

Leaders, Step Back from the Precipice

by Dr Manzoor Ahmed

AS in the plot of a classical Greek tragedy, the country is inexorably heading towards a disaster.

Most citizens, except the intensely partisan ones, will agree with Mahfuz Anam (The Third View, DS, 21 December), that the head of being entrusted by the nation with that august position, has the greater responsibility than anyone else in the country to lead the nation out of the present impasse.

The Prime Minister, to protect the welfare of the people, to nurture the fragile flower of democracy, to demonstrate that she places the nation's interest above the gains for her party, and indeed to promote the interest of her party and her supporters in an enlightened way (because, the interests of her party and of the country need not be in conflict), must make bold and historic moves.

1. Exercising the prerogative of the head of the government, the Prime Minister should announce a mid-term election for an appropriate date in 1995. It is the Prime Minister's right and no one

else's to go to the polls and ask for the people's expressions of confidence in her before the full parliamentary term expires. There are frequent precedents for such a move in parliamentary democracies.

2. The Prime Minister should declare unilaterally that a month before the announced date of the polls, her cabinet would resign, and she would ask the president to take charge of an interim government according to the provisions of the constitution. The sole task of the interim government will be to look after the essential functions of the government while the Election Commission holds a national election. The President would

4. The Prime Minister should announce a set of ground rules for equal access to and coverage in printed and electronic media of political programmes and platforms of different parties as well as of campaign news, events and candidates themselves. Again the Prime Minister should offer to discuss the proposed ground rules with a representative group of Parliament members.

5. The Prime Minister should invite intellectuals, professional organizations and social workers at national, district, thana and local levels to form non-partisan citizens watchdog committees which would educate the public about

the face of grave dangers to our nascent democratic tradition. This perception of the public will surely have a beneficial fall-out on her and her party at the polls.

The leader of the opposition as the potential alternative head of the government is the holder of an equally vital office as the incumbent head of government in a parliamentary democracy. At the present critical juncture, some bold unilateral action by the Prime Minister will benefit her and her party and serve the national interest, as argued above. By the same token, restraint, demonstration of wisdom befitting a statesman rather than a politician, and

government make, the imperatives for the leader of the opposition now are the following:

1. A commitment to the people to press resolutely the demand for fair and free elections, but doing so adhering to the rules and practices of parliamentary democracy. Calls to civil disobedience and general strike are actions that must be taken only in extreme circumstances and on rare occasions when the ruling authority itself has no legitimacy or it violates the law grossly and flagrantly. The demand for a 'caretaker government' is not necessarily inappropriate, but pressing the demand in a way that undermines the democratic process

to know what the price will be for the 'marriage of convenience' with anti-democratic and anti-freedom forces, if the opposition wins the election. The explanation so far has been hardly convincing.

3. Declaration of a charter for upholding 'democratic values, practices and institutions' - detailing proposals for an independent and strong Election Commission, rules for adequate and equal access of all parties to the mass media, diverting the government from the control of the electronic media and placing this control in the hands of independent public bodies, and support for citizens' watchdog bodies for democratic elections. These measures must be promoted as permanent institutions to foster a democratic culture in the country which will not be dependent on the mercies of a 'caretaker' government.

These steps on the part of the leader of the opposition will strengthen people's confidence in her, will demonstrate her concern for the masses and her faith in the democratic process. The internecine and intensely personal rivalry between the two leaders is a zero-sum game that has already brought the country to the edge of disaster. Leaders, it is not too late to step back from the precipice and turn the exercise of democracy into a constructive process for you, your parties and, above all, for the country.

The author, a well known international expert in education, who has worked in Asia and Africa for many years and now stationed in New York, is currently on a visit to Bangladesh.

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naturally consult with political parties regarding the composition of the interim cabinet.

3. The Prime Minister should announce proposals to establish full and true independence of the Election Commission, granting, if necessary, authority and resources to conduct elections in a manner that is not only free and fair but is also perceived by the public to be so. The Prime Minister should offer to discuss her proposals for enhancing the independence and authority of the Election Commission with a representative group of members of the political parties in the parliament. If Parliamentary consultation and action become impossible, necessary measures can be taken by administrative orders for the time being.

the democratic election process, draw public attention to any violation of fair campaign practices, and help create an environment for the Election Commission to carry out its responsibility well. The Prime Minister should also invite international groups such as the Commonwealth Secretariat and the International Parliamentary Union to send representatives to observe the holding of the national polls.

The Prime Minister as the head of the government and taking advantage of 'incumbency must seize the political initiative rather than continue to react to opposition moves. The above steps by the Prime Minister will be seen by the people as bold and responsible action by a national leader in

concern for a democratic culture and the welfare of the long-suffering masses of the country will serve the interest of the leader of the opposition, her supporters and the nation. Resorting to methods that hurt the people, do not conform to the rules of the parliamentary democracy game and keep on raising the stakes in a national confrontation will not serve her, or the nation well.

The leader of the opposition and her wise advisers have the same responsibility as the regime to nurture and uphold the democratic process and not to jeopardise the chances of economic progress and improving the plight of the masses that the global economic order may offer. Irrespective of what moves the

will not help the party or the country

2. A reaffirmation of the goal - which is strengthening the democratic process and practices and the means and the prime symbol of which is a free and fair national parliamentary election. Topping the government may be a tactical means to this end, but cannot itself be the end, especially if this requires alliance with undemocratic and anti-freedom forces who have shown themselves to be against the founding principles of the nation. A general election will surely come in 1995 or 1996. Unprincipled and opportunistic alliances just to spite the regime will not be lost on the people and will not help the prospects of the opposition at the polls. The people will want

Of Smuggling, Drug Trafficking and Money Laundering

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THROUGH his blithe remarks, the cartoon character Dennis the Menace scatters gems of home truths once in a while. "The nice part about day," he quipped, "is that you can see what you are doing. The bad part is that so can everybody else." Thus it is that some people prefer to do business in secret - opting, in fact, to become denizens of the dark. Drug traffickers, arms dealers, smugglers - you name them. These are the people who choose to operate behind veils of secrecy. They do not wish everybody to see what they are doing.

Business dealings of drug traffickers, arms traders, smugglers, and their likes, generate massive funds globally - experts say more than \$500 billion every year. Yet, of what use is money unless it can be spent freely and openly. The answer is to launder the money so that it takes on the appearance of being clean. It is the process of whitening black money. Corruption and kickbacks too generate funds which need laundering, particularly when recipients prefer not to keep the money in the home country.

The craft of money laundering draws it mead from moving the stuff from place to place world over, turning it around until it acquires a clean gloss, flowing as if, from legitimate transactions. And to gain an aura of respectability, the money has to pass through 'staid' financial institutions, preferably banks. So, money laundering entails the use of banks. Some drug barons are even known to have owned banks to ease the process of money laundering.

The topic of money laundering comes to mind in the context of seminars and symposia

held in recent weeks, which had a direct bearing on the subject. Earlier in the month, a symposium was held in Kuala Lumpur about money laundering in Asia. This symposium was jointly arranged by the Financial Action Task Force (FATF), the Paris-based OECD - Organisation for Economic Cooperation and Development - the forum of the world's rich nations and the Commonwealth Secretariat. The FATF, it bears recalling, was set up by the Group of Seven (G-7) leading industrial countries in 1989 to study ways of curbing money laundering. The Kuala Lumpur symposium was attended by delegates from 34 countries, including Bangladesh, and experts from concerned international agencies.

Last week, a SAARC seminar on drug trafficking was held in Dhaka. The nexus between money laundering and drug trafficking is only too well-known. These events serve to bring the continuing global and regional concerns about money laundering to sharper focus. Then again, a section of the press reported early in the month that the government has approved changes in banking laws to allow for confiscation of deposits of funds earned through illegal means, including frauds, drug trafficking and smuggling. This initiative also looks like a focussed move at national level to deter the use of the banking system for the purpose of money laundering.

Smuggling has long been a prime source of generation of money which needs laundering. At the Kuala Lumpur symposium,

so say news media accounts of the proceedings, the Bangladesh delegation identified the pervasive hundi system as a major money laundering hazard faced by this country. A coded chit, hundi is really a non-bank sight draft for effecting cross-border transfer of funds, particularly favoured in the subcontinent for moving money outside official channels. You might also like hundi to a pay order - the difference is, it is a more efficient medium for transfer of funds than the banks' instrument. Best of all for drug dealers and smugglers, the hundi leaves no trace. It de-

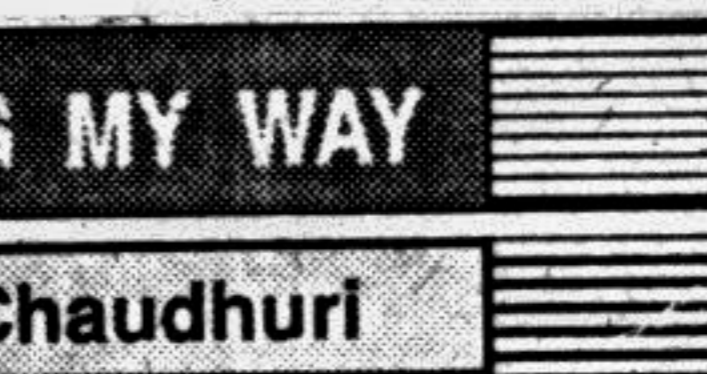


fers interception. Smuggling and drug trafficking interwind in this respect. Drugs are not brought openly across borders. These are smuggled in and out of a country. Smuggling abets drug trafficking. And hundi is used of course for underhand transfer of capital. In the subcontinent at least, the mechanism is also used widely for effecting remittances outside official channels from abroad, particularly of migrant workers' earnings.

Transfer of funds through hundi does not, by itself, amount to money laundering. Money has only moved. True, some of it can be put to legitimate use openly, for instance, in consumption expenditure.

However, the scope for such spending is limited. The bulk of the money would flow into the parallel economy, still to be laundered. All the same, an essential first step for laundering the money has been taken - the funds have been moved. To be laundered, the money would now seek entry into the legal financial system. Called variously as 'dirty money', 'tainted money' or plain 'black money', it will remain so, till it passes through the financial system and comes out clean.

Governments, on their part, put up barriers to deny the money access to the formal fi-



ancial system. It used to be said that a banker need not concern himself with the colour of the money he takes in as deposits. Governments these days try hard to make the bankers get over such notions. Laws designed to counter money laundering usually require that bankers report suspicious transactions. Normally, it is left to the banks and other financial institutions to decide which case snacks of money laundering. However, governments do issue guidelines to help matters along. The authorities also demand that banks deal with customers they know and monitor potentially suspicious transactions. Then again, in an increasingly cashless society of

the West, any heavy cash movement is automatically suspect. The US law, for instance, requires banks invariably to report any cash transaction above a certain (\$10,000, if I got it right) limit.

Most such countries also have laws on bank secrecy designed to protect the sanctity of banker-customer relationship. Such legislation have long been deemed a necessity in the advanced countries to secure people confidence in dealing with bankers. Requiring bankers to divulge details of customers' accounts to facilitate investigations in money laundering charges, often brings conflicts with the bank secrecy provisions of the law. Governments usually resolve the conflict through a policy-mix of persuasion and coercion. Laws relating to money laundering would specifically authorise banks to report suspicious transactions of their clients to the concerned authorities. This way, banks are absolved of the risk of coming under the mischief of secrecy provisions. However, the bankers' option to report such transactions turns into an obligation, since failure to do so would be regarded as negligence. The bank then would bear responsibility for the 'client's' misdeeds and would be liable to punishment.

REVERTING to matters at home, it is encouraging to note that the SAARC seminar stressed the importance of cooperation on regional basis to combat drug trafficking. The region's increasing

vulnerability to drug trafficking arises from its proximity to the centres of drug trade. To the east, lies the 'Golden Triangle' - straddling Myanmar, Thailand and Laos. To the West, the 'Golden Crescent' is there covering the border areas of Pakistan, Afghanistan and Iran. And the region itself holds the 'Golden Wedge', along parts of Bhutan, Nepal and Bihar of India, which renders Bangladesh particularly prone to use as a transit country for drug trafficking. All the same, cooperation in tackling drug trafficking alone will not bring the desired dividends unless efforts are made at regional level to combat smuggling also. Smuggling is endemic in the subcontinent. Drug trafficking has added a sinister edge to the illegal cross-border trade. Smuggling and drug trade draw sustenance from each other. The proclivity to use gold to settle cross-border transactions adds another twist to the game. Gold is not laundered the way money is. However, it can be melted to yield jewellery and ornaments, which find too ready a market in the region.

The most effective way to eliminate smuggling is to remove all controls that breed cross-border illegal trade in the region. This is easier said than done. For one thing, it would call for regional realignment of trade, tariff, exchange rate regimes and of course, open cross-border trade. As of now, such a convergence seems far off. Nonetheless, meaningful regional cooperation to strike at the root of smuggling, drug trafficking and money laundering could hasten the process. The aim should be to create an environment in the region in which people feel more encouraged to do business in open daylight.

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.

"Aposh-heen" Sir, I was pleased to see former ambassador Abdul Momen's opinion (Aposh-heen) regarding my article "In Fool's Paradise?", published respectively on December 22 and December 11, for his compliment on my writing style and for reminding me for the Nth time the government's staff on the current deepening political crisis.

I was most disappointed about his opinion, because he failed to understand the very spirit of the writup, which pleaded for an end to partisan bickering for the sake of democracy and forward march of Bangladesh as my father is among the three million martyrs of the 1971 independence war. My comment on Prime Minister Khaleda Zia's 'Aposh-heen' or uncompromising stand was used because the government party has been harping on it eternally and a responsible reporter (on the basis of opinion survey) was likely to draw attention to the fact that sometimes compromising "for the love of one's country" could achieve more in the long run.

Instead of sticking to one's point at any cost - which could be disastrous. Reporters try to give the real picture and they do not like saying "Yes, Minister." A partisan man would not give positive ideas to his rivals and at least, then I should have added that strikes were not the only cause of our economic ordeal, but according to donors as well as some western diplomats/government's "indecisiveness and slow progress of project implementations" were also hurting our fiscal plans at a time when the givers were changing their aid/investment priorities.

Most of all, partisan bickering over almost all issues (press included) is in fact hurting us because it clouds or distorts the actual facts and sometimes our leaders are misled. So, what really matters is in what context the reader reads an article and those who get the spirit, including some "hard-core" supporters of the premier, appreciated it. To conclude, I would like to say that Mr Momen has every freedom to choose which colour he wants to see, but I hope a senior bureaucrat like him is fi-

nally convinced about what the article aimed at. I would have been more happy if he had not been so partisan himself, as he had no complaints on what I wrote about opposition leader Sheikh Hasina Wajed. Isn't it wise to practice what one preaches?

Nadeem Qadir Special Correspondent, Agence France-Presse (AFP), Dhaka

Aricha Ghat incident

Sir, So far I knew, The Daily Star always serves investigative and actual reports. But, it is unfortunate that the news item published in the front page, column 8, under the heading "Clashes paralyse ferry services at Aricha" on December 8, 1994 was not as such. The news was not served properly from UNB.

Incidentally or you can say luckily, on that day, I got introduced with one of the officers from your esteemed paper. He and myself were in the same bus of Naogaon. Perhaps, on that day, most of the passenger of northern and southern districts thanked him for his bold step in solving the problem with the authorities concerned. I would request him to write the real facts of the Aricha Ghat incident, which virtually started at 1 am of Dec 4, with quarrel among two persons, a BIWTC

staff member and a truck driver, according to the reports. And if you publish the real fact, certainly we will have more faith in The Daily Star. My questions are: (a) What was the role of the BIWTC authorities? (b) What was the role of truck drivers' association of Aricha? (c) What was the role of security personnel of Shibaboy thana? (d) What was the role of TNO of Shibaboy thana? (e) What was the role of DC or concerned authorities of Manikganj district? (f) What was the condition of telephone of Shibaboy thana and the car phone of T&T Board at Aricha? (g) What was the role of truck trade unionists of Dhaka? (h) Why were we stranded about 21 hours for a simple incident?

Mamunur Rashid Babu Tejmormore, Naogaon

Hartal days

Sir, I would like to extend my sincere thanks to Mr A A G Kabir for his constructive suggestions to the opposition political parties regarding 'hartal', through your esteemed daily of 19-12-94 (letter "An appeal"). The observance of hartal is a legal right of the opposition political parties to protest against any wrong administration by the party in power. But all care should be taken, while chalking out such programme of hartal, so that the common public do not suffer much, and at the

same time, our trade with foreign countries also not disturbed.

In this respect, the suggestion made by Mr A A G Kabir for selecting Saturdays and Sundays for hartal, if so needed, I think, should be taken up for serious consideration.

M A Lais 74 East Rajabazar, Dhaka

Resignation en masse

Sir, The decision of the parliamentarians belonging to the parties demanding the next general election under a caretaker government seems to me to be a precocious childish game betraying a shallow political foresight. I still believe that they will not do so on 28 Dec if there remained an iota of political intelligence in their respective parties. They should know it for certain that PM Khaleda Zia may be pushed to the fringe, but a caretaker government will not follow.

They may not like the election under a coalition government headed by Khaleda Zia, but they must be ready when the constitution will start moving on its august wheels following their demise as members of the parliament after 28 Dec, 1994, to participate in an election conducted by those who will no longer remain glued to the display of

Price rise during Ramadan

Sir, I almost forgot that the days of holy Ramadan is the annual opportunity of the traders to do their "killing". Reminders have started to come. First, the news of a meeting where the traders assure the commerce minister that prices would remain stable during Ramadan. Immediately afterwards a trade body inserts an ad in several newspapers warning that soon they would increase the price as they have no control over international market for their raw materials. Their plea is to reduce taxes on the imported raw materials.

We may expect some more advertisements like that in the near future. Not very difficult to find convincing reasons to increase prices at any time. The authorities will do well to create conditions for import of most items during this period to counter such opportunism. A reader

Down the Memory Lane

It was an ambience relieved and a repertoire replayed on Friday morning at the Mahila Samiti rendezvous. The first-person narratives of the Drama Circle days since the mid fifties, interspersed with interesting anecdotes, made the group's reunion function into a rare treat. Not only to the circle members but also to the wider audience who heard them in rapt attention. Mind you, the speakers were buffs and one-time practitioners rolled into their authentic best.

They were immersed in nostalgia for the most part, so that the underlying celebratory mood took very little time to change into a verbal mini research into the evolution of the group theatre movement in our country.

Drama Circle had emerged as an enlightened reaction to an attempted inroad into our cultural possessions during those early heady Pakistan days. It followed closely on the heels of the East Pakistan Literary Conference, held in 1954 and went on to stage dramas by powerful playwrights putting across messages of great import in those times. The sheer peck at some all-time great plays was a joy in itself. Taboos could not ruffle their determination to pursue liberalism and refinement as an article of faith.

An amateur foothold, monetary and technical constraints and a spontaneous concern for quality and relevance combined to keep their number of presentations at a paltry 17. Their selectiveness notwithstanding, the Drama Circle has made signal contributions to the popularisation of stage-plays in the country. By setting high standards of performance, right through an era of severe limitations, it laid the foundation for the succeeding many others to excel in this art form.