

## GATT Snag, Again

Just when the GATT (General Agreement on Tariff and Trade) saga was looking set to culminate in a happy ending with the EC-US farm accord finalised last week, developments in France appear to be totally disconcerting. The latest expression of French anger over the deal has come in the form of survey result in which 69 per cent of the country's citizens have favoured a French veto to the EC-US agricultural deal. The French farmers have never been soft on the issue. Worse, the Belgian farmers have also joined them in the protest. It is quite understandable that the French farmers are least bothered about if the Uruguay Round fails, so long as they continue to enjoy farm subsidies. What is less clear is the French government's compulsion for taking a tough line in its relations with the other EC members. The French government has indeed gone so far as to threaten with a veto. To carry out the threat France will have to cite "vital national interests" — a most un-European thing for the country which has Jacques Delors as the EC's incumbent president to avidly promote the European union.

Well, Delors has proved his commitment to the single European cause through non-partisan stands on several issues. Last year he refused to oppose a commission veto of a French-Italian attempt to take over de Havilland, a Canadian aircraft maker. But the GATT row has far bigger things at stake. People the world over will be anxiously looking at the French official position to be declared soon. One silver-lining in the French response to the queries of IPSOS, a leading polling service, is that the majority of the citizens have supported the opening up service and manufacturing industries through the global trade talks sponsored by the GATT. After all, this fits into the neoclassical theories of benefits of trade liberalisation. The fact that the post-war industrialised world witnessed a huge growth in trade, general welfare and prosperity also, in turn, necessitated successive rounds of GATT negotiations, leading to the reduction of tariffs and trading opportunities with respect for rules and disciplines.

The most contentious issue in the current trade row between America and the EC has been agricultural subsidy. The US has long been demanding reforms of Europe's Common Agricultural Policy (CAP). When Arthur Dunkel, Director-General of the GATT, suggested cuts of 20 per cent in the value of the CAP's production subsidies, 36 per cent in the value of its export subsidies and 24 per cent in the volume of its subsidised exports to avoid a possible trade war, America made it clear that the arrangement would satisfy it. But not the EC. For its part, it placed an alternative proposal by which the EC countries were to replace some production subsidies with direct payments to farmers. After five months of heated arguments over the issue both the US and the EC came last week to a compromise that hopefully could lead to a position where the rest of the trade talks stood a chance to be salvaged. Now the French intransigence threatens to bring the achievement to nought. Already there has been enough acrimony, further squabbling will plunge the whole world into uncertainty. French Prime Minister Pierre Berégovoy has indicated that his government is seeking concessions in non-agricultural sector — a move that may do away with the veto. We hope such a compromise formula will be found.

Even if such a deal is struck, the focus has so long been on the EC-US interests. What the Third World countries are going to gain in the bargain is hardly known. The respected British journal, Economist, has given benefit figures through what it calls a "half-successful round" talk as: for America \$35 billion; for Japan and Europe nearly \$30 billion apiece and for the rest of world about \$25 billion a year. The areas where Asia's trade expansion can be envisioned are textiles, services and tropical products — with Asia, Africa and Latin America competing for the smallest share.

## Medical Mystery

What happened at Dhaka Medical College hostels on Monday? According to one version, a five-year old boy, Aninda Chandra Majumder, was held hostage at the Fazle Rabbi hostel by a doctor and couple of students of the Alia Madrasa. They demanded Tk 30,000 ransom from the boy's uncle who was due to return to Russia where he lived, the very same day. Tipped-off in time, police then went into Dr Milon doctors' hall and rescued the boy. However, a second version says that the boy's uncle Suresh Chandra Majumder owed quite a lot of money to one Dr Bashar, resident of room 319 of Milon hall. When Bashar asked Majumder to pay the money before flying back to Russia, the latter went out, ostensibly to get the money, leaving his nephew behind. He then told the police that Aninda was being held hostage, which led to the police operation and "rescue."

Quite obviously, one version is an utter lie. Either Aninda was held hostage or he was not, there cannot be much room for ambiguity here. The police, according to press reports yesterday, apparently holds the first view. If this is correct, then that would be worrying for more reason than one. Kidnapping of a five-year old for ransom would be enough to shock anyone; but when the involvement of a doctor, a DMCH teacher, is reported, then the sense of shock could not be greater. It would be a sad reminder as to the length to which the malaise of lawlessness and greed had penetrated into the fabrics of society. But supposing the other version was true? Then would it not represent a case of the police being duped into believing the word of an essentially dishonest man and thus blackening the good name of a doctor? The vast majority of press reports appeared to favour the kidnapping theory, possibly because that was the version put out by the police. However, since another version is in circulation which cannot be dismissed out of hand, it is vital that the police carry out a thorough and careful investigation into the matter to ascertain the truth beyond any doubt. When all the press reports, police statements etc. are taken together, the reader can be excused for being confused about from exactly where the boy was rescued or found — Fazle Rabbi or Dr Milon hall, and confusions of this kind make outright condemnation of men most desirable. A proper investigation would surely clear up the matter, and leave the public in no doubt whether a heinous crime was indeed committed, or whether a clever piece of deception had taken place.

# A PM's Sliding Marked by Scandals, Tensions and Ennui

ONE could draw a simple graph to illustrate the 500 days of Narasimha Rao's prime ministership. It would show two lines, one representing time, and the other performance. As the first line goes up, the second comes down. His sliding can be measured by the number of days he has been in office.

Yet practically everyone was taken in by his sweet talk when he assumed power in June 1991. By smiling a lot, being nobody's enemy and promising to solve problems through consensus, he sounded and looked different from the general run of politicians in India.

The beleaguered nation heaved a sigh of relief because it had been broken at the wrack of religion and caste. The economy had touched a point where even a modicum of growth was a question mark. Corruption was prevalent at the highest level. Once again, it was a hung parliament, underlining sharp divisions in the country. The disturbed scenes in Punjab, Kashmir and Assam only heightened the fear.

When he talked in terms of conciliation and consensus, people applauded him. They backed him even when he made a U-turn on the economic front. His approach of tolerance and cooperation was a relief in the strife-ridden society.

His first act was partisan. He joined hands with the pro-

Hindu Bharatiya Janata Party to win the Lok Sabha Speakership for his Congress Party. The outgoing Speaker Rabi Ray, independent and upright, was a consensus candidate. But Rao did not accept him, sending out signals that whatever his pronouncements, he preferred the party's interest to the spirit of togetherness.

More recently, the way he got the president and the vice-president elected was repeat. Although the Congress did not have the required majority to bag both the posts, he played one party against another to manage the win. This did prove his manipulative capacity.

Rao exposed himself further when he engineered defections in the opposition parties to convert his minority into a majority in parliament. The compromises he made and the methods he used to insulate himself with bigger swathe of MPs is a sad commentary on his working.

Corruption was his target. But he looked to the other side. He hid away in the face of allegations by some MPs that they crossed the floor for money; a figure of Rs. 5 million was quoted by one. The transfer of officers inquiring into the Bofors gun scandal raised many eyebrows. But probably he had to propitiate powerful Sonia Gandhi whose husband, Rajiv Gandhi, is alleged to have collected the kickbacks. Some of Rao's own minis-

ters are suspect. A few of them are seen involved even in the scam of shares and securities, a fraud totalling Rs. 800 million. Fingers are also pointed at the prime minister's family which, inexplicably, is having roaring businesses of different types.

His showpiece of liberalisation of economy has also lost its sheen. It has not yielded any result so far. All that has happened is that New Delhi has become more dependant on the dictates of the World Bank and the International

employment shrunk.

But now they are disenchanting. They see only more trouble. The countryside is particularly unhappy. Farmers find no rationale of importing wheat at a price which is one and a half time more than the one offered to them. They are already reeling under hardships because, among other things, the subsidy to fertilisers has been withdrawn at the behest of the World Bank.

Rao's promise for relief in political matters is no way near sight. Punjab is far from set-

with those who have lost support in the state. By appointing politicians as advisers to the governor, he may give jobs to some of his supporters but it does not contribute to the solution.

Whatever progress has been made in Assam, the credit goes to the state chief minister Hiteswar Saikia. But the real problem is not of militancy but that of realisation by the Assamese that they have been reduced to a minority in their own state. Saikia has no answer for that and puts the onus of sorting it out on the prime minister.

The Ram Janmabhoomi-Babri Masjid dispute has been unnecessarily stretched. From the first day, it was evident that the BJP was out to garner political gains. That is the reason why it wanted to construct the temple on the site where the masjid stands. By not referring the matter to the Supreme Court straightaway to adjudge whether there was a mosque or a temple on the site — a proposal made by BJP leader Atal Behari Vajpayee — Rao has wasted valuable time.

In the face of reference to the Supreme Court, the Vishwa Hindu Parishad, a militant version of the BJP, would not have fixed the date for the construction of the temple. Not only that, Rao's procrastination has demoralised secular forces.

His performance in the field of foreign policy has been most dismal. He has undertaken 26 trips abroad, averag-

ing two a month. But what he wants India to stand for does not come out in any way. The end of the cold war gave New Delhi a chance to reconstruct its foreign policy on moral plain. But it is still alternating between one set of nations and another, one type of consideration and the other. The foreign office has the same old clichés and shibboleths. It has not yet realised that the world will judge India on the basis of its relationship with the neighbouring countries. The more quickly it buries the hatchet with them, the more important it will grow in the eyes of foreign powers.

In his own party, the disillusionment over his performance is deepening. He appears to have different standards to deal with different states. It is the pressure of dissidents that weighs with him. If they can muster enough strength through money or promise of office, they can have a chief minister changed. No value system operates while selecting a new person.

It appears that he has no programme of his own or modus operandi by means of which he can correct the faults of his party or, for that matter, the administration. Has he run out of steam or is he playing games? As of today, his 500 days of prime ministership is marked by a plethora of scandals, ethnic tensions accentuated by mishandling and an atmosphere of ennui.

## BETWEEN THE LINES

Kuldip Nayar writes from New Delhi

Monetary Fund. The country has increased foreign debt to the limit where the annual aid will be servicing the interest alone. The much-vaunted foreign investment is as shy as before, although the concessions offered are far more than what was ever given to domestic entrepreneurs.

The people did not demur when Rao dismantled the economic structure, as old as independence, without any explanation or public debate. They did not protest when their small, home industries got crushed in the wake of liberalisation. They continued to stand by him even when prices increased and the avenues of

led, even though the militancy is waning. There is no sign of other concessions which successive governments have promised to retrieve the Sikh youth. Perhaps his endeavour ended when he scored all the 13 Lok Sabha seats in the state because of the Sikhs' boycott.

There is no policy on Kashmir. Rao has not even followed up his own offer to increase the quantum of autonomy, something between Article 370, which gives a special status to the state, and independence. Some Kashmiri leaders, who were recently released from jail, have expressed their willingness for talks. But he wants them to sit

# Lies, Damn Lies and Politicians

Daya Kishan Thussu writes from London

The credibility of the British government is being strained by a scandal over the sale of arms to Iraq in contravention of its own guidelines. The furor follows the so-called Saddamgate scandal in the US, possibly a factor behind George Bush's election defeat. Media interest in the controversy is intense. But the fact that the West played a major role in building Saddam Hussein's military machine is not exactly a news scoop.

## Top guns in the arms world

Source: SIPRI Yearbook 1992  
\*All figures 1990, \$ million

Company	Sales	Profit
McDonnell Douglas (US)	9,020	306
General Dynamics (US)	8,300	576
British Aerospace (UK)	7,520	406
Lockheed (US)	7,500	335
General Motors (US)	7,390	-1,098
Hughes Electronics (US)	6,700	726
General Electric (US)	6,450	4,303
Raytheon (US)	5,500	557
Thomson-CSF (France)	5,250	399
Thomson S.A. (France)	5,250	454

peting with Turkey, the West's NATO ally, for influence in Central Asia. Since the Gulf war the West has sold arms worth 45\$ billion to the Middle East, half of them from the United States.

Despite its apparent neutrality, the West actively supported Saddam Hussein's regime during the eight-year Iran-Iraq war, which claimed nearly half-a-million lives.

Although Iraq was an old ally of Moscow and Israel's militant enemy, harbouring such radical Palestinians as Abu Nidal, the US nevertheless preferred to back Iraq, fearing an Iranian victory would change the balance of power against the West.

Dilip Hiro, in his book *Desert Shield to Desert Storm*, says: "Saddam Hussein was seen as a strong secular leader, well-motivated and capable of containing the revolutionary

Islamic tide rising from Tehran, intent on drowning the ruling families of the Gulf states possessing nearly half of the world's petroleum reserves."

Iraq played on the susceptibilities of the Gulf states and the US fear of militant Islam. In his recent book *Illusions of Triumph, An Arab View of the Gulf War*, Mohamed Heikal wrote: "Iran was offering a threat, Iraq was selling security, and Kuwait and Saudi Arabia were the main customers. It was in Baghdad's interest that the Islamic revolution should appear as alarming as possible, and the greater the danger of defeat, the looser the sheikh's purses-trings became. The total contributions to Baghdad during the war were about \$42 billion."

The US had its own reasons for intervening militarily in the

Middle East. Heikal, one of the most seasoned Arab commentators, argues that the end of the Cold War was bad news for US defence industries and the US needed to boost its self-confidence. "With the disappearance of the Soviet Union as a credible opponent," he writes, "the White House needed a new beast to slay."

That was why Iraq's border dispute with Kuwait and manipulation of oil prices by Kuwait was allowed to fester on and Iraq felt free to invade Kuwait in August 1990. In fact, just a week before Iraq sent its tanks to Kuwait, US ambassador April Glaspie told the Iraqi President: "We have no opinion on the Arab-Arab conflicts, like your border disagreement with Kuwait... The issue is not associated with America."

The Western media, now expressing moral outrage at the web of lies that lay behind arms trade to Iraq, were playing a different tune at the time of the Gulf crisis. Then, instead of asking how Iraq became a "threat to world peace" most of the media were busy drumming-up support for US military intervention. They allowed themselves to be manipulated by Western governments to concentrate their attack on Saddam Hussein and exaggerate Baghdad's military might, not question its origins.

Since the end of the Gulf war the US media have documented how the Bush administration courted the Iraqi regime. "Saddamgate" became a contributing factor in President George Bush's de-

aming the collapse of BCCL, found linkages between BNL and BCCI.

What is at stake in this scandal is not simply the integrity of ministers — most politicians do not have it anyway.

The real question is: Could thousands of lives be saved and destruction of Iraq and Kuwait avoided if the Western governments, breaching their own embargo on exports of arms, had not fuelled a dictator's military ambitions?

The other important question is: Why did the international media wait to expose this scandal only after the event? Rather than creating a consensus for the Gulf war, it could have used its energies to question the real causes of that conflict — power, oil, the arms trade.

One politician who has come clean in this scandal is Alan Clark, until recently British minister for defence procurement. He was frank enough to admit that he supported the export of arms-making technology contrary to official government policy. During the Matrix-Churchill trial he said the war between Iran and Iraq had been in Britain's interest. Is it possible that current conflicts provide a similar interest for Western governments?

It makes one wonder why hostilities continue in Bosnia, why peace eludes the Afghans, why Angola is reverting to civil war and why the Khmer Rouge are still being supplied with arms.

DAYA KISHAN THUSSU is Associate Editor of Gemint News Service.

## OPINION

# An Audit Report after Twenty Years

Shahabuddin Mahtab

The most important news item in a vernacular daily dated the 28 November stated, that an amount of Taka one crore of public money has been plundered and looted by an organisation dealing with "intellectual property" of the nation. This organisation was run and headed by people, who in our society are known as the 'intelligentsia'.

The Government Audit Report consists of 86 items and paragraphs and all of them point to limitless corruption in each case. The irregularities have been detailed in the news report, and one shudders in the way the monies were spent contravening all the rules that have been enacted and are to be acted upon. It is all the more surprising to note that the 'audit' authorities were not aware that such a national institution existed, when the organisation was receiving government grants since the very inception of Bangladesh. In all the twenty years that have since passed, nobody felt the need for auditing the accounts of the organisation, at the close of each financial year, i.e., the audit department should have submitted twenty audit reports by now, instead of one, as of now. The whole matter is one of utmost sorrow, and extremely painful.

It would be quite foolish to assume that the above stated irregularities have occurred in only one organisation. In fact one would not be surprised, if

this has not occurred in almost all the publicly funded organisations of the Government.

A government which is now nearly two years in power can neither shake its responsibility, nor feign its ignorance, when the intelligence agencies of the government is not one but many.

A few months back the sordid affairs of the Bank of Commerce and Investment could not be hidden any more, but we are yet to see any convincing action.

The Investment Corporation of Bangladesh, was a trusted one as this was controlled and directed by the government. The customers of the ICB were almost wholly composed of small savers, who had put all their savings in the ICB. Enough evidences have now come to light to indicate and divulge, what ICB has been doing for the past several years, for making the poor savers as paupers.

The government must act now and pretty fast. The accountability, credibility, and the truth, in each and every organisation has to be restored now.

The whole people will support the government in its endeavour to establish law and order in the society. All actions have to be universal, and not selective. Mahatma Gandhi has said that no organisation can survive in its pristine glory, if the accounts are not transparently clear, and this now applies to us as ever.

## 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.

### Father Timm

Sir, I have been keenly going through the news items and letters appearing in the newspapers concerning the activities of Father R W Timm. I have also gone through his most recent letter published in your esteemed daily.

It was interesting to note that almost all the letters in the Letter to the Editor's column are ornamental and defensive in nature, disregarding the real facts behind this gentleman's prolonged stay in the country. In this respect, I wish to state that, very few people in this country are aware of the activities of Father Timm.

As far as my information goes, Father Timm, who is an American clergyman, came to this country sometime during the early fifties and ever since he has been living in this country involving himself in many activities which have caused turmoil at times. Being a Christian clergyman

himself, his main objectives are to take advantage of the 'politically and economically backward class' and convert them into Christianity. His achievements appear ominous from the rapid conversion of tribals in the tribal belts in Bangladesh. The most earliest of his activities goes back to Garo unrest in the tribal district of Mymensingh in the mid-fifties. The situation at that time became so tense that the then government of Monem Khan had to declare him a persona non grata and as a consequence he was asked to leave the country within 24 hours, which he did. Somehow or other he managed to re-enter the country and continued his activities rather cautiously for sometime.

In the fulfillment of his objectives, the very first active part he played immediately after the liberation was to form NGOs (although in the beginning they were known as Volags Voluntary Agencies in

Bangladesh). NGOs in Bangladesh, was in fact his brain child. As a result, among the NGOs, he is considered as the Dean. The main financing arm to his total network in Bangladesh is "Caritas Bangladesh" a Swiss based NGO of whom he is the founder figure.

Father Timm has also been involved in the politics of Bangladesh, ever since he stepped into the soil of this country. He is still involved and will remain involved so long as poverty will remain prevalent in Bangladesh. There are so many things about this gentleman which cannot be penned down in one go. Some day someone will write that to let the nation know how things take shape.

Raymond Howlader  
Tejgaon, Dhaka

### Toxic fertilizer

Sir, It is learnt that on the basis of a laboratory test result supplied by the Bangladesh Agricultural Research Institute (BARI), a consignment of 3150 tonnes of zinc sulphate fertilizer mixed with toxic lead and cadmium dust was unloaded from the ship and about 1000 tonnes of the contaminated fertilizer was distributed among the farmers by BADC. It

may be mentioned here that the BADC had earlier imported the contaminated fertilizer from the United States.

Meanwhile, a further laboratory test by the Bangladesh Atomic Energy Commission (BAEC) indicated higher concentration of lead and cadmium in the fertilizer and accordingly the authorities suspended distribution of the said fertilizer.

It is now evident that the BARI could not give the correct level of lead and cadmium concentration vide its lab-test. Of course, it is difficult to believe that BARI being a modern research institution equipped with highly qualified scientists could make such a mistake. Under the circumstance, some questions may arise in one's mind: (i) Whether the fertilizer sample was the same tested by both BARI and BAEC? (ii) Whether BARI tested the sample under the same type of laboratory facilities as that of BAEC?

We sincerely hope that facts pertaining to the entire fertilizer deal will be revealed by the recently formed Investigation Committee headed by Dr Shamsheer Ali.

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Dhaka.