

## World Bank Review Meeting

Finance Minister M Saifur Rahman needs all the preparations he can make in about four weeks' time to fit the bill at the forthcoming mid-term review meeting with the World Bank in Washington. His being Chairman on the Board of Governors of the World Bank gives him a clout alright; but strictly speaking, his persuasive powers with that global financing agency would need to be at their very best — this time around. For, he has some new and not-so-new but otherwise angular points to carry and smother with the World Bank, prior to the Aid Group meeting.

First and foremost, in implementing the current ADP, now well past its half-way mark, we have recorded a short-fall worse than the one registered during the corresponding period of last year, which itself was bad enough. The frustrating under-utilisation of foreign aid, despite our having had the counter-part finances in a good measure, has evoked criticism of the donors in bits and pieces, if not in a chorus as yet. They should be knowing how much or how little their procedures had to do with this state of affairs but our feeling is we must concentrate on our own mistakes first before detecting the flaws of others. It is only after overcoming our shortcomings that we can fix the loose ends with the donors as a kind of honourable trade-off.

Our decision-making process is not only mangled it is also over-centralised with the result that if project approval had taken its dreary time, project implementation, with its fund release and supervision aspects, would make the machinery even more slow-moving. We do not yet have directors on each and every project. Besides, the Prime Minister's directives for delegation of authority at the project level await full compliance. The devolution of power should be achieved quickly now that the project profile which became chaotic due to the grossly uneven utilisation of the ADP has been streamlined with preference given to successful projects in well demarcated sectors.

Then the inevitable question to ask ourselves is: how long are we going to take refuge behind the stock excuse of a long-pending service reorganisation? This unfinished job is ludicrously serving as the proverbial scapegoat for everything that goes wrong. Let's do something about it quickly or else be dubbed as a stickler for an otherwise avoidable indecision.

This leads us to the running battle between the service cadres. It has gone to such a crazy length that it is making a havoc with whatever little administrative and implementational capacities we were able to put together earlier to make do with.

On the economic reform agenda, public criticism of the speed at which these were being carried out might be conveyed to the donor community in the light of some reverses the ruling party has suffered in the last mayoral elections. The World Bank may be urged to go slow on the reform programmes by focusing on the electoral cost but it is the socio-economic costs that need to be highlighted basically.

A gradualist approach needs to be taken — duly underpinned by alternative measures — in the matters of withdrawal of agricultural subsidy and retrenchment of surplus labour.

## Auspicious Start in Cricket

Bangladesh cricket team's auspicious start in the on-going ICC trophy championship was quite expected. When no country other than Argentina — better known for soccer and with hardly any cricketing credentials — are the opponent, this thumping victory cannot be considered too flattering. On the current strength, Bangladesh have been seeded second — only behind Holland — not for nothing. Apart from the top seed, Kenya, Bermuda and Canada are expected to give some testing time for Bangladesh. Therefore it is too early to celebrate this win of Bangladesh in the Kenyan capital.

However, the country will be hoping that the morning has just started showing the day. And this is a hope this nation starved of any sporting glory has every reason to nourish in the bottom of its heart. Bangladesh has done enough ground work before flying for Nairobi and any result other than the most elevated position on the victory podium will only disappoint the host of cricket fans at home. The win over Argentina, to be realistic, has given the ideal start Bangladesh had hoped for.

Going by the grouping, Bangladesh is likely to have an easy sailing in the first round. Stiff competition is however expected in the next round. However a semi-final berth for Bangladesh should be well deserved. All this optimism has been raised by the team's performance in the exhibition matches against the one-dayer's world champion, Pakistan just before Bangladesh's departure for the ICC trophy championship. The high hopes however got a little dented when Bangladesh was twice beaten by Kenya and Canada in their preparatory matches before the tournament proper.

Acclimatization with the high altitude of Kenya was sure to pose a problem for the Bangladesh team and definitely this accounts for much of those two defeats. Quite a balanced side, with some short-comings in fielding and wicket-keeping, Bangladesh should gain in experience from those losses. If the friendly matches are any guide, reversals cannot be altogether ruled out on some bad days. But hopefully such inauspicious days will not be many in number to spoil our good tidings until at least the semi-finals. If Bangladesh can then do justice to their reputation and form, they have every chance of basking in the cricketing fame. Even if the top position somehow eludes our cricketers, there is no reason why they should not secure one of the three top places to qualify for the next world cup. Under Mohinder Amarnath's tutelage the Bangladesh national side has grown from strength to strength and here is its ultimate test. Let us hope Bangladesh will come out of it in flying colours.

# The Municipal Elections: A Test Case for Good Governance

by Rehman Sobhan

THE recently concluded municipal election for Dhaka, Chittagong, Khulna and Rajshahi are a testimony to the reaffirmation of a test case about our commitment to good governance and democratic principles. In two of the four municipalities, Dhaka and Chittagong, the mayors elected by the voters belong to the principal opposition party, the Awami League. In my memory, this is the first time, certainly since 1947, that the mayors of these two cities have come from political parties other than those in control of the central government. Certainly in Bangladesh the mayors of Dhaka from the late Ghazi Gholam Mustafa during the Awami League regime, Abul Hasnat during the Zia regime, Col Malek during the Ershad regime and most recently Mirza Abbas under the incumbent BNP regime owed allegiance to the then ruling party.

This identity between the municipal leadership and the ruling party at the centre precluded any political contradiction of interests, but it also served to conceal the dependence and hence domination of the municipal government by the central government. The fact that we now have mayors belonging to the Awami League, about to assume office in the two principal cities of Dhaka and Chittagong at a time when the national government is controlled by the BNP will bring into focus the extent to which local government prevails or is permissible within Bangladesh.

It is worth noting that all governments in Bangladesh have made strong emphasis on the promotion of strong local government. This is in keeping with the current commitment around the world and particularly of our principal donors, to the importance of promoting good governance. Whilst the concept of governance is still somewhat undefined there is general agreement that one of the critical elements of good governance demands decentralisation of central authority to strong, viable institutions of local government. In an era where government itself is in disfavour and is being advised to divest its powers the principal recipients of this divestiture process have been identified as the private sector, NGOs and local government. It is argued that where a government role exists its powers should as far as possible be devolved into the hands of local governments, operating

institutions or any other body which is closer to the people and hence can be more directly held accountable to the people. Since the present Government has repeatedly committed itself to both reducing the role of government and good governance, its sincerity to its public proclamations will now be tested by the power and resources it is willing to devolve on the elected municipal governments even though two of these are now run by representatives of the opposition party.

I am no authority on either the issue of urban development or on local government but one does not have to be a specialist in this area to realise that very

institutions have attempted to vest authority with local government. Mayors have held office at the will of the ruling party and were thus accountable only to the Prime Minister or President. Most of this development in our urban centres originated from resources provided through the central budget and were executed by a line ministry. Thus the Mayor of Dhaka can be held accountable by the citizen of Dhaka for neither law and order or some roads being dug up repeatedly by WASA, the T & T department, the Power Board or the Roads and Highways Directorate. He cannot even be held responsible for the accumulated garbage, mosquitoes

and even the break down of law and order. If we need any guidance on what municipal government really means then Mr Salam Talukdar, the Minister of Local Government, accompanied

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little of local government prevails today in Bangladesh. Look at the case of Dhaka, our capital city. Urban development, including development of residential sites is controlled by the Rajuk and water and sewerage development under Dhaka WASA both departments under the Ministry of Works. Road construction work is divided between the Rajuk and the Roads and Highways Directorate whilst power generation and distribution remains with autonomous bodies under the Ministry of Energy. Public education is with the Ministry of Education, public health services are with the Ministry of Health, social services remain under the Ministry of Social Welfare whilst problems faced during emergencies such as floods are tackled by the Ministry of Relief. About the only development role left with the Dhaka Municipality appears to be the repair and maintenance of roads, replacement of tube lights, garbage clearance and a rather pathetic attempts at mosquito eradication. The municipality I believe also operates a few slaughter houses. This means that virtually the entire budget of the municipality goes on salaries and wages with very little being retained for development.

Now all available precepts of good governance being advocated by such international agencies as the World Bank and UNDP and indeed being practised in most developed countries today advocate that local authorities be made responsible for both the development of the areas within

perhaps by the four newly elected mayors of our municipal corporations, should be invited by the Mayor of New York, to see municipal government at work in New York.

I am sure the invitation could be arranged by the US embassy and financed by the World Bank or UNDP. Our visitors would then observe that New York city looks after the development of its own infrastructure, uses utility services provided by local institutions and even runs its own police force the New York Police Department (NYPD) whose commissioner is accountable to the Mayor of New York. The New York municipality exercises sizeable revenue powers and can indeed borrow directly on the capital market through bond issues to finance its activities. Similar powers vest with the municipalities of most urban centres around the world. In the People's Republic of China municipal authorities also own and run industries and exercise more control over the direction of the municipal economy than does the central government. The local authorities command plenary taxation powers, with powers to levy and collect taxes and to surrender a share of these taxes to the central government.

It is unfortunate that in Bangladesh whose very nationhood originated in the demand for greater regional autonomy based on devolution of power we have paid lip service to the concept of local government. Neither the central government, nor the local govern-

or potholed roads since all these inconveniences of city life depend on grants placed with the municipality by the Ministry of Finance and released at the courtesy of the Ministry of Local Government, whose Secretary and Ministers thus have to be perpetually kept in good humour by the Mayor.

### Tasks for the new mayors

Now that Dhaka has an elected mayor it would be an insult to the 8 million voters, to the principles of accountability and good governance to let such a state of affairs continue any longer. The first task of the Mayor of Dhaka should thus be to work out an overall formula for the devolution of powers between the central government and the municipalities. In this task he should seek the cooperation of all the three other elected mayors. Sensibly this devolution of power should demand that, under the law a share of national revenues automatically be assigned to the municipalities and with other organs of local government such as the Zilla Parishads. If such come into existence. A further programme should be put in place to transfer such institutions for providing local services as Dhaka Electric Supply, Dhaka WASA, the Rajuk and the Dhaka Metropolitan Police under the control of the Municipality with similar devolution of institutions taking place in Chittagong, Rajshahi and Khulna.

Based on such a devolution of responsibilities the respective mayors should draw up

five year development plans for the municipal area. This plan should be funded through the legally mandated share of national revenues vested with the local authorities, enhanced fiscal powers for local taxation and authority for powers to borrow on the local capital market through municipal bond issues as well as from direct negotiation of foreign aid, obviously with the concurrence of the Ministry of Finance. Under such a regime we can move towards a system of genuine, accountable and more efficient municipal government, where at the end of their tenure the success or failure of the municipal government would depend on the competence of the mayor and commissioners who should be judged by the voters on the basis of their record in office.

The tragedy of Mirza Abbas was that no one bothered to find out whether he was a good or bad mayor. Given the complete dependence of the municipalities on the central government and their lack of power to influence the life of their citizens it was inevitable that the municipal elections become a referendum on the record of the present government.

Mr Hanif and his other mayoral colleagues should take lessons from the fate of Mr Abbas and seek to make the issue of the powers of the municipalities into a priority issue for resolution. The new mayors should thus immediately move to set up Task Forces, drawing upon the best professional assistance on hand and also inviting respected citizens from the municipal area to participate in this Force. This Task Force should within three months be asked to spell out for the consideration of the mayors:

(i) The necessary redefinition of powers between the centre and the municipalities.  
(ii) The realignment of institutions responsible for development within the municipal area.  
(iii) An appropriate formula for revenue sharing between the municipality and the central government.

(iv) A set of plenary taxation and revenue generating powers to be vested with the municipalities including the

scope for borrowing on the local capital market and modalities for the access of the municipalities to aid resources.

(v) A five year development plan for the respective municipalities.

There will be no shortage of outstanding professional talents or worthy citizens moved by a sense of patriotism and civic responsibility to respond to the call of their elected representatives who would be happy to donate their services to the mayors. This has already been demonstrated in the case of the 255 outstanding professionals who volunteered their services to the 29 Task Forces set up by the Interim Government of President Shahabuddin. Whilst the Task Forces set up by the mayor, the mayors should set up a series of consultations with different segments of the citizens in their respective municipal areas to explain to them the realities of power soliciting both their suggestions and support in realising an adequate realignment of power so that their elected mayor can really serve them. The final Task Force report should be presented by the mayors, after discussion with the commissioners, to a large gathering of citizens of the respective cities for public endorsement. Following the endorsement of the six-point reform agenda originating from the Task Force recommendations, negotiations should be initiated by the mayors with both the government and parliament to seek a redefinition of municipal powers.

Mayors, particularly from the political Opposition, such as Hanif and Mohiuddin, cannot afford to sit on their hands, bemoaning their lack of powers as mayors and depending on the goodwill of the Ministry of Local Government to look after their concerns.

The inaction of the mayors will not be condoned by their electorate anymore than will the traditional practise of using the mayor's office for private gain and political patronage for their respective political parties.

If these mayors genuinely want to empower their office, then they have to act expeditiously to change the prevailing power structure and to mobilise their electorate in support of a body of well prepared and constructive suggestions for the reform of municipal government in Bangladesh.

economics, the same report recommended among other things:

\* Lebanon's expansion of present markets for commodities and services.

\* The creation of new industries related to education in African and Asian countries such as those involving the preparation, printing and publishing of school books and equipment.

\* The expansion of the pharmaceutical and kitchen appliance industries.

\* The development of new high-yield crops, improvement of marketing techniques, and raising export capacity to European countries.

\* An adequate supply of medical, engineering, educational, economic and other professional skills suitable to the requirements of Asian and African countries.

\* The expansion of the money and banking sector to make the services available to other countries in the world.

— *Depthnews Asia*

## Economic War Looms after Peace Treaty

Mounir B Abboud writes from Beirut

**Lebanon has some strong points which make it a potentially strong player in the Middle East's economic scene**

policy, the initiative of the Lebanese and the significant amount of their savings abroad make Lebanon a potentially strong player in the regional economic scene.

Arab economic boycott

in the past forced Israel to search frantically for alternative markets. The tense political situation that has existed in the region for many years also prompted Israel to develop electronic and aerospace industries, which now provide important export commodities.

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He said the country's open

grave damage to the Lebanese economy as regards both its domestic activities and potentials and its capacity for confrontation abroad, it added.

The boycott has served as a protective shield for Lebanon, giving it an open field in the Arab world and enabled its economy to grow, take root and spread.

The more determined Lebanon is to achieve economic drive, the more she will come into collision with Israeli determination and endeavours in the same field, the report concluded.

This leaves Lebanon with no other option but to challenge Israel through a vigorous eco-

nomics drive and expansion in other countries to preserve its interests.

The report took note of a study which showed that economic competition between Israel and Lebanon has, in fact, begun but has not yet assumed alarming proportions.

The competition is limited to the export of certain products to Europe and Africa.

Among these products are citrus fruits, cotton textile, drugs, kitchen appliances and ornamental items.

Competition has also started in the field of commercial services in Africa where joint Israeli-African companies are threatening Lebanese merchants who have already established themselves in the continent.

In an attempt to evaluate further the extent of future confrontation between Lebanese and Israeli

without notice, and accordingly he was treated as one of the members of my family. He called me "bhaira" (brother in law) just to demonstrate his attachment for me. Many nights Makhan found comfortable to stay at my residence to avoid arrest, when the movement was at its peak against the Pakistani rule.

I came to know Makhan closely during the mass upsurge against Ayub regime in late 60's when he along with some other promising Chittagong League leaders joined the Daily Azad. As the General Secretary of Fazlul Haque Hall Student's Union, Makhan was seen playing a formidable role in organising the movement that ultimately culminated in the war of liberation in 1971. In course of time, he managed to make his position in the front line both in the students movement and the country's democratic struggle by dint of his merit and leadership capability of the highest order.

A very close relation devel-

oped between Makhan and me in my memorable days in the Daily Azad. My association with the young leader was so deep and cordial that he found pleasure to visit my residence

few hours was moved by his noble behaviour, amiable nature and soft manner.

Abdul Quddus Makhan was not merely a student leader, former member of parliament, and a freedom fighter. He was much more by virtue of his achievements during a quarter century-long chequered political career. He came to politics as a great warrior during the critical juncture of our national life and did his job successfully.

He is one of our national heroes who fought for our liberation and devoted his life to establish democracy and ensure welfare of the people as a true follower of Bangabandhu Sheikh Mujibur Rahman. He began his political career as a worker of Awami League and remained under the banner of Awami League until his death.

This definitely bears a testimony of his deep love and unfettered faith in the party. It is an example of sound political principle in a country where politicians frequently change their political colour and platform.

In true judgement, Makhan is national hero. The history should, by no means, undermine the position he gained through his eventful political career. He will remain in the heart of the nation as a glittering star in the blue sky.

I pray for the peace of his departed soul and express sympathy for the members of the bereaved family.

## To the Editor...

### Abdul Wadud Khandker replies

Sir, I have gone through your Editorial published on Monday, February 14, '94. I consider it necessary to draw your kind attention to the lines in the second paragraph reading "This inexplicable delay, coupled with Mr Wadud's own impolite and impulsive statements that the country had two Attorney Generals, and that he would continue to perform his duties of acting AG till he was officially told to do otherwise, created the most embarrassing situation for Government."

In this respect I would like to emphatically state that I did not make any such statement.

On 8th February,