

## Using government facilities

*Greater sense of propriety needed*

It has been reported that the ruling BNP is using state offices like the Prime Minister's Office, Prodhannontri Bhaban and Jamuna (PM's evening office) for holding party meetings which fall outside the purview of governmental functions. Such an approach tends to set poor examples, unhealthy precedents.

The ruling party high-ups do not apparently see anything wrong with the practice. But what we feel is that such activities cannot be justified only because they have been going on for a long time. A clear demarcation line has to be drawn by the ruling party between party and governmental functions. Obviously, both laws and conventions form the basis of such a demarcation. To say that there is no need for drawing such a line is to miss the very essence of democratic norms.

The prevalent political culture has a lot to do with the party in power trying to get more than its due share of government facilities. Once the election is won, the winners start believing that they are entitled to all the privileges. We cannot blame any particular party or individual for this type of undemocratic and acquisitive mentality. But as the country proceeds along the road to democracy, it has to show the signs of maturity in matters related to politics, election and governance, especially in areas where overstepping can invite criticism about lack of accountability.

We have to realise that party activities come under closer public scrutiny before elections. So, using, or misusing, government facilities could send very negative signals about the party itself.

The issue of practising democracy is much broader than holding elections every five years. The ingredients for developing a truly democratic culture have to be nurtured carefully through creating an even playing ground for all the parties. Without question, use of government facilities by the ruling party would be construed as an undue advantage by the opposition. The ruling party or coalition can put an end to the controversy by strictly following the rules of the game.

## Private security service

*Time to streamline it*

GOVERNMENT has finalised the long-awaited private security service rules. These will come into effect after being cleared by the Law Ministry. We welcome the move taken by the administration, though it is belated. However, care has to be taken so that the rules are comprehensive and in the process of their implementation the security firms are not bogged down in bureaucratic tangles. After all, one has to remember that the private security firms are also a part of the growing private entrepreneurship in the country.

There is absolutely no doubt that private security agencies need specialised training to inculcate the right degree of professionalism. There is no place for amateurs in the field. Since the training programme will be conducted at the Ansar Training Camp, the administration will be in a position to keep eye on the goings on in this area.

We feel though that the government would need reconsidering, today or tomorrow, its decision against providing guns to the security guards. Providing arms to private security guards is now a common practice all over the world. At some point, the administration should consider providing licensed guns to private security guards on condition that under all circumstances the owning firms will be fully accountable for any possible abuse. One has to remember that the innumerable shopping malls, with all its varied merchandise, are no less vulnerable security-wise than banks and outlets of the like.

Needless to say that time is of the essence in terms of implementation of the new rules keeping in view the rising incidence of business crimes. There is a growing need for fool-proof security services both for the innumerable shopping malls, apartment and international offices and establishments all over the country.

It may not be out place to mention that proper and effective operation of security services by the private sector could also complement the security efforts of the administration in areas that have not yet been adequately covered.

## A year after



Brig Gen  
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TODAY is exactly a year to the day the country was stunned by the resounding appearance, both literally and figuratively, of the religious militants in Bangladesh. What was till then a matter of conjecture, announced its presence through the near simultaneous bombings in all but one of the upazillas in the country. In retrospect it is just as well for us that the militant group exposed its hand. Because, when the media was at great pains to expose the existence of religious militants in the country, nothing would convince the ruling coalition that such organisation, could and did indeed, exist in the country.

There are three questions that are being asked a year after the blasts. There are those that ask whether there is politics involved in the whole affair and whether the government has done enough to see that the agencies get to the roots to dig out the links that have allowed these groups to fester and grow. In other words, is there an indication of soft-pedalling on the issue by the government, and whether it has made any progress in tackling this phenomenon in a comprehensive manner? Some

ask whether a threat still exists from these militant groups, now that some of the leadership is in the bag. And most people are asking whether anything can be done to prevent the recurrence of such acts and to completely annihilate those that not only distort the teachings of Islam but also perpetrate sufferings on helpless people in its name. Let's take each one by one.

It is difficult to suggest what politics, if any, the government is playing. But for certain its discounting of the possibility of the existence of religious militants in Bangladesh, from the very beginning, had clouded its perception. Had it not been so, then these elements might have been nipped in the bud, and we would have been spared the discomfort, both physical, and political that we are having to in dealing with this phenomenon.

Indeed, there has been a national and international ramifications of the militant activities in our country. Had the administration been more perceptive we would have been spared the

denigratory honorific of "A New Hub of Terrorism," and the accusation of exporting it, wrongly one might add, to our neighbours and to Southeast Asia, as Selig Harrison has made in his article of the same title in the Washington Post recently.

And that is why there is substantial credence in the suggestions that some critics have made, that there are some in the government that are linked with these elements, and the growth of at least one of these have been the result of direct sponsorship of some petty political apparatchiks belonging to the ruling coalition. The statements of the members of these group after their arrests point to their past association with at least one of the coalition partners, which was of course denied by that party. However, that the kingpins, along with some top-notch militants, have been arrested and are under trial, is a positive development.

The second question is whether we have seen the last of the religious militants, now that the leadership has been netted. Before

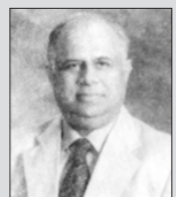
attempting to answer this it might be relevant to relate to the comments made by none other than the prime minister and the minister for LGRD, soon after the capture of some militants. They had both expressed their optimism of bringing an end to religious militancy in Bangladesh, in two months (according to Mr. Mannan Bhuyian).

These may well have been well intentioned pronouncements but betray an inclination of looking too simplistically at what is a complex phenomenon. Nothing can be more erroneous than to put a timeframe in which religious militancy can be wiped out for good. It is being labelled as a "phenomenon" deliberately to indicate the fact that these people have certain agenda, albeit misguided, and motivated by certain ideology although distorted, which need more psychological and political rather than a physical approach in tackling these groups. And to counter them effectively not only takes a well-planned strategy it takes considerable time too.

## STRATEGICALLY SPEAKING

Without sounding like an alarmist, it is near impossible to say with certainty that there will be no further action of the type we were subjected to, in the future. Whether there are other elements of the same ilk waiting to emerge out of the shadows we do not know. Media reports indicate that some of the militants are regrouping. As for now we know of three such elements that are active in the country. We now know that these are not apparitions but real figures that could be countered with appropriate measures. We also know about their political agenda and their motivation.

## Exploiting (and rewarding) merit



IKRAM SEHGAL  
writes from Karachi

THE major difference between the public and the private sector is that the private entrepreneurs recognize merit as the touchstone for success, but in the public sector (as in bureaucracy) merit can often be a disqualifier.

The public sector can be roughly equated to a hereditary monarchy, with heritage, nepotism and favoritism being the prime ingredients for career advancement. While the private sector is not completely free from the use of connections and influence for being upwardly mobile, merit commands far more weightage in rewarding performance.

The major reason for privatization and denationalization is to provide better management, inculcating a corporate culture dedicated to cost-effectiveness devoted to a positive balance sheet, in effect more (profit) for less (overheads).

The Supreme Court of Pakistan (SC) has given a stinging indictment of the process adopted for the recent sale of the Pakistan Steel Mills (PSM) with "indecent haste," to quote the SC judgment.

## AS I SEE IT

On the strength of the bank's outstanding return on investment for shareholders, Bashir Tahir masterminded HE Shaikh Nahayan's launching of Warid Telecom, Wateen Telecom, etc., and making huge investments in real estate projects in Pakistan. HE Shaikh Nahayan's investment initiative has become a beacon for FDI by others. Both Bank Al Falah and Warid now have also entered the Bangladesh market.

The inference of wrong-doing is based on technical grounds that have been violated in fulfilling the privatization process.

With due respect to the Honourable Justices of the SC, elaboration of corrupt practices (the "smoking gun") was required for due process of law. If criminal intent was inherent, those violating the law should automatically go to jail, whoever they may be. Divergent opinions being mostly political rather than legal, one thing is certain, this privatizing ending in failure will act as a deterrent to foreign investors targeting the potential in industry and commerce in Pakistan.

There is merit in getting "foreign direct investment" (FDI) into Pakistan. There are many examples of public sector units being turned around and made profitable after a transparent process. The name of the game is how to achieve this without losing sovereignty, the fear expressed by one of the plaintiffs in the PSM case.

One has to define "strategic interest," and not put it on the auction block for fear of falling under the control of forces inimical to Pakistan. The PSM sale had bad timing, it coincided with the

takeover battle for Arcelor by the Mittal Group. The Indian bogey (and the Russian connection) was exploited to the full by those opposed to the sale. Patriotic fervour is not confined to Pakistan alone. Across Europe, particularly in France, latent nationalism reared its head to oppose Arcelor's merger with Mittal.

Resigning before the PSM sale, Dr Abdul Hafeez Shaikh, had done an excellent job as Federal Minister for Privatization. During the World Economic Forum Summit in Sharm Al Shaikh recently, one heard with pride the Jordanian minister, heading the King's Office, praising Hafeez Shaikh's privatization initiative, in 1996, for the telecom sector in Jordan. Praise for Pakistanis comes with a premium in this world! The only real hiccup in our privatization history has been the employee takeover of Allied Bank. The wonderful process of "Employee Stock Option Plan" (ESOP) was criminally corrupted by unscrupulous senior managers defrauding the hapless rank and file, not that NAB has done anything against these white collar criminals lining their own pockets. In contrast ESOP has been very successful in the private sector as the ENGRO

model shows.

When BCCI's assets were seized worldwide, the BCCI branches in Pakistan were taken over by the government of Pakistan (GOP) in 1991 and given the new nomenclature, "Habib Credit and Exchange Bank" (HCEB). Nominated as a director during the first step of denationalization in 1998 when the majority shares were taken over by the Dhabi Group, headed by HE Shaikh Nahayan Bin Mubarak Al Nahayan, it has been my privilege to watch at first hand what the private sector can accomplish with the straitjacket of the public sector control removed. One has been fascinated by the vision, and entrepreneurial skills, of his highness in macro-managing the bank effectively through the board of directors, leaving day-to-day micro-management to senior managers in the field.

From three branches in 1998, the bank has grown to encompass 150 branches throughout Pakistan, not including an offshoot of 15 branches dedicated to "Islamic Banking." The initial "golden handshake" reduced some redundant employees, the number has now risen from 600 to

The militants are generally organised in a way that caters to the crisis of leadership. And although they may have received a temporary setback following the arrests of the kingpins, the militants, as a tactical play may have deliberately gone into a dormant state, only to reappear at an opportune moment, and that the field workers may still continue with their clandestine training and motivational activity, as we had indicated they might in this very column not long ago. And this has been proved right with the recent arrests of some more militants belonging to the JMB in Mymensingh. And with the arrests of members of another militant group, the Hijbut Tauhid in Chittagong, existence of a new group has come to light.

The third question is perhaps the most difficult to answer. Without sounding like an alarmist, it is near impossible to say with certainty that there will be no further action of the type we were subjected to, in the future. Whether there are other elements of the same ilk waiting to emerge out of the shadows we do not know. Media reports indicate that some of the militants are regrouping. As for now we know of three such elements that are active in the country. We now know that these are not apparitions but real figures that could be countered with appropriate measures. We also know about their political agenda and their motivation.

The only way to prevent recurrence of such acts is to root them out physically, but more importantly the motivations that they

employ and the religious teachings that they distort must be countered politically by exposing its fallacy to those that they have managed to motivate. In other words a vigorous political campaign to de-motivate must be launched to wean them away from their fold. It will also be necessary to keep vigilance to preempt and disrupt all support from external sources of money and motivation.

To tackle this phenomenon this is what we suggested not very long ago in this column.

"And this is where the question of taking hard decisions by the government comes in. Is it prepared to act against those within the alliance whose links to the radicals may come to be firmly established as a result of the arrest of the kingpins? And although not all madrasas can be painted with a broad brush of accusation of imparting radical ideas that are not only un-Islamic but also anti-Islam, there are certainly some that do so. Is the government willing to identify and take appropriate action against those? It may be the end of the road for those radicals recently captured, but one cannot say with a great degree of conviction that it is the end of religious radicalism in Bangladesh. That is unless we address the reasons and arrest the people that compel such actions. And that is a matter of considerable deliberation and not a little commitment."

It still holds good today.

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about 5,000 today.

Total income increased eight-fold, from Rs 1.84 billion to Rs 14.49 billion, with shareholders' equity rising from Rs. 859 million to Rs 6.74 billion, an 8-fold return on investment. Not a single foreigner has been a salaried member of the management. Supported by his highness, the achievement has been 100% Pakistani. Can our public sector get the same efficiency out of its employees to get the same profitability?

When Shaikh Nahayan became Chairman UBL, his brother HE Shaikh Hamdan Bin Mubarak Al Nahayan continued his corporate practices as chairman in making Bank Al Falah one of the major banks in Pakistan, opening branches in Bangladesh and Afghanistan. Plans are at a fairly advanced stage for UAE, Bahrain, India, China, and many countries of Africa.

HE Shaikh Nahayan has been principally advised and aided by Bashir Tahir, this Pakistani being assigned the sensitive task of coordinating all issues between the chairman's office, based in Abu Dhabi, and the management of the bank in Pakistan. Day-to-day control in Pakistan is in the able hands of Mr Mohammad Saleem Akhtar, the CEO, an extremely experienced banker.

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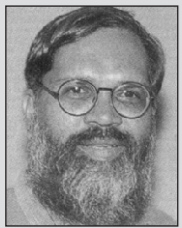
The president has awarded Sitara-i-Imtiaz to Bashir Tahir, yet the State Bank of Pakistan (SBP) has reservations about his joining the board of directors of Bank Al Falah in spite of the bank's phenomenal success because of this man's skills, drive, and ingenuity. Does Pakistan reward merit, or is merit a disqualifier in Pakistan? This incongruity is an example of how, and why, the public sector is sometimes blind to recognizing merit.

If SBP had independently come to the conclusion one would at least be satisfied, but there is a nagging suspicion this has been done under external influence. Mine is an objective observation. Despite having had quite a few professional differences with Bashir Tahir over the years, I must put on record his enormous contribution, not only as a banking professional par excellence, but also as a Pakistani dedicated to boosting Pakistan's economy substantially by pragmatic and meaningful FDI.

The difference between the public sector and private sector is in the way the human potential is allowed to operate, and how merit is rewarded as an incentive so that management and commercial expertise can fully exploit the potential of our stagnant industrial and economical units.

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## From farce to tragedy



PRAFUL BIDWAI  
writes from New Delhi

Today's outcry over the government's disgraceful attempt to exempt file notings from the RTI Act is an expression of this grass-roots urge. People want to know how their money is spent, how corruption can be eliminated, how governments can become more responsive. That's why the growing demand that policies should be approved by Parliament, and that Parliament should ratify all international agreements. The thrust of all these is greater transparency and accountability from every institution, every official. If Parliament lets the people down, it will jeopardise India's own future as a democracy. From farce, we would then move to a true tragedy.

ourable in the Bharatiya Janata Party's years in power, including its decision to cross the nuclear threshold and corrupt India's foreign policy, its free-market dogmas, and above all, the Gujarat carnage.

Mr Singh offered to name the "mole" -- only to the Prime Minister, on request. He insinuated that he is a civil servant, since retired and now living abroad. But when confronted with a name, he backed out. Then he cited a letter from a US "Senator," which turned out to be a forgery.

The Session's second half is being consumed by another trivial issue: a media leak of the Pathak

Commission's report on the Iraq oil-for-food scam before it was presented to Parliament.

This has been turned into a "breach-of-privilege" issue by the BJP-led National Democratic Alliance and the Regional-3 -- Samajwadi Party, Telugu Desam, and AIADMK. These parties have also attacked the report.

It's legitimate to cast doubt on the Pathak panel's integrity. The former chief justice imposed a patently unjust Union Carbide-drafted settlement upon the Bhopal gas victims. For exonerating one of the greatest corporate criminals, he was rewarded with a position on the International Court

of Justice.

However, neither that, nor the politics behind the Volcker commission, clears Mr Natwar Singh of the charge of facilitating the Iraqi contracts. Although there's no evidence that he received oil money, he introduced some of its recipients to the Iraqis.

The SP-TDP-AIADMK have a narrow, opportunistic motive for backing the privilege motion -- embarrassing the Congress. But there's no prima facie evidence of any breach of Parliamentary privilege. Nothing suggests that an official body leaked the Pathak report. In any case, a leak involves impropriety, not breach of privilege.

The legitimate way to fight the Congress is to dissect the Pathak report, and question Volcker's selective naming of names. But the Regional-3 are looking for cheap gains.

The SP is keen to recruit Mr Singh as its Jat face -- as replacement for Mr Ajit Singh. The BJP's real, indeed only, target is Ms Sonia Gandhi -- regardless of facts. She's a "foreigner." But that's irrelevant to the issue.

There's been more shadow-boxing than debate in Parliament so far. Even on the India-US nuclear deal the emphasis is on procedure, not substance. The question being asked is not whether the deal is in India's interest and promotes world peace -- or doesn't. Rather, it's whether the US Congress has changed the goalposts.

For those from the Left, who criticised the original deal, this should be of much less consequence than basic opposition to an India-US "strategic partnership."

They can't treat the original deal as sacrosanct and keep silent on issues like sovereignty (which lies in people, not mass-destruction

weapons), global nuclear disarmament, and the environmental effects of nuclear power.

Those who attack the deal from the Right are even more inconsistent. If the deal compromises India's security, it cannot be remedied by minor changes in the US Bills, and even less by the PM's assurances.

However, the BJP doesn't even behave like a proper, sincere, principled Right-wing party, which takes ideology seriously. It is obsessed with attacking the Congress on every conceivable issue, with or (generally) without reasoning.

The time claimed by this incredibly noisy and futile Parliamentary debate carries a heavy opportunity cost: issues worthy of serious debate are bypassed, major Bills are shelved or rushed through, and precious opportunities to improve governance squandered.

Typically, 40 to 65 percent of all Bills listed for a Parliament Session are skipped. In this Session, for instance, important business like 33 percent reservations-for-women, social security for unorganised workers, and drastic changes in the

Right to Information Act won't be taken up.

Consider the long-term process. Over two decades, the number of annual Parliament sittings has shrunk by a fifth.

Typically, Parliament now devotes only 14 percent of its time to legislative business, compared to 48 percent in the first two Lok Sabhas. Its time is taken up in procedural matters, acrimonious exchanges or noisy walkouts, not in voicing people's concerns or discussing important events.

Parliamentary questions and the Zero Hour are important democratic institutions. Even cynical politicians and bureaucrats answer Parliament questions relatively honestly -- on pain of personal penalty.

But now the number of questions permitted during Zero Hour has been reduced to 10. The proportion of starred questions -- on which further debate is allowed -- has decreased. As has the quality of the answers. This bodes ill for transparency.

This should cause concern among our leaders, in and outside government. By trivialising

Parliamentary discourse, they risk damaging the greatest assets they possess in the eyes of the people: credibility and legitimacy.

Without these, our leaders won't count for toffee. The era of manipulative politics, in which people voted naively, has ended. Identity representation isn't enough. People want direct power -- and transparency.

Today's outcry over the government's disgraceful attempt to exempt file notings from the RTI Act is an expression of this grass-roots urge. People want to know how their money is spent, how corruption can be eliminated, how governments can become more responsive.

That's why the growing demand that policies should be approved by Parliament, and that Parliament should ratify all international agreements.

The thrust of all these is greater transparency and accountability from every institution, every official. If Parliament lets the people down, it will jeopardise India's own future as a democracy. From farce, we would then move to a true tragedy.

Praful Bidwai is an eminent Indian columnist.