

Central Bank at Crossroads

While we must await details about the expansion of powers of the Bangladesh Bank, as approved by the Cabinet on Saturday — it is surprising that this kind of decision should come in the briefest language — we, in principle, welcome any move to widen the authority of the central bank. Judging by news agency report, the proposed amendments to the Banking Companies Act 1991 "aim at vesting more authority to the Bangladesh Bank in its regulatory and supervisory functions." Furthermore, they also envisage "to bring rationality in the administration and operation of the banks in the private sector and to remove the problems relating to the availability of capital for smooth functioning thereof."

Stripped of several high-sounding and impressive expressions, one must assume that until the central bank exercises its expanded authority, the situation inside our financial institutions, especially the privately-owned ones, will be pretty grim, suffering from lack of rationality and facing problems relating to the availability of capital. The question we must ask the Government is, why has it taken so long to deal with this dismal situation and that too, why under reported pressure of the World Bank?

If the Government is ready to give the central bank a new regulatory role on the fiscal scene, it must go much further than what is suggested by the latest proposed amendments. Here, the central issue relates to the position of the Bangladesh Bank as a statutory autonomous body which, in its policy directives and day-to-day functions, must maintain its well-measured independence from the Ministry of Finance. A guest columnist of this paper, Abu Ahmed, probably spoke for a cross section of experts when he argued in his commentary on Monday that this independence now exists more on paper, within the framework of the Bangladesh Bank Order, 1972, than in reality. During the authoritarian regime of Hussain Mohammad Ershad, the central bank, like other fiscal institutions, was a victim of political signals, resulting in confusion and chaos, and it steadily losing its initiative. Mr Ahmed's column would suggest — and we agree with him on this and on other points — that the situation is yet to be reversed. We admire much of the macro-economic reforms introduced by Finance Minister Saifur Rahman, which have helped in bringing about considerable fiscal discipline. He must now let institutions, especially the central bank, come into their own and start functioning in the way they should.

The ball is not entirely in the court of the Ministry of Finance. The Bangladesh Bank, as we know it today, suffers from lack of up-to-date research facilities and even expertise at different levels, a situation that prevents the organisation from demonstrating its initiative in dealing with other government institutions and banks from a position of strength, unlike, if one may draw any comparison, its counterparts in India, Pakistan and Sri Lanka. When the Bangladesh Bank takes up this new role, the country's financial institutions will also learn to be open, adhering to all the established fiscal norms in the best interest of the country.

A Hospital's Agony

The Rehabilitation Institute of Handicapped and Disabled (RIHD) popularly known as Pongu Hospital (hospital for the disabled), which has already earned considerable ill reputation as a messy place, has only become messier still. The mess is as much literal as management-related. Both, however, are closely linked and integral to serving the purpose of the establishment worth its name. This time things have gone out of control only because the internal rancour has been too explosive to contain within the institute's confines. Apparently, it is a petty incident that ignited the simmering discontent that owes more to a lack of discipline, responsibility and accountability than to an isolated but heated incident.

Indeed, the alleged assault on the wife of a fourth class employee by two doctors does not do any great credit either to the doctors concerned or to the whole institute. Without going into the merit of the allegation, one can see that the relations between the two sides are far from congenial for serving patients with worst forms of complications. It could very well have been a case of personal feud. But not quite. The fourth class employees of the hospital have organised themselves to protest an illegal and inhuman act by two of their bosses. Little did they think that by doing so they too were committing a crime against the afflicted human beings who needed more care and a healthy environment for lessening their pains and early recovery.

The issue of healthy environment, however, has never been a plus point for our hospitals, much less the RIHD. Pictorial reports on the dismal situation, including various irregularities and mismanagement in which both doctors and employees of different categories have a part often in league, carried in several dailies could not rouse the people concerned to act for a change for the better. The system has, over the years, allegedly deteriorated. All this because there is none to see to the enforcement of discipline and accountability. People with suspect professional integrity are barely fit to run the system smoothly and this is despite the sincerity and devotion of one or two at the top.

As for the current deterioration of the order and discipline at the RIHD, some people somewhere are at fault. If anyone behaves abominably, there are laws to deal with the situation. There is no point in allowing personal acrimony to spill over to areas where the interests of general public rest. That is why the urgency of restoring order in establishments, more so in hospitals, is badly felt. Will the administration rise up to the occasion and make the RIHD as also other hospitals, including the clinics, function smoothly more as an institute other than a medium for money-spinning — albeit indirectly?

Is Middle-East Peace Process in Two Tracks?

WHEN the US Secretary of States Warren Christopher undertook his trip abroad — to the most difficult diplomatic terrain — the Middle-East he was cautious and probably unsure about the outcome of his trip. He said — he was going there to listen though everyone knew that his main object was to revive the Middle-East peace process which was suspended since December 17, 1992 when Israel deported over 415 Palestinians to south Lebanon. Though Republicans seem to have some weakness for Israel, Clinton administration has expressed its intention to pursue the peace-path followed by Bush administration. Warren Christopher's early visit to Middle-East also indicate such trend in US's foreign policy in the Middle-East. But the recent statement by Faruq Kaddoumi, head of political department of PLO, revealed that Clinton administration had not confirmed its adherence to the principles of negotiations i.e. the negotiations to be based on Security Council's resolutions asking Israel to withdraw from the occupied territories. If this is so, this does not augur well for the peace process and one does not understand how under such situation US could be a "full partner" in the peace process.

Warren Christopher travelled to all the Arab countries involved directly or indirectly in the peace process and pressed upon the parties for the resumption of the peace talk as quickly as possible. The present obstacle in the way appears to be Israel's refusal to take the Palestinian deportees back home. Apparently Warren Christopher did not put enough pressure on Israel on this issue. It seems strange that US remained satisfied with Israel's agreement to take back only 100 deportees which was only partial compliance of UN resolution on deportation. Being a permanent member of the UN Security Council it should insist on full compliance of the resolutions as it has been doing in other cases and particularly on Iraq. Moreover, for the sake of peace process the US should reconsider its position with PLO. The US knows that peace process cannot move forward without the PLO. The negotiations that have taken place so far have been guided by PLO headquarters in the occupied territories will not move an inch without clear instructions from PLO.

Even Israel has lifted its ban on contacts with PLO. This, therefore, is the right moment for the US to make a positive move towards PLO. Indeed, if the US decided to talk to PLO, this could moderate PLO's stand on deportees. Arafat has already suggested the return of all deportees within an agreed time frame — reportedly six months. What is the difference

between six months and 10 months? Even Israel is not sure about the deportees' membership of Hamas. It has acknowledged that atleast 10 of the Palestinian deportees to south Lebanon were of mistaken identity and decided to take them back. It also decided to take another 100 immediately. Even if it is a diplomatic manoeuvre to find some accommodation, this should be extended to other deportees too, which could pave the way for resumption of the peace process.

SPOTLIGHT ON MIDDLE EAST

Muslehuiddin Ahmad

But as it seems the intention of Israel is to introduce two track negotiations in the peace process. In my comment in this column on November 13, 1992 I said, "Any separate agreement with Syria which cannot be ruled out totally as President Assad of Syria may be prepared to do anything to get back his strategic Golan Heights, Palestinian interest will suffer and indeed the character of the entire peace process will change". Israeli Prime Minister Rabin felt encouraged by recent Syrian overture which was reportedly communicated through Warren Christopher. He (Assad) gave Warren Christopher a secret diplomatic gift that could lead taken up later thereby acknowledging the possibility of two track negotiating strategy. Israel's plan seems to be to pursue the Camp-David style peace agreement with Arabs — take care of them one by one. For Israel this is indeed the right time as Arabs stand hopelessly divided after the Gulf war. Israeli Prime Minister said he did not like Madrid formula of comprehensive negotiations with all the concerned Arabs. Thus the move is towards two — track negotiating strategy. The results are obvious; the Palestinians will be the worst sufferers once Syria is neutralised. Indeed, Israel wanted "total peace" with Syria meaning thereby diplomatic

Eastern battle lines... The Syrian strongman told the chief US diplomat that he was ready for a major deal with Israel. He repeated public statements about trading "total peace" with Israel for a "total withdrawal" by Israel from Syria's Golan Heights. Prime Minister Rabin said that Syria has shown "the beginning of the better approach" towards the peace process. He even mentioned "Syria first" negotiating strategy indicating that the issues with Syria could be solved first and others

movement, trade and commerce across the border — something even more than what Israel achieved with Egypt. The US should ponder over this approach seriously — Divide and Conquer policy of Israel. This will not solve Middle-East problems. The weaker will get still weaker and may look for destructive avenues for retaliation. The bombing of World Trade Centre which has rightly attracted world condemnation cannot be seen as an isolated incident. One or two suspects from Middle-East arrested on circumstantial evidence may not reveal the true picture. This may only be the first step but the problem deserves deeper considerations and investigations as unsolved problems around the world where the US is more directly involved may also be the possible causes for such disastrous acts.

Even if terrorists from Middle-East are assumed to be involved, one must look for the causes for such acts and causes must be removed including Israel's death squads against Palestinians. Indeed, the reported killing of Palestinians by Israeli death squads will seriously aggravate the situation. Israeli Foreign Minister himself expressed deep concern that his country was on the verge of "Yugoslavia — like situation". In order to save such a situation he clearly mentioned about "territorial compromise". Some other Israeli Ministers also indicated their support for territorial compromise. But such territorial compromise should be in the context of comprehensive settlement of all occupied territories and not simply turning over Gaza Strip to the Palestinians which "inevitably be an independent state led by the PLO" — (as one Israeli Minister said). The idea is good as Israeli authority now talks of an independent Palestinian State — though he mentioned only Gaza. The idea should also include West Bank and here also the idea of "gradualism" is valid as Israeli "withdrawal" has to be over an agreed period of time. The US-Russian invitation for resumption of the peace talks on April 20, has not been accepted by the Palestinians. They demand a satisfactory solution of the deportation issue including Israel's firm commitment to stop further deportations in the future. Syria though reportedly was eager for early peace talks has not formally accepted the invitation. The next meeting on March 28-29 of the Foreign Ministers of Syria, Lebanon and Jordan with the PLO officials will decide on the course of action. Let better sense prevail — comprehensive settlement seems to be the only way to bring some form of peace in the Middle-East.

Non-performance may Lead to Blind Alleys

by A M Mominul Huq

PRIME Minister Begum Khaleda Zia seems to be a virtual absentee from her main political duty. She is the leader of the House, yet she hardly speaks at the sessions of Sangsad. Her party is a queer confluence of people from various political streams. They fumble and falter on each and every issue. In each public meeting, she accuses her main political opponent Awami League either directly or indirectly of creating trouble, resorting to hartal, violence etc. All these, she says, are impeding the development programme of the government. But she could not as yet articulate her government's programme. By now, as it is felt, she has set an example of non-performance.

BNP came to power with a bundle of promises but achieved little so far. The Joint Declaration of the three alliances, to which it was a signatory, on the eve of General Ershad's fall, has probably been pushed beneath the carpet. No one knows about the fate of the "Ahsan Commission" formed by acting President Justice Shahabuddin Ahmed. But one thing the government had achieved. It could have irked the bureaucrats with spectacular success. Bureaucrats are no angels. Many of them did much harm to the nation in the past. But that is one side of the coin.

But how can a political government run the administration and address serious problems the country is beset with, without the active and willing cooperation of the permanent services? In two years time, we saw three Inspector Generals of Police. The Home Minister, of course, remained undisturbed. Did such eye wash improve the law and order situation? Anti-terrorist Ordinance had been passed. Could it deter the recurrence of violence on campuses, in industrial areas and elsewhere? Passing of an ordinance is one thing, enforcement is another. The government, by a series of reckless decisions, has isolated itself from the permanent services. Not good sign.

The Establishment Ministry has served show-case notice on three leaders of Bangladesh Civil Service Coordination Committee under Government Servants' Conduct Rule 1979 for their alleged addressing a press conference on Feb 25 without prior permission. In fact, only Dr M A Majed, the Chairman of the committee, addressed the said conference. The committee submitted a memorandum to the Prime Minister containing

demands on Feb 13. They include an abolition of BCS (Administrative) cadre and creation of two cadres namely BCS (Land) and BCS (Magistracy). Why could not the Prime Minister talk to the leaders of the Coordination Committee and thrash out the matter? It is clear now that, oversmartness of some in the Prime Minister's Secretariat had caused annoyance to the entire administrative set-up. After all, all roads now lead to the PM's Secretariat: be it the transfer of the Principal of a government college or the Director of any corporation, all are to be approved by this Secretariat. It seems that the Prime Minister, surrounded by a coterie, is isolated from the bureaucracy.

The government seems to have little sense of priority. What about the economy? Despite improvement of the macro-economic situation, the total economic sector is in shambles. The Finance Minister is jettisoned around the world on the eve of the Aid Club meeting due to be held in April. He is, however, speaking of rise in foreign-exchange re-

serve. And, yes, the reserve has swelled to 2 billion dollars along with high volume of revenue collection by the government. This is due to the imposition of VAT at the rate of 15 per cent — highest among the comparable countries and that too on all conceivable items, even life saving medicines have not been spared. In spite of it there exists a dichotomy in the economy. The investment is totally shy. The latest World Bank report reveals that public investments under Bangladesh's Annual Development Programme (ADP) stood at 5 per cent and private sector investment at 5.8 per cent of the GDP in 1991-92. The overall investment ratio stood at 10.8 per cent of GDP compared with 18 per cent in Nepal, 23 per cent in India, and 19 per cent in Pakistan. The investment trend is absolutely sluggish. A fund of about Tk 700 crore is lying idle with the banks. The Regional Director of World Bank, Ann Hamilton, during her recent visit of Bangladesh, did not mince words. She candidly said that the net flow of foreign assistance is measured by disbursement and utilisation. That is why, Hamilton said, World Bank did not make any recommendation in its memorandum to be placed at the Aid Club meeting.

Already retrenchment of employees in the industrial sector has created a new concern for the government. The workers of jute and textile industries are pressing for implementation of the Wages and Productivity Commission Report. Again, earnings from export of jute yarn has declined during the first seven months of the fiscal year 1992-93. Earnings declined by 21.79 per cent and volume by 25.60 per cent compared to those in the first five months of the same period. It is apprehended that the target for exporting 85,000 tons of jute yarn against earnings of 255 crore taka will not be materialised. The Jute Spinners Association had attributed this decline to the local composite jute mills who are supplying to European and US buyers at undercut prices. The Jute Mill Owners Association, on the other hand, had accused the government for encouraging the manufacture of synthetics which is damaging the market of jute products at home and abroad.

The BNP government had promised a lot. What about the much talked of new Health Policy and Drug Policy? Whenever there happens anything otherwise, the government finishes its duty by changing the officer or officers concerned. This is not what an accountable government is meant for.

So far as foreign policy is concerned, Bangladesh seems to have none at the moment. The Foreign Minister has said much less than what really the situation is. The Foreign Office perhaps now has chosen hibernation. Is the government maintaining equidistance from

Delhi and Islamabad? Begum Zia denounced in strongest terms the demolition of Babri mosque. Correctly, she did so. But she cared little to see that as a backlash of that tragic incident there had been demolition of some temples here. She kept silent on the matter. She ought to have ordered the rebuilding of them thereby setting an example Bangladesh could boast of.

The Foreign Ministry had not as yet come out with stark fact, it must have in its possession, that caused large scale Rohingya migration to Bangladesh. Who were the countries involved in fomenting the issue within Myanmar making Bangladesh a scapegoat? Last year, the PM had talks with Indian Prime Minister in Delhi. But could she settle anything or pave the way for settlement of outstanding problems like Ganges water problem, Chakma insurgency and the like? Apparently she likes to be portrayed as anti-Indian, again she achieved nothing out of it. No diplomatic offensive is in sight. Has the government commissioned some others to speak on its behalf in international forums?

Such non-performance shall lead the government and the nation to only blind alleys. It should be remembered that every nation has a hang-over of the past.

In Rome, the delusion that the infamous Nero had returned from the grave was welcomed by the populace and the French people, exasperated by the bungling incompetence and lack of glamour of democratic governments, craved the glory and excitement of Napoleon.

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.

Abominable trend

Sir, Like thousands of other students, I went to the Chittagong University to sit for the "admission test". Having no relations there I shared the bed with a senior student from my area in a hall of residence who was kind enough to help me in all possible ways.

Just as the examination was to start, a group of students entered the room and solicited the admission seekers to join the Islami Chharta Shibir. The teachers on duty in the room kept quiet. Later I gathered from several other examinees that the same happened in other rooms as well.

I must say this left a very bad impression on my mind. The honourable Vice-Chancellor is possibly keeping his eyes shut, but how long such abominable trend of student politics is to be tolerated? Just who the government and the university authorities are afraid of? Certainly the tax payers have a right to see their children pursue their studies in a clean and sober atmosphere. They do not want to see the universities as playgrounds for pseudo political mischief mongers.

Abedul Sultana
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Statistical figures

Sir, It appears production figures of selected industrial items of the country at page 276-277 of Statistical Year Book 1991 are rather questionable. Only one lathe machine was produced in 81-82 against four in 89-90. The MS Rod production was 25,233 tons in 88-89 against 25,123 tons in 89-90. Writing paper production was 10,843 tons in 88-89 against 2660 tons in 89-90. Only two table fans were

produced in 88-89 and also two fans in 89-90. The hand pump production was only 595 nos in 89-90 against 128 nos in 88-89. The GP sheet production was only 13,589 tons in 89-90 against 45,194 tons in 85-86.

The Steel Corporation alone used to produce more than 61,000 tons MS Rod a year during 79-80, 80-81, and 81-82 in eight rolling mills while today more than 100 rolling mills exist. There are several lathe machine manufacturing plants including the Machine Tools Factory at Joydebpur, but how the annual production can be 2 nos only?

This government publication is a valuable document published by the Ministry of Planning; but how they plan on these incorrect statistics? Let the authority look into the matter seriously.

Sadiq Alee
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Foreign trade of Bangladesh

Sir, We understand that since 1972 we are continuously having an imbalanced foreign trade every year.

Through the column of your esteemed daily we would like to request the Ministry of Commerce and the Ministry of Finance to kindly let the people of our country know the up-to-date total accumulated amount of our foreign trade deficit and the amount of our export to and import from the USA, UK, Japan, India and Pakistan yearwise.

We would be further grateful if our democratic government could kindly let us know as to how and when we will be able to recoup the foreign trade deficit and from which probable year we may have a favourable foreign trade.

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OPINION

West's Attitude towards Bosnian Muslims

Khurram Malik

Amusingly, it is reported that a pornographic show of racy magazines and sex films opened at the House of Commons to convince the select viewers of British MPs that a new obscenity law is needed to combat the wanton and unchecked availability of such vulgar products in the market of English shores. Whether the British MPs are novice or innocent to hard core porno-graphic material in their society is an open question. What strikes one disbelievably is that the distinguished Members of Parliament deemed it necessary to view the filthy pictures in order to come to a common consensus of its negative effect on social morals.

This is synonymous to a situation where under-age children are allowed to watch rated movies to determine its psychological impact. What would have been ethical and instead sense, is the British MPs instead of spending the evening watching electrifying pictures could have organised to witness the documentaries focusing on the brutal atrocities committed by the Serbs on Bosnian Muslims.

In the freezing weather, cold and hunger have already claimed thousands of lives of the entrapped Bosnians whose lifeline of relief have been cordoned off and their dwellings uprooted. The sickening mind of the Serbs is now engaged in starving out the whole population.

The European countries want no real part in this conflict. They have seen the horrors of the two World Wars and now have nightmares of starting a third one in their neighbourhood. What pricks one's con-

science is how could the civilized nations of Europe simply stand by and watch a whole ethnic population being deliberately starved and tortured. Frontline countries like Britain, France and Germany could have played a pivotal role in chalking out a settlement to the crisis, rather than pointing to the negotiating table where talks are apparently ending in more talks.

Interestingly, when the Baltic regions of Latvia and Estonia declared independence following the dismemberment of the former Soviet Union, Gorbachev sent the Russian armoured carriers and tanks to run over the independence show, but promptly receded on the face of stiff opposition shown by the United States and its Western allies.

However, when the Bosnian Muslims voted last year to secede from Yugoslavia it was left to the heavily armed Serbs to settle the matter through mass murders and eviction of vast multitude of people from their community. The advancing Serbs meantime seized 70 per cent of the Bosnian territories.

In Somalia, relief operations to the starving Somalis were reinforced by US marines, who also disarmed the warring factions of the two main rivals. There were incidents of sniper shots and reprisal killings by the US marines.

But what in Bosnia? Giant C-130 Hercules turbo prop airplanes need to fly more than 10,000 feet under the cover of darkness to airdrop relief supplies to the freezing and hungry Bosnians.

Is there a religious connotation? The facts observed are pointers to this assumption.