

Thailand on the Move

The Democrat-led coalition government that is set to take office in Thailand has many things going in its favour. To start with, the four-party alliance commands a comfortable majority — a total of 185 seats in the 360-seat House of Representatives — and thus offers the country a stable government. All the parties in the coalition are committed to democracy, having opposed the previous short-lived administration of Gen Suchinda Kraprayoon, a former army chief who had led a 1991 coup. Last but not the least, the new coalition government led by Chuan Leekpai, the Prime Minister selected by the Democrat Party will be the first administration to derive political benefits from the recently approved constitutional amendments, one of which makes it obligatory for the government to be headed by an elected Prime Minister.

No one can blame the cross section of the people, especially the educated elite of Bangkok, for viewing the political horizon of the country and prospects of the new administration with great expectations. The same expectations would be shared, perhaps a little cautiously, by Thailand's trading partners and foreign investors. The long upheaval which had marked the agitation against the army rule, the blatant massacre of demonstrators by the military and finally the ouster of Suchinda had considerably damaged the confidence of entrepreneurs both within the country and outside in the medium and short-term business climate in the country.

In immediate terms, the coalition government should be able to get things moving again, in the right direction. The army has already indicated that it will stand by the new civilian administration. At this moment, with its image tarnished by the notorious Suchinda rule, the military should indeed take a back seat and let the government of Chuan Leekpai do its job.

However, it is important for the new administration to look ahead and see its long-term prospects. Indeed, observers in Bangkok have already identified some difficulties, to put it mildly, which the Chuan government must eventually face. It is safe to assume that a coalition government in which partners come together mainly on the basis of personalities, rather than within the framework of a common socio-political agenda, is seldom a strong, cohesive one. In such a situation, the possibility of internal differences within the administration developing into infighting is always there. Then, there is the danger that corruption, in one form or another, which had caused moral erosion of many Thai governments in the past, causing popular disenchantment, can once again raise its head, weakening the government from within and eventually destroying its popular base. In such a situation, the army may not necessarily sit on the fence but find a way, however devious it may be, to take up the front seat in the politics of Thailand. It is up to the new government to ensure that this does not happen, either in near future or later.

Healing Society of Violence

In the eternal debate on the effectiveness of capital punishment as a deterrent of crimes of inhuman cruelty and against society and state, a jocular argument is often introduced to ridicule the supporters of death sentence. There was a time when in Britain picking pocketing was punishable by death. And the most numerous cases of picking pockets used to take place inside the huge crowd witnessing the public hanging of a pickpocket. The very day next to the promulgation of the suppression of terrorism ordinance, two sisters travelling in a rickshaw in late morning were subjected to acid throwing in Bogra with their eyes — all four of them — just burnt into holes of emptiness — they were then stabbed. The condition of the college-going girls was very uncertain as no proper doctors were available at the hospital to which they were rushed.

Hurling acids at girls with the obvious intent of making them unfit to live as cherishable human beings — is a crime more grotesque, gruesome and completely mindless than plain murder. One cannot gather oneself to imagine a culprit doing that and then round it off with stabbing. We would not cringe from hanging such scums of mankind and would not mind if it is done openly in a public square, although fully sanguine of the futility of it all.

The whole baffling question of crime and punishment stares in the face of humanity every time such a crime is perpetrated. Which is the more pertinent question — what to do with such creatures or how to heal humanity of such crimes? Maybe both of them are wound up one in the other like wanting to eliminate the crime by first liquidating the criminals — which, we know so very well, leads to nowhere.

It's more correctly related to a question of the quality of society which again is determined to a great length by material and moral conditions of a society. We fought for and won an independent state for ourselves hoping that we would by this be nearing those conditions that exclude violent crime out of the socio-political system. It looks as though we have been wrong. But perhaps there is still time to resist it from coming true.

Bangladesh Economy : A Crisis of Confidence

The performance of the bankers cannot be the main reason for the stagnation of the economy. Any student of economics would know that corruption in the banks is part of the overall climate of graft and venality pervading our society.

I was intrigued to see a startling advertisement in a local daily on 25 August in which ten leading banks of the country invited entrepreneurs to contact them for loans to finance new as well as sick industries. The advertisement is unusual because the banks are urging the much-maligned industrialists to come forward to take loans. Normally it is the loan-seekers who approach the financial institutions but in Bangladesh the situation has been reversed. Something must have gone wrong in the management of the economy to create this unusual situation.

I talked to a few businessmen and economists about the reasons for this odd phenomenon and came up with the following explanation. In the situation prevailing in the country today genuine entrepreneurs are reluctant to take industrial loans from the banks. The climate for investment is just not there. The law and order situation is so bad that no one in his right mind would risk his fortune in any investment requiring a few years to give returns. The situation in the labour front is another source of unease. Once a labour union transfers its loyalties to the ruling party no one can control its violent and extortionist activities. Apart from these well known reasons for economic stagnation, there is another, equally important reason for the reluctance of entrepreneurs to come forward to invest in new ventures.

Thanks to the Finance Minister's now-famous list of loan defaulters and the press campaign against these elements, the ordinary men and women of Bangladesh have come to associate all those who borrowed from banks for setting up industries as public enemies. Following the official line many newspapers joined the leftist elements in denouncing the private sector as a whole. In-

dustrialists — whether genuine or phoney — were all characterized as economic parasites who fatten themselves on public funds for private gains. The list has certainly created a public perception of industrialists as cheats out to defraud the government banks in the name of setting up industries.

Numerous pronouncements by the Finance Minister denouncing the loan defaulters have also confirmed the negative image of the businessmen as a class. I should hasten to add that he had, most probably, nothing but the best interest of the country in mind when he launched his campaign against the defaulters of loans taken from government banks. Unfortunately he did not realize that the campaign would create a negative bias against the whole class of entrepreneurs. Today all loan-applicants are suspect in the public eye. In a market driven system it is the initiative and creativity of entrepreneurs which acts as the cutting edge of the economy. However instead of dealing with the dishonest defaulters firmly but quietly, in accordance with banking procedures and the relevant laws of the country, the Minister started a crusade against them in the news media. As a result, businessmen as a class lost face and even the honest ones have been demoralized. It seems, however, that the Finance Minister's aim in publishing the list was designed more to impress everybody about his own seriousness of purpose than for practical results. Little thought was given to the possible negative repercussions of such a media blitz. How many defaulters have paid up as a result of the Finance Minister's campaign

and why has a list not been published? One would expect such a list as a logical follow-up of his earlier list. If there is no such list, then are we not justified in concluding that the policy has failed? He should be honest enough to acknowledge that the method chosen by him to recover loans was not a sound one. In fact, he betrayed a lack of understanding about the way in which the economy functions.

Confidence is basic to all economic decisions but is particularly important for investment. He has caused serious harm to business confidence by lumping all kinds of borrowers

In such cases the banks, as a routine banking practice, reschedule the loans. Instead of helping such persons the government exposed them to public humiliation. Would it not have been better for the government to go after those who are clearly fraudulent and are known to have no interest in legitimate business? In such cases, the law should have been allowed to take its course. If the authorities claim that every one on the list is dishonest then publishing the list was not the answer. All of them — without exception — should have been prosecuted in accordance with the law.

climate of investment is very real. In fact this is the explanation for the phenomenon mentioned at the beginning of this article. In Bangladesh today banks have to run after businessmen to take loans and not the other way round. Our Finance Minister is undoubtedly entitled to the credit for this most curious phenomenon!

It seems that these days it is not very fashionable to talk about the list of defaulters. Instead of putting some of these characters behind the bars the Finance Minister has redirected his ire towards the banking community. The bankers, we are told, are the root of all evil. The Finance Minister has found new villains for his little drama. He has publicly accused the nation's bankers as corrupt and attributed the lack of dynamism of the economy to their inefficiency in processing loan applications. Sweeping generalization is his favourite manner of making a point and perhaps one can ignore it as a mannerism rather than a product of serious analysis. Is there some truth in what the Finance Minister is saying? Of course, there must be some truth — perhaps even a lot of truth in his remarks.

However, the performance of the bankers cannot be the main reason for the stagnation of the economy. Any student of economics would know that corruption in the banks is part of the overall climate of graft and venality pervading our society. I would not like to condone the corrupt bankers any more than the civil servants, engineers, policy officers and others in key positions. But to single out bankers as the main culprit is patently wrong. The

Finance Minister should stop the search for scape-goats for his government's failures. If the government means business it will move firmly and even ruthlessly against lawlessness. They may find that a lot of those involved are members or financial supporters of the ruling party. The government can resolutely move, with the full backing of the entire nation, against thugs, hooligans and others engaged in criminal activities. It should be understood that the government can take firm action against criminal elements claiming to belong to the opposition parties only when it takes equally firm action against their own, but no less serious problem of white collar crime — will not only increase the respect and stature of the government in the public eye but even help establish democracy on a more secure foundation. Under such circumstances the management of the economy can be based on sound economic policies designed to promote national interests.

Unlike the economies of our neighbours in South East Asia and even in South Asia, the Bangladesh economy remains stagnant. The anti-investment public opinion combined with the country's slide into lawlessness has become a serious impediment to our growth process. The Finance Minister got some applause and the World Bank-IMF advisers were satisfied but the performance of the economy does not appear to warrant any smugness on the part of policy-makers. There are many manifestations of mismanagement of the economy but the loss of business confidence is one of the most serious. The Finance Minister can begin by looking at his own performance in terms of the results achieved so far by the policies initiated by him instead of a search for scape-goats.

ON THE RECORD

by Shah AMS Kibria

Into one basket. Small wonder that his lectures and exhortations to businessmen to revive the economy do not create even a small ripple. The complexity of the situation was ignored by him. For example, a good number of defaulters are able to ignore the legal liability to repay because of their political connections. Why lump the others with this class of political opportunists? There is a lurking suspicion that supporters of the ruling party can escape the long arm of the law. Why was some distinction not made between phoney businessmen irrespective of party affiliation and the genuine ones unable to repay their loans in time due to reasons beyond their control? It is common knowledge that some delay may be accepted by a bank if the client enjoys its confidence and if the reason for the delay is considered justifiable.

The public would have lauded the government if a number of such defaulters landed in jail.

If the law needed to be revised to effectively deal with these defaulters, why was it not done? The government is not shy in promulgating ordinances and in this case there would have been a national consensus if the government moved forcefully. However until now we have only seen speculations in the press. The Parliament met many times but no bill was presented for its consideration. We do not know the reason for this paralysis but perhaps one can guess. Most knowledgeable people believe that it is the defaulters who are now dictating the terms and calling the shots and all the sound and fury and drum-beating was really a cosmetic exercise. Regrettably however the damage done to business confidence and the

Nicaragua Group Protests Undoing of Land Reform

The Nicaraguan Centre for Human Rights protests the violent tactics used by the Army and National Police to dislodge campesinos (peasant farmers) from subsistence plots, claiming the actions are a breach of the government's promise to respect land reform carried out during the 1980s by the Sandinistas, says Central America Report, Guatemala.

THE Nicaraguan Centre for Human Rights (CENIDH) has charged the Army and National Police with 'utilising all forms of violence and humiliation to evacuate rural farmers from lands distributed to them through constitutional decrees 3-38 and 7-60 introduced by the Sandinistas during the 1980s. Under these land reform decrees, farmlands and other properties abandoned or liquidated before, during or after the revolution were parcelled out to landless campesinos in the form of small family subsistence plots or co-operative farms.

According to agreements signed by the government, Nicaragua's new privatisation process was to avoid violent evictions of occupied areas and focus instead on uninhabited entities such as factories or state farming cooperatives. The privatisation or return to prior owners of lands inhabited by campesinos was to be 'fairly negotiated', with financial compensation for those people asked to relocate.

But military actions of the past few months have contradicted agreements made by the government. CENIDH reported that in June, 21 farms belonging to members of the Rural Workers' Association (ATC) were violently 'cleaned

out' by members of the Army and National Police, in preparation for the return of the lands to their prior owners. According to CENIDH, 11 of the 21 properties evacuated formerly belonged to the family of ex-ruler Anastasio Somoza. The Somoza family now live in the US where they still command substantial political and economic prestige and have lobbied Congress and political allies in the Bush administration to pressure President Chamorro to 'rectify the land question'.

Both the Army and the Police (nearly half of which is now estimated to be composed of ex-contras) have been accused in recent months of being 'unnecessarily brutal to popular sector demonstrators and, for the first time since the Somoza regime, collaborating in joint repressive operations against civilians.

One of the most alarming dislocations occurred on 30 June at the Santa Josefina plantation in Matagalpa, when 300 combined police and army troops arrived with attack dogs and violently evicted 40 cam-

pesino families. The Nicaraguan daily El Nuevo Diario reported that soldiers and police beat men, women and children and threatened to kill the campesinos if they did not leave the premises. Security forces burned homes and crops and arrested many ATC activists.

According to CENIDH's president, Vilma Nunez, the arrests were illegal and based on 'stereotypical accusations' such as usurping private homes and damaging private property, which under decrees 3-38 and 7-60 have no basis. She said that most of the campesinos has lived on the lands in question for years and that many possessed land titles granted by the Sandinista government.

To exacerbate the situation, added Nunez, the ATC leaders were jailed without a judicial order, 'clearly in an attempt to frighten people and dissolve the (rural campesino) movement' in order to continue evicting people illegally. CENIDH has called on Nicaraguan judicial authorities to release the jailed ATC members, some

of whom have been held illegally for more than a month. ATC leaders have denounced the government's 'clean up' policy saying, 'They wouldn't resolve the land problem this way, if they really cared about national peace and economic stability'.

During April, May and June, 4,000 campesinos on small farms in the departments of Matagalpa, Jinotega, Chinandega and Leon were violently forced off subsistence plots distributed to them under land reform decrees. At the same time, thousands of poor families in Managua were told by security forces to evacuate their neighbourhoods, in violation of laws 85 and 86 of the Constitution. The pro-government daily La Prensa reported that on 14 June, security forces tortured a group of campesinos in Matagalpa, tying them up, beating and threatening them to persuade them to abandon their homesteads.

CENIDH stated that the repressive actions by Nicaraguan security forces have not been limited to illegal expulsions, but have included extended

military occupation of the vacated lands — a state of terror and blackmail — to prevent campesinos from organising. CENIDH criticised the way the residents were relocated, as 'an unjust and imposed departure... part of a policy of systematic political persecution and selective arrests of campesino leaders'. Many campesino leaders are upset about the Sandinista government's failure to complete the legal paperwork on its land reform actions. Only about 20% of those who benefitted from the process actually received formal land titles, making the present dilemma even more difficult.

Political analysts explain President Chamorro's acceptance of the rising levels of military repression against rural campesinos as a result of increased political pressure on her administration, both from the ultra-right faction of her National Opposition Unity coalition and from the US Congress. Headed by conservative Senator Jesse Helms (R-NC), one of the most ardent opponents of the former San-

dinista government, the US Congress voted in early June to withhold US \$ 116 million in vital economic aid to Nicaragua, pending more progress in the privatisation process and the return of nationalised properties to their prior owners.

In an effort to end the US freeze, Nicaragua's Foreign Minister Ernesto La Cruz announced a new plan 'to return properties, or pay damages to former owners of properties confiscated by the Sandinistas. There are 4,700 claims on 18,000 properties confiscated between 1979 and 1990, and the Nicaraguan government has instituted a property ombudsman post in the attorney general's office to study the claims and execute the returns 'as quickly as possible'.

La Cruz has argued to Washington officials that the Nicaraguan government has, in fact, achieved impressive progress in the privatisation process, given the fact that it has managed to privatise nearly 50% of all state companies, despite intense opposition from workers. He also pointed to Chamorro's other major economic achievements, her renegotiation of Nicaragua's US\$ 11,000 million foreign debt and her drastic lowering of inflation. — Third World Network Features.

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.

Zakat fund and beggary

Sir, On 19th August our Prime Minister handed over 69 rickshaws on behalf of Zakat Board to some poor people of Dhaka district. The Zakat Board plans to distribute 250 rickshaws this year. The programme of the Zakat Board also includes distribution of sewing machines, running of 'Maktabs', children hospitals and orphanages, and award of scholarships to poor but talented students. From the report of the rickshaw distribution ceremony as appeared in your esteemed daily, it seems that the activities of the Zakat Board has been recast keeping in view the national priorities. The programmes of the Zakat Board as mentioned above are no doubt national priorities, and that is why the Bangladesh Rural Development Board, and the Departments of Social Welfare, Women Affairs, Health and Education have similar programmes to be financed out of grants received from abroad or of Government revenues. Many NGOs have also some of these programmes. If we think of national priorities then abolition of beggary should be the most important and perhaps

the only priority. Can we not try to abolish beggary by utilising Zakat fund?

Every year the number of beggars is increasing as a consequence of flood, cyclone, river erosion etc. In the cities and big towns you cannot miss beggars. It becomes shameful when I see that a foreigner cannot walk in the streets without being pestered by some beggars.

In most of the western countries beggary is forbidden by law. Abolition of beggary should thus be the most priority area for Zakat Board. The Board should not extend its present programme in future years and instead, draw up a ten or fifteen years' scheme for confining the beggars in the beggars-home established in cities and towns. Some of these homes should be developed as small scale industries leaving some others for those who are 'crippled' completely.

Simultaneously a law may be passed forbidding beggary in areas to be notified by the government when beggars' homes are developed in that area. By the end of ten or fifteen years the whole country may be covered. The Zakat Board may organise a separate administration

body to run these beggars' homes.

In absence of beggars in the street, more and more people will come forward to give their Zakat to the Board. If we can abolish beggary with the Zakat fund then we can prove to the world the superiority of one of the five tenets of Islam.

A A G Kabir
Juar Shahara, Dhaka

Recruitment in MES

Sir, Military Engineering Service (MES) is a civil department attached to Defence Services for execution of development works. A good number of Diploma Engineers have been serving there on casual basis for a pretty long time — many of them for a decade or so. But instead of regularising them first, many outsiders have been inducted through so called departmental examinations.

It is felt that the departmental examination, if any, should be restricted to the in-service engineers with a certain length of service. Justice demands that once the qualified in-service engineers are absorbed and regularised, only then outsiders should be considered.

I, therefore, appeal to the Chief of Army Staff and the Ministry of Defence to look into the matter and save the in-service diploma engineers of MES from frustration.

Shamim Hussain
Mirpur, Dhaka

Political Stability: Role of Parties and People

by Abdulla Qaiyum Wahidul Haq

FOR a sound social life, political stability is a precondition, without which the possibility of stable social circumstances would be gradually gone from our life.

And the situation will create a veritable danger diminishing expectations in political life and thoughts. Because, we know that political advancement and economic prosperity basically depend on each other and both promote social life as based on a certain point of consciousness that attribute much of strength towards improvement of the total circumstances. Just as evaluating it, one can say that political stability and economic prosperity insist on people's being more conscious about their responsibility as far as their own labour is concerned. This continuing the formative contribution they would lay a path of development. Otherwise the political anarchy and economic chaos may grow to an extent that will push even a stable society into undesired detriment.

Such a situation is bound to hinder structural improvement that is generally related with running the economic system. And without developing a total system of social life, as matches with dynamic ideas and function, none can expect anything reasonable for the prospect of the nation. For moulding a society with sound infrastructure and not making

the people capable of increasing the rate of development of vitates interest of the individual to play a positive role in his own position.

Bangladesh is a developing country and it has many problems. And people face the problems most when they devote themselves to work for development without any pre-arranged system. This compels them to get into difficulty, at the time when question of development comes as a factor of inspiring hope.

Political stability cannot be established without achieving economic prosperity which has to be gained a method that gives the people an impetus to acquire wealth honestly. It may be capitalistic or socialist or market economy, but it must be set to the conditions to work smoothly.

Political stability of the country rests on people's own initiative, and people have to participate in constructing the social structure that impels the members of the society to acquire progress in totality of the society. Until there is not come an economic progress, the politics will never get rid of pains in the social life, and it must create crisis that may push the nation to disorderly circumstances. In our case, such a situation will endanger all the aspects of nascent democracy. Putting aside the economic question, the politics of Bangladesh requires

mutual understanding among all political parties who are individually engaged to create public opinion in support of their respective political and economic programmes.

Our people are not conscious enough and due to this, in the question of national progress, they do not contribute much for bringing about a prospective social condition. Illiteracy is a curse that has kept them ignorant and as such, they even cannot understand clearly what they have to do for their own benefit. Little they understand of the 'different' programmes of the political parties and remains more confused about their role to play in realising the same — which programme, for what? The simple, illiterate people, therefore, cannot contribute their labour for reconstruction of the country. Now for the sake of political stability as well as economic progress, we have to teach our people to have clear ideas about everything for which and why they will consciously come forward at the time of national crisis and play a positive role. If it is sincerely pursued, and the people do not feel bluffed then national progress and political stability will be visible in every sphere of the social life. Now for this our political parties should adopt such programmes and objectives that must convince the people to play their respective role towards a positive result.