

A Lesson for Dhaka

The Government of the Philippines deserves congratulations for the agreement secured from the country's former First Lady Imelda Marcos to transfer 200 million dollars of her husband's deposits in the Swiss banks to where they really belong, the country's national treasury. The Swiss funds were previously frozen at the request of Manila which rightly claimed that the money belonged to the government — indeed to the nation — that deposed dictator Ferdinand Marcos had looted from state coffers before he was ousted in a popular revolt in 1986.

According to official sources in Manila, the 200 million dollars to be transferred to the government would be the first of 356 million dollars in the former president's Swiss bank deposits to be returned to the Philippines and held in escrow.

The agreement for the transfer of the deposit to Manila represents a victory for the Government of the Philippines. However, it has been won by means of a systematic hard battle, fought over a long period of five years, even through a series of setbacks and major disappointments. Here, credit goes to the then administration of Corazon Aquino for tackling the issue with persistence, first by setting up a high-powered machinery with the mandate to carry out a thorough investigation into the matter and to trace the funds which the deposed president had grabbed from his country as well as the assets, such as apartments and valuable paintings, that the discredited family had bought with their ill-gotten wealth. In this exercise, the authorities in Manila received much help from foreign governments and institutions, especially several banks in Switzerland. This help came because the government investigators had done their job as well as possible. Finally, Aquino had kept up the psychological pressure on Imelda Marcos, without relenting on an otherwise humane issue of the return of the body of the ousted president to the Philippines.

All this provides a lesson for the Government of Bangladesh. The fact is, we have so far failed to recover any part of the wealth looted from the country by the ousted president, Hossain Mohammad Ershad. True, he is facing one court case after another on corruption charges. However, there are no indications that some well-qualified investigators are engaged in tracing the ill-gotten funds or in establishing the ownership of a number of apartments in the United States, which are said to belong to Ershad, members of his family and his mistress. A lead given by the Senator Kerry Committee of the US Congress of enormous funds transferred from Bangladesh to foreign banks through the collapsed Bank of Credit and Commerce International (BCCI) by the ousted president has not apparently prompted any immediate action any sort on the part of the authorities in Dhaka.

It may be unfair to reach any conclusion on what looks to many people as the failure of the authorities in this respect. However, it is important for the government to establish its credibility and provide a clear evidence to the public that apart from bringing Ershad to trial, it has established a case against him about his funds held in foreign banks or his other possessions outside Bangladesh. We should also know why it has proved apparently difficult to secure the deportation of Ershad's brother-in-law Mohiuddin Ahmed, a former Bangladeshi diplomat in New York, one man who surely knows more than anyone else of what Ershad has been doing with public funds or where they are hidden. The more time the authorities take in stepping up the investigation into Ershad's ill-gotten wealth, the harder it will be in gaining the kind of victory which Manila has just won in recovering at least a part of the loot of Marcos.

Japan as a Peacekeeper

Japan's position as an economic power has long been assured. It is its position as a world power, which now is in an evolving stage. With the participation of its army in the peacekeeping operation in Cambodia, Japan has for the first time ventured out in using its military to make its presence felt. It is well known that Japan harbours the ambition of being granted permanent seat in the UN Security Council. In the recent weeks Japan has put pressure on India and Pakistan to sign the Nuclear Non-Proliferation Treaty. In other words Japan is gradually playing its role of a global power and hoping to be accorded that status in the near future.

Whatever part Japan may wish to play in the global affairs, it is its role in providing greater development assistance, is what interests a country like Bangladesh most. We acknowledge with all sincerity the assistance that Japan has provided us with. Much remains to be done about the appropriate use of that assistance, a subject that has been addressed by the Japanese Ambassador in his exclusive interview carried elsewhere in this paper. We will comment on it at a later date. What we would like to focus our attention on at this stage is how can Japan play a greater role in helping the least developed countries — the so-called LDCs. Is it not possible for Japan to make available long term credit under some special dispensation so that these developing economies can count on the Japanese surplus capital to fund their economic growth? How about some special technical assistance programmes, which are less condition bound than those of the present?

There is no doubt that the world has a lot to learn from Japan in terms of technical innovation, disciplined labour and an unflinching faith in one's own country. What perhaps Japan can learn from rest of the world is not to take the national pride to a level that one loses the global perspective. Japan of the last decade of the 20th century seems to have well learnt that lesson. On the occasion of the birthday of Emperor Akihito of Japan, we, the people of Bangladesh, wish the Japanese people greater success and prosperity and hope that Japan can play the role of a true peacekeeper in a world which is getting more and more entrapped in ethnic, religious and national conflicts.

To come to Lahore is to sense the beginning of a process that may reduce the already lean democracy in Pakistan to mere bones. Even if the military decides not to return, it will loom large in the background. It appears that the ruling group and the opposition, more so Prime Minister Nawaz Sharif, and opposition leader Benazir Bhutto, are determined to fight between themselves.

They have adopted such intransigent postures that there is little room for conciliation. They would not mind destroying the system if that is the price one has to pay to oust the other. Benazir wants dissolution of the National Assembly and fresh elections under a national government and a new Election Commission. Nawaz Sharif, who has still three years left in his tenure, is not willing to even consider the proposal, much less sit with the opposition to go over its grievances. Significantly, both sides are seeking assistance from forces outside the National Assembly, the President and the military, to win.

For exerting pressure, Benazir has introduced to the scene one more element: man in the street. It is a Bhutto trait. Her father, Zulfikar Ali Bhutto, did it with disastrous results to the country. But one can see that she has been driven to the wall. Even after having been dismissed unconstitutionally, she participated in the elections of sorts. While working within the system for two years, she is so disillusioned that she feels that there is no recourse except to hark back the people to the streets.

"We were teargassed, blud-

Sharif and Benazir in a New Confrontation: Point of No Return in Pakistan?

geoned and detained and our democratic right to dissent was crushed through state terrorism," Benazir says. "Democracy does not mean the use of power only." What probably proved to be the proverbial straw was the threat to disqualify her, if not the refusal of bail to her husband, Asif Zardari.

Many of her supporters in the intelligentsia and a few in the top echelon of her Pakistan People's Party (PPP) are not happy over her tactics which, they consider, the 'hasty' and 'unconstitutional.' They also see the danger in unleashing 'mass hysteria' in a country where agitations are a staple food. But they are helpless against Nawaz Sharif's policy of 'exterminating the opposition through third degree methods,' as they put it.

They are particularly angry over the manner in which the Long March to Islamabad was tackled. Indeed, it was a blatant repression; the police was purposely rough and did not spare even Benazir. A Pakistani journalist described it thus: "The police, relishing their unlimited and undefined powers, went far beyond the call of duty and punished even the apprehended political elements."

Police excesses in Islamabad proved to be the grist to the opposition's agitational mill. The subsequent train march might not have been a success if the state had not reacted viciously, as it did. I

was there when the train march reached Lahore at 10 pm, three hours behind schedule. It was people's response to the high-handedness at Islamabad. No barricade could have stopped the sea of humanity that overflowed railway station and the places around.

Apparently, the Nawaz Sharif government had changed its tactics. It was against using force. Police withdrew after some time. So did the

for it elsewhere. Indeed, dead bodies can provide fuel to a movement in the subcontinent. But if there is no bloodshed, the response wears out. Already some sort of fatigue is visible in the movement. Benazir's supporters are throwing in everything into it. One of them has said that the Islamic laws can be introduced only after Nawaz Sharif is thrown out. Such observations are not to the liking of Benazir but she prefers to keep quiet

go the bald man, meaning Nawaz Sharif, who is bald). The President probably realises that she is fighting on one front presently and it is part of her tactics to keep quiet on the other. He will be her target if she succeeds.

She has not accepted the eighth amendment of the Pakistan constitution, which authorises the President to dismiss an elected prime minister. Asked if they had withdrawn their objection to the eighth amendment, top PPP leaders said no. Rightly so, because it makes a mockery of democracy where the directly elected prime minister should be the boss. The presence of some of the President's men in the Benazir camp has given the impression as if he is not against the movement. But they may have read more in his silence than he wanted to convey when they met him before embarking on the Long March.

Moreover, Ishaq Khan is dependent on Nawaz Sharif, who has an overwhelming majority in the National Assembly, for a second term in 1994. The prime minister has been embarrassingly pro-president and there is no example of any serious differences between the two. The two are moulded in the same cast: politics of conciliation with the fundamentalists.

Benazir's second hope, that is the army, is without much ground. True, General Asif Nawaz, chief of the army staff,

was not happy with the prime minister. But that was a few weeks ago. The situation has changed now and the prime minister has made peace with the army chief. Even otherwise, it does not stand to reason that the army and Benazir would have forgiven each other and forgotten the past. Although she has said that her party and the army should cooperate in the interest of Pakistan, the distance between the two has not lessened in any perceptible way.

In fact, the army has been keen to stay away from involvement. Its rehabilitation in the eyes of people is more or less complete. It would not like to smear its image by taking part in Pakistan's politics, which is at worst today: non-accommodating, repressive and mean.

The face-saving formula is the reconstitution of the Election Commission. If Nawaz Sharif were also to throw in two more concessions, withdrawal of 'references' against Benazir's husband and the acceptance of a PPP government in Sindh, a solution can be hammered out. But he does not want to yield even an inch, little realising that democracy is the consensus and that the democratic culture cannot be cultivated by strong methods, police or musclemen. Benazir's satisfaction should be that she has invigorated the opposition and has put the fear of removal, if not god, in the mind of Nawaz Sharif. In a fledgling democracy, there cannot be black or white. The approach has to be of tolerance, of feeling that perhaps others might also have some share of the truth.

BETWEEN THE LINES

Kuldip Nayar writes from New Delhi

people. I wonder what would happen to Benazir's movement if the same thing is repeated at the mini-marches she proposes to organise in different parts of Pakistan. Suppose the police were not to provoke the people or not come into clash with them, the protesters would disperse peacefully.

One of Benazir's leading supporters said that the mere presence of people on the streets would pressurise Nawaz Sharif to quit. He gave him a grace period of a fortnight, till December 22. However, most of the leaders she has around her — the spent forces with a poor record of public service — feel that the fireworks will start "if violence takes place." They hoped it to happen in Islamabad and pray

because she too has put everything at stake.

Benazir has three options. One, President Ishaq Khan bales her out; two, the army intervenes and, three, she gets a face-saving formula. The first two are difficult and the third is not to her liking in the present situation.

Benazir has appealed to the President to dismiss the Nawaz Sharif government and order fresh elections, a course which he had adopted to oust her and which she had assailed relentlessly till recently. That is no reason why he should oblige her. Baba Ja, Ja (go, go old man, meaning the President) was the refrain of slogans of her combination, the People's Democratic Alliance (PDA). Now it is *ganja ja, ja* (go,

Corruption — a Legacy of the Past Regime yet to be Banished-II

by M T Haq

ACCORDING to Islam and other religions, man is admittedly God's best creation, but as Hobbes has said, he could be ugly, brutish, mean and so on. So very stern actions to rectify such people, to keep the society on the right path, is essential. I cannot cover in the span of this write-up corruption in all fields, for instance, in the educational field. Education is the very backbone of the society and accounts for the very significant proportion of the national income. The present status of education in all fields in Bangladesh presents a most dismal picture. In short corruption everywhere is the rule rather than the exception.

I should not prolong this discussion on corruptions during the Ershad regime, which will be never-ending. I wish to conclude with three suggestions: Firstly, I am not aware if the present government has brought out any report on the activities, good or bad, performed during the Ershad

regime. The report so prepared should be released to the public for their information.

My second suggestion is that every ministry of the present government must publish an Annual Report on its activities during the year. It is an essential requirement for a democratic government. It may be that the government has such a programme already.

Thirdly, ours is a very young democracy in which a lot of training and knowledge are necessary. It will be very valuable to send groups of relatively young, vigorous and intellectually-oriented members of the Sangsad for visits to the countries working under democracy. The members for such visits must be selected from the different political parties. I also suggest that the best country to which they can be sent is UK when we have opted for the Westminster style democracy. They may be sent to other countries also like USA and Canada. Needless

to say that these visits should be arranged when the Parliamentary Sessions are on in these countries.

I consider Great Britain to be the best example of a country where democracy of the western type has been most successful. The principal reason for my considered view is that during the last April election, 70 to 80 per cent of the voters turned out to exercise their voting rights. I wonder if there is another country under democracy which can show such an example. In USA, it is around 50 per cent.

My personal experience which I have very briefly mentioned as a case-study is the usual situation in Bangladesh. It all started and reached its peak during the time of the corrupt leader, H M Ershad. Now the great question is how to put an end to or to reduce this corruption. Previously we thought such corruption might have been due to the economic

hardships from which the lower income groups had been, in particular, suffering. But by referring to the lower income groups, I am of course not excluding the high income group corrupt officials.

Recently, the salary scales at the levels have been revised upwards substantially although inflation is ever rising. These should have salutary effects in the form of lessening the extent and the intensity of corruption. But I doubt if the outcome will be favourable. Corruption in the form of bribes and kickbacks has become a part of the habits. I do not know how to change the character of these people and to bring back morality among them. The moral degeneration has gone to such an extent that it will be an uphill task for the present government to deal with the matter effectively. I think a sort of missionary work appealing to the finer elements in human nature and to

the sense of patriotism will be of some help.

I felt happy and assured when once I watched and heard Professor Badruddoza Chowdhury, the Deputy Leader of the ruling party, answering questions in this field in a television interview in Dhaka quite sometime back. Professor Chowdhury rightly indicated that when corruption will not be indulged in by leaders at the top, corruption will be less at the lower stages. This is a good statement, but corruption has become so deeprooted and ingrained in the habits of the people since the time of Ershad that I doubt if corruption at the lower levels has by now shown any reduction in extent. Exemplary punishments inflicted on some bureaucrats, bankers and businessmen who have been or could be identified of charged with corruption would have salutary effects on putting the country back on the honest track. Moreover the development banks, financial institu-

tions and the other banks have lent huge amounts, businessmen or groups for development purposes. The recovery of these loans has been most unsatisfactory. This is another reason for the economic bankruptcy of this poor nation. The Finance Minister of the country has a tremendous job to perform in this area. The nation has the right to know what has happened to the public coffers.

The Finance Minister recently stated that public money will not be allowed to be misappropriated by defaulting entrepreneurs on the plea of sickness of their industrial units. Even an institution as prestigious as the World Bank has said in Bangladesh, industries are 'sick but the owners are rich.' Against this background, the government needs to be very careful in advancing public funds to the businessmen for fresh industrialization and other types of economic activities.

(Concluded)

Aussies Promote Sydney as Asia-Pacific Centre

Vincent W. Stove writes from Sydney

THE race against time to promote Sydney as a major financial centre of the Asia-Pacific region is well under way.

And most observers agree that the Australian Pacific east coast city has no more than five years to sell itself to the international financial community. Otherwise Sydney will have to remain content with being a relative financial backwater on the periphery of Asia.

But despite strong competition from Singapore and Taiwan, influential business, community and political leaders in Sydney are confident the city has all the facilities and the business expertise to expand as an international financial centre along with the dynamic growth expectations of the Asia-Pacific region.

While the idea of promoting Sydney as a regional financial centre has been around for a few years, the promotional programme is now reflecting greater urgency as rival contenders — Singapore in particular — offer competitive at-

tractions. A recent report prepared by a taskforce headed by managing director Tony Berg of Australia's Macquarie Bank stated that Singapore "cleverly targeted policies that are stealing the initiative from Australia."

The Australian government has indicated it will introduce a concessional tax for pure offshore banking business. This will match a similar concession provided by Singapore.

There is the view that China's takeover of Hong Kong in 1997 will enhance Sydney's chances of becoming the leading financial city of the region — after Tokyo. But there is also a strong prospect that Hong Kong will still remain a major commercial and financial centre by continuing to be an important gateway to China, seen as the major economy of the region in the 21st century.

Sydney is Australia's largest city and is the state capital of New South Wales, the country's most important state. Half of Australia's top 100 compa-

nies have their headquarters in Sydney.

State and city authorities are actively trying to persuade multinational companies to locate their Asian regional headquarters in Sydney. Officials are currently busy telling foreign executives that the time has never been better: there is a glut of office accommodation.

There is a vacancy rate in excess of 20 per cent in the central business district, and this is expected to continue till the end of the century. Rents have dropped about 10 per cent during the past year.

Big corporations looking to invest in their own buildings will find desperate owners more than willing to make a deal. Office towers can be purchased at prices up to 50 per

cent below what they were less than three years ago. A lot of these buildings are owned by banks as mortgagees in possession following defaults by developers — a legacy of the reckless lending sprees of the 1980s.

Sydney's location gives it a minor — but at times vital — advantage for international money market dealers. Being two hours ahead of Tokyo, Sydney leads the world as the first large foreign exchange market to open on a new day.

A big plus in the city's favour is the Sydney Futures Exchange (SFE), which enjoys a high reputation in the region and throughout the world. The SFE has been operating for 31 years. It has grown from a small club-like organisation

which dealt only in wool to an international operation covering not only agricultural, but also metals, currency and financial products.

It is now the largest open-city futures market in the Western Pacific, bigger than those in Hong Kong, Singapore and Kuala Lumpur. On the current volume of traded contracts, the SFE is ranked as the world's 10th largest futures exchange.

"This exchange is free of any major scandal or default — and that's more than can be said about other exchanges in the region," says an SFE floor operator.

But high personal and corporate taxation rates at the national level, as well as some unusual charges at the state level, have been cited as creating a dampening influence in Sydney's financial services environment.

And there are those who are sceptical about Sydney's chances to reach world-class financial centre status. They

say the city is too isolated from other major regional commercial centres. And they criticise the unwillingness of too large a proportion of the city's financial community to operate on a 24-hour basis.

In addition, they complain of Sydney's outdated and congested airport, its poor roads and inadequate public transport system. They also criticise the quality and supply of the city's financial services labour force.

However, most Sydney business leaders stress that the city has loads of advantages over all other cities in the Asia-Pacific region, including a well-developed legal system and communications network, a temperate climate, a superb environment and good living standards.

"Australia's stable political atmosphere cannot be overlooked. Nor can the orderly social structure, and the absence of civil unrest and terrorism," comments a stock broker. — *Dephnews Asia*

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.

Anti-terrorism and old Dhaka

Sir, The present government has promulgated the Anti-terrorism Bill which has sparked controversies. The Opposition has called it a ploy to oppress and suppress the free democratic practices and political rivals. And the general mass have not found any ground for enacting such an act that has not contained the activities such as dacoities, lootings, killings, harassments and unlawful foul games whether they are called terrorism or not.

In a sequel to the act, rather, in the old Dhaka, local bodies are formed to curb terrorism at the local level and

ironically, the committees are comprising identified goons and thugs including mastaans of Ershad regime. Such bodies are flexing their muscles, audaciously, in the name of the Ministers and even the Prime Minister. It is further alleged that some of them have issued letters to different persons threatening them, often over-riding court rulings. They are poking their noses every where they sense some disputes may be, in expectation of some gains.

In view of the above, may we expect our Ministers and most humbly, the Prime Minister to look into the matters and rethink about this Anti-terrorism Bill as well as formation of local bodies

where mastaans are dominating. Of course, you cannot expect unarmed general mass to fight against armed criminals, and interfering in every household, and take 'necessary' steps to contain the tentacles of mastaans and goons being knowingly or unknowingly one way or another, 'rehabilitated' by the government itself.

Besides, the opposition also should keep close watch on the happenings and take up the matters seriously. I am sure the general mass will extend their hands in their own interest as they did in the past.

A M Sayed Khan
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Dichotomy in NGOs

Sir, As a post-graduate student, I was given an assignment on "Formal and Informal Education and NGO Participation" and as required, I visited some NGO offices to collect data and information for my thesis paper. Here I intend to share with your readers my experiences with NGOs.

In the very beginning, I interviewed the Heads/ Executives of the chosen NGOs at their head offices in Dhaka. Most of them were refined gentlemen, seemed well-versed about their activities. I received very cordial treatment from them at their air-conditioned offices. In many an office, I was offered quality refreshments. I must admit that I liked the treatment very much. Then at length they talked about the spread of formal and informal education and their contributions in the field.

In the course of preparing the thesis, I also paid visits to the field offices of some NGOs. To my utter bewilderment, there I met some shabbily-dressed gentlemen. Though they were very cordial in words and behaviour, they could not treat me with more than a cup of tea from a roadside tea-stall. However, I was benefited a lot with their help. They supplied me adequate data and information for my thesis.

In course of my conversation with the employees at the field offices, I came to learn of their disgruntlement with the 'management'. They complained that whereas a head or an executive of the organisations drew a salary to the tune of half a lakh Taka per month which at times, comes to Taka one lakh including the allowances, the field employees get a paltry sum of say, Taka two or three thousand only. Further, with the shrinkage of the volume of donations from the foreign countries, they are being threatened to be laid off.

Some of the low-paid staff such as guards, fields verifiers or field managers sounded so helpless as if they were longing to be thrown into the sea of uncertainties at any moment. They bitterly expressed that the highly-paid officials, in the absence of any salary structure, allegedly raise their salaries without any justification. The money is brought to, help the poor but instead it is the rich who are taking the benefits. With such fat salary of

a top executive, a project employing 20 to 30 persons can be run. Reportedly there are many executives who have the only job to contact their 'relatives or acquaintances' in the public offices to 'materialise' the managements' wishes.

From my experiences with executives of NGOs and these low-level employees, I have been confronted with some very strong questions. Will the NGOs ever be able to impart any formal or informal education to the masses by ignoring the economic well beings of the people directly involved in it? Can't we do something to enlighten the NGO leaders that the money is not coming to provide the luxurious living but help out the poor and help-less? If the above continues unabated, and as I am told that the will of our government is being virtually regulated by the donors and their agencies, do we need aid and assistance any longer at all if the grassroots people are not helped in any way?

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