

NEWS WRAP

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The relay of the Olympic torch from Athens to Beijing witnessed anti-Chinese, pro-Tibetan marches and flames in London, Paris and San Francisco. For thousands of Tibetans fleeing into exile, Nepal has been a destination immigration land or transit route. 20,000 Tibetans live in Nepal. During demonstrations by Tibetans in Kathmandu since 10 March 08, Tibetans have been tear-gassed, physically assaulted, and threatened with deportation. Dozens of Tibetans are being arrested in Nepal everyday, and later released. The present government in Nepal that is suppressing Tibetan protests, had emerged from a people-power sharing movement, two years earlier. Nepal follows a "One China" policy, and treats China as a balancing factor, for any relationship with neighbour India. The second biggest mainstream party in Nepal is the Communist Party of Nepal (United Marxist-Leninist), that considers Tibet's earlier Lama rulers as feudal and oppressive. The left radicals feel that Tibet is a backward region, where China is in the vanguard of development.

Several ethnic religious groups in Nepal and Tibetans share cultural, linguistic and Buddhist religious ties. While police brutalities continue on Tibetan demonstrators, many self-styled "local Nepalis" have protested at Tibetans demonstrating before Buddhist shrines. A road has been constructed from Kathmandu to the Tibetan border by the Chinese. Nepal receives economic aid from China. The government in power in Nepal has always received support from China. Chinese officials have been reportedly entering Nepal, to oversee Tibetan protesters. China would like to ensure closure of Nepal's side of Mount Everest, when the Olympic torch is due to arrive on the Tibetan precipice of the summit, in early May. Mountaineers may be displeased with any restricted access to Mount Everest.

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In Pakistan's Waziristan and North-West Frontier provinces, violent groups have held sway on weak administrative canvasses. Waziristan has become a base for Afghan warlords, ferocious Uzbeks and a variety of local, armed lawless, who are guilty of bloody strikes against the Pakistan army and civilians. While not averse to US plans of investment of \$750 million in development aid in tribal areas, members of parliament from North Waziristan feel that fighting would continue, so long as US troops and NATO forces remain in Afghanistan.

The tribal areas are ruled by a colonial-era law, under the threat of collective punishment. Autonomy is based on the Frontier Crimes Regulation (FCR) Act. Yousaf Raza Gillani, the PPP's new prime minister wants to abolish the FCR. Pro-Taliban clerics threaten tribal uprisings if the FCR is abolished. While nobody is sure of a replacement to the FCR, over half of the tribesmen demand Islamic 'Shariat' law. The leader of Pakistan's People's Party (PPP), Asif Zardari who is also Benazir Bhutto's widower, has pledged to talk to al-Qaeda and Taliban militants, entrenched on Pakistan's borders. Both group of fighters have strongholds in the Tribal areas, and USA has increased missile strikes in the Tribal provinces. President Musharraf's support for USA has not been popular in Pakistan. Several terrorist training camps have been closed by Pakistan's army.



In order to build buffer stocks and rein in domestic prices, that registered a steep rise, India has imported about 7.3 million tons of wheat, over the last two years. A major wheat exporting country, Australia, suffered two successive droughts, leading to a decline in wheat harvests. International wheat prices increased by about 100% in 2007. In a parallel manner, the exportable surpluses of rice in the world in the first quarter of 2008, are the lowest in recent years. The domestic wheat stocks during 2008-09 is expected at a meagre one million tons, more than the buffer norm of four million tons! Again, rice stocks are calculated to be on par with buffer norm. With regard to availability requirements of the Public Distribution System and prices, the wheat and rice stock situations are vulnerable.

The global markets are no longer flexible for the availability of rice and wheat. India's inflation rate has hit 7%. The union government has decided recently to form a strategic reserve of five million tons of food grains, in addition to the buffer stock, for meeting emergent food situations. The central government will bear the expenditure on procurement and storage cost of the grains. Three million tons of wheat and two million tons of rice will comprise the strategic reserve. Surpluses of domestic stocks after meeting buffer norms, and through weekly or fortnightly imports will fulfil the strategic reserve.

Meanwhile, during the last one year, the prices for grocery and other food items, have shot up by almost 40% in the metro cities of Kolkata/Chennai/Mumbai/Delhi. The food prices rose the maximum in the national capital, followed by Kolkata, Mumbai and Chennai. Volatility in global food prices, a mismatch in supply-demand of agricultural products, and increased purchasing power of consumers have been raising prices acutely. Prices of mustard oil and milk increased the highest in Kolkata, compared to the other cities.



Consequent to kidnapping of five engineers, belonging to the National Highway Authority of India (NHAI) on 12 March 08, near Halflong area of North Cachar Hills, construction work has come to a standstill on the East-West corridor in Assam, for over a month. The project manager hails from Bihar, and the rest of the team belong to Assam. The entire NHAI team was kidnapped by unknown abductors. The contractors in the area have refused to resume work, till 'pro-active security arrangements' are installed, for protection of the workers. Eleven railway staff were killed in Haflong area in October 06. The four lane NHAI projects are budgeted at Rs 6000 crores, through 678 kms in Assam. □□□