

# The common sense decision of the decade

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AHMADUL AMEEN

I would like to commend the recent article written by Ibrahim Salek for its superb objectivity that contrasts the shrill tones of a few recent articles on the same subject. Thanks to the Internet edition of The Daily Star, people from around the globe can follow current national issues of importance including the Tata investment proposal.

The fact that such a vital national issue is being debated freely is indeed laudable. This is a far cry from the days when I, as one of the pioneers in the Bangladesh gas sector, was virtually fighting a lone battle against the might of the Central Government of Pakistan before 1971 and some biased Bangladeshi bureaucrats soon after the liberation who were hell-bent on exporting the meagre gas resources of Bangladesh at any cost.

But although we were vehemently opposed to the sale/export of natural gas at throw-away price, even at that time we were in princi-

ple not against export of value-added gas products like fertilizer converted from natural gas. The rationale was that a poor developing country like Bangladesh needed money for its development and growth.

In the context of weak-kneed political decision-making process in a highly charged political environment, the following points have been highlighted to provide an objective perspective on the issue. I shall not, however, at this point endeavour to delve into the economic details, cost, etc in the absence of authentic data in the public domain.

## Gas reserve, utilization, pricing

1. Let us assume that the current gas reserve (P1 plus P2) in Bangladesh is in the order of 14 Tcf. This reserve may be compared to the estimated reserve of around 7 Tcf just after liberation of Bangladesh. After nearly thirty-five years of usage, the current reserve is double what it was in the early seventies. It is

generally perceived in the knowledgeable circles that a lot more gas is under ground in Bangladesh than has been discovered to date. Various estimates range between 30-45 Tcf and beyond (including P3 i.e. possible reserve). In the context of the bureaucratic inertia and absence of clear cut policy framework, it would hardly be surprising if the players holding the exploration rights mark time sitting on the fence rather than sinking more money when there is neither the prospect of immediate pay-off nor ready market. Besides, Tata's considerable interest in the project is likely to be based on more informed and possibly more positive gas reserve scenarios. The government, however, has to take a decision based on 14 TCF reserve

2. Supposing we run out of gas -- is that a doomsday scenario? Very few successful industrial countries in the world are self sufficient in energy. Some highly successful countries like Japan

and Singapore depend on 100% imported energy. Earmarking a fraction of the reserve (15.3% in the present case) for ten years will not exhaust the country's entire reserve; rather the earning if spent judiciously can result in growth and income and provide further impetus to accelerated exploration. India is planning to import gas from Burma -- why can't Bangladesh -- if at all it has to? In this context, it may be pointed out that the garment industry in Bangladesh has shown spectacular performance without having cotton or a significant textile industry.

3. Pricing is definitely a major and complex issue. However, as long as Bangladesh is getting a price equal or more than: (a) the well-head price plus the wheeling cost inclusive of processing and transporting cost, or (b) the sale price to the other major industrial customers, why should there be such uproar? The latest price offered does not appear to be an atrocious one. Gas prices vary widely depending not only on the supply-demand situation but also on location and distance from the source and many other commercial and strategic factors. In the case of LNG (liquefied natural gas) liquefaction and transportation cost are major factors in pricing. Future energy price may go up or down, but no business decision can hinge on that. It is obvious that both sides would try to negotiate to extract

the best price possible -- that is the norm in such commercial transactions. If need be, reputed international consultants could be engaged to help establishing the optimum price for the project.

## Tata investment proposal

1. The concerns of some of the authors that the limited natural resources of the nation must not be squandered through unprofitable deals are understandable and their voicing the same is praiseworthy. The nagging fear of the authors and the public at large is justified in the light of the many blundered deals of the past. However, painting Tata as a predator plundering the resources of hapless Bangladesh in connivance with some vested interest does not appear to be fair, rather paranoid. After all, Tata has earned a reputation as a successful and reputable industrial conglomerate with an excellent track record for over a century. As a commercial entity they are entitled to seek fair/maximum return for their investment; likewise Bangladesh through tough bargaining backed by thorough homework should ensure that its national interests are safeguarded and that it gets the best deal.

2. There is no need to go berserk in respect of Tata's demand for the guaranteed gas supply for ten years for its considerable investment outlay. Which business

wouldn't do that? Would Lafarge have come to Bangladesh if they were not assured of limestone supply and energy needs for a significant period? By the way \$3 billion is not a petty amount -- rather it is huge in comparison to total FDI in Bangladesh in the last thirty-five years.

3. Similarly, the concern as to where the products are exported to is needlessly politicizing of the issue. If, after selling the products in Bangladesh, they export to other countries, what objections could we have? Obviously, exporting to India makes economic sense if for no other reason than the savings in terms of transportation cost. This will have the added benefit of Bangladesh earning substantial foreign exchange and reduce its burgeoning trade deficit with that country.

4. One must not lose sight of the tremendous impact the project will have towards the growth of the country, particularly North Bengal, hitherto failing to receive the fair share of the development pie. The country's interest in terms of growth and long-term impact on the economy of the country, employment generation and industrial infrastructure development must also be kept in view.

5. It appears from the newspaper reports that international agencies such as ADB, WB do not view the project as undesirable for Bangladesh. If so, I am sure it

is not with the intention of ruining the economy of the country.

6. Tata's investment would also encourage a good number of potential foreign investors hitherto sitting on the fence to take the plunge notwithstanding the depressing backdrop of Phulbari fiasco, RMG worker unrest, confrontational politics, street agitation, endemic hartal, and lastly, the perennial corruption and governance issues.

7. I fully agree with Mr. Salek that part of the revenue generated may be channeled into increased E & P efforts by Petrobangla/Bapex and make the country less dependent on foreign expertise in the area of exploration.

8. The revenue generated from the project could also be utilized for energy conservation measures as well as investing in the development of infrastructure for renewable energy.

## Political courage and decision

More than the immediate economic benefits of the project -- as highlighted in media and thus not repeated here -- the focus ought to be on the immense indirect benefits as fallout. A speedy and affirmative decision would give a clear and tangible signal to the foreign investors about the investment-friendly climate in Bangladesh. The closure of Adamjee jute mills, banishing two-stroke engines and polythene bags and sale of Rupali Bank

apparently at favourable terms (albeit under World Bank pressure) are the very few landmark achievements of the present administration. These indicate that the nation benefits whenever political will has been demonstrated for worthwhile projects. Let the government take the bull by the horn and decide the issue rationally. The opposition party on their part should also do some homework and come out in the open as to their views on an important national issue rather than sitting on the fence and launching agitation post facto for the sake of opposing the party in power. That is what the duty of a shadow government.

There are compelling reasons that the Tata investment proposal be not cast aside without thorough appraisal and due diligence -- because such projects do not come a dime a dozen. For a change let the politicians of major parties unite on an issue having far-reaching consequences and muster the courage to give green signals to launch the ground-breaking project. Let the decision-makers turn their back to the perennial nay-sayers, ideologues, and self-appointed custodians of national resources. That would be the common sense decision of the decade.

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# Let's pray for President Al Gore

AYESHA AKRAM

AL Gore has delivered an ominous warning for Bangladesh -- if things don't improve, the nation of 140 million could soon be facing the wrath of Mother Nature. In his much lauded documentary *An Inconvenient Truth*, the almost-president of the United States delivers a simple message. If the vast majority of the world's scientists are right, Bangladesh has less than ten years to avert a major catastrophe.

Standing at a podium in front of a crowd of extra-ordinarily attentive students, in the film Gore delivers one inconvenient truth after another. If we do nothing, he says, in the next two decades 300,000 people will die from global warming each year. Moreover about a million species will be driven to extinction by 2050.

But nature rarely punishes everyone equally. While the possibility of Manhattan drowning is slim and distant, the possibility of Bangladesh slipping under water is far more real and near.

As far back as 2001, UN Secretary General Kofi Annan warned that a rise in sea level could lead to the disappearance of most of the world's largest delta. During

his trip to Bangladesh, he said that a report by the U.N. panel on climate change predicted extreme droughts, floods, and storms in the country.

The world turned a deaf ear to Annan's concerns and in the following years, Bangladesh suffered the consequences of its worst floods ever resulting in millions of people becoming homeless.

Experts say rising global temperatures will increase the intensity of cyclones forming over the Bay of Bengal. The result: the Sundarbans National Forest will be wiped out, 18 percent of land will be under water and 30 million people displaced.

But in his Sundance film festival hit, Gore doesn't just predict doom: he also presents a solution which unfortunately for Bangladesh is out of their hands. Since the principal producer of greenhouse gases is the West, the solution also stems from there.

As Princeton University climatologist Michael Oppenheimer told the online magazine *Salon*: "The picture for Bangladesh, if nothing is done to limit greenhouse gas emissions, is very bleak. They can protect their citizens from an out-and-out, day-to-day disaster, but in the long term the land is going, going, gone for a good chunk of the

country. The wealthy countries -- like the US, like Japan, like China and India -- that pump out large amounts of greenhouse gas emissions will have to start to act in a serious way to curtail those emissions. Otherwise, not just Bangladesh, but large sections of the developing world and ultimately countries like our own will succumb."

But ever since the US Supreme Court handed the American presidency to George W. Bush instead of Al Gore, climatologists have been wailing in vain. In 2001, Bush made the worst possible decision for the world's future. Much to the outrage of environmentalists, he pulled out of the Kyoto Protocols and installed an oil lobbyist as chief of staff of the White House's environmental office. Mainly due to the current government's nonchalant approach to global warming, between 1990 and 2003 US carbon dioxide emissions increased by 17 percent.

But then what else can be expected from a president who believes America can win hearts by bombing countries. As Robert F. Kennedy Jr., author of the new book "Crimes Against Nature" told *Salon*: "You're talking about a president who says that the jury is out on evolution, so what possible

evidence would you need to muster to prove the existence of global warming? We've got polar ice caps melting, glaciers disappearing all over the world, ocean levels rising, coral reefs dying. But these people are flat-earthlers."

In the documentary, Al Gore announces that of the 21 hottest years ever measured, 20 have come within the last 25 years. And the hottest of the lot was 2005. But much of the Bush administration continues to doubt the science behind global warming.

Bangladesh seems to be paying the price for America's wrongs. This country emits less than 0.1 percent of global greenhouse gas emissions, compared to 24 percent for the United States, according to *Salon*. But it's Bangladesh that is flooding not the United States.

Bangladesh's tragedy is that it lies in the delta of three great rivers, the Ganges, Brahmaputra, and Meghna, which together drain 175 million hectares. The world's tragedy is that Al Gore has shown no inclinations of running for US president in 2008.

The writer is a NYC-based journalist currently working on a book about Islam in America to be published by Beacon Press in 2008.

# The state of our governance

ZIAUDDIN M CHOUDHURY

THE World Bank released on September 15 the new *Governance Matters: Worldwide Governance Indicators (1996-2005)* covering and comparing 213 countries.

This is a compilation of more than 120,000 responses from citizens, experts, and enterprises worldwide. In the backdrop of ongoing debate over the state of governance in our country and its performance, let us see where we stand in this latest global finding.

The report uses six key indicators to measure a country's state of governance. These are:

- Voice and accountability (measuring political, civil, and human rights).
  - Political stability (measuring instability and violence).
  - Government effectiveness (competence of the bureaucracy and quality of public service delivery).
  - Regulatory burden (incidence of market unfriendly policies).
  - Rule of law (quality of contract enforcement, police, and the courts).
  - Control of corruption (exercise of public power for private gain).
- It will be unfair to compare the performance or place of Bangladesh on a global scale in all

of the six indicators, given that in most areas -- control of corruption in particular, we have been at the bottom of the barrel past several years. It is worth seeing, however, how we compare in the regional scale -- among the seven South Asian countries.

Regrettably, our performance has not been exactly glowing in comparison with our regional neighbors. Our place among the seven nations is toward the bottom in five of the six indicators, Voice and accountability is the sole exception. In three of the six indicators Bangladesh ranked last among the seven countries: rule of law, regulatory burden and control of corruption (no surprise here!). In political stability, Bangladesh ranked 5th and in government effectiveness, 6th -- just above Nepal. Voice and accountability was the solitary indicator where the country was placed third ahead of Pakistan, Nepal, and Bhutan -- which I think has much to owe to our bold press.

That Bangladesh would figure low in the governance indicators is by itself not shocking news. We have become kind of immune to such reports. We have consistently turned the other way when Transparency International or other international bodies called our attention to our endemic corruption, and fecklessness of our

law-enforcing environment. What is revealing however in this latest report is the consistent deterioration over the past seven years (1998-2005) in all six areas, voice and accountability included.

The situation was not so abysmal even seven years ago. In 1998, in percentile ranking of 0-100 (lowest to highest) on a global scale Bangladesh ranked at 42nd percentile in voice and accountability, 40th at control of corruption, 39th in regulatory quality, 38th percentile in government effectiveness, and 26th in rule of law. We were not exactly ahead of the pack among our neighbors, but we were not at the bottom of the pile either.

Where do we stand seven years later? On a global scale, we slid down 7 percentile points in rule of law, 17 points in government effectiveness, 21 points in political stability, 24 points in regulatory quality, and a whopping 32 points in control of corruption. We have continued our downward slide even with voice and accountability with a 10 percent drop from 1998 to 2005. This is our official record; this is our scorecard in governance. This is what for others to see and judge us by.

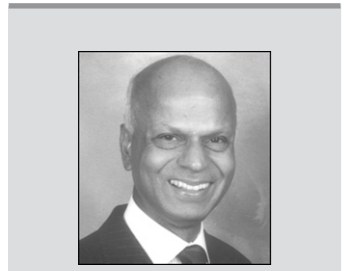
The corrosion of the six governance indicators has not happened overnight. It has happened, and continues to do so because our political leaders have consistently

refused to assume ownership for this deterioration, let alone stem this corrosion. Our institutions have fallen apart for gross abuse or misuse, our human capital has been wasted, and we have gross disregard for any intellectual assessment -- domestic or foreign -- of our failures. Our partisan politics and greed for power grabbing have taken center place sacrificing national interest. Given what has been taking place in the streets of Dhaka recently, I will not be shocked if the voice and accountability lead that Bangladesh has so far takes a tumble further down the tube.

I do not know if our policy makers, civil society and political leaders will ever take note of these indicators and the deteriorating trends. As the report observes, the countries that implement governance reforms can expect a huge development dividend. Improved governance outcomes can take place quickly with resolute leadership, the report further observes. In these grim days, I can only hope that a concerted effort by everyone in the country, political leaders, civil society leaders included, can stem this downward slide, and bring changes and reforms that we so urgently need.

Ziauddin Choudhury, a former Civil Servant in Bangladesh, writes from Washington, DC.

# The vocabulary of the war on terror



CHAKLADER MAHBOOB-UL ALAM writes from Madrid

In pursuing their "war on terror" (now christened as the epic "ideological struggle of the 21st century"), the US neo-cons and the Christian Right have invented a new vocabulary to vilify their invisible and amorphous enemy.

President Bush and his close associates repeat these words as mantras whenever they have an opportunity to do so. Unfortunately, following their lead, the media in many of the predominantly Christian countries of the Western world, including the moderate ones, has now started using these words.

In the United States and Europe, there is a growing tendency to use simplistic platitudes or outright derogatory terms to refer to the Muslims. Expressions such as Islamists (those who want to establish an Islamic state based on Sharia laws), fanatics, radicals, jihadists (those who fight against foreign occupation of Muslim

## LETTER FROM EUROPE

**Words are powerful instruments. They can become dangerous weapons in the hands of unscrupulous ideologues; hence the need to use them with care. Simplistic generalizations in oppositional binary terms (good vs evil, believers vs infidels, freedom vs Islamic terrorism, we vs "the other" etc.) and religious stereotyping in the form of Islamists, Islamo-fascists, fundamentalists, etc. do not help the task of moderates on both sides who are desperately trying to promote better understanding between the West and the Muslim world.**

lands), fundamentalists, "integrity" (those who want a theocratic state where the religious authorities also control the conduct of civil life), Islamic terrorists (as though there are no Christian, Jewish, Buddhist, or Hindu terrorists), Islamo-fascists, etc are used by the politicians, journalists and the so-called experts with such frequency, carelessness, and wanton disregard for the truth that one wonders whether they are even aware of the fact that such simplistic generalizations are gradually affecting the unsuspecting belief systems of ordinary people in the West and creating a mistaken impression that the West represents "good" and all of the one thousand four hundred million Muslims of the world are religious fanatics or terrorists, therefore they represent "evil."

The constant use of this sort of language also leads them to

believe that while in the West religion is a purely personal matter and it does not play any part in the affairs of the state, the Muslim societies are controlled by a bunch of fanatic mullahs. This is so patently absurd as to invite bemused scorn in response, were it not for the dangers inherent in such simplistic generalizations. But it is evident that this sort of language is contributing to the growing radicalization and hardening of the positions on both sides.

I would like to think that such widespread vilification of Islam and the Muslims in the Western media is not intentional but is merely due to ignorance about Islam and a certain lack of sensitivity to the feelings of the "other."

First of all, unlike the Catholic Church or the Anglican Church, most of Islam does not even have an organized religious establishment or a hierarchical clergy.

Therefore, it is absurd to think that Muslim societies are run in accordance with the edicts issued by the mullahs locally or from a Muslim Vatican. Second, the worldwide Muslim community is not a homogeneous one. Muslims come from different ethnic, racial and cultural backgrounds and they live in dozens of different countries spread in all the five continents of the world. Equally, there are widely divergent strains of thought among them. This is true that in all the predominantly Muslim countries of the world, Islam is practised as a religion.

And since Islam gives "a detailed moral map covering everything from friendships to protecting environment," it plays an important part in the day-to-day conduct of life and in the organization of the civil society. Allah's name is invoked constantly. State ceremonies in even constitution-

ally secular countries are often conducted with recitations from the Koran. As far as the system of government is concerned, the Muslim countries have widely different systems of government -- from absolute monarchies and puppet dictatorships to secular constitutional democracies. This is also true that in almost every democracy with a Muslim majority, there are one or two Islamic parties. This does not necessarily mean that these parties want Sharia-based Islamic states. The state is run in accordance with the laws passed by the democratically elected legislatures.

Is the role of religion much different in the Western world? Under the guise of false secularism, the US is a deeply religious country. In most oath taking and official ceremonies, God's name is invoked. All over the country, public school teachers daily lead students in a Pledge of Allegiance in which the words "under God" are recited. (From this, one can only imagine the degree of religiosity that exists in church-run schools.) All US coins and dollar bills carry the solemn words "In God we trust."

In this context, it is worth mentioning that "fundamentalism" as a movement first started in the US in the early part of the twentieth century. It believed in the precepts of traditional Christianity, opposed

Darwin's theory of evolutionism, and insisted on educating children not in schools and universities but in Bible institutes. From the recent spread of the theory of Creationism and the growing power of the Christian Right in the US, it can easily be surmised that the fundamentalist movement, instead of disappearing, is growing in the United States.

Luckily, the Christian Right is not as powerful in Europe as in the US. But religion still plays an important role in the society. Leaving aside the Church leaders, many politicians constantly make references to Christian values and Europe's Christian heritage. The constitutions of many member states of the EU invoke God's name in one way or the other. An examination of only a few of them will prove this point.

The German constitution makes a specific reference to God. The Irish constitution makes similar references to God almighty. The Italian constitution acknowledges the pre-eminent position of the Catholic Church, which enjoys enormous privileges.

Although after Franco's death, the Catholic Church in Spain has lost some of its overwhelming powers, cooperation between the Church and the state is almost taken for granted. Even though religious freedom is guaranteed by

the Spanish constitution, the presence of Catholic Church and its symbols in almost state ceremony is considered quite natural.

The Greek constitution recognizes the Eastern Orthodox Church as the dominant faith. In Britain, the position of the Church of England is very solid; so much so that no one, except an Anglican, can ascend the throne of England. In my opinion, before this current process of radicalization started, most Muslims would not have had great difficulty in accepting the name of God or even the name Jesus Christ, (who, by the way, is a prophet of Islam as well), in the constitutions.

What they find most annoying and hypocritical, is the fact that the mere mention of the name of Allah provokes so much hate speech and anti-Muslim hysteria in the West. Then one is automatically branded as a "fundamentalist" or even worse an "Islamist."

Muslim or predominantly Muslim societies are far from being perfect. Muslims are painfully aware of their deficiencies in the fields of human rights, scientific knowledge, good governance, etc. Many aspects of Muslim societies need urgent reform, like for example, democratization, empowerment of women, endemic corruption, etc.

Religion still plays an important

role (as it does in the West) in the lives of many hundreds of millions of Muslims as private citizens but there are not many who would like to live in a totally Islamist state under the Sharia law, if not for any other reason but for the fact that the world has changed over the last fourteen hundred years.

But if the citizens of a country like Algeria, because of their special circumstances, democratically choose to have a fundamentalist constitution, they should have the right to work it out by themselves. If there can be a Jewish state or a Catholic state, why can't there be an Islamic or even an Islamist state?

Words are powerful instruments. They can become dangerous weapons in the hands of unscrupulous ideologues; hence the need to use them with care. Simplistic generalizations in oppositional binary terms (good vs evil, believers vs infidels, freedom vs Islamic terrorism, we vs "the other" etc.) and religious stereotyping in the form of Islamists, Islamo-fascists, fundamentalists, etc. do not help the task of moderates on both sides who are desperately trying to promote better understanding between the West and the Muslim world.

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