duties. There is the question of

how best to attract foreign

investment and which foreign

investment to target. There is



LATE S. M. ALI DHAKA FRIDAY JULY 21, 2006

**Corruption in the** communications ministry

### Let's see what the govt does about it

HIS time it is a government probe, not any newspaper investigation nor a TIB compilation that has revealed a huge instance of bungling and corruption in the communications ministry. It's a ministerial equivalent of daylight robbery. From land acquisition through earth filling work to bridge and road laying, all components of a 61-kilometre road construction project from Joydevpur to Madanpur of the Dhaka-Chittagong highway have been manipulated to dole out money to hordes of contractors and their benefactors.

The project originally approved in 1998 started being implemented in 2000 with an estimate of Tk 192 crore. Four years on, ECNEC's approval was sought for a revised estimate of Tk 349 crore. There were sufficient grounds to question the cost overrun which the ECNEC did, but only nominally, because a revised budget of Tk 281 crore was okayed in any case. The right time to put a brake on overexpenditure slid past the grip.

The Implementation, Monitoring and Evaluation Department (IMED) of the Planning Ministry conducted the investigation and found irregularities every step of the way. Land price was hiked fourfold in three years, the dominance of incompetent contractors meant complete lack of competition and the resultant quality of road construction was extremely poor.

The communications ministry has a track record of corruption and malpractice in terms of allegations levelled against it instead of convictions handed to the offenders, though. The CNG scandal has been much talked about. The parliamentary standing committee on the communications ministry interminably took up the issue, formed a subcommittee to report on it but nothing more could be heard by way of follow up action.

The government has been in the denial mode whenever corruption charges were levelled against some ministries and highlighted in the media. As the newspapers published reports on high incidence of corruption they were invariably put in the dock for maligning the nation's image in the outside world. Now here is a damning report on corruption of a particular ministry by none other than the government's Implementation, Monitoring and Evaluation Department (IMED). We look at it as a test case for the government's bona fides in dealing with corruption within itself. The media, the country and people are all waiting to see what the government does about one of its own agency's findings on corruption.

## Voter list budgetary impasse

#### Let us not mix up the issues

HILE time is running out fast, new twists are pushing the possibilities of producing the voter list in time even further into the mist of uncertainty. In the latest turn of events, the finance minister has expressed his reluctance to release fresh funds to the Election Commission responding to CEC's official request. The minister has also asked for an explanation on the expenditure of the funds that had been allocated in the first place. We understand this ministerial reaction came on the basis of the earlier funds having been misused in preparation of the fresh voter list by the EC in contravention with a High Court ruling.

While we believe such a probe into the Election Commission's handling of accounts is imperative under the circumstances, yet some light needs to be shed on whether the finance ministry can actually block the release of funds required for the completion of a task of immense national importance. After all, there can be no second thought on the urgency of having an authentic voter list to hold a free and fair election. But at the same time the pertinent question that comes to every mind is whether fresh funds should be handed over to the same CEC who is responsible for misspending on a new voter list for which he was not authorised. Therefore we would go to the length of suggesting not to mix up the issues in question. Instead, we should delineate them for the purpose of concurrently moving ahead on each one of them.



ZAFAR SOBHAN

T is one of the pieties constantly mouthed by both politicians and political commentators alike that a nation's foreign policy should remain above party politics and that a change in government should not lead to any change in a country's foreign policy.

This is unobiectionable, as far as it goes. Ideally, of course, such would be the case. Continuity and certainty in one's affairs is generally a good thing, be it in business or government, and it would be dislocating and discomforting, both inside the country as well as outside, if election changes heralded radical new shifts in foreign relations.

The truth, however, is that foreign policy is in no appreciable way different from domestic policy, and that as attractive as continuity is, differing views as to the direction a country's foreign policy should take are STRAIGHT TALK

So how about it? Let us have this debate out in the open. The nation deserves it. And the disquieting truth is that for all of the policies we pursue inside the country, it is how we choose to position ourselves within the global context in the next few decades that will ultimately determine how we fare.

#### as valid a subject for political debate as any other.

The silent foreign policy debate

In this country it is generally the opposition AL who most forcefully suggest that foreign policy should remain unchanging, regardless of who is in office. The reason for this is that in the public mind the foreign policy that the AL is identified with is by and large an electoral handicap while the foreign policy the BNP is identified with is by and large an electoral benefit to them.

So of course the AL would want to take foreign policy off the table when it comes to political debate. BNP, on the other hand, continues to want to draw a bright line of differentiation between it and the AL on the issue because it sees this as one of the party's strong points in the minds of the public.

However, the BNP does not really involve itself in substantive debate on the issue either, contenting itself with little more than mere demagoguery on the issue and implying that the AL

would be subservient to India and not look out for the best interests of the country. It thus seems to me that it is

long overdue for the country to really have the foreign policy debate which the AL is too nervous and the BNP is too cynical to want to pursue.

The issue is not merely our relations with India, though India would of course loom large in any foreign policy discussion, but Bangladesh's entire global outlook and relationship to the rest of the world.

is a very inward looking one: a Fortress Bangladesh mentality, if you will. Consider the evidence: We remain inveterate skeptics when it comes to foreign investment. We have not linked up with the Asian Highway network. We remain skeptical of free trade agreements. We only very belatedly linked up to the submarine cable that has opened up massive new possibilities in the information

and communication technology

CROSS TALK

sector. We are not interested in opening up domestic facilities for transnational use. We continue to drag our feet on signing and implementing bilateral and multi-lateral accords and arrangements. I could go on.

It is my contention that this kind of blinkered thinking is really hurting the national interest. I would further argue that the common denominator to the current government's position is its distrust of India. If there were some way, for instance, of signing up to the Asian Highway that didn't necessitate going through India, there is no doubt in my mind that we would have done so.

As support for this last point, it is interesting to note that today Bangladesh's trade deficit with China is in fact larger than our trade deficit with India. but this bilateral trade deficit has caused not nearly so much heart-ache (bilateral trade deficits are, incidentally, a more or less meaningless statistic. but that is an argument for

another day).

The question the needs to be asked is whether pathological hostility to India is deforming out foreign policy goals. Within this context, how we manage the relationship with India is crucial because such a determination ultimately impacts almost every other aspect of our foreign policy.

However, this isn't a debate we are likely to see any time soon. Just as the Democrats in the US were cowed into supporting the Irag war for fear of being dubbed anti-American and unpatriotic, so the AL is also desperate to avoid any suggestion that it might be able to manage a more productive relationship with India, even if it is patently obvious that the current approach is anything but productive.

But India is not the only issue. There is also the issue of our relationships with the Middle Eastern countries and how we are going to balance our need for cheap fuel with protecting the rights of the hundreds of thousands of Bangladeshi labourers in the region and what we are going to do about money from the region that has ended up financing terrorism in Bangladesh. Then there is the question of

whether we are going to prioritize free trade over the loss of revenue from tariffs and import

the crucial question of energy security and the possibility of setting up a regional power grid, which has serious foreign policy implications. And, critically, there is our relationship with China and South-East Asia. BNP has articulated the excellent "Look East" policy but little has been done to implement it and it would be interesting to know where the major parties

stand on this issue and what ideas they have for its implementation. I would like to see more concrete steps in this direction and am in fact firmly of the belief that as long as India and Pakistan remain at loggerheads that we need to move our focus from Saarc to

Bimstec. So how about it? Let us have this debate out in the open. The nation deserves it. And the disquieting truth is

that for all of the policies we pursue inside the country, it is how we choose to position ourselves within the global context in the next few decades that will ultimately determine how we fare

Zafar Sobhan is Assistant Editor, The Daily Star.

Blame it on the budget

#### MOHAMMAD BADRUL AHSAN

T may be too late to talk about the budget, but I want to talk about it anyway. Let me tell you why this penny has suddenly dropped on me and why I have got an urge to write about the budget. Someone has lately told me a joke. He said that an entertainer named Craig Ferguson explained on the CBS Late Show why

George Bush announced new budget slashing in education. George Bush wants the kids to graduate without the math skills so that they can not calculate how much debt has been left for them. Please don't laugh. I have not said the funny part vet. No, it is not funny that our budget for the new fiscal has already come and gone. CPD described it as everybody's budget, yet nobody's budget. The opposition denounced it, but I am not sure if the customarv torch procession was brought out this year. Of

promote grotty behaviour under the state sponsorship. course, there have been storms of intellectual debates as economists, bankers and businessmen engaged in threadbare analysis. Those identifiable with the government defended it. Others endorsed the opposition view and dumped mother lode of criticism on it. It was the budget rigmarole as usual. You know it. I know it.

This time a very tired finance

debates and simmering discontents over the budget in future as people take closer look at allocations and taxes. The allocations determine which sector of the economy will get more importance. Taxes are basically a roughshod indication of how much the year will cost in terms of consumption, production and earning. It is nobrainer that some will hail the

as opposed to necessities. Still, should the budget be all about money? Should it be all about tax cuts and subsidies? Budget is an instrument of growth, but lot depends on how we want to use it. Mere budget allocation can not raise the standard of education. Mere allocation can not improve the law and order situation. On the other hand, let us take tax

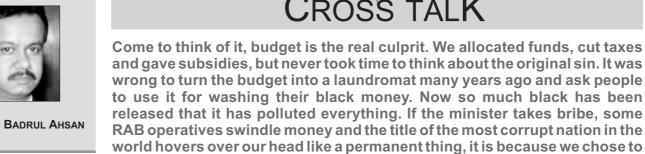
sector for example. What can we get with more allocation? More schools, more buildings, more teachers? Then the question is how more of anything is going to raise the standard of education? The declining standards are not the result of inadequate funding. The decline has been in our hearts, not in the wallets.

Similarly, let us say we spend more money on the judiciary, appointing more judges and setting up new court buildings. Perhaps it will expedite discharge of pending cases, but more verdicts will not guarantee justice. Likewise, more fertilizers and more seeds may not necessarily eliminate hunger and more police and weapons can not give safe streets.

The funny part comes when we stop cold or get the willies if a RAB member is caught red nanded for snatching a truckload of goods, or a director of National Security Intelligence and a medical professional are arrested for fraudulent activities in the same week. This is where I cracked up on the joke and decided to take a go at the budget.

ago and ask people to use it for washing their black money. Now so much black has been released that it has polluted everything. If the minister takes bribe, some RAB operatives swindle money and the title of the most corrupt nation in the world hovers over our head like a permanent thing, it is because we chose to promote grotty behaviour under the

state sponsorship None of us had the vision to see where it was going. None of us had the wisdom to see what was coming. One thing leading to another, we connived, then condoned and finally got convinced. All blame goes to budget because it slowly possessed us like a wicked spirit. As we sow, so we reap. When some RAB members keep their cut from anything they seize, it is the hyena's share of the lion's kill. Ever since our first budget. we have consistently preached that it was okay to steal and keep it as well.



Bangladesh's current policy

We strongly feel, much that there is a need to go into the whole affair of misuse of funds by the EC executives, top most priority must be accorded to the preparation of an authentic voter list so that the all-important elections can be held in time.

minister has given a feisty budget. If all goes well, he predicts seven per cent growth for the economy. But then all will not go well in an election year, which is already mired in political quagmire as hyper action, change of government and lots of uncertainties loom in the horizon. In so much as economics is a science based on ceteris paribus i.e., all things remaining constant, any speculation on this budget is chancy like blind hand in a card game. Perhaps there will be further

budget, while others hate it.

It is interesting that budget controversies have always revolved around numbers as people argued if more should have been allocated in place of less, or vice versa. Well, numbers are important because they set the parameters for national prosperity and wellbeing just like ingredients used in right quantities cook a tasty dish. It makes difference if more money is spent on defence than education, or

taxes are lowered on luxuries

reductions. Do you think if we reduce taxes on imported playing cards, more people will get addicted to gambling? For argument's sake, let us also take subsidies. If we give subsidy to medicine, are people not going to fall sick?

These may sound like faulty arguments, but I am trying to make a connection here. Taxes and subsidies can always give a budget, but the budget is not effective without social commitment. This is where we miss the point. Let us take the education

Come to think of it, budget is the real culprit. We allocated funds, cut taxes and gave subsidies, but never took time to think about the original sin. It was wrong to turn the budget into a laundromat many years

# Bush's legacy on the line

#### **MICHAEL HIRSH**

HE Bush team didn't see this one coming. Maybe it was simply that too many other volcanoes were erupting at the same time. Iraq was tipping closer to civil war, Iran was getting more brazen by the day and North Korea's missiles were roiling East Asia. The president, meanwhile, was preoccupied with what would likely be a testy G8 summit hosted by Russian President Vladimir Putin. True, the two top US Mideast envoys -- David Welch and Elliott Abrams --were in the region when hostilities began. But they had been reassured by Lebanese contacts that Hasan Nasrallah, the Hizbullah leader, didn't plan to "stir things up" while Hamas and Israel contended over a kidnapped Israeli corporal, according to a senior US diplomat who would divulge the details only if he remained anonymous. "You had six and a half years of, if not calm, basically a stable deterrence between Hizbullah and Israel," the official told Newsweek. "I

did not expect this at all."

If so, he was badly misled, and so was the president -which is one reason Iran and Svria were quickly suspected of acting as outside agitators. En route to Russia. Bush and Secretary of State Condoleezza

Rice reacted swiftly to contain the war, although they actively backed Israel's right to continue its offensive against Hizbullah. The president, aboard Air Force One, made a round of calls to Arab allies, mainly Egypt and Jordan, pleading the case that Hizbullah's breach of the border ment. was a clear violation of interna-

tional law. Bush wanted the Arab leaders to know that he was urging Israel to avoid any action that would topple the Lebanese government -- and allow Syria to take back control of its neighbor. But in return he urged them to pressure Hizbullah at an emergency Arab League summit in Cairo. In an exclusive interview with Newsweek, Bush said he told the Arab leaders: "Let's make sure this meeting is not the usual condemnation of Israel, because if that's the case it

obscures the real culprit" --Hizbullah and Hamas.

To Bush's delight, key US allies offered support. The Saudis issued a statement implicitly blaming Hizbullah for the hostilities, saying "it is necessary to make a distinction between legitimate resistance (to occupation) and irresponsible adventurism adopted by certain elements within the state." Egyptian President Hosni Mubarak and Jordan's King Abdullah II, in Cairo, echoed that view in a joint state-

In the longer run, however, it is the calls Bush didn't -- or couldn't -- make that might mean the difference in containing this new Mideast conflict. As part of his policy of isolating terror-supporting groups and nations, the Bush administration has no relationship with any of the other parties at war or the states behind them. That apparently means no dialogue, even through back channels, with Iran, Syria, Hizbullah and Hamas. Senior US officials also said Bush and Rice had no intention of appointing a special

envov at this time. (Welch. having conducted all-day meetings with Israeli officials and Palestinian President Mahmoud Abbas, took off on a previously scheduled trip to Libva over the weekend.)

As a result, the president must watch and hope while his whole Mideast legacy -- his goal of transforming a region that is the primary source for Islamist terrorism -- stands at risk. Also on the line is his strategy of isolating Iran, as tensions mounted between Washington and Europe over Israel's action. "Usually in the past, whenever there was a crisis in the Mideast, the US would immediately dispatch a high-level envoy," said Imad Moustapha, the Syrian ambassador to Washington, confirming that his government had received no US contacts except a request for visas for Americans fleeing Lebanon to Damascus. "This time the only thing the United States is doing is blaming parties, assigning responsibility. There's nothing else.'

That's not quite true. US diplomats are working hard to

keep Israelis from killing innocent Lebanese, despite the call by some Israeli hard-liners to make the strikes "Biblical" in severity, according to the senior US diplomat. "The Israelis intend to bruise Hizbullah, and that's probably a good thing. I don't think there should be call for a ceasefire right now," he said. "But we're saying (the strikes) shouldn't be unbridled and promiscuous." In effect, Bush is asking Israel to blunt its own version of the "Bush doctrine," which holds countries accountable for the terror groups in their midst. The reason is that the infant democracy of Lebanon is one of Bush's great hopes as a regional model. "In this case we don't

hold Lebanon responsible. Welch told Newsweek in a phone interview from Jerusalem. "We distinguish between the (Prime Minister Fouad) Siniora-led government and Hizbullah. And that's why the president talked about defending democracy in Lebanon."

The other part of the US strategy, Welch said, is to prevent Nasrallah from turning his

would-be alliance with Hamas over captured Israeli prisoners into a united front, with Iran and Syria behind him. (Just before Hizbullah attacked. Hamas and Israel were close to a prisonerexchange deal, brokered by Egypt. Cairo later complained privately to the Americans that it believed Nasrallah, Iran and Syria pressured Hamas to back out.) "It's to make sure we don't give the Iranians and Mr. Nasrallah, along with his subcontractor, Khaled Meshaal (the exiled Hamas leader in Syria), what they want, which is to link the two things," said Welch. "I don't know if that'll be possible or not, but it should be. Gaza should be addressed and solved on its merit.'

The question is, will the Arab Street buy that argument? US officials are closely watching public opinion among the Lebanese, who until now have had reason to be thankful to Washington. America, along with France, forced Syria to withdraw its Army from Lebanon, Damascus' longtime client state, after the suspicious assassination of former Leba-

nese Prime Minister Rafik Hariri last year. (One drawback: Svrian-supported Hizbullah was elected to the new Lebanese Parliament. which Israel is holding partly responsible.) "Now the administration is confronted with a situation in which Israelis are blasting the moderate anti-Syrian Lebanese government," says Aaron Miller, a former top US Mideast envoy now at the Woodrow Wilson Center in Washington. "This whole operation is a recruitment poster for anti-Israel and anti-American sentiment." A senior Lebanese official, who insisted on anonymity because of his sensitive ties with Washington, said US pressure on the Israelis was marginal at best. "In practice, what they're saying to the Israelis is, instead of blowing up a bridge with five bombs, make it four bombs," he said bitterly. Bush knows all too well that

the two major agendas of his presidency -- anti-terrorism and the promotion of democracy -- are in danger of colliding with each other in Leba-

shall we? One enduring legacy of our budgets is that our children will grow up colour-blind, because someone must have wanted them to forget the difference so that they can not separate black from white. I have said the funny part. Now you may laugh, if you want.

non. Not surprisingly, says a

Go back to the joke now

Mohammad Badrul Ahsan is a banker.

senior Israeli official, his country is getting mixed signals from Washington. "We're getting support, and we're getting requests to tone (it) down. But no pressure at this point." No doubt the Israelis have reminded the administration that they warned Washington last year it was rushing into Palestinian elections too guickly -- that instant democracy would only empower Hamas. The warning was brushed off by the Bush team. But even the Israeli official says a third-party mediator will be needed as the war escalates. He says that job could be filled by Washington, or possibly the United Nations (a UN mission is underway). "That's what it's going to take," he says. But he adds: "Who's going to take the lead?" One day soon, Bush may have to revisit that question.

With Richard Wolffe, traveling on Air Force One and Kevin Peraino in Jerusalem

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