

Eavesdropping over telephone

Govt. must pull back from it

THE government is disquietingly going about putting into place a comprehensive system that would enable it to listen in on mobile phone lines. The telecom regulators and mobile phone companies are already inundated by government functionaries attempting to put in place elaborate measures in this regard.

That the government remains deadly serious about its plans, which would violate the privacy of every mobile phone user in the country, is highly regrettable. We urge the government to rethink its position.

Official eavesdropping is a terrible idea on a number of counts. The first is that it is easy to predict that the technology might be used to conduct witch-hunts against political opponents. The new power to listen in on private conversations will inevitably lead to an explosion of corruption and blackmail and extortion. In short, the law will succeed only in enabling a whole new category of rent seeking. Worst of all, there is zero evidence to suggest that the measure will be of much use to combat the terror threat.

The government would do well to remember that holding a two-thirds majority in parliament does not justify the ramming through of undemocratic and unpopular legislation that could violate the legitimate rights and expectations of the public.

The government's action here is reminiscent of the controversial crossfire deaths and shows its disregard for individual liberties and due process of law. And as with crossfire, the government will leave behind it a precedent that others may well abuse in the future.

If this is the case, then this government will be held responsible for the damage to the constitution and our liberties that its actions have caused and will remain answerable to posterity for what it has left behind.

By no means will security from the terrorists be enhanced by the measure, but insecurity as to our rights and the government's ability to curtail them as it wishes will definitely expand.

It is still not too late for the government to pull back from this undemocratic stance.

Police highhandedness condemnable

Treat the opposition with respect

THE police action against demonstrators during Sunday's hartal amounted to a harsh impingement on the right to dissent or expression of political views. Let's make it clear: we oppose hartal but merciless beating of opposition supporters by the police is totally unacceptable if only because it was an attempt to silence democratic dissent by force. It seems the line between expression of dissent in a democratic way and maintenance of law and order has become far too blurred for the ruling party.

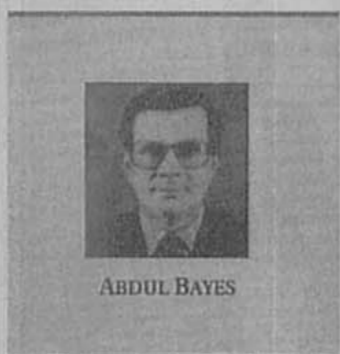
The point that is most disquieting, and worrying too, is that such police assault on political rallies and demonstrations could not have taken place without the nod of the powers that be. And it is precisely here that the spectre of political oppression becomes large enough to leave a frustrating impression on people's minds. By all indications, they have decided to muffle any note of dissent instead of facing it in a democratic way by allowing the opposition their rightful space.

The overall political situation in the country demands a far more mature and discreet handling of opposition programmes. With the parliamentary elections only months away, it is imperative that the political situation is not muddled any more than what it is already now. Any suppressive attitude must be avoided to pave the way for holding the elections peacefully.

If the government doesn't change its policy of bludgeoning the opposition, the barometer of political tension will further go up and no party will be benefited, least of all the party in power.

The government's wholesale denial of space to the opposition hasn't served the cause of democracy, as mistrust between the two major parties has only deepened with time. One would expect the ruling party to show greater political acumen through shunning the aggressive policy of bashing the opposition supporters on the streets.

Bangladesh-India trade: Tips from my travels



ABDUL BAYES

Bangladesh and India.

Facts and fictions

But first, let us take up some facts and some fictions. Available studies show that, in 2004, Bangladesh imported \$1.7 billion worth of goods from India through the official channels. The average is \$2 billion and amounts to about 15 per cent of Bangladesh's total imports from the world. Since 1995-96, Indian exports to Bangladesh (in nominal US\$ terms) had been rising at 9.1 per cent per annum, just above the rate of its total merchandise exports to

Huge trade imbalance with India assumes both economic and political stings in Bangladesh. Economists, however, would argue that what matters for a country is her overall balance and not the bilateral balance alone. Thus, Bangladesh has trade deficit with India (also with China of almost similar magnitude but rarely invokes interest) but manages to reap surplus from US or EU. Again, the import basket consists of important raw materials and intermediate products (roughly 75 per cent) that go to add value to domestic industries eyeing export

routes. According to available information, three quarters of the total transactions flow through land customs. Therefore, unless land customs are upgraded through infrastructural and other facilities, the loss of trade might harm Bangladesh more than India. Mind that India's export to Bangladesh is less than one per cent of her total exports to the world. Whereas if Bangladesh could raise her export to India to around \$500-600 million per year, she would be in a comfortable situation.

We are astonished to note that

should take the matter into serious cognizance and take the mafias to task for hindering trade between the two countries.

Petrapole does not have good warehouses either. For example, PRAN products from Bangladesh (drinks or juice) destined for Kolkata and beyond have to wait in trucks for at least 10-15 days before the test results from the Central Food Laboratory (CFL based in Kolkata) come to clear them off. The additional cost of one night is Rs 500 plus the food value lost plus theft. Similar is the case with vegetable oil. Indian importers

distributors in 6 Indian states, excluding the Northeast. One of the important steps in harnessing the potentials in the Indian market is to develop the credibility of the financial institutions.

On both the sides of the fence, barring Benapole and Petrapole, the infrastructure is outmoded and under-developed. Warehouses and weigh bridges are not available in most of the posts. In fact out of 40 or so customs posts, 38 are the harbours of illegal smuggling, technical smuggling, and unless both the governments jointly take up the task of developing the infrastructure soon, expansion of trade might remain a forlorn hope.

BENEATH THE SURFACE

Increased trade flows between Bangladesh and India call for both preventive and curative measures. The customs posts and the mafias reining over them constitute the single toughest barrier to the expansion of trade. For Bangladesh to seize upon the huge Indian market, credible financial institutions, confidence in building comparative advantage, and other facilities should be available to exporters. From the Indian side, the non-tariff barriers should be buried to enable Bangladesh to reap home the harvest of open Indian market.

the world (8.4 per cent). Reportedly, significant imports also flow in through unofficial channels, although the magnitude of illegal trade declined and the composition changed with the pace and passage of trade liberalization over the years. On the other hand, exports from Bangladesh to India during the same year amounted to \$78 million or so and illegal outflow from the country remained very low. India's imports from Bangladesh grew at 3 per cent per annum. Consequently, Bangladesh's trade deficit with India has been growing at a rapid rate of roughly 9 per cent per annum.

If high tariff levels are causes of smuggling -- as trade theorists tend to argue and Bangladesh has also acutely faced flood of Indian goods over the years -- one fails to grasp as to why illegal outflow from Bangladesh is not taking place on the heels of high tariff barriers in India. Quite obviously then the question of Bangladesh's capacity to meet demands in the Indian market or the extent of her comparative advantage is a potential concern.

markets elsewhere. One needs to understand the fact that the dollar out to India is the dollar coming into Bangladesh from some other countries.

We should always bear in mind that India is a huge market. Indian imports are growing roughly at 9 per cent per annum to average \$80 billion a year! Once known as one of the most protected economies of the world, India now poses to be widely open: customs duty averaging 15 per cent and many of the erstwhile non-tariff barriers on the back burner. Most of the imports enter into the Indian market at a much higher tariff rate than some of the Bangladeshi exports. Bangladesh, therefore, should seize upon the market size through judicious policy changes, creating sound foundations for attaining comparative advantages and delving on deep rooted trade diplomacy. Missing Indian market -- living so close -- would mean like missing the holy Hajj while living in Mecca.

The lords of land

Most of the trade between the two countries takes place through land

despite roughly \$2 billion exports to Bangladesh every year, India has not made its Petrapole port capable of handling the cargoes. From Kolkata to Petrapole, the road and the bridges are narrow to slow down the movements of vehicles. I noticed that in Bonga, a mafia group controls the incoming and outgoing trucks. They charge "private tolls" from the parties first, by forcing them to pay Rs 30 per truck for passing through and another Rs100 for parking the trucks in their so-called premises. In fact, the mafias create a situation whereby the loaded trucks are forced to stay there for a few nights. Thus, on average, Indian trucks carrying goods to Bangladesh are forced to spend 10-15 days on those private parks and count an additional Rs 1300-2000 per truck that is indirectly paid by Bangladeshi customers. This is over and above the 10 per cent logistic costs as estimated by some of the Indian studies. The same happens when a truck tries to take Bangladeshi goods to India. I think the West Bengal state government

informed me that they would very much like to import vegetable oil from Bangladesh but for delays in delivery in due time. A quick notice to this side would enhance exports from Bangladesh by a reasonable margin. I think the Bangladesh government should take up the matter with the Indian government.

Failing finance?

Indian exporters complained to me that many of their LCs are not being honoured by Bangladeshi banks. I personally examined some of the documents and found the allegations to be true. Of late, the cases of such non-compliance have been rising. The lack of trust on the financial institutions would be the greatest hurdles on the way to increasing Bangladeshi exports to India. In fact, the traders I met are keen to import commodities from Bangladesh as, reportedly, Bangladesh has low cost products like ceramics, melamine, drinks, juice, vegetable oil, etc that can fetch good fortunes in West Bengal and other states. I was amazed to know that PRAN products have

Technical smuggling

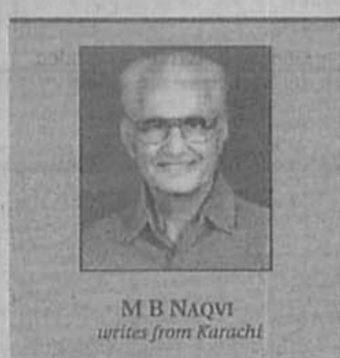
While the extent of "bootleg smuggling" seems to have declined over time due to trade liberalization, the extent of "technical smuggling" -- meaning illegal trade through legal channels and embracing under-invoicing, misdeclarations, etc -- went up significantly. In fact, a recent World Bank study posits that about 30 per cent of the total imports from Bangladesh constitute technical smuggling. And all that we call technical smuggling or bootleg smuggling owe most to under-developed customs posts.

Conclusions

Increased trade flows between Bangladesh and India call for both preventive and curative measures. The customs posts and the mafias reining over them constitute the single toughest barrier to the expansion of trade. For Bangladesh to seize upon the huge Indian market, credible financial institutions, confidence in building comparative advantage, and other facilities should be available to exporters. From the Indian side, the non-tariff barriers should be buried to enable Bangladesh to reap home the harvest of open Indian market. And both the countries should part with the traditional tone of business management and take lessons from other free trade areas.

Abdul Bayes is a Professor of Economics at Jahangirnagar University.

The third round begins



M B NAQVI
writes from Karachi

Kashmir, almost in a rapid fire fashion. Look at the realities on the ground?

The prime minister provides background music: Pakistan will not permit India free trade or goods transit through Pakistan or allow Indian investors in Pakistan, or free travel by common people. These things are contingent on India providing satisfaction on Kashmir. This is as solid an immobility as India's. Pakistan is simply not flexible, except verbally. Even on Kashmir, Islamabad has not for-

particular? Being a military regime, it merely wants to survive. Even earlier there was no certainty about the goal being pursued. Ziaul Haq wanted an Islamic dispensation. He probably wanted Pakistan to become a leader of OIC, as did ZA. Bhutto, who also conceived of a prominent role for it in the third world fraternity. The earliest ascertainable goal of Muslim League governments in 1940s was to unite the Muslim world and hopefully to become its leader. At present there is no clear objective or aim for

national endeavour. One conclusion is inescapable for an impartial observer: political classes in both India and Pakistan are quite happy as things stand. Neither is ready for basic change. The bureaucracies of both countries are in clover vis-a-vis bilateral relations. Every citizen has to humbly beg for a visa. Traders need specific permissions. Bureaucratic control and influence is increasing by the day as the world shrinks and need for contacts multiply. They both fear more cultural exchanges and actually discourage free travel by the common people, though they do not admit it. These bureaucracies act tough toward the common people. They are flexible enough for opinion leaders and prominent people of the other country. As for common people, they must wait for so many weeks or months for a reply. If they are

lucky. The bureaucrats are happy enough without large-scale cultural exchanges or true normality.

It seems that the governments and political classes in both countries are being led by invisible forces. These prosper on hostile attitudes and contrary policies; frequent military tensions serve their interests well. Indeed they actually profit from tensions. Elsewhere they are known as industrial-military complexes or simply vested interests. Clearly the ruling classes stand to become ever

interests in either country.

The two governments are now part of the problem. Resolution of disputes is desired for encouraging trade and cultural exchanges so that both people can become materially better off and culturally enriched. But hostile attitudes and policies prevent those objectives. The question is why not change this reality? The answer is everything is possible if requisite effort is made. But effort by whom? The governments have tried and have moved in circles. They are back at

enforceable "employment guarantee" scheme. In the next three years it will cover much of the country, if partially. It is a first small step on the road to Social Security for all. Even this small step is commendable. The purpose of the state should change from power politics (throwing one's weight around) to enabling the people to be free, materially better off with more consumption of food and clothing and some leisure for the population.

Let the country make economic and social progress through better health and education services. Ultimate end can only be cultural enrichment. Each state should necessarily follow policies of reconciliation and demilitarization by sharply reducing military spending. Defence budgets must come down in both countries. Where democracy does not exist -- as in Nepal and Maldives -- and where it is partial or defective -- Bangladesh and Pakistan -- it must be made real and constantly be extended and deepened.

One last word. A lot of mischief is played by the word *stability*. What stability? The world is today organized in a most inequitable manner. A few great powers throw their weight around and call the shots even inside the UN. Should these inequities be stabilized? The world must be made more equitable and more law abiding. But by whom? Again, by common people in all the states. The need is for a less militarized world and foreign policies of all the major countries should not be about balances of power. Instead they should be about more economic growth and better distribution.

MB Naqvi is a leading columnist in Pakistan.

PLAIN WORDS

One last word. A lot of mischief is played by the word stability. What stability? The world is today organized in a most inequitable manner. A few great powers throw their weight around and call the shots even inside the UN. Should these inequities be stabilized? The world must be made more equitable and more law abiding. But by whom?

mally given up the old stance. Musharraf is merely suggesting, more or less off-hand, various ideas about a possible Kashmir settlement. Objectively, both sides have preferred the situation that resulted from the 2002 crisis to any agreed change. They are happy to keep calibrated tensions alive.

Given the profound failure of foregoing rounds, it is hard to be optimistic about the third. What are the reasons of this failure? Factually, the ruling political classes in the two countries are moving toward different goals. In India there is clarity: it is a big country and wants to play a big role; it wants to become a global military power so that it can influence others and to obtain possible benefits.

In Pakistan there is confusion. Where is the present regime taking Pakistan? Is it going anywhere in

national endeavour.

One conclusion is inescapable for an impartial observer: political classes in both India and Pakistan are quite happy as things stand. Neither is ready for basic change. The bureaucracies of both countries are in clover vis-a-vis bilateral relations. Every citizen has to humbly beg for a visa. Traders need specific permissions. Bureaucratic control and influence is increasing by the day as the world shrinks and need for contacts multiply. They both fear more cultural exchanges and actually discourage free travel by the common people, though they do not admit it. These bureaucracies act tough toward the common people. They are flexible enough for opinion leaders and prominent people of the other country. As for common people, they must wait for so many weeks or months for a reply. If they are

more prosperous with the present policies of both states. Their chief aim is to militarize: to become militarily stronger in either country. Military tensions are good for all businesses.

There is a conundrum here: Unless free travel, free trade, transit trade and more cultural exchanges take place, natural trust in each other will continue to elude. Without substantial mutual trust the disputes cannot be resolved. This mistrust is bolstered by old and hostile attitudes and different purposes. The other part of the conundrum is: so long as the present situation lasts, free trade, free travel, transit trade and cultural exchanges cannot take place; these are the very things that are not desired for reinforcing the hostile attitudes and differing purposes. Besides, increasing defence spending directly benefits the vested

the point they started from.

The real answer is, however, simple. It is the ordinary citizens of the two countries who have to conceive a new politics that aims at material welfare, happiness and cultural enrichment of all the peoples. The new politics has to specifically extend and deepen the democracy everywhere. Politics must sharply focus on a more active role by the common man. Each government must be forced to focus on all the rights of citizens. The aim should be that the citizen should survive in good health and be educated and employed. Jobs for all is the main means -- in short Social Security for all in both countries.

One is conscious that South Asian countries are poor and populous. Jobs for all seem like a dream. But it may not be. Indians have already introduced a legally

TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR

Letters will only be considered if they carry the writer's full name, address and telephone number (if any). The identity of the writers will be protected. Letters must be limited to 300 words. All letters will be subject to editing.

Indian channels

We should stop watching Indian television channels that do not offer anything better than sleazy films and dramas. These have a negative impact on our culture and life. The youths are influenced by these things and their moral fabric is decayed.

The issue deserves a closer look. We should welcome only the good things from abroad. Hasif Hossain
Atlanta, GA

Certification fee

All we expect the best care and service from our own embassy abroad. But surprisingly (may be it's usual) their services are not up to the mark. For each of their service, everyone has to pay an unrea-

sonable amount of money. Like the certification fee, every paper certification fee in UK costs 12 pounds. They are pleased to show the government circular where this is written. I was so stunned when I saw that circular.

My question is why these people are here and what kind of services they are supposed to render. The passport extension fee is also higher than any other country in the world.

Is there anyone to look into this matter?
Maruf
London, UK

NBR intelligence drive

At last, the National Board of Revenue has launched a drive to clean its house to augment revenue collection and has caught

two small fries for obtaining undue cash benefit as per a report published in a daily newspaper on 29 December, 2005. This was the tip of the iceberg as big shots are remaining outside the mousetrap because of acute shortage of honest and dedicated mousers. It is true that most officials do live beyond their means but installation of close circuit camera or any other devices shall not deter them from their unlawful acts and they know the maneuverability well. No belt tightening measures shall act in our country, unless basic weakness or existing inadequacies in the tax administration system are eliminated. Enormous assessment power of an official with lack of accountability is a major cause behind poor tax collection. Ambiguity in interpretation or

unlawful application of law with ulterior motive causes harassment to taxpayers often leading to compromise at the expense of government revenue and also drives away majority TIN holders from submitting tax returns. Large tax payers unit established a few years ago to check tax dodging by big business houses or large industrial establishments has now turned into a large beneficiary unit.

Corruption, an imperishable and immutable sin, has formed a part of our national life, which is inseparable too. Transparency International has been compiling only cases of public sector agencies published in the media but hundreds of private sector cases do not come under their purview. Rezaul Haq
Lalmatia, Dhaka

Politicisation of health system

The politicisation of health system that started in early 1990 is likely to bring disaster in the long run unless it is stopped right now. The posting, transfer, recruitment and even enrolment into different courses at post-graduate level have been politicised without considering merit. The poor and mid-income patients will suffer most while rich will go abroad to get treatment. The politicisation of bureaucracy is a most unwelcome development. The Bangladesh Medical Association (BMA) was established to strengthen and improve the medical profession. But during the present regime, doctors blessed by the ruling party are in control of BMA while during the previous regime doctors backed by

The main opposition party controlled the BMA.

Sources in the health ministry said BMA leaders now play a major role in posting, transfer, recruitment and even enrolment into different courses at post-graduate level. The DMCH authorities and the health ministry have no pragmatic initiative to arrange heart treatment in medical colleges across the country. Professors at DMCH hardly turn up at the college in time. The BMA and health ministry should devise a plan under which professors must attend at least 20 per cent of the total outdoor patients. Taswar Ahmed
Kalyanpur, Mirpur

Nature's cruelty

From the book Pokamakarar Ghar Bashati of the eminent writer, Selina Hussien, we come to know

how the inclement nature behaves with the poor people in the country's southern offshore areas. These people survive fighting with the cruel nature and sometimes they cannot win against it.

I don't know whether any other writer wrote about the Monga in northern areas of the country. Hunger after flood and later hard winter are the common companions of the people. It seems nobody is there to look after them.

We, the city dwellers, are noticing construction of many high rise buildings, and luxurious cars are plying the city roads. The opposite view of the mirror is very dark. In our country, NGOs, rich individuals, socio-economic-cultural groups can play a role in helping the humanity in distress. MAH Nazim
University of Dhaka

Cricket

The Faisalabad Test is also following more or less the same course. The Pakistanis batted first and piled up a huge score. And the Indians replied with the same determination as they did in Lahore.

So what about the idea of making more lively pitches?
Aziz Ahmed
Dhaka

Police action

The way the demonstrators are treated these days reminds us of the distant and dark past when political dissent was considered a crime.

Will the government come up with some clarification?
Shahed Ashraf
Dhaka