emergency Power Rules. So far the army has not attempted to launch its own political parties, to prolong military rule. The BNP and the Awami League were patronage-based personality cult parties, cornering 90% of votes in earlier elections. The two-party politics was corrupt and extremely confrontational.

More than 250,000 individuals have been detained in Bangladesh, since January 07. Repressive measures like censorship, arrests without warrants, and the physical assaults on journalists and intellectuals, followed the students riots of August 07. Military rule has led to dismal economic consequences. There has been a sharp decline in garment exports, the economy's main support base. Investment has been negligible. The poor suffer acutely from the devastating floods and rising international oil prices. In August 07, \$ 300 million of Bangladesh's foreign exchange reserves, were utilized to pay for fuel subsidies. The increasing economic privations and the political vacuum may encourage mainstream and more radical Islamist groups, India has cause to be worried with the alleged involvement of Bangla-desh-based Terrorists in the August 07 bombings in Hyderabad.

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Co-inciding with presidential elections in Taiwan in March 08, a referendum is planned to garner support for joining the United Nations as "Taiwan", rather than "Republic of China", the name which lost its seat to China in 1971. Taiwan's president, Chen-Shui-bian has energetically pursued Taiwan's membership in international organizations. The referendum would boost the votes for Mr Chen's Democratic Progressive Party (DPP), in the forthcoming presidential and legislative elections. The DPP is firmly behind the Taiwan independence movement. The Nationalsit Kuomintang Party (KMT) is supportive for ultimate unification with China, which may not fetch large votes. The KMT has proposed an alternative referendum, as to whether Taiwan should join international bodies, like the UN.

Enshrined in "Anti Secession Law" (2005), China maintains its right to 'reunify' Taiwan by force. President George Bush of USA met the Chinese President Hu Jintao in Sydney, in the first week of September 07. Apparently the Taiwan issue was ignored. But John Negroponte, the deputy secretary of state, USA, has stated that the referendum was a mistake, and amounted to a "declaration of independence". The planned referendum may not win the necessary support, as the proposal requires more than 50% of the 16.8 million eligible voters, to support it.

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The biggest customers of the World Bank are middle-income countries (MICs), a group having annual GDP per head ranging from \$1000 to \$6000. The account for 63% of World Bank loans, and over half of its administrative budget. The MIC group countries have a decent track record of repaying loans, and exhibit efforts with results, at poverty reduction. Dams in the Philippines have been Bank initiated and funded projects. During the last twelve years, the middle-income countries have repaid \$3.8 billion annual average, which is higher than the amounts they have taken in fresh loans. The World

