

Political Negotiations: Speculations Galore

by M M Rezaul Karim

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Malaysia Returnees

The returnees from detention camps in Malaysia remind us, once again, about the plight that our citizens face who are lured with promises of lucrative jobs abroad and then are abandoned. The stories told by the returnees from Malaysian prisons in Zahr Bahru clearly point to one cause of their plight — the betrayal by the recruiting agents. This one act resulted in the imprisonment of thousands of our citizens from anywhere between 12 and 17 months.

It was our government's initiative that brought them out of the living hell. For this the relevant government body deserves our commendation. But, why so late? Why it took nearly a year and half for us to get our people out of Malaysian jails, especially when most of those detained were innocent victims of fraud and deceit? And what measures are we going to take against those recruiting agents that caused so much suffering to these people? The unscrupulous nature of a number of recruiting agents has already soured our relations with a number of friendly countries. Yet we have not heard of any strong measure being taken against any of them.

With the drastic reduction of manpower export to the Middle East, Malaysia has now become our biggest partner. There is a lot of potential of this partnership, for Malaysia's rise as an economic powerhouse is just about beginning. A successful partnership with Malaysia will not only give us valuable foreign exchange for the moment, but also invaluable experience of national development which we need so very badly. Thus before our relationship with Malaysia suffers from suspicion and mistrust on their side, and a sense of outrage and bitterness on ours (for treating our nationals so brutally), our government should take effective measures so that culprits are punished and all future dealings with Malaysia, or for that matter with all other countries, become clear and healthy.

DUTA Election

It may as well be a futile exercise. But nevertheless we have decided to undertake it. We want to ask the teachers of Dhaka University to try to divorce political considerations in selecting their representatives in the ensuing elections to be held on 30 December. A naive move on our part? May be, but not an irrelevant one. Political opinions and preferences are part of a democratic polity, and who better than University teachers should know it. But to reduce DUTA elections into a camouflaged political contest, and to shun all other considerations like the state and health of the University and the quality of education that is being imparted, is indeed sad. There is so much that a University can give to a nation, especially a nation like ours where leadership at all levels can greatly benefit from guidance extended by academic leaders. Books and articles on subjects of immediate and long term concerns by DU teachers can show us the way when everything else seems so dark.

This is not to say that DU teachers are not writing or publishing or that they are not concerned about the DU affairs. They are. But the underlying truth is that life has been extremely politicised to the extent that academic objectivity, and its uncompromising fight against falsehood and mediocrity stands seriously questioned. Appointments, promotions and scholarships are all alleged (by teachers themselves) to operate on no other consideration but allegiance. On the reverse, opposition to the administration also operates on considerations other than on fair assessment of its performance. So, under one pretext or the other, groupings occur, whose collective self interest supersedes all other considerations, including what is best for the University.

Will the DU teachers, leading intellectuals of the country that they legitimately are, have the wisdom, the sagacity and, most importantly, the moral courage to face what is wrong with DUTA, and give an altogether new direction in the coming election?

Another Big Bridge

So the nation is going to get another big bridge. And in three years' time. The Bhairab-Ashuganj bridge project has been approved by ECNAG on Tuesday night. The 837-metre bridge will cost Tk 267 crore. The bridge, when completed, will make millions of people that travel across the Meghna happy. And it will contribute to spurring economic activity of the region.

In a few years' time we had two big bridges on the Dhaka-Chittagong highway and a lesser one at Kamarkhali. And in the next few years we are going to have Jamuna and Meghna bridges. These add up to a significant stride in the building of our economic infrastructures.

Big bridges are a hundred per cent economic enterprise — wholly an investment in projected economic growth. But there is a catch there. Bridges alone cannot boost economy and bring profit over investment. On either side of a big bridge big economic spurts should take place, first of all, to justify the thing — fraught as it is with numerous dangers, environmental to begin with. These necessary spurts — agricultural, industrial and service-related — are not yet known to be on any plan. Is government leaving it to a hopefully healthy development of the market economy? There are all the chances that they will be disappointed there. Perhaps the government would be wise to do some seeding aimed towards those spurts.

The bridges are irresistibly here. It is sad to observe even a wee little part of money and exertion put to their building has not been given to the development of our waterborne transport and the fantastic waterways we have. Why? Because the bridges are spectacular? Both waterways and railways — the infrastructural mainstays of our economy, have been led to certain ruin. Can a number of big bridges offset that? No. They need to be revitalised as surely as there should be these bridges and many more of them.

WITH the reported surge of on going negotiations between the ruling and the opposition parties, speculations have been rife as to the various formulas being considered for striking a much needed agreement. Informal and individual negotiations, specially at diplomatic level, have since supplanted formal ones, raising hopes for many.

Real negotiations to resolve a problem, whether domestic or international, as experience suggests, are conducted at second echelon or senior experts level, outside the glare of cameras and publicity. Confidentiality is a sine qua non for the success of such negotiations. Any leak outside of a likely proposal or suggestion, save the general progress or otherwise of the negotiations, may and often do tempt the contending parties to recoll back into their shells, oblige them to profess their oft-repeated public stands and make them shy away from effecting a compromise. One has to be careful that neither party may take undue advantage of rejecting a proposal of the other by making it public. The best way to go about it is to make a package deal and hopefully this is being attempted now.

Formal meetings at leadership level are seldom conducted without availing of an opportunity of background parleys. These generally take place when a measure of progress comes in sight after some preparatory work had already been undertaken. The final and the ceremonial round is obviously attended by the leaders at the apex level, with the accompanying fanfare and publicity.

From all that is available from public sources, one assumes that the crux of the issue lies on the willingness or otherwise of the two parties to sacrifice a little from their respective public postures. The opposition's insistence of forming a non-partisan, neutral caretaker government has not been accepted by the ruling party for being unconstitutional. Without any understanding between them, if the constitution has to be adhered to strictly in letters and in the absence of any member of the defunct parliament willing to act as a caretaker Prime Minister, the present Prime Minister may have to continue in office till handing over power to her successor after a new parliament is elected.

The two sides appear unflinching in resoluteness to vindicate their respective stand as if they are trading on parallel rail tracks which are destined never to meet.

Both have to deviate a little from their principled stand in a spirit of accommodation without which one could expect little or no positive outcome.

People are talking about a compromise. There can be no compromise without some give and take, however small may it be. Both sides are powerful, proud and enjoy enormous popular support. Neither of them is likely to accept the other's proposition in its entirety which may be viewed by its supporters as an act of capitulation. Both the parties must, therefore, have to have a face-saving device, if an agreement is to be concluded. In that, one is not belittling the merits of the cases of the parties concerned. A little flexibility of stand would be perceived, on the other hand, to be a magnanimous gesture for both of them made in supreme national interest.

The formula which is much in the air is for the President to conduct elections with the aid of an advisory council. Ironically, there is no provision in the constitution that allows the President to conduct elections or to form an advisory council for this or any other purpose.

Such an agreement, however, may emanate from an understanding by both sides with a seal of endorsement from the appellate division of the Supreme Court.

Neither party has, in public knowledge, accepted the proposal, which may have been advanced by a third party. Yet, this may have already formed a basis for negotiation. The dispute now lies on two important issues, assuming that the proposal is accepted in principle. Firstly, whether the advisory council will have a head from among itself or will act under the direct guidance and supervision of the President. Secondly, if there be a head, whether he or she will exercise executive authority or not.

According to BNP high command, to accept the core proposal itself would tantamount to a departure from the public stance of the BNP that anything not permissible under the constitution will not find favour with the BNP. More so, when there exists no avenue to amend the constitution at present to allow incorporation of a new concept. But, with the endorsement of the highest authority of judiciary and, if

necessary, a possible action by the new parliament in future, this difficulty can be circumvented. The BNP's acceptance would be conditional upon what other elements are agreed upon in a so-called package deal.

The opposition may, on the other hand, take some solace by viewing the President as a non-partisan and neutral person as it has been done to conform to the constitution. With the oath of office, the President shuns his partisanship and vows to be neutral. To cap it all, the erstwhile leader of the opposition is on record to have agreed to such a proposal and she, again in supreme national interest, will hopefully not go back from her words. Some of her followers may argue that the past commitments are no longer valid, since a lot of things had happened with the passage of time. This contention, however, cannot be substantiated by logic. Neither the person of the President nor his office has since undergone any change whatsoever to suggest that he has become less non-partisan and less neutral than before.

Now comes the question of head of the advisory

council and his/her powers. The opposition would inevitably support and even propagate the idea of an executive head of the advisory council. The BNP will resist it and argue that it would, in fact, constitute acceptance of a neutral, non-partisan caretaker government with a minimal variation. In its opinion, the President himself would be able to govern for a short time till after the election.

The area of difference is thus being narrowed down and must be eliminated altogether, if the issue is to be resolved. Once this is achieved, all other issues, including resignation of the Prime Minister, suggestions relating to the Election Commission, transfer of officials etc will then be easily sorted out.

And since the former leader of the opposition had already accepted the concept of the formation of a government under the President to conduct elections, she would earn the gratitude of the nation by adhering to what she had stated before. Failing an amicable settlement, the nation shudders at the thought of the possible catastrophic scenario that is to follow. The posterity will never forgive us for our dismal failure as a result of acts of grave folly and deplorable arrogance. Time is of the essence and all concerned must act speedily.

Macro-economic Trends and the Tinkering

What particularly seems to have unnerved many of us is the rate of inflation that rose from 1-2 per cent to 7-8 per cent in recent months. Quite obviously, such a hike perturbed very much our policy makers and politicians standing on the brink of a general election in the country.

THE most recent "jerks" in the macro-economic front seems to have agitated our policy makers. And the haste with which they moved to pull the alarm bell could, perhaps, signal that the period of "honeymoon" of the much avowed macro stability is seemingly coming to a close. The major areas of concern are, for example, a hike in the rate of inflation, an unprecedented increase in import bills, a fall in the earnings from exports and remittances and above all, the downturn in the forex reserves. To arrest the agony, the government chose to lean on some policy tools which, perhaps, do not appear in line with the kind of problems faced. Needless to mention, the major response so far to the situation came in terms of monetary restraint commensurate with higher interest rates and, in consequence, a lower level of commercial lendings.

Which Way Moving? Are the direction of changes in evidence pertaining to the macro-economic indicators signs of crisis, or the situation is in consort with the behaviour of an open economy? A glance at the available statistics tends to show that over the last few months, there has been (i) a hefty growth in imports; (ii) a slower growth in exports and remittances; (iii) a downturn in forex reserves; and (iv) a substantial rise in the inflationary rates as compared to a record low-level prevailing in the preceding period. The most pertinent question is: should a surge in imports be a cause for concern? It is, perhaps, not if (i) the import basket comprises a greater

proportion of expenses on intermediate and capital goods; (ii) it allows a reasonable amount of revenue to be generated by way of import duties; and (iii) it appears very fat as compared to the thin volume in the immediate past. If these (i) to (iii) are correct, then a rise in imports should tantamount to a kind of blood circulation in the economy and to a kind of responses to the liberalised measures that we have been expecting for so long from our economic agents.

That the growing import bill would eat into our forex reserves is also a forgone conclusion. Even the IRBD report spells out as to how a different scenario of growth and investment could turn our complacency into a grave concern. That growing imports are likely to be used for investment especially in export oriented ones and hence would help export growth and more reserves. The most disconcerting episode is, perhaps, that there has been in evidence a certain deceleration in export earnings and remittances. This might be due to hazards quite closely linked with the recent political crisis and also due to other factors. Even then, the deceleration in the rates of growth of exports and remittances do not appear so low as to leave us with no glimmer of hopes. As records show, the forex reserve situation depicts an amount of 2.6 billion dollars which is worth five months of imports. The current account deficit accounts for 1.2 per

cent of GDP — relatively a situation of "ease" as far as our country is concerned. By and large, no doubt, the macro-economic indicators began to show up some movements unseen or unheard of in recent years but, perhaps, cannot be dubbed as uncommon for an economy hooked on to a liberalised trade regime.

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used to curb aggregate demand provided some dividends. But at the moment, this is an open economy disease that posits a pressure from high import demand, low exports and, above all, a dwindling of forex reserves. The policy prescriptions this time should be different from the earlier one and basically should hinge on expenditure switching policies. Exchange rate adjustment could, possibly, be a candid candidate in this regard. Increased interest rates cannot be an answer to a monetary expansion that owes largely to budgetary deficit. If the policy makers continue to harbour on credit expansion as a policy option, needless to mention, a "crowding out" of private sector might endanger the likelihood of staging a comeback from the recessionary symptoms that we experienced earlier.

Concluding Remarks

The current surge in import demand and the consequent fall in forex reserves should not be taken as a sign of serious weakness. The levels of exports and remittances should be the case for concern. The rise in the level of consumer prices is not welcome but should not be addressed through means that inflict costs in terms of private sector demand for bank credit. We should explore other policy options e.g. exchange rate adjustment, curtailing government revenue expenditure, raising agricultural output etc as the probable medicines for the kind of diseases that are believed to have hardly emanated from credit expansion.

The series FALL OF ERSHAD is held over for tomorrow

Beneath the Surface

by Abdul Bayes



cent in recent months. Quite obviously, such a hike perturbed very much our policy makers and politicians standing on the brink of a general election in the country. Faced with the spiral, the central bank of the country chose to bank on the age-old practice of adopting a monetary restraint through affecting interest rates. However, before one tinkers with interest rate to alleviate the inflationary costs to the society one needs to be certain that (i) there is a causal link between these two variables and (ii) that there are no other major variables affecting the price levels in the country.

Why is the inflation rate so high? According to a famous macro-economist, Professor

Wahiduddin Mahmood, "...this inflation has been fueled mainly by the rising food prices in the wake of a shortfall in food production...as such it is mainly a cost-push type of inflation which can hardly be remedied by contractionary monetary policies." The MCCCI also seems to have echoed the same sentiment. And these remarks were made in the backdrop of an upward revision of interest rates twice in

recent months and also in the face of "increased efforts in sterilising the excess liquidity in the banking system through the sales of short-term Bangladesh Bank Bills." Credit squeeze is the tool used here and to quote Paul Krugman, a celebrated economist, "Credit restriction is less immediately a source of distress but has serious longer-run consequences because it strikes primarily at investment and then at economy's longer-term growth prospects."

It seems that while the banking sector was once raged by policy makers and politicians at their sitting on piles of deposits and hence were then asked to gear up credit delivery, the recent moves could seem rewarding

Same Medicine, Different Disease

Apparently the central bank chose a route that it explored before. It is called expenditure reducing policies via (i) tax increase, (ii) cuts in government spending and (iii) restriction on credit as has been channelled through the banking sector. Then the disease was related to managing the aggregate demand in the economy where the tools

To the Editor...

Journey into the next millennium

Sir, Last few months have been months of shocks after shocks. (a) The happenings at Dinajpur and the inaction of the Government to acknowledge responsibility of failure of the administration, (b) The burning of the Bangabazar municipal market and the failure of the Corporation to acknowledge responsibility. It did not require any expert to see what could happen if it caught fire; even my few visits at the market to buy clothing at bargain price had convinced of an impending disaster any time. I did not feel safe a minute to be in there. Thank the Almighty, the fire occurred when there were no customers inside. The corporation's administration, past and present, failed in their responsibility to organise safety, (c) The alleged petrol bomb attack on the passenger bus causing death and injury to innocent passengers — no condemnation by any party in power or in the opposition, (d) Burning of a double decker-passenger bus — again no acknowledgement of responsibility and condemnation of the action by the political parties, especially the opposition. This public property belonging to the poor people of Bangladesh and mainly used by them was burned as a sequel to their political programme, (e) The burning of innume-

erable motor vehicles belonging to innocent private citizens some of whom invested their hard earned money to buy a car (duty paid) for the benefit of moving about in this city on call of duty. Why they should suffer the brunt of the anger of the political parties for no fault of theirs? Whom these people who suffered in the hands of the political parties, supposedly fighting for the right of the freedom of voting, will vote for? We are a nation bankrupt in all respects. I agree with Barrister Abdur Razzaq's conclusion that only a messiah can help us. Barrister Razzaq's article appearing in The Daily Star of the 5th December is an excellent analysis of the present day situation.

I have been an enthusiastic reader of The Daily Star for the last few years and I have found many thoughtful intelligent articles, letters from the readers, which give some hope that we are not bereft of sensible, knowledgeable, intelligent people. It need only a Messiah to inspire them. I feel if these writings could be preserved, one day in the coming millennium these may be considered precious to the researchers of politics in Bangladesh, i.e. if we survive the present crisis and march into the next millennium as a nation. We are a special generation who are witnessing the change into a new mil-

lennium. The recent thought provoking speech of Shimon Peres before the US Senate and Congress is the beacon, the theme is appropriate not only for the Middle East but the world at large. Can we see the full text of the speech in your daily?

PG Muhammad, 20, New Eskaton Road, Dhaka

Economy of cars

Sir, I hasten to add some upbeat information to the article that you printed which came from America about killer cars there (The Daily Star, December 10, 1995). I belong to a network of American and international organisations that promote a reduction in the use of cars. Over the past twenty years this movement has gained in members and strength. Though still a small percentage of the Americans forego using cars for commuting, many Americans who once thought that bicycles were toys now ride bicycle to work. New York among other cities is leading the way to ward non-car oriented city planning and towards a people-oriented style of travel.

In America, we have been successful in getting legislation passed which requires at least one per cent of federal and state transportation funds to be spent on mass

transit and facilities for human-powered travel. This may not seem like much, but it shows a new attitude on the part of the government. The funds are already going into improved subways, buses, pedestrian walkways and bicycle facilities. Give us another ten years and cars may be out of the American picture. Is there anybody in Bangladesh who cares to follow suit?

Mary Frances Dunham, 11, Siddheswari Road, Dhaka-1207

Fair-play in politics too

Sir, National cricket captain Akram Khan withdrew his team, Abahani, from the semifinal of Bijoy Dibash tournament few days ago. This is not what people expect from a responsible person. Cricket lovers are enthusiastic to see their country playing test cricket. At this stage what the country required from the players are practice, patience and, above all, sportsmanship which was buried on that day.

Alike skipper of Abahani, two skippers of two major teams of our politics have withdrawn their teams from the field of democracy. Being a cricket fan and democracy lover, I request all to show sportsmanship whatever game you may play. If all of you can play the way the

country needs, than we can be a self-reliant democratic country as well as a test playing country within a decade.

It is you the leaders who have to materialize the dream of millions. I don't know how, you may do. People have given you the responsibility because they thought they can rely upon you.

But I am often confused. Have you thought about the responsibility that the people reposed on your shoulder?

So my last word to you is — fair-play.

Md. Zahid Hossain, Khilgaon, Talata, Dhaka

Gun-investment

Sir, We cannot go for game hunting or shoot an intruder in our house, and carrying firearm could be asking for trouble. What purpose therefore can a weapon be used for? In the West, collectors are now going for making money with selected ones, associated with famous people.

A pair of 50-year old Pardy shotguns fetched £30,000 in an auction in UK recently.

A rifle presented to President Roosevelt for safari, in 1909 was sold for £322,000.

Wesson revolver, fetched £115,000.

Pistols, rifles and gun accessories are also a good investment nowadays. There is a big market for muzzle-loading or dueling pistols complete with box and tools. Collectors must look for works of renowned firms like James Pardy, Holland and Holland, Smith and Wesson, Brown Bros etc., with standard engravings.

But you must ensure to have a licence for your gun or else you may end up in jail as it happen with H M Ershad.

Apart from the name of the maker, other elements for consideration are: — the condition of the mechanism is rather important. — the quality of the engraving has added value. — and there must have a good service history.

The barrel is the most important item for it gets swung around and takes the most punishments. Shotguns were with barrels next to each other or on top of each other. Single triggers are the trend in America, while in Britain people prefer double triggers.

Engraving attracts attention, as does the quality of wood. It should be original and crisp — a grave scene has more value. However, the best investments are for unusual and interesting pieces.

Col (Retd) Mirza Shaif Barari, Dhaka