

Efficient Administration and Political Patronage

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Happy Eid to All

Festivals are elevating occasions, these have ever been so. There is also a cathartic element in festivals which leaves the mind and body purified. What is a better festival in these respects than Eid, specially one that comes at the end of a month-long wait ideally in self-abnegation and continence. The Fitr Eid is the crowning celebration of a month set apart to be pure in mind and body. One source of the vulgarities that increasingly attend upon Eid nowadays may well be the waning of the Ramadan spirit. Gaiety without having earned it appropriately through disciplining the self for common weal and individual salvation — can be killing both for the soul and the society. We possibly are in the thick of a murderous time.

Eid is festival. Literally. And what is a festival? Look around, you will know: galloping prices, jammed streets, mobbed market places and clogged exit points of Dhaka. And festival is fattening the pockets of the lords of those joints — the transport manpower. Festival was buckshish. And it was zakat stampede and trampled death of youngsters and oldies.

We cannot be too sure about the world being a better place this year than last. Have life's offerings improved with time? Festivals are for marking social gains and social good gains from festivals too. Robbed of this role, the festival come as a routine seasonal frenzy given to hedonistic excesses, can be injurious. If we cannot do much to validate our Eid mirth, let us at least wake up to the abject failure of the so-called Islamic ummah to respond to the Hitlerite ethnic cleansing practised on Bosnian Muslims through raping by the tens of thousands and killing in custody and by starvation multitudes of them. The failure was repeated in the case of Chechen Muslims. Let us remember the victims in both Bosnia and Chechnya as fellow Muslims. But then the spirit of ikhuanul Muslimin — universal brotherhood of the Muslims has been mortally bashed in Karachi — Muslim killing Muslim. Mazhabi excess leads not to religious glory but to human aberration of the worst criminal kind.

We all feel the two Eids do underline the egalitarianism in Islam. In wishing our fellow countrymen a happy Eid we also wish our society to graduate through a thriving democracy to that condition of optimum equality cutting across all divides, social, economic and cultural.

Failed Mission in Somalia

So the UN-led peacekeeping forces are all set to come out of Somalia. As promised the United States has taken over the responsibility of the UN forces' withdrawal and the marines are already on the Somali soil to oversee the pull-out operation. While we hope that the withdrawal of the UN troops will be smooth, we cannot help looking at the mission in retrospect. The question that will continue to trouble the world community for a long time is if the United Nations as a representative body of the world has proved to be powerless in helping a country at war with itself.

Somalia has indeed created a bad precedent. The UN troops are leaving the country in a state where it was before their intervention, if not worse. But what did really stand in the way of striking a deal with the different contending factions? A military intervention under the aegis of the UN primarily does not seek to achieve much in terms of the application of force. Called peacekeepers, they have only limited options. They cannot go for all-out battles against either of the rival parties. In Somalia the task was even more difficult because there were a number of contending armed groups controlled by war lords. The UN has to change its legal provisions to address such problems. That also involves risks. It seems the nations are happy with the existing mandates for the international peacekeepers. It is because of such limited choices that as many as 132 peacekeepers, including Americans, not under UN command, got killed in Somalia over the past two years; and General Rose could be detained by Bosnian forces for hours when he wanted to visit the Bangladeshi soldiers in besieged Bihac.

The other unpleasant truth is that the idea of the US force taking a lead of the UN peacekeepers is unwelcome by the host countries. The US made a mess by its earlier intervention in Somalia. In Haiti it was under the UN cover that the assault was carried out. And look with what success! As the only superpower, the US is likely to contribute more in any such operation but when the mission is just peacekeeping, it had better not insisted on showing its might. That would have made the UN task easier.

Businessmen Do It

Business communities here in Bangladesh or elsewhere are coming up with new ideas. The ideas we refer to are not related to their own trades but mostly to politics that has failed the nations concerned due to an inept handling of the same. Our shopkeepers opted for doing away with weekly holidays or kept their establishments open at night to make up for losses incurred due to hartals. The Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) made a move in that it wanted to bring the country's bickering politicians to the negotiating table after the Sir Ninian attempt had failed. The FBCCI initiative did not materialise but the idea was not bad.

Now we hear the FBCCI's counterpart in Pakistan has taken a very bold stand. The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) has issued a threat that the businessmen in Pakistan would not place advertisements on state-run radio and television if the carnage in Karachi — that country's trading city — continues. The message is clear enough. When the politicians fail to do what is expected of them, some people must warn them and, if possible, use the leverage — economic or otherwise — to bring them back to their senses. The businessmen are not likely to make a bad volunteer.

Our business people failed to make a headway with their earlier moves. Here they can take a cue from the FPCCI. The way our electronic media are being used — or better say abused — by the government gives them a strong reason for conveying their feelings on the subject to the government through some means. The media have retained the same character they had under the autocratic regime. People resent that but are helpless. If our businessmen follow the Karachi example, perhaps the government will wake up and do the needful.

THE current political crisis in Bangladesh is the result of the firm belief of the opposition parties that the ruling party cannot be trusted to hold a free and fair election. The precedent set by the past ruling parties is well known. The performance of the present BNP government in dealing with the electoral process during its four-year rule is also fresh in peoples' minds.

Of course public memory is often very short. In any case, people tend to recall events often in the light of their party loyalty. However, the memory of Magura is far too vivid to be so easily erased by official propaganda.

Given such records and such deep distrust, one would have expected the BNP government to be sensitive to reports about abuse of official power to promote party interests. Regrettably, this does not seem to be the case. The government, according to newspaper reports, is placing those officials who are known to be supporters of the BNP in key positions in the districts and thanaas. The Bhorer Kagoj of 16 February, 1995 has published a front-page report on this issue. I have spoken to various people about this, including retired senior officials, and they all seem to believe in the substance of the newspaper reports. There can be little doubt that there is a rapid erosion of the standards and values on which the administrative structure rests.

Reports such as the one mentioned above have far-reaching implications for the good governance of this country and must be viewed in the national context. I had earlier commented, in these columns, on the proposals for administrative reforms initiated by a UNDP-funded project. The underlying principle in a democratic system is that while power will be transferred from one party to the other on the basis of people's choice expressed through free and fair elections, the administrative machine will continue to serve without any bias or prejudice the government that happens to come to power at a given time. The administration will suffer irreparable damage in terms of its image of neutrality and objectivity if there is a change in this fundamental principle of civil administration.

Injection of partisan bias will destroy public trust in public officials serving under the government. It will be a sad day indeed if magistrates or police officers or other government officials are consid-

ered to be agents of the ruling party. Not only will the prospect of a free and fair election become a pipe dream but it will open up a Pandora's Box of other evils. It will be seen upon reflection that the administrative machinery of Bangladesh is in grave danger if even a fraction of these reports is correct.

According to the newspaper report, ministers, MPs and even local BNP leaders have started to "requisition" officers of their choice for appointment or transfer to the particular post in which they are interested. Terms such as "requisition" and "indent" seem to have acquired new meaning under the BNP rule. This is being done, one is led to believe, in preparation for the next general election.

party Opposition volunteers and activists can be rounded up on one pretext or other while the ruling party musclemen are allowed to intimidate the voters with impunity. Was it not for this reason that in Magura Begum Zia's government transferred, rather brazenly, police officers to the area on the basis of their known party loyalty? The impotence of the Election Commission in dealing with this is just one more disappointing footnote to the Magura-by-election episode.

According to the rules, the district administration functions under the over-all coordination of the cabinet division. Deputy commissioners are appointed by the establishment division but on the basis of recommendation of a

"indenting" authority no one can touch them; they will be safe. But even more important is the danger of a division among the government officials on the basis of their party loyalty. BNP has started the process but others will certainly be able to follow them or even excel in them. In other words, other parties, once they come to power, will create other groups of officers who will be loyal to them. There will be the BNP group, Awami League group or a Jamaat group dedicated to promoting the interests of their patron political party. Besides, there is a danger that the ruling parties will resort to witch-hunting of those officers who will belong to the other side.

Let us recall the unhappy legacy of the division of the officers in our armed forces between the freedom-fighters and the repatriates. Have we not paid a heavy price for this division? The Pandora's Box that the BNP has opened will lead to an even more dangerous situation. In every district or even thana there will be groups of officers professing loyalty to either one or the other political party. They might even link up with the local party outfit of their choice. Is this the kind of administration we want? Can we hope to industrialize and accelerate the pace of growth when the government machinery is locked up in internecine squabbles and quarrels? The government of Begum Khaleda Zia, I am afraid, is leading us along a most dangerous path.

This way we face nothing but the destruction of the entire administrative structure. The poison of party patronage will infect the whole system. The time has come to take a hard look at the performance of the BNP government. The latest news is that of three judges who were promoted without consultation with the Supreme Court. Rules and procedures were flouted in the style of the fallen autocracy. No one, not even an elected government, has the right to indulge in such self-serving and immoral practices in order to promote party interests and perpetuate itself in power. Free and fair election is essential and important but the neutrality, objectivity and fairness of the administration and legal system are indispensable conditions of good governance. Generations to come will suffer the ill-effects if the moral and legal fabric of the government is destroyed. Conscious citizens, irrespective of party affiliation, must act before it is too late.

ON THE RECORD by Shah A M S Kibria



Anybody suspected of not being a BNP loyalist is sent away on transfer to a post where he can do no harm to the ruling party. Of course it is by now common knowledge that government jobs and government contracts, even petty ones, can be secured only by producing evidence of loyalty to BNP. Well-meaning people including the members of the diplomatic community often talk, I am sure in good faith, about the possible role of impartial foreign observers to ensure fair polls. They don't seem to realize that it is these "requisitioned" officials at the field level who will control the electoral process, and be responsible for enforcing the law and dealing with complaints of irregularities.

Irrespective of the directives issued by the Election Commission, it is the district officials at the district and thana level who will implement these orders. Who can check or control the conduct of a returning officer or a presiding officer of a polling centre? They are the ones who are supposed to ensure compliance with rules. Foreign observers will depend on these very officers as reliable sources for their facts.

Police officers at different levels will be assigned duties to maintain law and order in the polling areas. It is quite well-known that police officers can play a crucial role in elections if they are inclined in favour of a particular political

permanent high powered committee. Representatives of several ministries including divisional commissioners are members of the committee which prepares a "fit list" of officers considered suitable for appointment as deputy commissioners. Until 1991 this procedure was followed but when the BNP government came to power these procedures were cast aside. Officers are appointed as deputy commissioners in the light of the interest of the ruling party. It is reported that some of the deputy commissioners who received their appointment on the "requisition" of BNP leaders do not have the requisite field experience. The Thana Nirbahi Officers (TNOs) are also key officials whose appointment is reportedly going through the same process of scrutiny from the point of view of ruling party's interests.

The long-term implications of such a development for the administration is too damaging even to contemplate. Indeed the matter is fraught with such grave dangers for the good governance of the country that one must not see it from partisan angle. It is a national issue in which everybody's interests are at stake.

What would happen if the trend continues? The means of corruption will certainly reach an uncontrollable level. Corrupt officers will be secure in their knowledge that as long as they serve party interests to the satisfaction of the

INSTITUTIONS IN A SEMI-FEUDAL REGIME — IV

Market Responses and the Transformation of the Semi-Feudal Economy

by Dipasis Bhadra, Zahid Hussain and Laura Jean Bhadra

THERE is an interesting parallel between the dominant characters in reforms in South Asia and the Former Communist countries. The emerging capitalist class in the latter come primarily from members of the former communist parties (members of the nomenklatura). Similarly, the emerging capitalist class in this region come primarily from the members of semi-feudal strategic coalitions: pre-existing business class, traders, civil and military bureaucrats. This is natural because only these members have the surplus to acquire the state controlled properties. However, there is also a major difference between neo-capitalists in former communist countries and those in our region. Communism cleaned the remnants of feudal institutions at micro levels although at the macro level it did frequently use feudal decision making procedures such as reliance on what they call "connections" to determine access to governmental services. Members of the nomenklatura, however, understand very well that under the new rules of the game, they cannot survive without being economically efficient. Application and adherence to market rules is now in their self interest because there no longer exists either communist or feudal institutions which could absorb the cost of their inefficiencies. Budget constraints have indeed been hardened.

That unfortunately is not yet the case in this part of the world. And understandably so. Feudal institutions never came under serious scrutiny in this country. The opportunity did exist in the immediate post-liberation period. But we missed it completely by giving the state a monopoly over developmental efforts within the framework of a semi-feudal social structure. The consequence, not surprisingly, was to strengthen existing semi-feudal interests. Members of this coalition have now become part of the economic reform

programs in so far as it serves their interests. However, the dynamic performance of reforms in this region have turned out to be different from the ex-communist countries because the prevalence of semi-feudal institutions preclude hardening of budget constraints.

It is therefore not at all surprising to find numerous instances of what appears to be market failure. For example, almost half of the loans provided by private banks in Bangladesh are bad loans whereas foreign banks operating in the same environment have performed much better. The fact that these banks continue to survive indicates that their decision makers do not have to take the lessons of market economics to their heart. Semi-feudal institutions are there to cushion their losses. Yet another instance in the recent World Bank recommendation for canceling about \$24 million credit project to finance export oriented private industrial units. What is surprising in this case is that the authorities attribute the failure to use this credit facility to a "chronic lukewarm response from the entrepreneurs." It is astonishing that in a financial market where credit rationing is a rule rather than the exception and at a time when the country's export potentials are looking better and better, the entrepreneurs are failing to respond to credit offers. The problem under such circumstances cannot be a lack of response. Exclusionary rules prevent many genuine entrepreneurs from bidding for these loans. These failures are not inherent to the market. They are failures of semi-feudal decision making rules.

Emerging Market Responses

Workers in this and other countries understand well the dynamics of reforms in an intermediate regime. In a forthcoming article to be published in March of this year in the

American Economic Review. Dutta and Khan study this issue empirically in East Asian countries. They ask: what is the effect of liberalization programs (privatization as a special case) on the structure of employment? This is the crux of the problem. Will the factory workers (blue-collar) lose their jobs as a result of privatization programs? What will happen to the jobs of the government employees (white-collar) in the post-privatization period? Dutta and Khan find from data on the East Asian experience that while blue-collar workers will lose their jobs in the short-run, they will benefit from such liberalization programs both in terms of employment and income in the medium to long run. White collar workers lose their jobs, and therefore, income both in the short and in the long run. This lies at the root of several problems paralyzing implementation of liberalization programs.

A World Bank study in Bangladesh shows, state or government enterprises employ only 0.6% of total labor force. It is well known that government enterprises lose Tk. 20,000 crore (1991 figure) annually. This Tk. 20,000 crore, if not lost, could be used to completely finance Jamuna Bridge every 18 months. It is up to the individual to decide what needs to be done. If they think that the services and goods they are getting through government enterprises are worth paying Tk. 20,000 crore annually, then it is fine. However, if they have problems with these numbers and the quality of services and goods they get are not worth the price, there must exist possibilities to improve the situation.

Clearly, there is no alternative to government enterprises if we need to justify the present shape, size, and growth of

government. Can government produce or distribute better than the individual? This question relates directly to government's involvement in productive and distributive activities. 99.4% of Bangladesh's labor force is involved in private operations. Farmers in this country have solved the food problem almost completely on their own. A recent BIDS study shows that growth of rice markets have not only increased efficiency of rice production but also benefited the poor consumers and empowered the small rice farmers and traders.

A state apparatus geared to protect semi-feudal interests can only be a barrier to efficiency and growth. The appropriate role of the state at this stage of reforms in Bangladesh is to assist markets in overcoming feudal barriers. Integration of our economy with the rest of the world makes it only a matter of time irrespective of whether the government facilitates markets or not. A consensus on this is undoubtedly emerging at least at the level of political rhetoric. In the recent Bangladesh Investment Conference, leaders of all the major political parties indicated in no uncertain terms their commitment to a private sector led free market economy. Even the Awami League, which pioneered the introduction of command and control system in this country, is claiming to have worked out a "comprehensive economic policy in support of open market economic system." The Jatiyo Party is calling for a "total deregulation" while the ruling party continues to assure investors of its commitment towards protecting private property rights.

While such rhetoric is helpful, it needs to be backed up by positive action. One important first step is for political parties to break their former coalitions with semi-feudal inter-

Looking Back at March towards Independence

March 2, 1971

Bangabandhu Sheikh Mujibur Rahman strongly condemned the incidence of firing on unarmed Bengalees at Farm Gate where two boys were killed and several others seriously wounded. Bangabandhu said in his statement, "they should be reminded that firing upon unarmed masses amounts to genocide and is a crime against humanity... if Bangladesh is a fire, they will not be able to escape the flames".

Bangabandhu announced a programme for the next 6 days which includes the observance of complete strike on March 2 in Dhaka and a country-wide strike on March 3. On March 7, the Awami League chief was scheduled to announce the final programme of action in the Race Course Maidan. Bangabandhu's warning was: "you will see history made, if the conspirators fail to come to their senses."

March 3, 1971

In a public meeting in Dhaka, Bangabandhu Sheikh Mujibur Rahman urged the authorities to withdraw forces from the city and hand-over power to the elected representatives of the people. He also issued directives to the people of Bangladesh not to pay any taxes until and unless power was transferred to the people's representatives.

In an emotionally charged speech, Bangabandhu called upon the people to be alert against agent provocateurs and to maintain complete peace and discipline. He said that the forces in their barracks were being maintained for protecting the country, and they could not be used against the common masses.

Bangabandhu also said that his speech at Paltan Maidan might be his last, but advised the people to continue their struggle in full swing even without him. He also led a prayer for the salvation of the departed souls "who died for democracy."

March 4, 1971

Bangabandhu rejected President Yahya Khan's invitation to attend the proposed meeting of the leaders of all the parliamentary groups in the National Assembly on March 10. Meanwhile, in the western wing, the organizing committee of the Punjab-Pakistan front expressed the view that the demand of Sheikh Mujibur Rahman for the immediate withdrawal of Martial Law and transfer of power to popular representatives deserved the support and backing of all lovers of democracy and urged the Punjab people to "disown Mr Z A Bhutto's leadership to wrest back the democratic initiatives" which were lost because of Mr Bhutto's perverse politics.

At the Karachi Press Club, Air Marshal Asghar Khan advocated "immediate" transfer of power to the majority party in order to retrieve the present "close-to-disaster" situation. He also said that President Yahya Khan should invite Sheikh Mujibur Rahman and hand over "real power" to him in line with the democratic processes and in the interest of preserving national integrity and solidarity.

Bangabandhu congratulated the "heroic masses" of Bangladesh for the stirring response to the call to protest against the conspiracy to perpetuate exploitation and colonial rule. He said that people must remember that no people have attained freedom without extreme sacrifice.

March 5, 1971

The Martial Law authorities decided to withdraw the army to the barracks. The death-toll of the firing in Tongi rose with the death of two more in Rajshahi, one person was killed and four injured in firing during a procession.

An 8-hour hartal was observed in the city and other parts of Bangladesh in response to Sheikh Mujibur Rahman protesting against the sudden postponement of the National Assembly session.

After the eight-hour hartal, there was relaxation in banks and ration shops so that people could collect their salaries. The State Bank created a new record by transacting cash in the afternoon.

The Student's League and the Awami League brought out a bamboo procession from Baitul Mukarram and paraded the city streets.

The Dhaka dailies came out with conflicting figures of casualties. Morning News reported that 600 people had been admitted into hospital in Chittagong with serious injuries. There were 26 injured in Khulna and more than 300 were injured in Dhaka.

(Compiled by Schrezad Latif)

Art Buchwald's COLUMN

How Mean it is

In a recent article in The New York Times Sunday Magazine on Sen. Phil Gramm, a supporter was quoted as saying, "He's mean, but I like mean." This pretty much sums up the state of politics in this country today.

More and more people like mean — and nice guys, who ordinarily would finish last, cannot even get nominated. We know that the morals of politicians have changed, but what about their manners? I spoke to Ms Hand Glover, a well-known expert on political behavior, and she told me that these are typical questions she is being asked lately.

Dear Ms Glover: I am scheduled to debate my opponent on television next week. Is it permissible to mention the rumour that his married brother was seen making a pass at his minister during church services?

Dear Sir: It is not only permissible but you owe it to the public to inform them what kind of relatives your opponent has. These are mean times, and even if the rumour isn't true it's perfectly legitimate to spread it among the electorate.

Dear Ms Hand Glover: When I sit on the dais with other Republican presidential candidates, which knife do I use to stab them in the back?

Dear Rodney: Always use the knife closest to you when stabbing an opponent. But don't attempt to do what Dan Quayle did — when he was thinking of running — and use a spoon.

Dear Ms Hand Glover: My wife objects to my being a mean candidate. She says that if I continue behaving like an SOB she wants out of the marriage. What should I do?

Dear Charlie: If you would doesn't understand how rotten politics has become, then you'd better find yourself one that does. When you start kicking someone in the groin during the primary, you don't need a family member around to tell you that it's not politically correct. There are now women in the party who know how to play dirty pool and would serve you well.

Dear Ms Hand Glover: Phil Gramm is constantly being portrayed as a mean man who always goes for the jugular. Pat Buchanan is actually rabid when he opens his mouth. Jesse Helms is the king of the cheap shot. Is there any way of getting their autographs?

Dear Wigglesworth: I'm sure that you can get them if you send in \$1 and a certificate stating that you never had an abortion.

Dear Ms Hand Glover: If politics gets meaner and meaner, does it follow that we will have a civil war?

Dear Summer: Not necessarily, but you can expect a lot more shooting in the streets between our legislators who are deeply divided over how best to balance the budget.

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