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Woman Cleared In Indonesian E-mail Case

REUTERS

JAKARTA - An Indonesian court yesterday freed a woman charged with defamation for sending an e-mail to friends complaining about her treatment at a private hospital, a case that fueled public anger and demand for legal reform.

The unpredictable legal system in Southeast Asia's biggest economy is regarded as a key deterrent to investment and critics say it frequently punishes the most vulnerable while favoring the rich and well-connected.

The criminal case against Prita Mulyasari struck a particular chord with thousands of Indonesians who signed pledges of support for the mother of two on sites such as Facebook.

"Defendant Prita Mulyasari has not been proved guilty of defamation and is free," Arthur Harnewa, the head of a panel of judges, told the district court in Tangerang, an area west of the capital Jakarta.

Mulyasari wiped away tears on hearing the verdict, which prompted an outburst of applause from the



Reuters

A worker forcibly loads a water buffalo into a truck during an operation to evacuate all animals living inside the extended 8 km danger zone around the Mayon volcano in Mabinit town, Albay province, south of Manila, yesterday. Officials have evacuated nearly 50,000 residents from around the base of the volcano.

gallery.

"Thanks be to God," said Mulyasari, who was wearing a floral Muslim head-scarf.

She had accused Omni International Hospital of being unprofessional in its treatment for what turned out to be mumps.

Her private e-mail to friends was

later circulated on other Internet sites, prompting the hospital to file a defamation case accusing her of damaging its doctors' reputations.

Mulyasari was fined \$21,620 in a civil case and then faced a criminal case under a controversial information law passed in 2008 that meant she could have been jailed for up to

six years in jail for spreading false news online. The public held collections to pay her fine, although the hospital later dropped the civil suit.

Slamet Yuono, Mulyasari's lawyer, said his client was considering a civil suit against the hospital if it did not apologize. Hospital officials could not immediately be contacted.

Pressure for Abhisit as Health Minister Quits in Graft Scandal

REUTERS

BANGKOK - Thailand's Public Health Minister resigned yesterday after being implicated in a corruption scandal over a health care scheme funded under the government's \$43 billion economic stimulus package.

It was the third ministerial resignation since the government took office a year ago and the latest setback for Prime Minister Abhisit Vejjajiva, who is facing mounting pressure to dissolve parliament and call an election.

The departure of Witthaya Kaewparadai, a member of the ruling Democrat Party, may also lead to a cabinet reshuffle, which could further destabilize an uneasy military-backed coalition dogged by disunity and internal power struggles.

Witthaya stepped down after an investigation found he was negligent in his handling of a three-year, \$2.57 billion procurement project.

"I want to show responsibility to the public," Witthaya said in an-

nouncing his decision.

The panel recommended that Witthaya and his deputy, Manit Nopamornbodi, be disciplined for backing ministry plans to build facilities and buy medical equipment deemed unnecessary and grossly overpriced by local health officials.

The committee said 9 unelected officials were also involved in the scandal involving the stimulus program, implemented to speed up economic revival but also seen as a populist move to boost the government's popularity.

Abhisit is expected to forward the findings to the National Anti-Corruption Commission for further action.

The opposition Puea Thai party, which backs exiled ex-premier Thaksin Shinawatra, intends to raise the issue during a censure debate early next year planned to coincide with anti-government rallies by the billionaire's "red shirt" supporters.

Thailand Raises its Economic Growth Forecast for Next Year

BY PHISANU PHROMCHANYA
THE WALL STREET JOURNAL

BANGKOK - Thailand on Monday revised its economic growth forecast for next year upward to 3.5 percent, signaling confidence that the recovery spurred by government stimulus spending and a rebound in private consumption is sustainable.

Fiscal Policy Office Director-General Safit Rungkasiri said that the ministry also expects gross domestic product to contract 2.8 percent this year. In September, the ministry had forecast a contraction of 3 percent this year and growth of 3.3 percent in 2010.

In a statement, the Ministry of Finance said economic conditions had improved "due mainly to the effect of fiscal stimulus measures and recoveries in private spending as well as global economies."

Many nations are revising their growth forecasts as industrial output improves with rising demand

for goods, indicating that the ongoing global recovery is here to stay, Safit said.

The ministry said its GDP projections were based on the assumption that the central bank's policy rate will remain in a 1.25 percent to 1.75 percent range, while the exchange rate will be between 32.0 baht and 34.0 baht to the US dollar. Currently, its main policy rate is 1.25 percent.

"There are possibilities that the Bank of Thailand will hike its policy rate by 25 to 50 basis points in the second half of next year, depending on the pace of domestic price pressures," said ministry spokesman Ekniti Niithanprapas.

The ministry forecast core inflation at 1.5 percent next year and headline inflation at 3.4 percent. Exports and services are expected to expand 15.5 percent, imports should rise 27.7 percent, while private investment is tipped to grow 8.0 percent.

REGIONAL

Banned Burmese Teak Still For Sale at Many US Outlets

BY PATRICK WINN
GLOBALPOST

BANGKOK - Though the US' relations with Burma shows signs of thawing, the regime-run country still suffers some of the US government's heaviest sanctions.

To punish the Burmese government for human rights abuses, the US government won't let Americans invest in Burma or import its goods. These prohibitions are meant to prevent Americans from buying up Burma's most desirable resources—such as rare timber and jade—and inadvertently funding the oppressive regime.

Still, US furniture dealers continue to openly market Burmese wood, notably teak, an increasingly rare hardwood prized for its beauty and resilience. Despite Burma's infamy, and toughening US laws, Americans can still purchase coveted Burmese hardwood online.

Sales of any Burmese goods may fund the country's oppressive junta-run government, accused of forced labor, systematic rape and shelling ethnic villages. Exotic timber is one of the junta's biggest moneymakers.

Between 2007 and 2008, timber was the junta-run government's fourth-largest export, according to the UK non-profit agency Global Witness. The advocacy group, which exposed Africa's "blood diamonds" trade, has lobbied intensely to clean up Burma's timber trade.

Beyond funding human rights abuses, timber sales also help strip already-ravaged forests. Global Witness' forestry expert, Jon Buckrell, calls the region "one of the most biologically rich and most threatened environments on earth."

As of December 2009, many US companies were openly selling wood labeled as "Burmese" online. They include Floors To Go's line of "Ulysses Burmese Teak," Can-Trust Hardwood's "Solid Burmese Teak" and Corona Hardwood's "Burma Mahogany."

Each of these businesses was contacted for comment. Only Corona Hardwood responded, directing questions about the wood's origin to the importer, Elegance Wood Flooring. That company, through e-mail, also would not comment about its "Burma Mahogany" product, which is advertised as originating in "Burma/Thailand" on its web site.

Burmese teak is among the most beautiful, resilient hardwood on the planet. It's resistant to rotting, warp-

ing and degrading—even under harsh rain and sun. Old-growth teak remains the choice wood for crafting patios, deck furniture or yachts.

Though the spirit of the US federal law is clearly against importing Burmese wood, importers have long exploited legal loopholes.

The "Burma Freedom and Democracy Act," renewed by the US president each year since 2003, bans the import of "any article that is the product of Burma."

To get around this law, US hardwood vendors can simply import Burmese timber from China, where the wood is trucked across the border and sawed into planks.

Additionally, Congress intensified illegal logging laws late last year by amending the Lacey Act, a more than 100-year-old conservationist law. Now, US importers must declare the wood's "country of harvest." If it is from Burma, importing that wood is illegal.

It's possible to process the wood until "it may no longer be considered of Burmese origin," said Jessica Milteer, a spokeswoman with the US Department of Agriculture. But hardwoods—which many US companies offer—would not fall into this category.

Depending on whether federal agents can prove importers or dealers know they've trafficked illicit wood, fines range between \$250 and \$500,000. Some violations can impose prison sentences.

The amendment also says US importers must now heed "any foreign law that protects plants." So if Chinese conservationist laws prohibit imports of rare Burmese trees, US companies are prohibited from importing that wood. A legal crackdown has helped reduce illicit wood imports from Burma in some areas by 70 percent, say Global Witness.

The US, however, has yet to stage a sweeping crackdown on wood importers. The new law isn't retroactive, so US dealers are free to sell down their remaining stock of Burmese wood.

There are alternatives to Burmese teak. Harsh laws and a dwindling world supply have given rise to "plantation" teak, often grown in tropical climes around Central and South America. Though this teak is considered more sustainable and eco-friendly, some boat makers and furniture dealers say it just can't match the quality of old-growth Burmese teak.



Reuters

Police show their service firearms with tape wrapped around the muzzles after a ceremony at a police headquarters in Taguig City, Manila yesterday. Police have been taping the muzzles of their guns to monitor who discharges their firearms during revelry as New Year's Day celebrations approach and stray bullets are often the cause of a number of deaths.

Indonesia Rules Out Electricity Price Increase in the New Year

REUTERS

JAKARTA - Indonesia will not raise its basic electricity tariff in January, the chief economics minister said on Monday, as the government is still reviewing the impact of any hike on its 2010 state budget.

Some analysts have flagged that a planned increase in electricity tariffs next year may boost inflation and prompt the central bank to start tightening its monetary policy.

"What's obvious is that there will be no hike in the electricity tariff in January," Chief Economics Minister Hatta Rajasa told reporters without elaborating.

The chairman of the finance ministry's fiscal policy board, Anggito Abimanyu, said the government was still studying the impact on the budget deficit, which is forecast at 1.6 percent of gross domestic product in 2010.

"We are still calculating the budgets for all possibilities by running some simulations. Surely there will be consequences to the 2010 budget" if the electricity fee is raised, said Abimanyu.

Indonesia's state electricity firm PT Perusahaan Listrik Negara said

in September it may propose a 20-30 percent hike in the electricity tariff to reduce subsidies.

PLN last increased tariffs in 2003 by an average of 30 percent, but with rates of about 7 US cents per kilowatt hour, Indonesia's electricity is the cheapest in Southeast Asia.

Indonesia's statistics bureau will announce December's inflation rate on Jan 4, while the central bank will hold its monthly monetary policy meeting on Jan 6.

Consumer prices dropped on a month-on-month basis in November, driving annual inflation to 2.41 percent, its lowest in over nine years.

But inflationary pressures are expected to pick up next year and the timing of an electricity hike could be an important swing factor in determining when interest rates could rise.

Some analysts have said the government is unlikely to bring in an early hike in power tariffs next year because of a political squabble triggered by an investigation by parliament of a government bailout last year of a small bank.

INTERNATIONAL

Iran Forces Continue To Crack Down on Opposition Movement

By BORZOU DARAGAH
LOS ANGELES TIMES

BEIRUT, Lebanon - Iranian authorities dramatically intensified a crackdown on the country's burgeoning opposition movement Monday, rounding up political activists and seizing the corpse of one leading dissident's nephew, along with the bodies of other victims of weekend violence, in an apparent effort to stem further protests.

Authorities positioned swarms of police at main squares in Tehran, dispatched helicopters and shut down some subway stations and telephone service to prevent demonstrators from arriving as protests broke out Monday afternoon in the capital, news websites said.

In Najafabad—the hometown of the late dissident cleric Ayatollah Hossein Ali Montazeri, whose Dec 19 death fueled the opposition's determination over the weekend—martial law has reportedly been declared amid an outbreak of civil unrest.

At least eight people were killed Sunday in civil disturbances in Tehran, according to Iranian news outlets, with dozens of police officers and protesters injured and huge swaths of the capital littered with debris and ash from a weekend of rioting. Protests coinciding with the Ashura religious holiday also broke out in other cities and towns across the country. Hundreds were arrested in a dragnet targeting opposition figures and activists that continued into Monday.

Authorities said Sunday that 300 people had been arrested in the day's fiery protests. Iranian opposition websites put the number of arrestees at 550 in Tehran and more than 400 in Esfahan, including the brother of reformist politi-

cian and former Interior Minister Abdullah Nouri.

The crisis sparked by the disputed reelection of Iranian President Mahmoud Ahmadinejad and the subsequent violent crackdown on his opponents continues to dominate the country's social and political life, contributing to the sense of a spiraling crisis. One leading reformist cleric on Monday called on fellow clergy to speak out forcefully against the government's continuing actions, which over the last six months appear only to have added fuel to the fires of public resentment against the Islamic Republic.

"I call on all true clerics, and all men of God in all cities, to break their silence . . . and to demand that the government act in line with the constitution in order for this revolution, which is the fruit of the blood of thousands of martyrs and the sacrifice of thousands of veterans, to be delivered from the grasp of reactionaries," Ayatollah Mohammad-Ali Dastgheib Shirazi said.

Images of the weekend's violence captured by protesters using cellphone video cameras, uploaded to the Internet and broadcast globally grabbed headlines and riled capitals. Western officials urged Iranian authorities to deal peacefully with their opponents and release prisoners.

"For months, the Iranian people have sought nothing more than to exercise their universal rights," US President Barack Obama said while on vacation in Hawaii. "Each time they have done so, they have been met with the iron fist of brutality, even on solemn occasions and holy days. We call upon the Iranian government to abide by the international obligations that it has to respect the rights of its own people."

Even Russia, a frequent supporter of the Islamic Republic, joined in an international chorus of concern about the violence.

"The main thing in such a situation is to exercise restraint, search for and find compromises on the basis of the law [and] make political effort to prevent further escalation of internal standoff," said an official commentary posted on Russia's Ministry of Foreign Affairs website.

The mass arrests of activists, some of them with minimal roles in the ongoing unrest, and the snatching of corpses suggested frustration on the part of Iranian authorities. They have been unable to stem the tide of an opposition movement that appears to be growing in size and gaining new geographic and demographic footholds despite the use of police power, the judiciary and state broadcasting, which has been airing a steady stream of disparaging reports about the opposition.

"They can't believe this system of organizing ourselves by ourselves," said one political activist in Tehran. "They think there must be some infrastructure, and they are dying to find it."

Although there were scattered reports of security units declining to assault demonstrators, there were no apparent signs of any breakdown in the security apparatus.

Most analysts assume Iranian authorities are drawing a parallel between the current political strife and that of the tumultuous first years after the 1979 revolution, when clerics managed to stay in power by purging certain political factions and imprisoning their opponents. But Iranian society has changed a great deal since the 1980s, analysts say, and new com-

munications technologies make the use of blunt force more risky.

The media furor over the seizing of the corpse of Ali Habibi-Mousavi—opposition leader Mir-Hossein Mousavi's nephew, who was allegedly shot by security forces or allied militias during massive anti-government Ashura protests Sunday—highlights the potential pitfalls for the Iranian establishment. Analysts reached in Tehran said authorities probably seized his body to prevent demonstrations from forming around his funeral. Instead, authorities came off as gruesome and heartless.

A report by the official Islamic Republic News Agency said Habibi-Mousavi's body and those of four other victims of the day's violence had been taken away for "investigation" by the police, citing no sources.

Meanwhile, security forces Monday swept up numerous prominent activists, including Iran's leading death-penalty opponent, Emadeddin Baghi, trashing his home and roughing up his wife, his brother said in an e-mail.

Authorities on Monday also arrested the leader of a reformist party, Ebrahim Yazdi, who served as a deputy prime minister in the first months after the revolution, opposition news websites said.

Others arrested, according to news agencies and websites, included two of opposition leader Mousavi's deputies, student activists, journalists, reformist cleric Ayatollah Hossein Mousavi Tabrizi in Qom, and the mother and brother of Sohrab Aarabi, a young Iranian man slain during protests in June.

A 27-year-old Syrian journalist was among those arrested Sunday.

Pope Eats With Homeless in First Outing Since Knock Down

REUTERS

ROME - Pope Benedict shared a meal with the homeless, poor and elderly on Sunday during a visit to a soup kitchen marked by increased security following the incident in which a woman knocked him down during Christmas Eve Mass.

The pope spent several hours at the soup kitchen run by the Sant Egidio Community, a lay Catholic group that has been nominated several times for the Nobel Peace Prize.

Benedict, who appeared in good form, ate with 150 people and sat next to Qorbanali Esmaili,

a 34-year-old Afghan Muslim who has political refugee status and has been in Italy for 10 years.

Others at his table included a 90-year-old Italian widower, a 24-year-old gypsy man, a 62-year-old Somali woman and a 35-year-old Nigerian man.

When the pope leaves the Vatican, much of the security is provided by Italian police who join the Vatican security detail that was protecting him on Christmas Eve.

The number of both Italian and Vatican security personnel seemed greater on Sunday than in past visits in Rome.

Vatican security has been under a cloud since Thursday night when Susanna Maiolo, 25, an Italian-Swiss national, vaulted over a barricade in St Peter's Basilica, lunged at the pope, grabbed his vestments and pulled him to the floor.

Vatican officials made it a point to line up a large group of children behind a barrier on the sidewalk so he could greet them.

Vatican sources say security will be reviewed but that they will not take any action that would impede the pope from direct contact with crowds—something they wanted to hammer home to

the media on Sunday by allowing him to greet many in the crowd.

The Vatican said it has not yet decided whether to take legal action against Maiolo, who has a history of mental problems and is now in an Italian psychiatric institution.

The Vatican has come under criticism because Maiolo had tried last year at the same Christmas Eve event to jump over the barricade and lunge at the pope, but was that time blocked.

The Vatican said that French Cardinal Roger Etchegaray, 87, who broke his leg when he fell in the basilica during the incident, had undergone surgery.

OPINION

Iran and its People Are Standing at an Important Turning Point

EDITORIAL

THE WASHINGTON POST

One way or another, Sunday's Ashura holiday in Iran probably will be a turning point in the struggle between an extremist regime and an increasingly radical opposition.

At least eight people were killed when hundreds of thousands of Iranians turned out in cities across the country to face police and militia forces, who fired into some crowds and in turn were attacked and in some cases overwhelmed by the protesters. These were the largest demonstrations in six months, and they provoked another escalation of repression:

The nephew of one opposition leader, Mir Hossein Mousavi, was murdered Sunday, and 10 more senior opposition figures were arrested Monday.

Supreme Leader Ayatollah Ali Khamenei clearly is betting he can defeat the opposition Green Movement with brute force. In the past week, security forces have attacked peaceful mourners

at the funeral of dissident Ayatollah Ali Montazeri and violated the tradition of restraint associated with the Ashura holiday.

The predominant chant in the streets, meanwhile, has shifted to "death to Khamenei" or "death to the dictator."

More street protests can be expected when the movement's new martyr, Ali Habibi Mousavi Khamene, is commemorated.

In short, Iran's political crisis now looks like a battle to the death between the regime and its opposition.

No one on either side in Tehran is talking about compromise.

Nor does it seem likely that there will be a sustained respite from domestic turmoil until one side triumphs.

That in turn means that, more than ever, the US administration and other Western governments must tailor their policies toward Iran to reflect the centrality of the Green Movement's fight for freedom.

While diplomatic contact with the regime need not be broken off entirely, by now it should be obvious that it cannot produce significant results—and might serve to restore balance to a tottering dictatorship.

President Barack Obama shifted US policy partway in the right direction when, during his Nobel Prize speech this month, he departed from his prepared text to say that "it is the responsibility of all free people and free nations to make clear that" the Iranian protesters "have us on their side."

He went further Monday with an admirably strong statement that condemned "the violent and unjust suppression of innocent Iranian citizens" and called for "the immediate release of all who have been unjustly detained."

There is, however, more that could be done to help the Green Movement. Russia and non-Western nations should be pressed to join in condemning the regime's violence. Sanctions aimed at the Revolutionary Guard and its

extensive business and financial network should be accelerated; action must not be delayed by months of haggling at the UN Security Council.

More should be done, now, to facilitate Iranian use of the Internet for uncensored communication.

The US State Department continues to stall on using money appropriated by Congress to fund firewall-busting operations and to deny support to groups with a proven record of success, like the Global Internet Freedom Consortium.

Now that he has stopped vacillating and publicly taken sides, President Obama must see that the battle inside Iran has reached a critical juncture and that it is time for the United States to do whatever it can, in public and covertly, to help those Iranians fighting for freedom.

When it Comes to Trade, Let us Consider the Humble Banana

BY EDUARDO PORTER
THE NEW YORK TIMES

I can hardly believe the endless banana wars have come to a close. The dispute started back in 1993 when the European Union set quotas favoring banana imports from Ivory Coast, the Windward Islands and other former colonies at the expense of imports from Latin America. American banana companies and the Latin-American countries where they grow their bananas sued the EU, accusing it of rigging an unfair trade deal, first under the General Agreement on Tariffs and Trade then under the WTO.

The suit dragged on for years, and at several points threatened to spark an all-out trade war between Washington and Europe. In 1999, after a meeting on Kosovo was hijacked by the banana crisis, the US secretary of state then, Madeleine Albright, declared in exasperation: "I

never in my life thought I would spend so much time on bananas."

It finally ended this month when the EU said it would continue to grant tariff-free access to its former colonies but would reduce tariffs on Latin-American bananas by 35 percent over seven years. The US and Latin-American producers agreed to drop their case. After all the roiling, what strikes me now is how little people seem to care. That says a lot about how attitudes toward trade have changed.

When this started, trade was trumpeted as the single most

important tool for development. Europe insisted that its special treatment of its former colonies was central to its post-imperial responsibilities. The US and Latin-American countries vowed to hold the line for free trade—over bananas at least—to make it a tool of development for all.

Today nobody talks about bananas. Stalled global trade talks (remember Doha?) barely get mentioned. There are a lot of problems out there, including the collapse of world trade in the wake of the global recession and the looming threat of protectionism. Yet there has also been a

rethinking about trade's supposed silver bullet role in economic development.

China's growth stands as a beacon for the power of trade. But others that have hitched their economic strategy to trade, like Mexico, have found prosperity elusive.

Despite growing banana exports, both the Latin-American banana exporters and Europe's impoverished former colonies remain poor.

One thing we have learned over the past 15 years is that trade is necessary but not sufficient for development.

Countries also need investment in infrastructure, technology and human capital. They need credit. They need legitimate institutions—like clean courts to battle monopolies—and help building them.

Putting up a few barriers against banana imports, or tearing a few of them down, can't do it all.

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Bernard Krisher, *Publisher*
Deborah Krisher-Steele, *Deputy Publisher*
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Abby Seiff, *Managing Editor*
Eoin Redahan, *Assistant Managing Editor*

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