

Improvement by Authority

The Rajdhani Unnayan Kartripakkha, feared or loved more by their acronym of Rajuk, are more than half way through their five-day long 'token demolition' programme that began in city, as promised, on December 1. The authorities hope to demolish as many as 200 unauthorised structures in selected areas in the heart of the city as well as evict 300 slums in the suburbs by the time they wind up their token programme.

Announcing this programme on November 26 the chairman of the set-up had said this was being done to help make Dhaka a 'better city' that would ring a bell in many a mind. During the autocratic regimes Dhaka was being all the time made and unmade at a cost of tens of crores in the name of fashioning a 'Tilottama' out of the cancerous growth called the Dhaka Mahanagar. And Tilottama meant beauteous to the molecule. We had been gifted two glorious gardens without needing such tall-sounding programmes and what we got after authorities turned to their 'beautifying Dhaka' can be symbolised by wholesale felling of avenues of wonderfully elevating trees—including the very rare Bougainvillea variety in front of the foreign office and the Nagalingam near the Sheraton and a bevy of rain-trees that spread a canopy rivalling centurian plantain trees.

Once bitten, twice shy — we are unable to go wild with enthusiasm with the launching of every programme for making Dhaka a better or more beautiful city. There are other reasons for that. We have already commented in this column that the unauthorised structures, most of which are booming things, have been invited into being by the needs of the area. They must go because they are unauthorised. But so also Rajuk which had failed in providing for the needs of the different quarters and arrange for 'authorised structures' to go up. How bodies manage to sleep like Rip Van Winkle while the 'unauthorised' people go about building structures and businesses like swarms of industrious ants — only to be rewarded for their diligence and initiative by demolition of all that they had built?

Still, a city must consist only of authorised houses and buildings and roads and parks and hydrants patently because so many people must live in so small a place. But how can one be sure about the taste and wisdom and, most important of all, the integrity of the set of people charged by state with urban development? How can we forget that because a top man thought the vulgar neon signs and the garish and dead looking sodium lights were a wondrous sight more beautiful than the bare and unkempt monotonously green lines of trees — the latter were authorised to be replaced by the former on a most massive scale.

It cannot be said that authorisations of constructions were always done on the best judgement of the interest of the city's quality as a place of living and working — and not sold against hefty pay-off and kickbacks. Such reservations as above about vaunted programmes of improving Dhaka as a city in the face of a reality that is poised to foist a 10-million population in perhaps less than two decades' time, should not, however, detract in any way the need for going about the business in a bold, imaginative, big and all-the-way honest manner. To demolish is easy, to justify it with better replacement is difficult. We are gratified that Rajuk has taken upon itself that difficult and formidable job.

Welcome to Freedom

As a people committed to freedom and democracy, we in Bangladesh welcome the birth of free Ukraine. The people there have voted overwhelmingly for independence last Sunday. What had happened is very much in line with what was expected. Our earnest hope now is that what is going to happen should also be as is expected — meaning that Ukraine's separation from the Union should not only be smooth and orderly but done in full cooperation between the former union and the new republic.

This co-operation is of special importance in securing the future of the nuclear arsenal which is now in the Ukrainian territory. However, a most positive initiative has already been taken by Ukraine in the form of urging for a "collective management" by the four Soviet Republics of the nuclear weapons till they are dismantled and destroyed. Though we still do not know how the central authority has responded to this move by Ukraine, we are happy to note that the new republic is aware of the complexity of the problem and is not allowing its nationalistic zeal to overtake its sober judgement which is evidenced by its call for collective management. It is at the same time also an indication that Ukraine would like to exercise its sovereignty and would only deal with the old Union on the basis of equality.

President Kravchuk is among those rare communist leaders — the most famous being Mr. Boris Yeltsin — himself who have survived the debacle of communism by timely changing their position to the nationalist cause. He has a very strong image of being an administrator and his art of political conciliation is mainly responsible for his success. However, Mr. Kravchuk heads a parliament which has been elected under the old order and it is most likely that the opposition will demand for a fresh mandate for this parliament. Already President Kravchuk is under pressure to change his cabinet led by Mr. Vitold Fokin and set up a new one after independence.

United States policy about Ukraine has undergone two major shifts in the recent past. First, President Bush warned the restive Soviet Republics about the danger of "suicidal nationalism." This was followed last week by his statement that he would recognise the state of Ukraine "expeditiously" in the face of sweeping victory of the nationalist forces on Sunday last. President Bush decided to go slow in this matter. It is perhaps to give Mr. Gorbachev a last opportunity to work out some deals with the departing republics.

The independence of Ukraine and of the other Soviet republics voting to go their separate ways are irrevocable facts of today. Gorbachev cannot reverse it and he shouldn't even try. The best he can hope for is some sort of loose confederation or something more flexible than that. The aim should be to try to maintain special co-operative contacts for the mutual benefit of their respective peoples.

ECONOMIC DEVELOPMENT AND ACCOUNTABILITY Professional Competence Essential Pre-requisite

by M. Syeduzzaman
(Star Guest Columnist)

ECONOMIC development requires accountability in all its diverse aspects, financial, administrative and political — all of which are mutually reinforcing. South Asian countries now seem to be converging to a common philosophy in their search for economic development.

The nature of accountability in the public sector is, however, different from that in the private sector. In the private sector the concept of financial accountability has grown from the development of the corporate management system with its multiple layers. The management was seen as ultimately responsible to the shareholders through the Board of Directors. The standard method for ensuring this has been twofold — first the development of the institution of independent internal auditors free from management interference and reporting directly to the Chief Executive Officer;

when there is effective political accountability enforced by a strong legislature, a vigilant press, and enlightened public opinion. Conversely political accountability without financial accountability is hardly meaningful.

was that the operations of the financial markets must be carefully regulated in the interest of the investors as well as the economy as a whole. This perception brought about the birth of the Securities and Exchange Commission in the United States as an independent regulatory body with wide powers. Subsequently, the regulation of capital markets worldwide grew increasingly sophisticated, establishing a new dimension of accountability.

Another new dimension of accountability arose from the changing role of the government in the industrial countries in the post-war world. The growth of social security systems, unemployment benefits schemes, health and medi-

Accountability is a must for generating the confidence of lenders and investors. The role of the professional agencies is extremely important in this context. Investor and lenders must be given the true picture of an industrial or commercial venture with full disclosure of its operations.

and secondly, through the appointment of independent outside auditors. This system has largely taken care of accountability in the business sector over many decades, fostering the growth of a large profession of accountants and auditors worldwide as a self-regulated profession chartered by public authorities.

Increasingly, however, with the growing volume and complexity of business activities in major industrial countries and around the world, and a growing recognition of the impact of corporate activities on the economy and society as a whole, financial accountability was expanded to include within its scope, the independent oversight of corporate activities by various regulatory agencies. In the aftermath of the "great crash" of 1929, political leaders and distinguished economists drew a wide range of conclusions. One was that the State had a very important role as a stabilizer of the business cycle. The other

cal care systems — caused a quantum jump in the role of the State in the economic arena even in the capitalist countries. This brought, in its wake, a new dimension of accountability. Governments were increasingly made accountable to the people for their welfare and security, resulting in co-mingling of political and financial accountability to the electorate.

Notwithstanding the emergence of the new philosophy of economic development and economic management, the role of the government in developing countries is acquiring newer dimensions, and with it the concept of accountability. In the case of the business sector specialized professional institutions have developed as the major instrument for ensuring accountability. With the growing complexity of economic and commercial transactions, strong statutory authorities have also to be developed for the regulation of the newly emerging capital mar-

ploying more hands. All South Asian countries inherited Supreme Audit Institutions headed by Comptroller and Auditor Generals modelled on the corresponding institution in place in the UK. Traditionally their function has been to detect wastage of public revenue and the tax payers' money. Rules were framed for this and the function of the audit office has been to ensure compliance through concurrent and post facto audit. With a limited role for the government the expectation of the citizens were also limited. The governments are now assuming new responsibility as the dispenser of public services, developer of the social sector and of physical infrastructure on a broad basis. Simply saving tax payers' money is no longer enough. Effectiveness and efficiency have become as vital as economy. Timely delivery of public service, quality of the service, and the fulfilment of programme objectives have moved to the centre of public attention and

interest. This has brought about the concept of "Programme Audit" worldwide, involving the search for the three 'E's — Economy, Efficiency and Effectiveness, in addition to compliance with rules. In the South Asian countries the supreme audit institutions are at various stages of evolution towards comprehensive audit of this kind. With economic development at the centre of all activities, it is imperative that the period of transition is shortened as far as possible with infusion of technical expertise in the audit system.

In this context, it will not be any exaggeration to say that on a conceptual plane, worldwide, the public sector audit has been ahead of private sector audit in broadening its scope. A convincing example can be given of the broadening

of the operation of a fully open system, and to ensure that audit reports do not become suspect. Independent auditors and professionally competent regulatory agencies acting jointly can act as a confidence building structure for development of the capital market and the investment climate. No single factor can promote economic development, but this particular aspect is crucial, and stands almost at par with fiscal and monetary policies. It is also important to mention that unless a fully functional democratic system is in operation, these professions cannot develop adequately. In an autocratic or authoritarian system what develops is "crony capitalism".

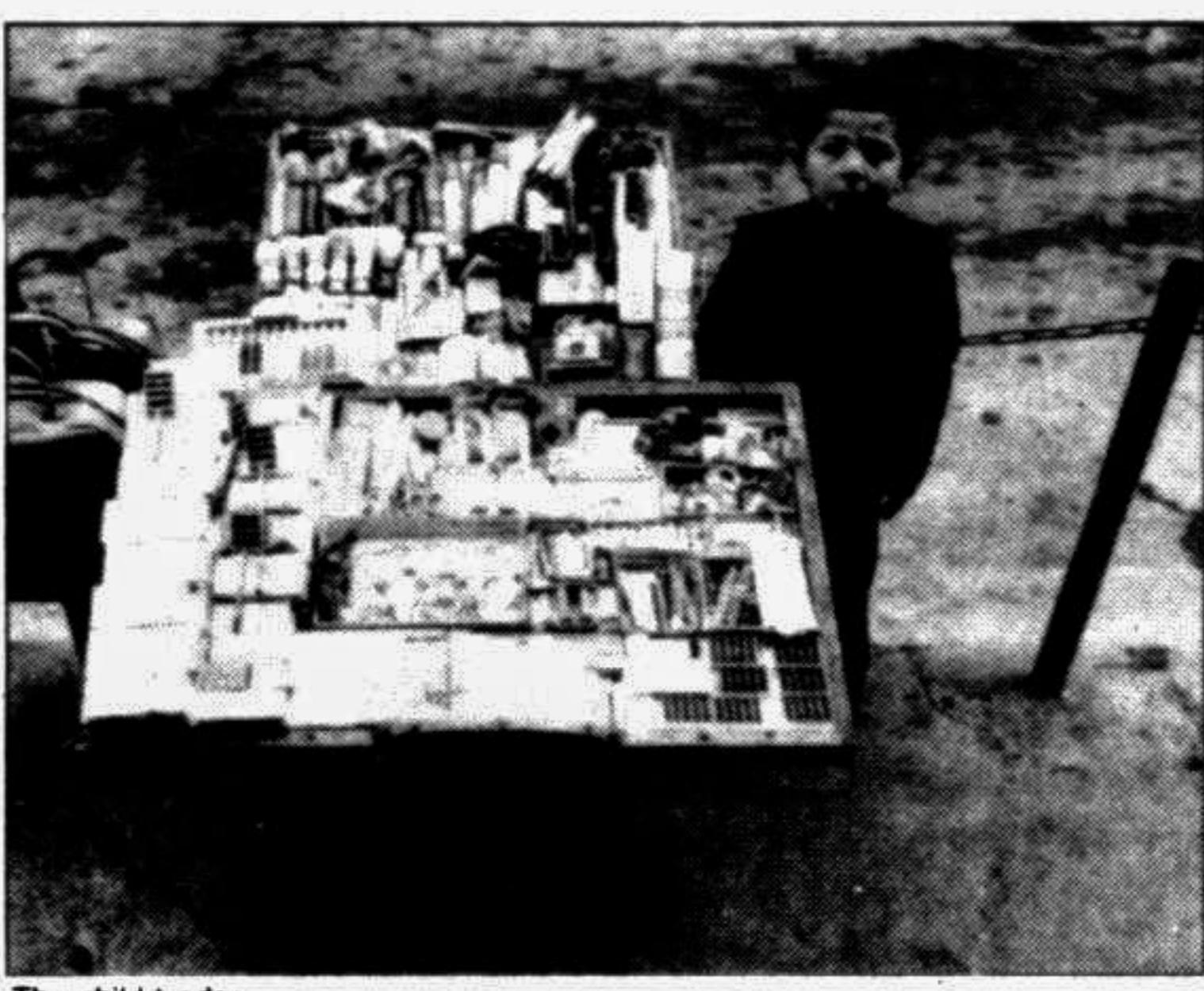
(To be concluded tomorrow)

This article is extracted from the author's key-note speech at the 6th Conference of South Asian Federation of Accountants (SAFA), held at Dhaka on 29-30 November 1991.

Death Squads Set Sights on a New Target: Children

Luis Tricot writes from Santiago, Chile

Once renowned for their repression of opponents of the military regime, Brazilian death squads composed of former and active police officers now stalk the streets killing children. The gunmen are hired by businessmen anxious to "clean up" the streets. The elected government of President Fernando Collor de Mello has called the murders a "national shame," but appears to have done little to stop them.



The child trader

As night falls over Brazil's crowded cities, death squads hunt down sleeping street children and kill them — usually with a single gunshot to the head.

Hundreds, perhaps thousands, of street children are killed this way every year, usually by active or former police officers hired by businessmen to "clean up" the streets.

The victims are part of Brazil's rapidly growing army of five million abandoned children — some as young as two years old — who wander the streets trying to earn a meagre living by begging or performing menial tasks.

The ranks of Brazilian street children are swelling. A significant proportion of the million babies born annually are expected to end up on the streets.

Street children are a common phenomenon throughout Latin America. What distinguishes those in Brazil is the shocking number of murdered. Latest figures show that at least 303 children were killed in the first three months of this year — an average of three or four per night.

The actual number is probably much higher, since statistics cover only 10 of Brazil's 24 states. In Rio de Janeiro alone, 10 children lost their lives.

Brazilian death squads first became notorious in the late Sixties when they began hunting down and killing petty criminals, outcasts and opponents of the military dictatorship. Now at least 38 "security firms" are said to busy themselves killing children.

The Brazilian government of

Movement for the Protection of Street Children, says some street children are petty criminals. But most, he says, are victims of family violence who left home to escape alcoholic parents, incessant beatings and other forms of abuse.

He adds that the children would rather face the danger and uncertainty of street life than return home.

Nascimento has had little support for his work, and his efforts have been hampered by the furious reaction of those directly involved in the murders. Since November 1990

when his life was threatened, he has been under police protection. Even so, he was kidnapped several months ago. Nascimento escaped and is once again devoting all his energies to his cause.

Suspicious deaths of street children are not restricted to Brazil. Between 1987 and 1989 at least four Bolivian children died while in police custody. The street children — known in Bolivia as polillas, or moths — had been taken to a police-run "rehabilitation farm" in the city of Cochabamba.

Although their bodies

OPINION

Parliamentarians

In the editorial a suggestion has been made to let Parliament take the decision on the phasing out of the Upazila system. My question is, in what way will the end result of this be any different from what has been done i.e. issuing an ordinance? A Parliament where general members of the ruling political party have to show total subservience to the leadership of the party cannot in any way influence the decisions of those policy makers who also happen to be Government policy makers. In the special case of a Parliament where one party has an absolute majority with no floor crossings allowed, a Government Ordinance and a Parliamentary Law will mean the same thing. The difference is that with an ordinance a lot of headache, tortuosity and time wastage is avoided.

So it is apparent that in the case of an absolute or for that matter near absolute majority party in power the self-imposed constraints of the parliamentarians and our judiciary of not allowing individual values and views of members to thrive in the name of restricting floor crossings can in the end lead to a disastrous ending. It will start with a few ordinances and end with authoritarian rule. And we know what authoritarian rule leads to — alternative centres of power holder to demonstrate through a continued period of time, among other virtues, unwavering political loyalty, dedication, desire to sacrifice and many other qualities which all in turn lead to integrity of character. And this is exactly what you have in mature democracies like in the UK or the USA.

Now, this is a shallow way of looking at life. The greatest human virtues are born of trust. If floor crossings were allowed political parties would choose a candidate for elected office after scrupulously examining his past records. This process would require an aspiring elected office holder to demonstrate through a continued period of time, among other virtues, unwavering political loyalty, dedication, desire to sacrifice and many other qualities which all in turn lead to integrity of character. And this is exactly what you have in mature democracies like in the UK or the USA.

May be we are not so mature but we should still allow a certain degree of personal freedom to our parliamentarians without which democracy itself becomes invalid. India is a country that may be emulated. In India if only 30% of the members of a political party in Parliament hold a different view from the party mainstream they are allowed a separate stand. May be we can devise something a little different yet still suitable for our parliamentarians to exercise a minimum level of freedom of the will.

This is for the nation to decide.

A concerned citizen Dhaka.

the developing countries like Bangladesh for better management and technical capabilities', which include domestic education, higher studies or training abroad, brain-drain, unemployed workforce, foreign exchange reserve, national security, state sovereignty, etc. Besides, how much return the foreign professionals will yield to the macro and micro economics of this poor country is subject to accurate computations as it is good enough to be worth it. But, for present, an extended programme of marketing native unemployed/surplus workforce at home and abroad may earn additional revenues for the country.

On the whole, the foreign employees have been estimated to do good-not-harm to the national economy even with hundreds of thousands of skilled and qualified job-seeking Bangladeshis against a few thousand vacant positions. Such a practice, beyond national welfare, appears as if

getting things foreign is a bad, else "mind your own business".

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Butros Ghali

Sir, We heartily congratulate Mr. Butros Ghali, Egypt's Deputy Prime Minister on his appointment as the new Secretary General of the United Nations.

We are confident that under the able leadership of Mr. Ghali, the United Nations will prove its further effectiveness in resolving world crisis and in promoting international peace and friendship. We are also hopeful that Mr. Ghali will apply his good office to resolve the burning Palestinian problem and thus to restore peace and stability in the Middle East.

We wish all success of Mr. Ghali in the United Nations.

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Many speakers in the Round Table stated possibly correctly that many NICs in East and South East Asia did not necessarily have a democratic government on the way to becoming an NIC. But it also became abundantly clear in the same discussion that a sublime consensus in basic issues always existed in all these countries during the entire transition period from LDC to NIC. In our case consensus about the basic developmental issues, which is vital to economic development, has always eluded us. What better way to building consensus than democracy? Authoritarian rule far from building consensus engenders opposing power centres a prime example of which is our Universities. I think we have made the right choice and will have the wisdom to continue in this direction.

The second editorial asked a simple question of what our Parliament is for? Frankly this question has baffled me for quite sometime. This editorial finally produced the spark for an answer in my mind.

So now we come to the