

Nuclear Issue Surfaces in Pakistan Election

Javed A Malik writes from Islamabad

As campaigning gets under way in Pakistan for the Presidential election, the incumbent Ghulam Ishaq Khan is locked in a political battle with his Prime Minister Nawaz Sharif. The PM is trying to curtail the President's powers, sparking a political crisis in Islamabad. Six cabinet ministers have resigned. One major difference between the two leaders, is their view on the country's not-so-secret nuclear programme.

Sharing Water with India

By themselves, assurances hardly solve political problems. One may well take such a sceptical view of the reported statement made to Begum Khaleida Zia by Prime Minister Narasimha Rao that he would soon sit with the Bangladeshi leader to discuss concrete proposals for short and long-term proposals for the Ganges water sharing problem. At the same time, Rao is said to have told Zia that "Proper directives would be passed on to the concerned officials for the implementation of the meeting's outcome."

In the backdrop of the failure of the recent official-level talk which was designed to take into account a promise similar to the one made by the Indian Prime Minister here on Sunday, the scepticism may be understandable. But it can also be premature and uncharitable. In the first place, we could not expect the 30-minute exclusive Zia-Rao talk to produce a neat solution. What's more, we should take note of the changed context. We sincerely believe that the Seventh SAARC Summit has not only generated goodwill among its members but also helped its leaders to look at their problems, including the bilateral ones, in a new perspective. Unless these leaders were misleading their 1.2 billion people, they displayed considerable determination, matched by a spirit of accommodation, to open a new chapter in their mutual relations. Here, we cannot — indeed, should not — overlook the fact that by successfully holding the summit, Bangladesh has earned a new position in the seven-nation alliance, with Prime Minister Begum Zia undoubtedly gaining in her stature as the new chairperson of SAARC.

On the water-sharing issue, Bangladesh still remains vulnerable, as it is on a number of other bilateral and multilateral problems. However, we can now look at the scenario from a position of confidence, primarily a psychological gain, without that feeling of fighting with our back to the wall.

How the Government of Bangladesh will translate this new mood of confidence into concrete actions remains to be seen. However, for Bangladesh, some steps are unavoidable. In the first place, Dhaka should promote a continuing dialogue with New Delhi on the water-sharing issue, primarily through the established diplomatic channel, instead of letting the question lose the sense of urgency that Zia attached to it during her talk with Rao on Sunday. The proposal from the Indian Prime Minister for an early meeting with his Bangladeshi counterpart must be pursued, while we must also know more about "proper directives" being issued, to concerned officials for the implementation of the meeting's outcome. There are also several other questions to be answered. While we must deal with the urgent issue of raising our share of water from the Ganges, which has reached all time low to 9000 cusecs from 27,600 cusecs as per the last agreement, we must start working on a new long-term regional plan that provides an assured security to all four countries in the region, India, Bangladesh, Nepal and Bhutan, with the rivers serving as channels of peace rather than as sources of discord. This calls for a change of approach, which is possible only if the political will generated by the SAARC Summit gets precedence over bureaucratic technicalities and rigidities. We have no reasons to suggest that the Indian leader does not believe in this need for a change of approach. But we do want him to demonstrate it through actions by his government.

Good News for Mango Lovers

Good weather coupled with requisite rain fall, may give us a bumper production of mango this season. Rajshahi, Natore and Chapainawabganj areas where mango grows best and in abundance, are expected to cross their production target.

The varieties of mango — and there are 250 of them — grown in the above areas are among the best in the country, and could hold their own when compared to their rival varieties in India and Pakistan. The point that we would like to stress here earlier on, is the problem of marketing. What is noticeable, year and year again, is that during the height of the mango season we have over-supply of it in some areas and scarcity in others. As can be expected, this results in the over-pricing this delicious fruit in some areas, and heavily under-pricing in others. This causes tremendous suffering to the producers and acts as a major disincentive to new growers.

We would like to draw the attention of the authorities and urge them to take some measures earlier on in the season so that the glut of fruit in the production areas and its consequent wastage is avoided. Among the measures that could be looked into are special goods train and truck services to distribute the fruit to its markets all over the country, especially in Dhaka. Contacts could be made with private traders and retailers who could participate in a cooperative arrangement which would assure a set of clients in different cities, making it worthwhile for the railway and truck companies to make the necessary special arrangements.

We have written earlier about the prospect of setting up canning industry so that seasonal fruits of Bangladesh could be marketed throughout the year. The recent example of Bhutan, whose canned fruit industry is doing a brisk business in Bangladesh markets, should inspire our private sector to venture into this field. Special bank loans should be arranged to help entrepreneurs. The canning of the mango fruit will not only prevent the current level of wastage, but also ensure a steady supply of it all the year round. It will help to increase its demand and as such ensure a fairer price to the producers.

That is all for the future. As for now, we urge all concerned to take note of the reported prospective production of mango this season, and to take necessary measures so that both the growers and the consumers benefit from it.

PAKISTAN'S clandestine nuclear programme has become an important factor in the election campaign for the office of the President.

Incumbent Ghulam Ishaq Khan, seeking a second term, and Prime Minister Nawaz Sharif, trying to prevent Ishaq Khan from retaining office, are both trying to get credit for the nuclear programme. They are also taking pains to paint the other as an opponent of the programme, which is still officially portrayed as a civilian effort rather than a weapons build-up, despite evidence to the contrary.

Sharif has also learned a valuable lesson in tangle with the President. If Sharif succeeds, he will scrap the controversial eighth amendment of the constitution, used by Ishaq Khan to dissolve the government of Benazir Bhutto in 1990.

While both Ishaq Khan and Sharif have avoided discussing the nuclear issue in early campaigning, their supporters have issued statements about the nuclear question.

Ishaq Khan took a lead by arranging a public statement by the so-called father of Pakistan's nuclear weapons programme, Dr Abdul Qadeer Khan. His statement, supporting Ishaq Khan and appreciating his role as a force behind the country's nuclear programme, came when the leaders in the Sharif's camp were giving indications that Ishaq Khan had opposed the programme on the grounds of high cost when he was the Finance Minister.

Qadeer Khan called the President "not only a man of

integrity but the person in charge of our nuclear programme for the past 16 years. I have serious doubts if we had achieved what we achieved if he were not around."

Days after Qadeer Khan's statement was reported in the national press, a former minister, Anwar Aziz Chaudhary, told journalists publicly what others have been saying privately: Sharif had cut a deal with the United States,

promising to scrap the country's nuclear programme. Chaudhary called this "sell out by the government in exchange for retaining power through aid." He claimed that because Ishaq Khan, the guardian of the programme, was opposing Sharif's policy, the Prime Minister was trying to block his re-election.

The opposition, led by former Prime Minister Bhutto, has indicated that it may

nominate a joint opposition candidate for the President's post. Ehtuto is seen as pro-Western leader who is not keen on pursuing the nuclear programme.

She has alleged that she was not kept informed about the nuclear programme when she was Prime Minister for 21 months between 1988 and 1990. Bhutto says Ishaq Khan and the army suspected her of leaking nuclear details to US intelligence.

During the 1990 general election, after Ishaq Khan dismissed Bhutto's government, Sharif's Islami Jamhoor (IJI) coalition party had raised the nuclear issue in its campaign. The IJI also accused Bhutto of selling out to the US, saying her mother, Begum Nusrat Bhutto, passed on information to the US about Pakistan's nuclear capabilities. This, the IJI claimed, led to cutting of aid from the US, until then Pakistan's largest donor.

The anti-US sentiments created during that election contributed to the landslide victory for Sharif and the IJI. However, it backfired during the Gulf war when the government supported the Western coalition. This resulted in a severe public backlash. "The government sup-

ports allies while the people support Saddam Hussein," was the slogan of many anti-US demonstrations during the war.

Ishaq Khan's camp maintains the sudden reconciliation between Bhutto and the Sharif government, after a prolonged tussle, is at the behest of the US, which is adamantly opposed to Pakistan developing nuclear weapons. The President's campaigners portray their leader as the real target of US efforts because he is not willing to roll back Pakistan's nuclear project.

Officially, Pakistan maintains that its nuclear programme is to generate energy. However, it refuses to sign the Nuclear Nonproliferation Treaty (NPT), as long as neighbouring India does not sign it. The two countries have fought three wars since independence in 1947.

For its part, New Delhi argues that it cannot give up its atomic programme in presence of a bigger nuclear neighbour China. It demands global nuclear reduction before it signs the NPT.

As the election campaign gains momentum, the nuclear issue is likely to dominate. Meantime, other aid donors are increasingly pressuring Islamabad to halt its nuclear

ambition. Apart from the US, Japan too is taking an active interest in ending the nuclear race in South Asia.

In February a Japanese delegation led by Mitsuru Donowaki, ambassador for arms control, visited Islamabad, proposing to curb the nuclear race in the sub-continent.

Said Maleeha Lodhi, a prominent journalist: "The negotiations, at least in part, are an expression of the Japanese desire to play a more active and larger diplomatic role in Asia."

Although Japan would appear to agree with the US desire to reduce nuclear proliferation, there was a marked difference in its approach. Said a foreign affairs analyst: "Japan aimed initially to restrain the nuclear lurch, rather than roll it back, as insisted upon by the US in the past."

Both India and Pakistan are wooing Japanese investment to spur their economies. They recognise that the economic superpower has acted as the engine of growth for the South East Asian countries. The two are trying to replicate the economic policies of export-led growth with Japan's capital.

Tokyo's desire to stop arms race in the regions is motivated by economic interests. South Asia can provide the Japanese companies a huge market of more than one billion people if the two countries could stop wasting resources on the nuclear race and instead channel these to increasing living standards of their impoverished populations.

GEMINI NEWS
JAVED A MALIK is on the staff of The News, Islamabad.

President against PM



SAARC Countries — II

Cautious Liberalisation may Pay off

By Syed Noor Hossain

DESPITE the SAARC region's deficiencies to attract foreign investments, there are experts who believe that by liberalising the market too much the SAARC countries are inviting dangers to their economies. The socialist government of the state of West Bengal in India understandably differs in many respects with the liberalised economic policy of the Indian government introduced recently. The Chief Minister of West Bengal made a statement on 22 October 1992 at the Annual General Meeting of the Bengal Chamber of Commerce and Industry which ran contrary to the spirit of India's liberalised economic policy. The Chamber highlighted the changed international scenario and underscored the need for creating a better work culture in the State, which compared unfavourably with other States of India, to attract investments. They believed that "the decision whether to invest in our State or elsewhere would ultimately depend upon the perceptions of entrepreneurs on the investment climate of the State." The Chief Minister's speech was carefully drafted presumably by the State's Finance Minister, an MIT trained professor of economics. The Chief Minister warned against the undue haste in liberalising the economy, particularly the imports, and appealed to the business community to reconsider the desirability of seeking loans from the international institutions such as the IMF which imposed unfavourable conditionalities. He argued, not only that the New Economic Policy was not able to increase the industrial production and exports, on the contrary, the liberalised import policy caused further deterioration in the balance of payments.

Some economists in Bangladesh, much like the West Bengal Chief Minister, believe that its liberalised economic policies would not necessarily have beneficial impact on the economy. Bangladesh has still rudimentary industrial base which needs protection. The much-talked-about open market policy of the government may be a bit premature. A liberal use of this policy may result in tougher competition of Bangladesh's young industries with the more mature and efficient ones abroad. While the competition is no doubt healthy and promotes efficiency, at this stage of industrialisation of Bangladesh, the local industries still need some protection. The functioning of an open market economy presupposes conditions which are difficult to obtain in the developing countries. These are free access to knowledge and information to all, free and equal access to education, an open government that promotes competition and efficiency, an open political process, etc. In the context of Bangladesh, four major players are identified in the operation of the free market economy — the major aid donors, the Western developed countries, the Government of Bangladesh and the business sector. Analysed individually, it would be revealed that none of these players are serious about promoting efficiency and competition. The donor conditionalities are sometimes contrary to the principles of the open market. Essentially they are interested in deregulating the economy from the bureaucratic control and exposing it to competition from imports. The donors are also keenly interested in promoting expatriate consultants whether the recipient countries want them or not.

The Western developed countries which advocate open market system are themselves guilty of resorting to protectionist measures by imposing quota or non-tariff barriers. As for any government in Bangladesh, active promotion of free competition and efficiency are not very attractive. The past experience indicates that the government in power

engages in favour distribution and creates its own coterie of business leaders. The defaults in the payment of industrial loans are first and foremost due to collusion between the selected parties and the government in power. "If we live in a world which is becoming more hostile to open markets, under a government whose objective interests are served by interfering with the market, a dominant business class which is hostile to the culture of the open market and an aid community whose commitment to open markets in their micro-level activity is questionable, what does serve to make such a hue and cry about promoting open market?"

The observations above should indicate that there is no direct correlation between open market policy and industrial development. Thoughtless liberalisation of the market may be an impediment to industrialisation rather than a help. What is important for a vibrant economic growth is not just what is done on the paper but genuine intention of the government to recognise the present realities and rectify them with all sincerity. As we are well aware, capital is in short supply globally — it far lags behind the demand. Attracting foreign investments is important in a capital-starved country like Bangladesh. Why do the investors go to the Southeast Asian countries and shy away from Bangladesh? The simple answer is paper work by Bangladesh on most liberal investment opportunities convinces no one. Only cheap labour, unrelated to productivity, cannot be the attraction. The government has to recognise the impediments such as labour strikes; bandh or hartal calls by the political parties;

corruption, insincerity and incompetence of both the politicians and the bureaucrats; poor level of education of workers; lack of personal security as well as security of investments; and dearth of modern facilities — non-availability of goods and services for comfortable living. All political parties must recognise the drawbacks and proceed on the basis of consensus to remove those drawbacks sincerely. There is no other hope. The South Asians should feel ashamed that in the last forty years, the East Asian NIEs have attained an average growth rate of 6 per cent, the Southeast Asians 3 per cent and South Asia only 1.5 per cent. For Bangladesh it was a mere 0.3 per cent. As it appears now, Vietnam is emerging as a serious competitor of South Asia in the race for economic development of which foreign investments would be a vital factor. If the current indications are any guide, the South Asians already seem to have become the losers.

The lure of the market economy should not create misgivings among people that it is a magic wand which brings instant prosperity. The frustrations of the former Soviet Union and the East European countries are too obvious. China has proved itself to be wiser by going slow. The South Asian countries have been following for long mixed economic system. The kind of meticulous plans they drew up could have yielded much better results if politicians, bureaucrats and businessmen could have carried them out with dedication, efficiency and honesty. The whole history of Japan's economic development has testified to the fact that the governmental guidance was vital. The bureaucrats of

Japan worked with dedication with certain goals ahead — to catch up fast with the developed Western nations. Japan put merit first and created the super bureaucrats who had high prestige in the society and showed exemplary dedication and honesty in the service of the nation. South Asia also produced bureaucrats who joined the service on merits but they were meant to administer and not to act as the guide and adviser to the people for economic and social development. Even then, they could have perhaps done better if they did not become part of the corrupt clique with politicians. The other factor was that the bureaucrats, particularly the top civil servants, in South Asia became all-knowing persons without specialisation. In Japan a bureaucrat spends his entire career in the same ministry which he joins during the time of recruitment.

With the present level of industrialisation and expectations of the society to help the underprivileged, a country like Bangladesh cannot afford to have an economy run entirely by the market forces. The liberal market economy should have a good balance with governmental guidance. That is the story of Japan, South Korea, Hong Kong, Taiwan and Singapore. More recently, the mixture of liberal policies and governmental guidance have also been successfully carried out in Indonesia, Malaysia and Thailand. While free trade is to be welcomed by all it is also to be realised that "Bangladesh cannot offer reciprocal trade facilities without endangering its own nascent industries. What we need, therefore, is a balance between liberal import policy and the need to give reasonable protection to our manufacturing facilities. After all, the aim of the liberal economic policy is to promote and

not to throttle the growth process."

The debate on the liberalisation of economic policy would no doubt continue. But a country like Bangladesh can hardly afford to wait any longer. The best course is to follow the beaten path — a liberal economic policy and export-led development strategy with benevolent governmental guidance — the one originally shown by Japan and later followed by the NIEs.

Bangladesh's economic survival would depend on the success of its efforts to boost exports and invest more resources in order to compete effectively in the global market. This requires significant changes in the structure of production and in the composition, apart from qualitative and quantitative improvements in investments in both private and public sectors. The country's fiscal policies should be tuned to the export competitiveness. The temptation to have short-term revenue earnings has to be sacrificed in order to make the import of raw materials cheaper, particularly for export-oriented industries. A systematic, meaningful and vigorous export promotion drive would be essential. Introduction of new technology and the policy of incentive framework, improved labour-management relations, government commitment to a supportive export environment, removal of regulatory and procedural constraints, expansion and diversification of export markets and exportable products, human resources development, etc are most vital to revolutionise the export sector. For all these political stability is necessary and it is an absolute must that all political parties in Bangladesh — both in the government and the opposition — evolve a consensus policy on export-led economic growth. The homogeneous society of Bangladesh and the history of its people of forging unity for a national cause makes that vital consensus entirely plausible.

Concluded

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.

DPS and Sonali Bank

Sir, The Deposit Pension Scheme at Sonali Bank has become difficult to maintain. It seems that Sonali Bank is discouraging people to continue it. Earlier, an instalment of DPS could be paid from a Savings Account in the same branch by money transfer without any charge. But from May '92 the bank has started charging Tk 20/- for an instalment of Tk 500/- which is four times more than the charge of Janata Bank for the same purpose.

By the time the order was conveyed to the DPS account holders, three months had already been passed and Tk 60/- was deducted from the Savings Account at a time. It took another month to apply for stopping money transfer in order to save Tk 20/- per

month. To pay an instalment in cash, one has to deposit the amount before eighth of every month. During this period there is always rush for paying different bills. At the Azimpur New Market branch of Sonali Bank DPS instalment, in cash, was always accepted at the same counter of savings and current account. But now the depositors are directed to the annexure building (first floor) beside the third gate of Govt New Market where electric bill (domestic and commercial), HBFC instalments etc. are also taken at one counter and in one queue only. It takes a long time to pay an instalment of DPS.

I hope that all the branches of Sonali Bank will arrange a quick deposit system for the DPS holders in order to save time and encourage the policy

holders to continue it. Regarding the transfer fee, Sonali Bank should maintain similarity with the other banks and reduce the fee from Tk 20/- to Tk 5/-.

Zafar Shaheen
Dhaka

"Killer drivers"

Sir, Congratulation to Mr A Mawaz for his wonderful opinion in the write up "Get the killer drivers" published in The Daily Star on March 28. However, some of the observations are as under:

Should Mr Mawaz go to the Middle-East countries and many other countries of the world, certainly he will find that the drivers from Bangladesh have been doing wonderful jobs. However, the same drivers when they are back in Bangladesh, do not show the same efficiencies that they had shown when they were employed in the overseas countries.

Therefore, certainly we readers would expect Mr Mawaz to find out the causes of the killer drivers, since the causes shown by him would be acceptable only to the tune of

30 per cent at best and where shall we find the balance 70 per cent of the causes?

Andrew D'Costa
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Medium of instruction and foreign students

Sir, I am a foreign student studying in one of the medical colleges in Bangladesh. I have been here almost for five years. I realise that since I joined the medical college I have been facing a lot of problems which as it seems, most of the teachers and professors do not want to understand. Most of it is with the teaching language.

When I was in first year, about 90 per cent of the teaching was in English I was very happy that I could follow the lectures and, tutorial very well and in fact I had obtained a good result in that year's examination. However, as the academic years passed one after another, my academic problems also increased by proportion. Now, in the fourth year, the teaching medium is almost 95 per cent Bangla. As a

result, I am always at least one or two steps behind the local students.

As teachers teach in Bangla, definitely I cannot absorb most of what they teach during their lectures. So, I have to go home and check and re-write the lecture notes and have to make a lot of references which, again, most of the times, are not found in any textbooks for an understanding. Whereas the local students need not do those at home because they have already got a complete note and well understood that during the day classes. As such they go home to utilise the time in increasing their knowledge or improving their memory, while the foreign students have to struggle just to get a better lecture note and a better understanding.

To tell the teachers about the problems really need a lot of courage and most of us are always sceptical about the outcome. Being abused for not understanding Bangla after four or five years stay in Bangladesh make me feel like the most idiot of persons in the world. The fact is, being a fourth year student the most

important task at this moment is to gain knowledge as much as possible in order to prepare myself to be a competent doctor. But the task seems yet so long due to the teaching language problem.

The teachers are right that I have to know Bangla in order to communicate with the patients during the practical period but just imagine the case of some one lacking in the basic medical knowledge! How can he/she be able to proceed with any history-taking from the patient?

So, I would like to appeal to the teachers and professor of all medical colleges in Bangladesh, to try to understand and anticipate the language problem of the foreign students. If they are not willing to do so I suggest the government of Bangladesh should stop taking any foreign students or at least provide a clear information regarding teaching medium in medical colleges through Bangladesh missions abroad, so that the applicants can avoid any future embarrassment or difficulty and find any suitable alternative for perusing their study.

Rafiq
Dhaka