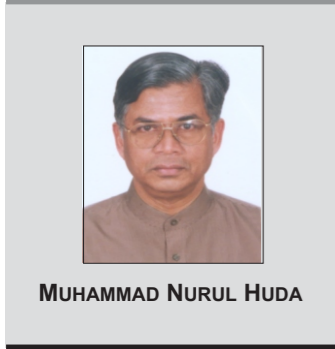


Caretaker government and those shadows



MUHAMMAD NURUL HUDA

In order to create an atmosphere of trust and credibility, the caretaker chief should be able to shake off all ambivalence and actions must demonstrate that he is the boss. Actions must be well thought and not negated by subsequent act. The shadows of the immediate past political government, suspected to be active in the corridors of power and its periphery, must be effectively banished from the decision making process so that a level playing field is created for holding a credible election.

UNUSUAL developments are taking place with an unsettling impact on an apprehensive polity that has a supposedly neutral and non-partisan caretaker government having a lease of less than three months to accomplish the onerous task of seeing through a peaceful, fair and impartial national election. Only last week it was commented that all around we are witnessing comical events of a disturbing nature but now one is perhaps constrained to observe that actions at very responsible high quarters are giving confusing signals about the real wielder/s of the executive power of the republic.

Without doubt these are uncertain times wherein every move of the chief executive is an action and he is the main attraction.

However, there are credible grounds to question if some of the recent moves of the caretaker chief are of his own volition or there are elements in the shadows who are pulling string in the affairs of the state. A definite and specific cause of concern is the reported presence of the press secretary to the Hon'ble President in the meeting of the council of advisors. This fact assumes significance because when political secretaries of the past two political governments enjoying the status of state minister of the government were not allowed in the cabinet meeting, how the press secretary of the Hon'ble President being a political appointee of the previous political government finds entry in such meeting?

At least three utterances and actions of the caretaker chief indicate that he does not have the benefit of legally and administratively appropriate advice. The two utterances

regarding the alleged change into presidential type of government and the so-called uncalled for comments about the activities of personal staff of the President were, at the least, unfortunate. The president was seen reading out from a prepared text and thus one would assume that he was fully aware of the ramifications of his comments. However, the subsequent half-hearted and unclear comments from the President's office on the literal meaning or otherwise of the relevant portion didn't appear as a satisfactory explanation for tiding over the resulting controversy. One has to bear in mind that the present parliamentary form of government was the result of a historical struggle that toppled an autocratic regime. One hopes that comments that substantially offend the democratic sensibilities of our polity are not uttered in solemn formal meeting. One also cannot be oblivious of the fact that the

President was addressing the secretaries to the government in his capacity as the caretaker chief performing the functions of the Prime Minister.

There was no explanatory comment from the authority about the alleged inappropriateness pertaining to observation with reference to activities of the personal staff of the President. It perhaps dawned on them that the President's personal staff, on account of their drawing pay from public exchequer are subject to public criticism and that their services are not of a domestic nature.

Thus far the most indiscreet act of the caretaker government has been the Home Ministry directive regarding the decision to deploy armed forces personnel for law and other duties and accordingly alerting all field administrative units. The late night subsequent announcement from the same Ministry clarifying that such deployment would be considered should that become necessary

appears ludicrous and speak volumes about the indecisiveness of the vital regulatory outfit. While nobody would attach any importance to the exculpatory comments of Home Secretary and Law Secretary about the fiasco as it appeared in the newspapers, the fact remains that the buck stops at the President's place who holds the home portfolio. The question is, must we indulge in palpably indefensible acts?

The divisiveness and pernicious polarisation that has marked the Bangladeshi society for the last couple of years should convince even the incorrigible optimist about the inevitability of a very stormy episode for the caretaker government of late 2006. By now we have sufficient testimony to the potentials of that premonition. It is time, therefore, to prove the pessimists wrong who say that the caretaker administration is a non-starter from day one because the head of the arrangement is

partisan, being the appointed nominee of a political party that is at loggerhead with its adversary. Some such pessimists have likened the President's assumption of the office of neutral and non-partisan caretaker Chief Adviser to that of a marriage of a boy to his first cousin sister's daughter which is legally permissible but socially extremely undesirable in our society.

Legal experts have been of the considered view that the President has not conscientiously exhausted all the constitutional options regarding the assumption of the charge of the office of chief adviser and that he has acted in indecent haste to satisfy his benefactors. Even the most lenient commentator would accuse the President of resorting to an irregular step which, though not strictly illegal, has placed us in a very disconcerting situation.

How tall our President will stand in fulfilling his constitutional obligations for facilitating the country's democratic progression will depend on his good judgment and coming to terms with the enormity of the issue. However, concerned citizens are of the considered view that he will earn the gratitude of our nation, by first of all effectively prevailing upon the chief Election Commissioner to

step down. There are people belonging to both sides of the political divide who can really advise him on being truly effective. The Chief Election Commissioner has broken the trust of the exalted constitutional office by not speaking the truth and not showing due deference to the directives of the apex court.

The president-cum-caretaker chief has to take some immediate administrative steps like change in key appointments. A guide in this direction is the measures adopted by the previous caretaker administration. The present Home Secretary who has already bungled in a very sensitive matter should be replaced forthwith and asked to explain his conduct. The establishment division should have a dynamic secretary who can organise things in tune with the demand of a visible neutral dispensation and is not himself a subject of some controversy. District level changes in general administration including executive magistracy and police should not take further time.

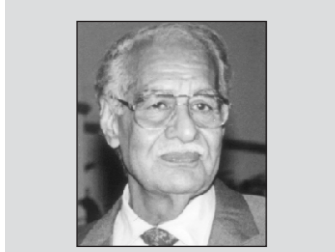
The President should be seen to be more a caretaker chief and therefore, he should have a new military secretary if he has not already appointed one in addition to other complements of the Prime Minister's office where he should

perform the substantive functions. The chief of National Security and Intelligence should be replaced like the last caretaker administration did and there should be a Press Secretary in the caretaker office. The experience of July-August 2001 is there to suitably follow.

We would do well to remember that the institution of caretaker government is in serious risk of being irreparably discredited if sufficient corrective actions are not taken to restore people's confidence in the efficacy and impartiality of public offices. In order to create an atmosphere of trust and credibility, the caretaker chief should be able to shake off all ambivalence and actions must demonstrate that he is the boss. There must not be any doubt that behind-the-scene beneficiaries of last political regime are having a dominant say in major decisions. Actions must be well thought and not negated by subsequent act. The shadows of the immediate past political government, suspected to be active in the corridors of power and its periphery, must be effectively banished from the decision making process so that a level playing field is created for holding a credible election.

Muhammad Nurul Huda is a former Secretary and IGP.

Who betrayed whom?



KULDIP NAYYAR writes from New Delhi

BY chance, I saw the other day Sonia Gandhi's interview on a TV channel. Her performance was impressive. She did not hedge any question and she was forthright in her replies. She came out an honest person. I could see the pain on her face when she said that Natwar Singh, a lifelong associate, had betrayed her. She would not have said so if she had not felt that way.

That her confidence in him was explicit was a fact. I recall I wrote to her twice when I was a member of the Rajya Sabha. Both the times Natwar Singh talked to me on her behalf because she had passed on letters to him. The subject was not important, but the manner in which Natwar Singh disposed of my pleas to Sonia Gandhi indicated the equation he enjoyed with the Congress president.

Against this firm relationship, her feeling of betrayal was natural when she found that Natwar Singh was involved in the UN oil-for-food scam in Iraq. While indicating this during the interview, I could see her face showing anguish, not anger. She could not probably imagine that a person who was so close to her and her husband, Rajiv Gandhi, would enter into an oil deal without explaining to her what he was doing.

After all, Natwar Singh's credentials were that of a Congress leader. There was no other reason for Iraq to treat him with deference.

Instead of reaching her to assuage her doubts, Natwar Singh goes off the tangent. He objects to her use of the word, betrayal, especially when he is 15 years older to Sonia Gandhi. He says: "Those

BETWEEN THE LINES

The problem with political parties in India is that they have not learnt to differentiate between a durbari and a supporter. Natwar Singh, like Dinesh Singh, was a durbari, although he gave the impression as if he was another Nehru in the field of foreign affairs. Sonia Gandhi has rightly felt betrayed. But the crowd she has collected around her is primarily that of Natwar Singh's.

who are born on Indian soil will understand the country's ethos and culture. Others will not." Natwar Singh sounds like a member of the BJP which went to the polls on the plank that she was a foreigner. (The party lost in elections.) For him to suggest that Sonia Gandhi will not understand India's ethos because she is not born in the country is to betray his ignorance about India's characteristics and spirit and her life after marrying Rajiv Gandhi. Natwar Singh's remark must have been the kindest cut for her because he was part of the family.

Coming to the word, betrayal, it means violation of trust or confidence. What else Natwar Singh did? Using the name of the Congress, he entered into the oil deals. She, in fact, was soft towards him. Anyone else in her place would have been harsher because Natwar Singh exploited the name of the Congress which she headed.

Why does Natwar Singh lose his temper with the Congress leaders? They could not have condoned the indictment by the Pathak Commission on Volcker's oil scam report. If Sonia Gandhi had not been generous, she would have named Natwar Singh's son, Jagat Singh, the centre of the scam. She only talked about Natwar Singh's betrayal. He should thank his stars that he got off lightly. And he has not yet been expelled from the Congress party like his son.

I can think of another equation which did not break on the point of scam, but it too was a betrayal of sorts. I am referring to the exit of yet another former foreign minister, Dinesh Singh, from the Congress during Mrs Indira Gandhi's time. He too was close to her,

in fact, part of her kitchen cabinet. She defied the Congress high command, the old guard, with the help of people like Dinesh Singh. When the Congress was split in 1969, he was part of the demolition brigade. Then he bolted the party to join the Janata. What loyalty? Dinesh Singh was another wheeler-dealer. He used Mrs Indira Gandhi and left her and the Congress when both were in the dumps after the emergency. I recall that whenever he invited editors or senior journalists for a meal, he would have instructed his stenographers to come to the room and interrupt discussions on the plea that Mrs Gandhi was on the phone. He would do so to underline his importance. He was dropped from the cabinet because of his antics.

But one thing goes in favour of Dinesh Singh is that he did not run down Mrs Gandhi in public. He would say many things against her in private but nothing for publication. Natwar Singh has behaved as if he has dropped Sonia Gandhi and not the other way round. This happens - it is still happening - when political parties pick up bureaucrats and appoint them as ministers. (Natwar Singh is from the Indian Foreign Service.) They do not have the grounding in politics and lack the necessary temperament. Manmohan Singh is an exception.

The problem with political parties in India is that they have not learnt to differentiate between a durbari and a supporter. Natwar Singh, like Dinesh Singh, was a durbari, although he gave the impression as if he was another Nehru in the field of foreign affairs. Sonia Gandhi has rightly felt betrayed. But the crowd she has collected around her is

primarily that of Natwar Singh's. She will discover sooner than later that someone else in her camp has played her false. She should have learnt how to assess a person.

But then this love for sycophants goes back to the days of Nehru. Although he kept himself aloof, he could not escape people like M.O. Mathai who betrayed him. One cannot say anything against R.K. Dhawan, Mrs. Indira Gandhi's special secretary. He did not open his mouth against the dynasty. He was promised many things during the Janata rule. But his reply was that he was willing to tell about anybody except Mrs Indira Gandhi and her son Sanjay Gandhi. Dhawan probably thinks that this is the "country's ethos and culture."

Natwar Singh should have learnt from him. Dhawan is several years younger to him. I have brought in age because Natwar Singh has said that Sonia Gandhi should not have used the word, betrayal, since she was 15 years younger to him. The question is not that of age. The culture in South Asian countries is that of hijiori (obedience). The rulers like this because the answer is 'yes' even before the sycophant crowd around them is asked. It is for the rulers to see through them. But then the former feel so insecure that they look for props which draw rosy pictures of their popularity. Dinesh Singh and Natwar Singh were no different as long as they were in the party, not only because they were found out but also because their betrayal came to be known.

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LEST WE FORGET Syed Badrudduja A champion of truth and justice

SYED ASHRAF ALI

SYED Badrudduja, the indomitable champion of the down-trodden minorities in India, breathed his last on November 18, 1974. In the passing away of this brave soul, the people not only of India but of the entire subcontinent lost a great statesman, a matchless orator, an erudite scholar, a valiant fighter for truth and justice, and an honest politician with unimpeachable integrity. He commanded unstinted admiration and respect not only from the Muslims but also from persons of various walks of life and different shades of opinion.

In 1969, a broad-based Committee was formed to pay a befitting tribute to Mirza Asadullah Ghalib, the legendary Doyen of Urdu literature, on his 100th birth anniversary. The Committee was a blazing galaxy which included brilliant luminaries like Suniti Kumar Chatterjee, Satyajit Ray, Tarashankar Bandopadhyaya, Profulla Ghosh, Humayun Kabir, M O Ghani, Zubair Siddiqui, Hiren Mukherjee, Indrajit Gupta, Ananda Shankar Roy and Vivekananda Mukherjee. To synchronise and channelise the wisdom and talent of so many illustrious figures in the literary, cultural and political arena was no easy task. It certainly called for the commanding personality of a charismatic leader. On the joint proposal of Profulla Ghose and Satyajit Ray, the towering personality of Syed Badrudduja was universally chosen to lead the prestigious and historic committee.

A devout Muslim, all through his life he tried to emulate the ideals of Prophet Muhammad (peace be upon him). He firmly believed in every word of the Holy Quran but never in his life did he criticise any other faith. No wonder he would never tolerate any criticism of Lord Krishna, Gautama Buddha, Mahavir, or Guru Nanak (peace be upon them) simply because the Holy Quran ordains in unequivocal terms: "Reverie not ye those whom they call upon besides Allah, lest they out of spite revile Allah in their ignorance."

(Sura A'nam, 6:108). No Muslim, in his opinion, has any right to blaspheme revered leaders of other faiths.

A man of very broad outlook, free from all bigotry and narrowness, Badrudduja always supported the right cause and cared not what specific faith or religion the beneficiary adhered to. The two eminent persons who owed their revival in politics to Syed Badrudduja were V.K. Krishna Menon, the celebrated comrade of Pundit Jawaharlal Nehru, and N.C. Chatterjee, the world-renowned jurist who was invited by Nikita Khrushchev to act as an Independent Observer during the historic U-2 Trial of Gary Francis Powers in 1960. Krishna Menon, who was made a scapegoat for the disastrous debacle of the Indian army at the hands of the Chinese in 1962, lost several elections between 1967 and 1969. Due to the untiring efforts of Badrudduja, the Muslim electorate in Midnapore put their trust in Menon, although he was an agnostic and did not know even a word of Bengali. Badrudduja also persuaded the Muslim voters in Burdwan to vote in favour of N.C. Chatterjee, a former Hindu Mahasavaist and Jana Sanghi, simply because the opposition in Lok Sabha would be strengthened.

During the campaign for the election of V.V. Giri as the President of India against the official candidate of the Congress Neelam Sajinva Reddy, Mrs. Indira Gandhi personally approached Badrudduja for his support. Badrudduja yielded to the request of Mrs. Gandhi not for any material benefit but in the larger political interest geared to public welfare.

It was not only in the political arena but in the world of letters as well that Badrudduja played a very significant role in assisting litterateurs in distress. An intimate friend of Comrade Muzaffar Ahmed and Kazi Nazrul Islam as he was, Badrudduja played a key role in the treatment of the rebel Urdu poet. It was through his sincere solicitude, testified Sufi Zulfiqar Haider in Tomar Shamrajye Juboraj,

that the treatment of the great poet progressed unhindered at the Lumbini Park Hospital in Calcutta. It was also his sincere gestures which brought Abdul Alim, the Nightingale of Bengal, to Calcutta, enabling the bud with the golden voice to bloom into a full blossom.

A fearless champion of truth and justice, Badrudduja never hesitated to call a spade a spade. In 1957, he refused to sign a document which claimed that Kashmir was an integral part of India. Only the Muslim members of Lok Sabha, Rajya Sabha and Bidhan Shavas were asked to sign this document. Alone among the Muslim leaders in India did he have the courage and conviction to point out that true secularism, as defined in the Constitution of India, could never single out only Muslim legislators and ask them to prove their allegiance by signing an illegal, unjust document.

Had he done nothing spectacular or sensational, even then he would be remembered for his scintillating, matchless gift of the gab in English, Bengali, Urdu and Persian. He could breathe fire, when the occasion demanded, like an avenging angel, and warble, when the mood seized him, like a refreshing, sparkling mountain stream. Sir Wedgwood Benn compared his oratory in English with those of Edmund Burke and Winston Churchill. At the historic Joint Session of Lok Sabha and Rajya Sabha held in May, 1964 to pay homage to the memory of Pundit Jawaharlal Nehru, he spoke in English for four and a half minutes only. The majestic excellence of his inimitable eloquence found even Sir Anthony Eden and Zulfiqar Ali Bhutto spellbound. Great orators like Krishna Menon and Raja Gopal Acharya eulogized him as the "Edmund Burke of India".

In Urdu, he was second to none. Even a giant like Maulana Abul Kalam Azad gracefully acknowledged him as his equal. Incidentally, he was the only Bangla-speaking person who had the rare honour of becoming the President of Anjuman-e-Taragqui-e-Urdu. His speeches in Bangla moved and mesmerised all - young and old, wise and ignorant, rich and poor.



Netaji Subhas Chandra Bose, Dr. Bidhan Chandra Roy and Vivekananda Mukherjee considered him to be the "Bipin Chandra Pal of Modern Age". Sher-e-Bangla lovingly called him the "Nightingale of Cordova." Rabindranath Tagore's appraisal of Badrudduja's inimitable oration was brief but eloquent. He called it "A Gift of God."

His painstaking struggle for the emancipation of the minorities in India was legendary. To harness this inextinguishable volcano, both the West Bengal Government and the Government of India offered him coveted posts of the Cabinet Minister and the Governor of West Bengal. Even the prestigious post of the President of India was twice offered to him. But tinsel attractions of power could not sway him from the noble ideals to which he had always been wedded. The consequences of such an adherence to principles were only predictable. He was thrown behind the bars seven times (the last was at the ripe old age of 74) on false charges. Every time was he acquitted honourably.

Poverty frowned at him so often. But Badrudduja was made of a different mettle. He was the Mayor of Calcutta during the British regime, member of the Bengal Legislative Assembly and Bidhan Sabha for more than twenty years, member of Lok Sabha for nearly fifteen years. But when he took leave of this temporal world, his family had no roof of its own to sleep under. The man who could have literally minted money had he so desired, left a bank balance of only Rupees 314/- . Yet the truth about Badrudduja endures: How much richer had he made us with his ideals and precepts!

Syed Ashraf Ali is former DG of Islamic Foundation Bangladesh.

Trade liberalisation for export-led growth

MD. NURUL ABEDIN

One particular characteristic about Bangladesh's foreign trade is worth-mentioning. Bangladesh has shown tendency to be over dependent on a particular product for export. In earlier times it was textiles, in latter time it was jute. The over dependence on a single product comes full circle again with the emergence and meteoric growth of Ready Made Garments (RMG) in the 1980s and 1990s.

Tax revenue

Aside from its low Tax-GDP ratio, one of the most striking features of Bangladesh's tax system from the standpoint of international trade is its heavy reliance on customs duties, VAT and other charges levied at the border. Indeed, taxes on imports into Bangladesh account for over half of total tax revenues. Furthermore, a large share of corporation taxes (which account for two-thirds of all income taxes) are derived from export profits and/or are paid by foreign investors.

Bangladesh does, in fact, use a variety of measures (including duty concessions for specific purposes, duty drawbacks, bonded warehouses, EPZs, cash grant, etc.) in an attempt to offset the adverse effects of import taxes on exporters; but such measures contribute to the complexity of its trade (and tax) regime. As a member of multilateral trade organisation like WTO and also of regional ones like SAFTA, BIMSTEC and recently ARF, Bangladesh is committed to follow a

trade liberalisation policy with a substantial tariff cuts on imports, and at the same time, to provide fiscal incentive to boost its export.

In a global economy where the countries become members of international or regional trade bodies, it is not possible on their part to bring about unilateral changes in their trade policies and hence the paramount need to adjust its fiscal policy to cater to the twin needs of necessary revenue collection for financing its development goals and also at the same time, to foster foreign trade.

Since government revenue is heavily dependent on trade taxes, an associated problem of tariff liberalisation is the loss of tariff revenue and its effect on budget balance. Alternative sources of revenue must be tapped if a sudden rise of budget deficit, which is already high, is to be prevented.

Fiscal policy

There is a close relationship between trade and development. Therefore, there is the need for mainstreaming trade policies in national development strategies. When we speak of such strategies, certain social parameters like education, health, poverty alleviation, betterment in standard of life and reasonable accommodation flash across our mind's sky.

The main objective of fiscal policy in Bangladesh has been to achieve growth with equity and social justice. The government has pursued an export-oriented growth strategy

spearheaded by the private sector. Together with financial liberalisation and pursuit of prudent fiscal policy, an environment conducive for export-oriented growth has been created.

In the area of trade policy, the number of quantitative restrictions (QRs) has been drastically reduced; the maximum tariff rate has been brought down from 350 percent in FY 1992 to 25 percent in FY 2005. The number of tariff slabs has been reduced from 24 in the 1980s to only four in FY 2005. The number of end-user based tariff concessions has been slashed and the extent of tariff dispersion has been reduced. This has reduced the anti-export bias of trade policy. Various direct export incentive schemes have complemented the liberal import policy to promote export.

The package of export incentives (as stated earlier) entails substantial expenditure. The objective of fiscal policy, therefore, has been to improve performance on both the revenue and expenditure side of the budget. On the revenue side, the aim has been to improve the revenue-GDP ratio in general and the tax-GDP ratio in particular. On the expenditure side, the fiscal policy aims at reducing the current expenditure so that resource envelope for development expenditure may be increased. The coverage of VAT, introduced in 1992, has been enlarged. In other words, enhanced efforts are underway to mobilise domestic resources to reduce budget deficit as well as dependence on external resources.

The public expenditure policy is also geared towards streamlining the infrastructure development and social sector. In support of poverty reduction goal, each year additional resources are being allocated towards directly poverty reducing activities covering all dimensions of poverty - human poverty, income poverty, social disparity, gender inequality and social security.

Impact of trade liberalisation

Since the early 1980s Bangladesh has promoted trade mainly through reforms of its trade regime and removal of structural obstacles to production and trade. The liberalisation programmes undertaken by the successive governments focused on simplification of import procedures, reduction of quantitative restriction (QRs), rationalisation and diminution of import tariff and maintaining of a competitive exchange rate.

The liberalisation process has achieved considerable success though progress, at times, has been uneven. In the latest Import Policy Order (IPO), 2003-2006, the number of 'Items on the Control List' has been brought down to 63 from 122 in the previous IPO. The number of tariff slabs (including 'zero') has come down from 24 in the 1980s to only four (0, 7.5%, 15%, and 22.5%) in FY 2005.

An important element of trade policy has been the introduction of generous promotional measures for exports which include, inter alia,

lower rate of interest on bank loans, duty-free import of machinery and intermediate inputs, cash incentives, duty-drawbacks and exemption from value-added and other taxes. A policy of dismantling tariff and non-tariff barriers along with export incentive scheme has led to the reduction of a policy induced anti-export bias.

SAFTA, launched with effect from July 1, 2006, will see duty cut-back on export/import of specified numbers of items/commodities of SAARC countries. Quite in the fitness of things, this will augur well for the overall economic development of SAARC countries along with the betterment in the standard of living of the teeming millions of people living in South Asia region.

However, the Indo-Pak trade dispute has cast a shadow over the implementation of SAFTA. Pakistan's limited tariff concessions to only one item of the positive list comprising 773 items led the two countries to accuse each other of violating the SAFTA framework agreement. SAARC Foreign Ministers' Conference, held in Dhaka, has decided to refer it to the regular meeting of SAFTA Council of Commerce Ministers before the 14th SAARC Summit scheduled for April 3-4, 2007, in New Delhi. Even given the resolution of this problem, there will be no silver lining in the firmament of SAARC trade unless its five LDCs (out of its present eight members) expand their very narrow export list in the context of sensitive lists of various members. And it is in this way, the

LDCs of SAARC can expect to reap the good harvest of long and short time benefits.

Usually the fiscal policy of the government is designed to maintain macroeconomic stability creating an enabling environment for private sector investment to foster economic growth, acceleration of poverty reduction and generation of sufficient revenue for financing development activities. Trade liberalisation has expanded our export base and, as a consequence thereof, our export earnings have increased over the years.

The financial objective of trade liberalisation policy is to make resources available as far as possible to obviate the necessity of foreign assistance, negate the possibility of raising the rates of income tax and customs duty and maintaining the Balance of Payment (BoP) to avert the undue fluctuation of exchange rate. The government is committed to raise the revenue-GDP ratio to finance the country's public investment needs from domestic resources. The Expenditure-GDP ratio was increased by 2.0 percent of GDP in FY 2005.

It is clear that the government's expenditure package will inflate from year to year to finance various activities. Export earnings are expected to provide sufficient revenue to meet a significant portion of those financing needs. And that is possible, to a great extent, by the liberalisation of trade which will have a salutary impact on the fiscal health of the nation in the sense that rise in tax rate and duty will not be called for

at the cost of suffering of middle income group. Needless to say, this middle income group constitutes a large percentage of our population.

Concluding observations

Foreign trade is now considered as one of the important vehicles of development. So many activities are to be undertaken to pull the LDCs out of the clutches of poverty to bring them to the level of developing countries and ultimately to that of developed ones. "Trade and Not Aid" is our slogan for the purpose.

This is why we want export-led growth. Of the 149 members of WTO, many are LDCs, under-developed and developing countries which rely on primary commodities for export to the markets of developed countries. But these countries are not getting the fair deal for their products/commodities because of quota restriction and tariff/non-tariff barriers imposed by developed countries. WTO is now the forum in which trade relations among nations evolve through collective debate, negotiation and adjudication, and is the prime mover for facilitation and expansion of global trade.

But it is a sad commentary that WTO is dominated by the advanced industrial countries which are reluctant to allow duty-free and quota-free access to the products of the underdeveloped countries. Progressive international trade liberalisation came through multilateral negotiations known as "trade rounds". One such round was held in Doha, the capital of Qatar, in

2001. It now appears that Doha Round is also doomed to failure because of obstinate attitude of world's trading powers throwing WTO's five years' search for a free trade deal deeper into crisis amid persistent disagreement over the reforms needed to reduce barriers to agricultural and industrial trade.

Under the circumstances, what is the panacea for developing countries like ours? To my mind, the panacea lies in the formation of regional trade agreements like SAFTA, ARF and BIMSTEC-FTA. Unfortunately the intra-regional trade among the SAARC countries is still low and is only about 4 percent of the overall trade of the member countries compared to 37 percent among the North American Free Trade Agreement (NAFTA); 67 percent among European Union (EU) members and 38 percent among ASEAN members. As other regional organizations have demonstrated, SAARC will only succeed if all member countries forsake their national interest for the greater benefit of the region. SAFTA will bring benefit to the entire region only when all its provisions are implemented in letter and spirit. It is to be realised, in this era of globalisation, that there is no substitute for regional co-operation. Creation of a free trade area and its uninterrupted operation lies at the core of such cooperation.

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