Dhaka, Thursday, April 13, 1995

### **New Participatory Depth**

In an atmosphere marked by an eagle-eyed vigil all around for any poll to be blemish-free, we are relieved to note that the Tongi municipal election passed off almost ideally. Hitherto participation in an election has meant two things: involvement of all political parties, direct or indirect, depending on whether these are local or national election in our typical conditions of boycotts, on and off: and getting the voters sufficiently interested in a poll to record a good enough turn-out.

The Tongi municipal election has not only passed the test by these rather stereotyped criteria of participation; it has accomplished something beyond that and quite markedly at that.

The local people took charge here, their participation having been unprecedentedly intensive and deeply involved. Let's call it participatory involvement. And, this cannot be trivialised by pointing at the smallness of the constituency or this being only the second success story after Dapunia as against hundreds of constituencies that have to be covered in a national election. But this neatly demonstrated micro-level popular participation in the conduct of a poll can surely be multiplied on a national scale given the

The presiding and polling officers were drawn from the community. Local volunteers helped the voters cast their ballots. They all worked under the guidance of the elders who also kept a close, but benign watch over the proceedings. Of course, the Election Commission representative was present at each centre monitoring the course of events. It is the local people who identified the voters and kept peace and discipline while the police, for a change, relaxed on the sideline, The turn-out could not be anything less than 75 per cent in such a pacific setting.

In purely technical matters concerning collection of data, preparation of ID cards and their issuance, the Tongi experiment certainly left room for improvement. Not every one among the 72,000 voters could get an ID card. And the ontest new technique went foot-loose with more than one card getting distributed against a single name and that wrong information appeared on some cards to rudely disqualify their holders. All this was evidently the EC's charge.

Without prejudice to the unresolved question of a neutral caretaker arrangement for the conduct of future national elections, may all concerned take note of the message from Tongi: there is no better guarantee for peaceful and fair polls than all-round public participation in them.

#### **Oozing Catastrophic Stove**

A gas-stove explosion killed a housewife and injured 14, two of them receiving first degree burns, in the Rampura area of the city on Tuesday. As is usual in such cases, unburnt gas coming out of the stove or some leakage in the gas pipe, accumulated in the kitchen and on contact with a matchstick flame, exploded.

Man has been using fire since Neanderthalensis — the species not quite Homo Sapiens but almost — first dared to use it to their own advantage. That gives us Homo Sapiens — wise man as we presumptuously call ourselves — at least 30 thousand years of familiarity and experience with it. And still most of the fires caused in the villages or town slums can be tracked to people not knowing or caring about how to go about the business of fire. Exploiting natural gas for cooking purpose is a very new modern-day facility that is not yet available to most towns in Bangladesh. not to speak of our whole population. Exposure to gas--fire hazard is for us at best a matter of 30 years as against 30,000 of ordinary fire exposure. Should our people be still quicker in their up-

No. Our people have rather been very smart in many ways, specially in adapting themselves to motorised traffic and an array of technological era novelties. Cases of electrocution out of ignorance are very rare. And gas-fire accidents are also rare. But they do occur and should not. The reason for such mishaps lies in the ignorance of the fact that, unknown to the user of the stove, gas can ooze out from the stove or the pipe connecting it to the mains. And the wasteful way of most users who keep the stove on even when not using just to save a matchstick, may very well contribute to it through the flame going out without the thing being turned off. The simplest way to fight this risk is to publicise it enough and provide for a blipper in each stove that can warn of the oozing gas. To avert brake failure in vehicles they make the brake-fluid very revolting to smell so that any leakage is readily known. Can we go for such devices?

#### **Ethnic Cleansing Nearer Home**

It is nothing if not a pogrom that is being mounted in Bombay. The parallel army of Bal Thackeray's goons are raiding Muslim residents' houses with police in tow and taking away males to unknown destinations. And Thackeray's boys are warning of mass-raping Muslim women if they happen to be Bengali-speaking and yet haven't cared to flee the city in time. All this wreaks strongly of Bosnian-style ethnic cleansing by the Serbs. Like the Nazis, their gurus, the Serbs seem to have gotten away with the worst crime in human history. But could the Nazis remain untouched by their massive violation of humanity? The Serbs are apparently having a good sailing but this is very certainly only for some time. Their crime will catch up with them soon

enough. What about the Shiv Sena's crime? This is in fact a far more complicated field than even the Bosnia-Serbia situation. For one thing, the Thackeray action slights not just the Congress stand on communal relationship but the Indian state and its Constitution, and does that very gravely too. The Bal Thackeray phenomenon comes as a very mean but powerful challenge to all that is lofty in the great Indian traditions. This fascist intolerance is out to harm the Indian polity and society

as nothing ever had. Communal relationship is a very delicately balanced problem both within the states of this region as well as across it. Taking liberties with this balance anywhere in this zone is highly likely to result in turbulence elsewhere! Mr Thackeray may indeed be as childish as his first name suggests but he is playing with an important nation's bona fides. India's weakening from within can be catastrophic for its neighbours.

# Back Home, All is Not Well

While Ms Bhutto visits the US, and impressing her hosts with her considerable charisma and eloquence, her political house appears to be crumbling.

The economy is another major problem. Over-enthusiastic bureaucrats only too eager to please projected revenue assessment and tax collection figures far beyond their capabilities to accomplish. Having instituted some cost savings before projecting the budgetary expenditures, the net result is that even then the shortfall is almost Rs 70 billion though it could be narrowed down to Rs 50 billion. How the deficit is going to be overcome

God alone knows.

VEN her detractors do

not attempt to deny

that Ms Benazir is a

charismatic figure tailor-made

to exploit the best out of the

western media. Given a gift of

the rhetoric Pakistan's PM is

also a forceful advocate of

Pakistani causes when she puts

her mind to it. As a well

educated, intelligent leader of

international acclaim, it was

always an even bet that she

would vow her hosts in the US.

back with will make a consid-

erable impact on her fortunes

at home which are dependant

upon a more cynical lot who

tend to be impressed more by

the birds in hand (F-16s)

rather than promises in the

lem is Karachi. Pakistan's ma-

for and only port city. While

every shade of public opinion

recognizes that it is imperative

to restore democracy at the

grasscoots level, she was re-

cently quoted in an interview

to Newsweek as dismissing the

Local Bodies election option in

Karachi for two or three years.

While she may be right in

speaking about the prevailing

conditions in the city as an ob-

stacle of sorts, the fact re-

mains that any solution re-

quires democracy as a pre-

requisite. The leadership yac-

uum at the street level has be-

come too dangerous to ignore.

electoral base is in rural Sindh.

the PPP is heavily dependant

upon the quota system to safe-

guard the interests of its

prized constituents, that is di-

rectly in confrontation to the

merit factor which is the main

component of the urban-based

is such that though a tempo-

rary marriage of convenience

is possible. Rudyard Kipling's

"the twain shall never meet"

adequately describes the pos-

sibility of a MQM-PPP rap-

prochement. However one

lives in hope and given the

Mandela-de Klerk meeting of

the minds in South Africa and

the Arafat Rabin patch-up of

sorts in the Middle East, it is

quite possible that our leaders

will take into account the dev-

astation that will continue to

happen if an agreement of

sorts is not hammered out

soon. The problem for the PPP

is that while MQM is central to

Karachi's quagmire, the PPP is

as much incidental to the

city's present and future as the

PML, as such the option is very

much available to the MQM to

choose either. While practi-

cally it may make sense to the

MQM to come to a compro-

mise with the rural majority.

given historical connotations

their preference would be the

PML. We thus have an eternal-

triangle of sorts with no one

prepared to come to terms by

giving some leeway.

While the ideological divide

MQM platform.

Unfortunately since her

Ms Benazir's festering prob-

What goodies she comes

While Ms Benazir has US \$ 20 billion in MOUs in hand in foreign investments, mostly in power projects it is most unlikely that more than 20% will come to any fruition. On the other hand, even if we can reach even that percentage of success, it will be a plus point for the economy. All the other annual economic targets, e.g. growth rate, have had to be revised downwards and inflation is nearing 20% unofficially, a fairly high rate. The Stock Market has taken a nose-dive. though in the wake of the euphoria of Ms Benazir's US visit and a bit of "technical" manipulation, the leading Karachi Stock Exchange (KSE) Index started to temporarily climb back from its low of 1600 points after a 700-800 points free fall in the past few months. To an increasingly burdened populace she can only promise further financial sacrifices in the coming years with expected rises in energy charges fueling further inflation. The business community is up in arms because of administrative mishandling, the President of the Federation of Chambers of Commerce and Industry (FPCCI) and some members of the Managing Committee having been removed by government edict, a sorry commentary on the norms of democracy. With a combination of escalating prices and administrative excesses, we are in for a particularly hot summer in the streets. It is only Pakistan's resilient parallel economy and our geo-political crossroads location that is keeping the

going under. Ms Benazir may be on the verge of paying too high a price in climbing to "front line status" in the fight against drugs and terrorism, both fallouts mainly due to the Afghan war. While her bold stance may go down very well internationally, caution must be eounseled in her present approach, particularly if she cannot deliver

whole financial edifice from

### ASISEEIT

#### Ikram Sehgal writes from Karachi

on her tough rhetoric. Drugs money has permeated every walk of life and is

threatening to take over the infrastructure of society, a backlash financed by members of the drug cartel would be catastrophic unless she is prepared to take commensurate action against perceived foe and friend alike who have infiltrated both the major political groupings on the strength of their financial power.

Terrorism is closely linked to the extremists in various religious sects, there is always the danger that her stance may be taken as representative of the western campaign against Islam itself, disguised as a front against fundamentalism. Even her late father had to give ground against Islamist forces in 1977 and his PPP was certainly much more representative and powerful than

With Pakistan awash in illegal sophisticated arms and religious sensitivities quite high, discretion should be the better part of governance.

it is today.

Ms Benazir may cart the ultimate symbol of her coalition. Hamid Nasir Chatta, around the world along with her but the political house of cards with which she makes up her administration is increasingly

in hot water. Chief Minister, Punjab, Wile E Wattoo of the PML (J), may give lip-service to a spirit of bonhomie with his PPP colleagues, he is certainly not under the majority partner's control. The PPP rank and file are in virtual revolt in the Punjab in sheer frustration, Wattoo having rubbed his Coalition partners to their limits of patience. Playing a delicate balancing act. Wattoo is in a happy all-win position, dangerous to friend and foe alike.

Ms Benazir's political uncles have all deserted her en bloc and are clamouring for her head. Her ally and her late father's confirmed opponent. Nawabzada Nasrullah Khan, is playing cute. "not too young to rule, not too old for governance". If in the next few weeks, some other political dominoes change sides; a postbudget in-House change will

become inevitable. The civil administration and

law enforcement agencies have been badly politicised, that is given a continuation of the policies in vogue earlier to Ms Benazir's reign. However, subservience by the bureaucrats to their political masters has come at heavy cost to the rule of law and has been virtually institutionalised. Morale is bad among the great silent majority of bureaucrats afraid to be politically victimised if they do not carry out peremptory orders. There is sullen resentment through the ranks. while it has not yet boiled over into outright rebellion, there is a simmering fire down below that will not be long contained.

The common perception is that the judiciary has been packed with loyal sympathizers and as such public trust in pastice has fallen to an all-time low Some of the manifestation has been seen in far out judgments hardly meant to inspire confidence in the judiciary's

For society this is a damn ing event because the populace believes that since justice will be denied in the normal process, they will increasingly turn to taking law into their own hands with disastrous consequences all around.

There is a rot of corruption eating at the heart of Ms Benazir's government, a timebomb ticking away. As much as the PM rails against nepotism and corruption, the fact of the matter is that it is established at Ground Zero in her own administration. With all his strengths and weaknesses, late Zulfigar Ali Bhutto was never considered corrupt. It is now so rampant in the Ms Benazir administration that even first brother, Mir Murtaza, has been regularly lambasting her gov ernment about widespread corruption

While the Ms Bhutto ad ministration does not have a corner on the market in corruption, successive governments before her having had their fair share of rascals, the public perception is force-multiplied by the other ills pervading the entire social and economic environment, particularly the bad law and order sitnation. Given the special circomistances, une does not see

how Ms Benazir can have the will to confront the corruption issue head on. That is the real tragedy, to have a person of her immense potential hamstrung in this manner.

All this while the Army sits on the sidelines, waiting and watching. Having ruled over the country for more than half its existence but stung by the criticism it has received over the wars for its role during successive Martial Laws, the Army's presence seems to be strictly bound by land adhering to) constitutional parameters. Acutely aware that the western world is sensitive to encouraging democracy (at least wherever and whenever it does not come into conflict with their own vital interests), the military hierarchy remains above the political fray though not averse to giving some public indication of their shifting

sell one's soul at the altar of one's career. PPP's selection criteria has other facets of personality for evaluation. Despite all the pretense of amicable co-existence there seems to be some reservations in the existing relationship.

However if the measure is that the present military hierarchy can stomach the present excesses by politicians on the various freedoms enjoined in a democracy, than we are in for more troubled times if the government selects for the next COAS a person tailored to their needs, which is essentially to look the other way.

perceptions from time to time. This is the year for jockeying

for the all-important post of

COAS. Whereas by all the mea-

sure of fairplay it should go to

the one professionally most

competent and not willing to

Time is always the key to political survival, any substanttive goodies that Ms Benazir can bring back from the US of A will contribute to the PPP's political longevity in the realm of governance.

The author, an industrialist is a regular columnist for Pakistan newspapers.

#### Bureaucratic Mystique in South Asia A K M Jalaluddin

### ACR—V

### Enigma Wrapped in Mystery

I was a beautiful spring morning in Islamabad in 1967. The new capital of Pakistan, designed by Louis Kahn, looked like a picture taken out of children's book of fairy tales. Islamabad was just beginning to blossom into youth. The big broad roads. beautiful buildings were a graceful oasis in the midst of

an otherwise arid desert. Agha Abdul Hamid, (ICS/ 31) the Cabinet Secretary of the Pakistan government. sounded truly concerned. An art critic, suave, urbane - and impeccably able and horiest — Agha Hamid said. addressing the CSP and PFS probationers to 1966 batch, that he found the task of evaluating officers on the basis of their ACRs simply baffling. As honesty was becoming increasingly a rare commodity the dishonest offfcers were able to buy good re-

"Look at their dossier. For three years they get A-1 i.e. (excellent) ratings. Suddenly they start receiving poor, at times appallingly poor ratings. The reason is not their performance is poor but the 'other party has come to power. And again very good reports, succeeded by perhaps poor rat-

The reason was acute faction-mongering among some of the specialists since they operated within a narrow frame. the likes and dislikes were indeed very strong among them. Hence the extreme variations in their assessment, Hamid concluded.

A conscientious public ser-

vanit. Hamid was a just person par excellence. He was truly respected for his independence of views and integrity of

Hamid had also to pay a price for his independence of views. He was appointed Cabinet, Secretary by the Suhrawardy government in 1957. After the coup of 1958, the government of Ayub Khan, the self-appointed Presidem of Pakistan, forced him to go to Peshawar as a Divisional Commissioner (after spending some years in the purgatory, as an OSD to government, to atone for his guilts). Even then he was almost always on the sidings: Director of the Civil Service Academy and Chairman of the Central Public Service Commission.

It was only in early 67 that the self-promoted Field Marshal relented and Hamid was appointed to the prestigious position of Cabinet Secretary. In that capacity, Hamid headed the superior selection board which was the clearing-house for all high-level promotions across the country. He, naturally enough, always had a tableful of confidential reports

## The Global Financial Cásino The collapse of the British merchant bank Barings PLC is the latest upheaval in world

capital markets. It calls for new regulations to prevent the global financial casino from spinning out of control, says economist Hazel Henderson in this exclusive Inter Press Service column.

HE world has entered what might be called an Era of Global Economic Warfare in which previous economic models are obsolete. and new regulations are needed to keep global markets from spinning out of control.

Speculators operating in today's computerised capital markets daily move more than a trillion dollars across national borders raiding weak currencies and stampeding herds of nervous investors, trying to avoid these currency

risks. Just as countries formed alliances in the past to deal with military threats, nations faced with attacks on their currency and bond markets must now form new alliances to combat "economic aggression."

Global restructuring is accelerating, driven by financial flows - more than 90 per cent of which is speculative. Complex derivatives and 'riskmanagement' instruments, designed to protect individual players, only add instability to

the whole system. Market players have become virtual legislators checking the ability of governments to tax, spend, borrow, or depreciate their debts through inflation. They undermine not only national macroeconomic management, but also social policy options in health, education, safety nets, employment, the environment and even the values and culture of citizens.

Politicians complain about. their loss of domestic policy

options to 'global competition'. Enslaved by the ideas of their defunct economic advisors. they follow obsolete nationbased models of 'free markets guided by finance ministers. the Bretton Woods institutions. central bankers, and even min-

isters with social portfolios. Their conceptual blindness to the trillion dollar daily capital flow has meant the end of national sovereignty.

The now-integrated global casino is transforming the world, from a classic free market place of win-lose competition, into a new form of electronic commons.

National legislation is ineffective and decisions, like that of Mexico, to set up its own futures markets to protect individual players will make things worse.

Only global agreements on currency exchange stabilisation, capital investment, as well as a restructuring of the Bretton Woods institutions can combat this global economic

warfare. A growing coalition of bankers, traders, investors, as well as regulators, politicians and even finance ministers acknowledge (at least in private) the need for new rules to create more orderly financial markets. Even inside players concede the new global markets are unstable, even cruel,

The recent US debate over the General Agreement on Tartiffs and Trade (GATT) and

and in need of regulation.

reality. As US Congress Members Marcy Kaptur, Ron Klink, and others pointed out in the 1994 NAFTA debate, currency and capital markets should be included in any such agreement. Even then the peso was overvalued.

Regulators and central bankers may be forced into new global agreements, since none can defend their currencies as shown by the failure of the G-7 to defend the dollar in July last year. Central banks will have to shift from managing money supply to focusing on the waves of hot money

washing across their borders. In the United States. Republicans and Democrats in Congress revolted against a US\$40 billion government bailout of the Mexican peso. arguing that private banks. bond dealers, brokers, speculators, and other holders of Mexican debt should take these losses — as they did

their earlier profits. But governments must share the blame, and act to

Most of the issues perplexing human societies today involve the new global electronic commons. Yet traditional economic theory focuses on markets and various market failures and overlooks issues of the commons and their rules of access and allocation - except when such commons can be owned as property.

But a new 'invisible foot' whether sovereignty would be \_emerges as each 'rational' aclost was a nostalgic denial of tor's self-interested behaviour

can endanger the whole sys tem — unless rapid collective action is taken.

Alliances of nations with stronger currencies, including the United States, Germany, Japan, and others can form a deterrent to economic aggression. International packages of guarantees to bolster weak bonds and currencies as well as a currency exchange tax could reduce temptations of

speculators. Ad hoc groups at the IMF. the World Bank, the Paris Club. the International Organisation of Securities Commissions, the Committee on Inter-Bank Netting Schemes, and the Global Commissions mentioned earlier are all address-

ing these urgent issues. The United Nations can reinvigorate ECOSOC or form a new Economic Council with power to convene national finance ministers, the Bretton Woods Institutions and socially-concerned market players to develop global win-win economic agreements to tame the market players.

If the casino's stranglehold on local communities continues, local information curren cies, regional payments unions, and global barter and counter-trade - already estimated at as much 25 per cent of all world trade - may simply break the global "money cartel" by end-running it.

HAZEL HENDERSON, author and independent analyst. is a member of the Global United Nations.

To study and digest. Hamid did not exactly use the Churchillian diction of an 'enigma wrapped in mystery" but the essence, he told us, of his plight was this: the ACRs as maintained in Pakistan were indeed a jigsaw puzzle or a hydra-headed monster.

Nothing short of a thorough overhaul - a surgical operation would correct the situation. Agha Hamid concluded

### OPINION

### A Tourist's Reaction

BPC, the national tourism agency in Bangladesh has iitterly failed to provide the inspiring lead to the rapid development of tourism in the country since the new regime took over four years ago. Its pace, drive and style has not undergone any metamorphosis since independence (for more than two decades).

It is clear that the plans and ideas tried so far have failed to click. Hence a drastic new approach is needed. This critic is not the expert to point out the possible solutions. One obvious method is to appoint a reputed team of international consultants, with UNDP assistance initially for the survey report ori management and business strategy. Thereafter the BPC. may tie up with an international agency to implement a fresh 5-Year Plan, including a crash programme during the first two years. Such an exercise will eat up a lot of dollars. but this investment could be recovered in the long run.

So far the readers are not clear about large scale foreign investment in the tourism sec tor. Even the local en trepreneurs, are not coming forward in a big way to boost the tourist industry in the private sector.

The Daily Star has been publishing a page on tourism every week. It makes dismal reading. The beautiful and interesting spots are there, but these are either inaccessible or the tourist amenities and comforts are lacking. The infrastructure is simply not there (in India, for example, it is lar better).

It appears that the motivation of the various types of tourists have not been studied by experienced planners: and the executives planning tourism in the country have not got extensive personal travelling experience (as tourists in foreign countries Secondly, the local tourists are

being completely ignored - as it they do not exist! One small example: there are no daily tour buses to the Savar Monument and to Sonargaon village. A family cannot travel in our famous local bus service - and that too in a holiday mood! Travelling is a torture here - travel only when you must! How tourism can thrive under such an uninviting environment?

We are talking about infrastructure, link services, and ba sic logistics (the BPC duty free shops are closing down -300% duty, as reported in the press!). No taxi service in the whole country — not even in the metropolis Dhaka (metered, of course). My family, for example, could become more mobile and look around Dhaka if metered taxis were available.

A snag at almost every step. No public ladies' wash room anywhere in Bangladesh (no VAT on that please!). The standard of the private transport services is certainly neither enviable nor acceptable. All foreign tourists cannot hire limousines from vested groups (who are not allowing the opening of a metered taxi service in the city). Something in

the corridors of power. Tourism will not flourish with one eye on the dollar, and none on servicing the foreign tourists. The local brown tourists are not poor to travel and enjoy a middle-class holiday if incentive packages are forthcoming, and there are no hassles at every step.

Since the upright view is

not producing the desired results, it is time to take an upside down view of the whole existing operation on how to develop the tourist industry in crisis country called Bangladesh. Perhaps the learned Opposition leaders have some bright ideas, since the ruling party has dried up on the subject!

#### Professional and trade bodies

Sir, One comment in the first editorial (about REHAB) and a letter on a doctor's heartlessness in the same page of the Star on 4th April points to a malady which can be pieced together. Doctors are blamed if a patient dies without attention. Engineer is blamed if a building/job fails. Professional bodies do not act. Possibly the charters of these institutions have no such pro-

vision. But the charters are subject to amendment and the condition of the country is such that these are vital issues. Or the professionals will be despised all around. Even the sincere ones.

The second of the control of the con

Similarly businessmen in general are looked down upon as tax-evaders, loan defaulters, and dishonest traders. Various chambers can take action when any member cause such ground. A reader Dhaka

### Jute-pulp R&D

Sir. Reference BCIC PR release (Star. April 5), I have a lew queries: 1. All article may be re-

leased on the R&D being carried out on turning jute into paper or textile. 2. The following phases will

take how many years: a) packing/brown paper; b) low grade writing paper and/or newsprint; c) superior writing/printing paper; d) crude textiles for furnishing; e) low

#### grade labric for clothing; f) high grade textiles.

.3. How many patents have been applied for, and the number granted. 4. Whether foreign consul-

tants have been engaged at R&D level. 5. Any plan on transfer of technology to foreign

users/countries. 6. The cost-benefit ratio to the jute farmers.

A Husnain Dhaka.