

Arabs Should Move Carefully

Israel is at it again. Trying to wriggle out of a peace initiative or attempting to extract more concession as a price for participation in it, after the other parties — namely the Arab countries — have really gone a long way to make it a real possibility. The latest in Israeli foot dragging is their demand to know how the Palestinians will make decisions among themselves during the conference, how the conference invitation will be worded etc. Israel will not announce whether or not it will come to the conference table until the Americans provide all these answers — and to provide which, or at least try to, US Secretary of State James Baker is likely to visit Israel. This precludes Shamir making up his mind before Bush-Gorbachev summit next week, as the Americans had hoped.

Among the many issues on which the Israelis are nit-picking, the most prominent one deals with representation from east Jerusalem. From 1967 Israel has been occupying the eastern part and since a few years, has annexed it and declared the holy city as the new capital of Israel. President Bush still calls east Jerusalem an occupied territory, but has done very little to impress upon the Israelis that they will have to give it up some day. Now the Arabs are insisting on representation from east Jerusalem mainly to prove their just claim on that part of the city.

The latest movement in the peace process termed as the "most ambitious in years" has been possible due to Mr Baker's success in persuading President Assad to participate in a plan that entails an international peace conference followed by face-to-face bilateral talks between Israel and each of its Arab neighbours. However, the positive turn of events took a plunge when Israeli PM declared that he would not "exchange land for peace", neither allow the PLO to be a part of the peace process nor permit any Palestinian from east Jerusalem to take part in the conference. Israel's demands, as usual, are many. Nobody yet knows what it is going to offer in return except, perhaps, its presence in the conference.

While we welcome the renewed prospect of peace in that troubled area, we cannot but express grave reservation about the Baker plan as it does not include any clear idea as to how the conference will address the Palestinian issues. PLO, the sole and legitimate representative of the Palestinian people, have gradually been isolated through a very successful campaign by the western media — that PLO was a so-called terrorist organisation. Arafat's role during the Gulf war, especially his warm and rather thoughtless support for Saddam Hussain, has further added fuel to the Israeli propaganda that the west, especially the US, could not trust Arafat, and his PLO, as a reliable partner in a peace settlement. Egypt has become a critic of Arafat with Mubarak openly working against him. Syria always had its own agenda — not necessarily identical with that of PLO — regarding the Palestinian question. Arafat's relation with Jordan is now as good as it ever was. However, the memories of Palestinian massacre in Jordan in the late sixties, still clouds the relationship.

The new ME peace initiative is taking place at a time when the Arabs have very few cards of their own to play except the goodwill of the US that they have earned as a result of their unstinted support in the Gulf war. This goodwill however is hardly any match for the strong entrenched and powerful Israeli lobby in the US. Therefore, the Arab countries must watch every step of the way. In their eagerness to end the fighting in the region, and because of their displeasure about Arafat's role during the Gulf war, they should not sacrifice the interest of the Palestinian people. For peace at such a cost will not be a peace at all. It will only prolong the unrest and increase the agony of Palestinians.

A Most Welcome Half-way

When early in the century Mohun Bagan and its parent eleven Shobha Bazar Club stood up against British football power in Calcutta, anti-colonial struggle in the subcontinent got a shot in the arms. Later, likewise, in the thirties when Mohammedan Sporting Club won the Calcutta league championship consecutively for five years, the Pakistan movement got a tremendous fillip. In the same manner, when fresh from the ashes and blood of the Liberation War a handful of cultural workers launched the theatre movement that very soon staked a claim to be one of the more dynamic ones among the hundreds of theatrical enterprises in the subcontinent, — our new-found enthusiasm as a sovereign nation got a tremendous boost.

During the whole decade of the eighties two things heroically stood out as the very bastion of uncompromising opposition to autocracy. The Dhaka University campus and the Natak Sarani, or the Bailey Road 'theatre-para'. The theatre people's contribution in the anti-autocratic movement would surely go down in history.

In spite of such glowing credentials, theatre hadn't had at any time a darling's treatment either from government or from the society at large. The only good thing to happen to theatre was Bangabandhu Sheikh Mujibur Rahman's benign act of exempting theatrical performances from taxes. From its very start in '72 down to this day our theatre movement has been facing only odds and odds galore except for that small glimmer of light. And the odds cannot better be illustrated than by the absence in Dhaka of even a third-rate theatre. The Mahila Samity auditorium and later the Guide House auditorium have between them done a nursing mother's job albeit never having the right kind and amount of milk in their breasts. It could be thought that this was more appropriately the 'baby' of the Shilpakala Academy. Well, that organisation has yet to have a permanent auditorium of its own.

Prime Minister Khaleda Zia has come half-way to plugging this unfortunate hole. She has promised governmental initiative to find land for such an exclusively theatre-oriented permanent stage-cum-auditorium. Although very much short of giving the theatre itself, this is a very good gesture. More so because it seems to dare the theatre people to negotiate the other half-way — build a home truly of their own.

But for that to be possible in any effective manner the Theatre Performance Control Act of 1876 will need to be repealed first. We congratulate the Prime Minister for her assurance to the effect that government was already considering the matter.

HERE is now a deafening clamour for liberalisation to extricate dynamic enterprises from the suffocating bear-hug of the Government. But it has been overlooked that economic liberalisation without decentralisation would be hypocrisy without limitation. Far more fundamental changes are necessary in the policy to ensure its success.

The Finance Minister's repeated statements in various forums since his taking office regarding large-scale privatisation raises more questions than it answers. I have raised these issues not to argue against privatisation, but to search for clarity. In the clever political game of obfuscation where the Finance Minister has quite understandably to absorb the shock of abandoning the "holy cow" of public enterprises and at the same time send proper distress signals to the IMF, one must acknowledge that the Finance Minister has succeeded admirably.

Privatisation has now-a-days become a highly acceptable catchword, an emotive and sensitive issue which is an inevitable task for any Finance Minister to implement. If our Finance Minister is attempting to strike a middle path between public and private enterprises by off-loading Government equity in selected public undertakings, such a measure while yielding a few hundred crores to the exchequer, would not really provide any tangible results in terms of improving the management set-up of the enterprises concerned. Mere disinvestment will not improve management. The assumption is based on well-known fallacies.

Fallacy No. 1: Between the objectives of an enterprise and its managerial capabilities there is an intrinsic nexus. It has to be clearly ascertained whether the objectives were clearly set out in terms of profitability and market costs. Multiple objectives will tend to make a public enterprise lose its focus. For example a public

enterprise by its very nature may have multiple objectives such as employment maintenance, regional development and income distribution. Mere off-loading of shares would not seem to alter the multiple-objective character of a public enterprise and would not bring about any change in management style if such improvements are to be judged against the performance of a similar private sector enterprise with clearly defined objectives.

Fallacy No. 2: An inherent almost axiomatic belief prevails in the public mind that private sector entrepreneurs are better performers than their public sector counterparts. This belief may have a certain degree of logic and rationale but it certainly does not seem to have universal applicability. It is not ownership that distinguishes performance or efficiency but the connection between ownership and competition that promotes efficiency. Ownership should not be the distinguishing criteria for determining efficient performance. If there is competition private firms are likely to do better.

What is important is the selection of enterprises where the two objectives of efficiency and divestiture converge.

The incentive to do better comes from the pressure on private firms to perform better simply to stay in business or to prevent being swallowed up by others. If, however, there is little competition in the product market, if the risk of bankruptcy is slight and if the risk of take-over is minimal, the pressures of the market affect the private sector Manager no more than his counterpart in the public sector. One would not be far from the truth if one were to assert that such is the environment prevailing in Bangladesh at present. So that, given the conditions in which competitive conditions do not exist and are difficult to generate and sustain, a mere change in ownership would not neces-

sarily lead to efficiency in terms of cost and profitability. Efficiency, it must be remembered is a function of market structure, not ownership. The private sector in Bangladesh as in most other Third World countries is allowed to function without due regard to costs and profitability. One has only to go so far as to sit in or one of the regular meetings of the various Consultative Committees on Industries or Commerce where the various Chambers come face to face with the Government slowly with the purpose of extricating more and more concessions from the Government without due consideration to efficiency considerations. By extrapolating this analysis further one therefore gets the impression that a determined controlling group working through the chambers and other representative bodies acquires control over Government policies which, at times tantamounts to holding the Government at ransom.

In the present context of

conceive. It has by its very nature acquired features and characteristics which are anti-social and subversive of the independent development of the Bangladesh economy. The "leading lights" in the private sector no longer hesitate to take an independent stand, independent that is of official policies let alone the cherished values of the national movement during the struggle for independence. The unabashed and open espousing of tax reductions and the constant haranguing for more and more interest rate subsidies, excise and customs duties reliefs during the many meetings

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with Government representatives raise doubts as to whether the private corporate sector is really keen on widening the social base of industrial enterprise or are attempting to perpetuate the consumerist cravings of a thin upper stratum of society. The quality of industrial enterprise has tended to be submerged in a feverish search for trading profits and monopoly gains, sometimes under foreign collaboration agreements. In this sense the private sector has become indifferent to a socially broad-based development process. If, to begin with, the private corporate structure was too weak to muster either adequate capital or technology to undertake large infrastructural facilities for social broad-based growth, it now seems to have acquired over the years baneful characteristics.

The Finance Minister's bold statement regarding privatisation while presenting the budget, does not really provide us with a guide map for privatisation. He leaves behind a trail of unanswered questions. What we need to understand are the principles, the problems, the priorities for evaluating any

policy towards privatisation. From this angle of view, we must therefore take a look at privatisation efforts in other advanced as well as LDCs. It will then be seen that privatisation did not emerge as an ideology as socialism did. It was more a pragmatic reaction to the perceived inefficiencies of most public enterprises. Inefficiencies will occur when Government owns as well as controls industry and the decision-making process is dominated by Treasury compulsions or political expediency rather than on commercial logic. Different countries have given priority to different objectives in their privatisation efforts, such as: (i) improving economic performance of the unit concerned, (ii) Resolving the persistent problem of management and control relationships between Government and industry, (iii) Raising of resources for reduction of fiscal deficits, (iv) Disciplining the power of the trade unions, (v) Promotion of a popular brand of capitalism through wider share ownerships.

While the above objectives may be at times mutually inconsistent, this in itself cannot be construed as a criticism of the policy.

The lessons of both the developed and the developing countries do point to the futility for rushing ahead full-scale with a strategy or grand design without adequate preparation. To start with, privatisation efforts should not begin on a grand scale. What must be kept in mind always is that a change in ownership does not result in efficiency. What is critical is the market structure in which an industry operates and the climate of competitive pressures. It would be simplistic, futile and foolhardy to press for divestiture across-the-board in all public enterprises

or banks or financial institutions. This is not to argue against divestiture as a mode of privatisation. What is important is the selection of enterprises where the two objectives of efficiency and divestiture converge. The experience of the UK is an interesting and instructive example in many ways. Privatisation did not begin as a well designed policy. In 1979 the Conservative Government became quite fed-up and impatient with the shortcomings of the nationalised industries. As the programme got underway, it began to gather unexpectedly enthusiastic support from private investors. Chile's bout of privatisation in 1973-74 led to serious market failures. A second bout of privatisation in 1982-83 subsequently managed to fine-tune the privatisation programme of the late 80s. Privatisation in Eastern Europe has failed to gain momentum due to the absence of property rights, competitive market conditions and the absence of a scientific regulatory system for technology support. What therefore emerges from our above postulates is that selection of the enterprise and the specific industrial segment is the heart of any policy. Different sectors raise different issues of organisation and efficiency, different aspects of public policy. Privatisation is not itself a development strategy; it has to be fitted appropriately within the framework of development strategy.

What, then, are we trying to point out here is that wholesale embracing of economic liberalism while our policy formulators are hemmed in by the domestic/trade lobby at one end and the foreign aid-giving donors of the other end will only result in the present immiseration and the symbiosis between Bangladesh and the begging bowl. Liberalisation does not mean industrialisation. That is why in spite of the doggedness of faith on our part, one cannot help but feel that this is the eternal hour of the cynic.

Gombe Tidies Away its Years of Terror

David Musoke writes from Gombe

The number of people who died violently in Uganda through successive military and rebellious regimes, beginning with that of Idi Amin in 1971, will probably never be known exactly. But it was many hundreds of thousands of innocent people. The remains of those who died in the Gombe district during the guerrilla war between Museveni's and Obote's troops are being collected and given a decent burial.



Ugandan skulls: Now a chance to bury the dead

300,000 people during the five years of war.

When President Yoweri Museveni took power in

January, 1986, his government expressed a wish to build a

museum in Luwero, the main theatre of the guerrilla war where thousands of skulls and skeletons would be permanently exhibited to remind people of the atrocities which had taken place. But a strong lobby both in parliament and outside spoke ill of the proposed "house of horrors", and the idea was dropped.

However, thousands of residents of the Luwero triangle who had been forced to flee for their lives to other parts of the country, returned and gathered the skulls and skeletons. They left them on display on make-shift stands at road junctions.

The local press reported some time ago that the remains of war victims were disappearing from the display stands and that some were finding their way out of the country to neighbouring Kenya where they were sold. Other reports said relatives of the dead had taken skulls and buried them according to Baganda tribal traditions in their ancestral burial grounds, to appease the spirits of those

who had not been formally buried.

Gombe village, situated along the Kapeeka-Semuto road, is one of the areas in Luwero district where Museveni's guerrillas were first based in 1981. They later transferred elsewhere as government troops mounted heavy pressure against them.

After occupying allegedly rebel infiltrated areas, government troops started killing people at random, accusing them of being guerrilla collaborators or supporters.

The most affected areas of Gombe were Makulubita and Sanga. At Sanga remains of over 530 people were found and collected, those of 300 people were collected at Makulubita.

An official of the department of antiquities in the ministry of culture, youth and sport, said a total of 996 skulls were collected in Gombe sub-county alone.

The official said most of the skulls were fractured as the victims' heads had been battered by soldiers. The skulls and skeletons, which had been stored in polythene bags were removed one by one during the burial ceremony and packed in the well-cemented mass grave.

— GEMINI NEWS

DAVID MUSOKE is a Ugandan journalist currently freelancing in Kampala.

To the Editor...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

Affiliating University

Sir, The article by Mr. AKM Mokbul Islam under the caption "Affiliating University not need of the hour", in your 19th July issue is very much in time. I endorse the view expressed by Mr. Islam and want to add a few lines in support of it.

Our planners, it appears to me, are mostly interested to give new plans involving millions of Taka. The bigger the volume of money spent in a given project the bigger the credit to the prestige of the concerned planner — this is the false ego of some of our planners. They seem not accustomed to any planning which may serve a multi-purpose rather they are found to be allergic to such proposals.

Our bridges, culverts and dams are being made for single purpose and actual money spent therein may be the double or triple the amount originally proposed.

The 'distance' or 'open education' faculty may be opened in the existing universities, besides converting the single subject universities into general universities and Jahangirnagar University into a non-residential university. This will add additional seats for 1,50,000 students in a year and at least ten thousand new teachers will get job. This will also help avoid campus violence.

This may be done by using the existing buildings and other facilities without spending extra money for

'establishments'. We may start double shifts in our existing universities. This will again save lot of money which may be utilized in setting up new industries, hospitals, bridges etc.

I want to take this opportunity to call upon the government to revise the decision, if any, to establish "Medical University" in the country and avoid extravagance.

In the larger interest of the country the matters require serious consideration by the planners and the democratic government. We should follow the German method of development by doing things in '1/15/- annas' in place of '1/16/- annas' or at least getting the things done within the actual cost of the project.

M. Saleem Ullah
Advocate
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BCSIR affairs

Sir, In reply to a question of a JS member, the Education Minister stated in the Jatiya Sangsad that at least 50 PhD

holders were working in BCSIR they had developed at least 235 processes or scientific innovations during the past 36 years of BCSIR's history. As a taxpayer I am interested to know what is the annual income of BCSIR, comprising three large laboratories, through their application of science and technology against annual expenditure met by the government exchequer. If the money input of government is several times more than BCSIR money output, it is evident that the investment is not paying off as expected. Let the government state the correct position of debit-credit of public money investment.

Sadik Alee
Mogh Bazar, Dhaka.

Weed out corruption

Sir, At the very outset I take this opportunity to congratulate the Finance Minister for his bold and confident handling of the matter relating to purchase of duty-free cars for MPs. It's a pity that people's representatives from both the

treasury and opposition benches have failed to grasp the magnitude of the events that led to the downfall of one of the most despised dictators in history.

One of the many corrupt practices of the ousted autocrat in liquidating the economy had been his mastery over the art of corrupting the higher echelons of the society comprising of civil and military bureaucrats, politicians and journalists. Though I am in no way a BNP sympathiser I do sincerely wish to see the PM succeed in her noble endeavour to weed out the last vestiges of corruption from society. Unfortunately, the PM has already deviated herself away from some of the promises she had pledged to the nation. She has reinstated some of the most corrupt bureaucrats and technocrats in high places in spite of their close association with the deposed tyrant. It is widely believed that these men have amassed huge amount of wealth abroad through dubious means. I beg the PM not to be fooled by men who once have played an active role in top-

pling President Sattar.

On a different note, I wish to point out that the leader of the opposition too has a pivotal responsibility to extend all out support to matters of common concern. Both the PM and her arch-rival must come out of their self-made nut-shells.

They must rise above self-interest to give parliamentary form of democracy a solid footing so that no totalitarian ever dare pose a threat to democracy won through a historic struggle. It has to be deeply etched in our minds that there is no alternative to people's power in a highly politicised nation like Bangladesh. At a critical juncture in history when Bangladesh is trying to ensure a smooth transition to democracy there are a lot of hungry sharks lurking about, looking for lame excuses to foil our hard earned glory. The PM and the leader of the opposition should proceed in a cautious manner so that such attempts are frustrated once and for all.

Omar Quareshi,
Mogh Bazar, Dhaka.