# The Baily Star

Founder-Editor: Late S. M. Ali

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## Garments Fraud

A single case of cheating as resorted to by Adonis Garments can leave in tatters all the credibility and reputation we have earned so far as a garments manufacturing and exporting nation. Mercifully Adonis Garments' attempt to export bits and pieces of cloths in place of readymade garments came to notice well in time. One lingering suspicion, however, is that a racket is going on in the name of garment business. The Adonis incident is just a tip of the iceberg.

Informed sources reveal that some garment factories are engaged in importing cloths from abroad taking full advantage of the various concessions granted to them. Instead of producing readymade garments, however, they just sell those cloths in local market to ensure a hefty profit. That explains why some garment factories have to take to deception like Adonis Garments.

So here is a case that must be pursued seriously. Because at stake is the reputation of the country's most viable industry. Already some developments at the international level have taken away much of the cutting edge we had over other competitors. Now if we cannot check such aberrations of business ethics, we will find ourselves caught in the suicidal act of losing markets before long.

Therefore, we urge the authority to thoroughly investigate the wrong-doing in the Adonis case. The violators of business ethics and rules must be nabbed and meted out appropriate punishment. At the same time the government must develop a system of monitoring and foolproof supervision to ensure that only the genuine garment factories enjoy the facilities and concessions provided for encouraging garment business. Those resorting to malpractices have to be brought to book immediately to keep our national records clean.

#### Wrong Antidote for Aricha Nightmare

Three thousand trucks and buses in a sixkilometre long queue and 20,000 stranded passengers — that is the shape of the latest nightmare at Aricha. The Prime Minister has acted urgently in directing the concerned authorities to engage BDR and police personnel to help clear up something even Hercules wouldn't dare take on.

How will these armed and uniformed personnel help the situation? There is no report of indiscipline or sheer mastani bullying creating the jams at Aricha or even contributing to the same. Neither the BDR nor the police elements know the thing better than the transport workers. And the latter do whatever is in their power to remove all impediments to a smooth flow of traffic to and from the ghat. It is a remarkable sight to see passengers, rickshawpullers and transport workers falling precisely into seemingly pre-determined roles and act unsparingly to beat the jam. That is the way people have been making their journeys across the Padma and the more formidable jam. It would be foolish to pour ignorant manpower on the spot without first determining the factors of the jam and going

Are there enough ferries to take the current volume of trans-Padma vehicular traffic? Are there enough jetties to take care of closing at the rolling on and holing off points? Have the ferry and jetty facilities kept pace with the bounding increase in the traffic? No amount of policing by ignoramuses can be helpful if the answers to those queries are un-

satisfactory.

for their right treatment.

It is gratifying that one of such points that mightily add to the jam has been mentioned in the press reports of the PM's directive this is a departure. Trucks loading beyond their capacity pose a problem both when embarking and disembarking the ferries. Whoever did not know that all five-tonners carry eight tons as standard all over Bangladesh? Yes, there is one quarter that did not know of this universal practice. The police. The policemen on the spot, that is. They do not know because they do not want to know because they eat out of the hand of the truck-

### **Universe Unbound**

Only decades back mankind's best knowledge about the universe said it was about six billion years old and the solar system at more than half that age was no youngster. Astronomers and astrophysicists — the term cosmologist hasn't come into vogue then had a favourite dream of someday peeping near to six billion billion light years in order to see for themselves the creation of the universe through optical telescopes.

Then the radio telescopes came, courtesy Jansky and Lovell, and creation started receding both especially and temporally by billion light-years and years. The Hubble telescope, mounted atop the Jupiter probe now making the solar system into a earthly backyard, is sending down hundreds of pictures from its heavenly perth — of the outer universe. They show hundreds of distant galaxies or island universes hitherto unknown to man. The 342 frames sent down in December reveal 1500 such galaxies — many of them farther than 10

billion light-years. In the fifties we used to speculate playfully on the philosophical difficulties presented by the possibility of looking at the creation of the universe including the evasion of ourselves actually taking place. And scientists now say these latest Hubble pictures are stumbling on the threshold of that very end-of-the-world or start-of-the-world, or better still — where the two combine, the former spatially and the

latter temporally — scenario. Doesn't this come matching the finding of the sixth quark? What spectacular fin de siecle gifts for mankind!

# Re-engaging the Economy

Unless we make every individual accountable for the excesses incurred on his/her behalf at (or without) his/her behest we shall remain a victim of excessive non-development expenditure.

kistan. On the receiving end for most of it, the bad news in cricket and hockey have been repeatedly spurhas only been exceeded by ned by a cabal of bureaucrats the economy turning from bad to worse. While we pulled and technocrats engaged in tinkering with the economy; back a few winners in spite of he has shrugged off this nonthe best efforts of ruling cooperation and has cushiregime in the last few days of oned somewhat the strict the year, things are grim. Our regimen proposed by the IMF investment in Afghanistan has become a major foreign for the country. policy disaster and we may have lost our special relationship with Iran in the process. Despite spectacular success in dealing urban terrorism crippling blows in Karachi, the lack of serious

THE year 1995 has be-

political initiatives has alien-

ated the core of Mohajirs

from the national mains-

tream. While she remains a

great political fighter, the PM

stands alone in her manhood

among the shambles of an

inept, inefficient and corrupt

administration. Surrounded

by atrocious advisors who

overwhelm the few dedicated

ones around her by doses of

outrageous flattery and public

displays of adulation, the

shown flashes of the brillia-

nce she is capable of, and

that too when her own

has come perilously close to

going off the deep end, par-

ticularly because of histrionic

displays at some public mee-

tings. She has compounded

her own problems by not

carrying out a ruthless purge

of her economic team, choo-

sing loyalty to some rather

questionable bureaucratic

ability in supercession to the

vital economic interests of

the nation. While Mr V A

Jaffery remains a staid and

steady manager without new

ideas, the only one of the

PM's economic management

advisors who deserves plau-

dits is Dr Mohammad Yaqub.

the Governor, State Bank of

Pakistan (SBP) and he is due

to retire in a few months. His

cautionary notes of advice

HE total number of

From time to time, she

survival is threatened.

Head of Government has only

en a hard year for Pa-

To a senior eye-witness who saw him in action recently in Washington during the talks, he was the rock that stood between Pakistan and IMF retribution. In one quotable outburst he told the stunned IMF negotiating team, "Are you trying to destroy my country? In my many years in World Bank and IMF I have never come across more strict conditions than you are proposing!" One should build on the strong foundations that such individuals give to Pakistan. curbing the excess employed by those favourites who, because they have ambitions for prized appointments like Governor SBP and President, First Women Bank, pay media hands public money to undermine their credibility. As Euromoney and other knowledgeable financial publications have repeatedly noted, "the PM would do well by heeding the advice of the Governor, SBP as he has no vested interest during his

counsel." The economy requires short term and long-term measures, among them are -(1) curbing expenditure. (2) increasing revenue generation. (3) prioritising expenditures. (4) ruthlessly stamping out nepotism and corruption, (5) reducing subsidy to Provinces and (6) positive management of available cash flow. One of the ways of curbing expenditures is for every government department and/or organisation to cut down on utilities such as use of (a) electricity. (b) fuel, (c)

gas, (d) telephone, (e) travel and (f) unnecessary celebrations. Every small department must be given a stringent budget and the head of that department made responsible for exceeding that

budget. It is normal to walk into empty rooms having all the lights and fans on, the office occupant may only inhabit the office for a two-hour period, the airconditioner remains on, so does the heater. The way Sui gas is burnt with abandon in our country is reflective of the mood for waste. The misuse of government transport has reached epidemic proportions. Every individual authotion for any campaign to be truly successful.

One of the greatest misuse is that of telephones for personal purposes or for unnecessary dialogue during official conversations. With the advent of Electronic (E)-Mail most telephonic conversations should be replaced by E-Mail. Regular audit should be carried out to focus on personal misuse. For unnecessary travel one should just look at either Lahore or Karachi and their wedding receptions etc on weekends. Most official luminaries will be seen "on duty" in attendance at these functions. As regarding unnecessary celebrations, these are self-ex-

# AS I SEE IT

#### Ikram Sehgal writes from Karachi

rised a vehicle should be given a fuel ration depending upon projected official use. A most unwelcome sight is official transport being used for families e.g. ch**ildr**en to school, wives for **sho**pping. etc. For a long time, the Army was the only institution that carried on the austerity programme. Perhaps it is time for the Army to again give a symbolic lead. Nowadays the name of the game is to go the whole hog in excess by possessing Pajeros. BMWs and Mercedes Benz; the impression given is that of an oil-rich kingdom overflowing with wealth instead of an impoverished nation determined to make every penny pay for its poor citizens. Excess must not only be curbed. it must seem to have been

curbed in the public percep-

planatory; how many millions every day are spent to "glorify" whoever are the rulers, many times a day, every day

of the year, somewhere? Unless we make every individual accountable for the excesses incurred on his/her behalf at (or without) his/her behest we shall remain a victim of excessive non-development expenditure.

We have to increase revenue generation, the obvious weak area is income tax. wealth tax, excise duty and customs duties. For the short term, the focus should be on excise and customs duties. The best method is to appoint monitors from the private sector that has nothing to do with import or export to check malpractice. There is tremendous leakage of revenue collection at the air-

ports and seaports on a daily basis, this can only be controlled by independent checking by outside agencies It is necessary to streamline such an operation so that attempts to avoid customs and excise duties is minimized if not altogether curtailed. At the moment the campaign for revenue generation is only benefiting the corrupt officials as this gives them a Sword of Damocles in lining their pockets at the expense of the government. Private sector companies must be tasked to locate illegal wealth of these unscrupulous salar-

ied class who have accu-

mulated enormous assets

(and make them pay tax for

starters).

Only vitally necessary development should be carried out, priority must be spelled out for non-development expenditure. We have also to cut out inefficiency and corruption, this is self-explanatory and needs no elucidation. Only by having honest. dedicated managers, driven upwards by the merit system, will we have a sound system of budget control, making every penny pay. e.g. Horse and Cattle Shows do not need the Defence Services in Lahore to act as midwife and choreographer; that is NOT part of the Army's mission, it is demeaning besides being counter-productive. For that matter the Navy organised water show in the DHA Marina Club was only done as an exercise in flattery at public expense, besides being a dis-

grace to the uniform it was a flat waste of money. The provinces must be made to increase their revenue generation so as to balance their budgets. Unfortunately our cash management at every level is atrocious. The advent of computers should give us some advan-

tage in day-to-day control of our liquidity position so as to give full value for money.

One of the major problems facing Pakistan's economy is the flight of capital, most of its money is "collected" illegally. A conservative estimate puts the amount of these illegal funds at almost US \$5 billion over the past two years.

For the economy this is a

devastating loss. While ac-

countability remains a pipedream, those who are really concerned about the crumbling of the economy should resort to sophisticated methods to ensure accountability. We should employ private investigation companies to unearth foreign assets and bank accounts but more than this we could find out the means through which the funds are sent abroad Such huge volumes of money can only be transmitted regularly through conventional means, such means can be unearthed and interdicted. Obviously if it is a bank it cannot be a nationalised bank, the foreign banks would also be loath to get involved in this as a regular exercise. So the particular financial institution has to be a privately owned bank or the 'Hundi' route.

Like money-laundering, this is the domain of drugsmugglers so we are close to a nether world. SBP can interdict to an extent but does it have the courage to do so out of fear that the enquiries may unearth big names? The economy cannot take anymore of this hemorrhaging. somebody has to bring in accountability or our national security will be permanently compromised. Such actions require courage and conviction, it is usually a lonely road strewn with land mines. Those who are interested that we seriously re-engage the economy have no choice. they have to stand up and be counted for the sake of accountability.

# How Should Government Deal with NGOs?

The government may institutionalise regular communication and dialogue with NGOs at the appropriate level in order to facilitate formulation and revision of policies on NGOs; resolution of day to day problems faced by NGOs; and removal of misunderstanding between government and NGOs.

NGOs registered in Bangladesh has risen from about 500 in 1991 to more than 1,000 in 1995. In the same period, the number of approved development projects taken up by NGOs increased at least five-fold. The main areas covered by NGOs in Bangladesh are family planning, health, education, the environment, disaster management, rural development, urban welfare. and poverty alleviation through income-generation. Various evaluation studies show that most NGOs have performed satisfactorily in both emergency relief and rehabilitation work as well as normal development activities. In fact, they have been responsible for introducing and popularising a number of innovations in technology and development management in the countryside. In the last few years, we have also witnessed the formulation of a code of conduct by NGOs to come. themselves for self-regulation, as well as some GO-NGO

collaboration in ADP projects. Despite several ups and downs in GO-NGO relationships during the last four years, the government can indeed claim some genuine credit for the success achieved by the NGO community as a whole during this period. To begin with, the placement of the NGO Bureau under the PM's Office in 1991 gave NGOs a high status and protection, and allowed easy and quick decisionmaking (for example, their involvement in the 1991 cvclone relief operations) in respect of their affairs. At this time, the NGO Bureau leadership was also strengthened. and this helped, among other things, quick disposal of routine matters relating to NGO; greater communications and interaction between government officials, on the one hand, and representatives of NGOs and donors, on the other; and finally successful resolution of several outstanding problems and misunderstandings between

government and NGOs. The adoption of a new policy by the NGO Bureau was also a step in the right direction. It ensured greater onestop services to NGOs such as

a fixed time-limit for NGO registration and approval of NGO projects, relaxation of formalities regarding foreign visits by NGO functionaries. greater involvement of NGOs in disaster relief operations and easier appointment of expatriate consultants/experts by NGOs. Thus, by providing an enabling environment, the government has certainly catalysed NGO development in the country. Also, when NGO-organisedwomen's groups came under heavy attack from obscurantist forces in 1994, the government did lend a helping hand to them. To sum up, it may be said that in general, the GO-NGO relationship is at present on an even keel, although a great deal remains to be negotiated in the days

Now, the answer to the question raised in the heading of this write-up will depend largely on (a) the basic premises we assume in regard to the NGOs; and (b) the strengths and weaknesses of NGOs and government in relation to one another. Let us start with the basic premises. which, to my mind, are at least five in number. Firstly, NGOs can never be a substitute for government either at central or local level. Secondly, the vast majority of NGOs are neither arch rivals undermining government authority nor dangerous contenders for power subverting the integrity of the state. Thirdly. NGOs basically constitute the non-profit segment of the private sector, bringing in valuable resources from outside at a time when aid fatigue is at its worst. Fourthly, even in the heyday of all-pervasive government, a great deal had to be done outside its ambit. Now that a market-led economy and downsizing of government are the order of the day, it is only natural that many more matters, particularly relating to welfare, will be dealt with non-governmentally. Finally, a healthy competition from NGOs in

innovation is welcome in the larger interests of government and the society at large. There are some definite strengths of NGOs vis-a-vis

government, such as their target group approach rather than loose community orientation, flexible management practices, greater scope of innovation, better delivery record, easier-to-track funds. more autonomy, etc. On the other hand, they also suffer from a number of handicaps. foremost among which is their limited legitimacy in terms of accountability. transparency and democratic management. During autocratic rule, they were able to acquire some legitimacy by

such vices as inefficiency corruption, spuriousness sectarianism, lack of cultural sensitivity, involvement in party politics, hankering for publicity, etc.

With the ushering in of democracy in 1991, the government in Bangladesh has acquired a more durable power base, legitimised as it was by free and fair elections. Though it has many problems, a government under democracy does not feel as threatened as an autocratic regime. Being far more accountable and transparent, and given the operation of parliamentary oversight, a free press and a strong and neutral judiciary, the gov-

# Making Government Work

by Analyst

providing an alternative delivery mechanism. This was also strengthened by their legal status and regulations governing their activities, but the problem remains. Then there is the constraint they face in being almost perpetually donor-driven, given their partial or total lack of self-reliance. Some of them continue to be personality-based rather than systems-oriented, despite long existence. Generally, they tend to perform well when small, but crack up when they grow beyond a size. Sometimes, their overheads are high; this is particularly true of foreign NGOs operating locally. Internal dialogue within the NGO community is rather weak, and so far they have not been able to go for any major collaborative development activity based on an area or a sector. Their target group definition is rather tight. It does not cater to the needs of many groups and segments within the poor and the vulnerable in Bangladesh. Finally, a small number of NGOs definitely suffers from one or more of

ernment has now the moral strength to make others, including NGOs, accountable and transparent. Indeed, as democracy deepens and grows stronger roots through the next round of general elections, government in Bangladesh will acquire even greater strength to ensure accountability and transparency in a more comprehensive manner. However, some politicians and bureaucrats at the field level remain hostile towards NGOs mainly because they see NGOs as operating independently of them and hence eroding their power and authority. They have a more or less similar attitude towards local government institutions also. Consequently, NGO operations at the grassroots level are at times substantially constrained.

In the light of the premises assumed and the strengths and weaknesses of government and NGOs delineated above, the government could adopt a number of measures in respect of the NGOs. Firstly, the government may institutionalise

regular communication and dialogue with NGOs at the appropriate level in order to facilitate formulation and revision of policies on NGOs; resolution of day to day problems faced by NGOs; and removal of misunderstanding between government and NGOs. Secondly, the government could further improve on the new policy circular and bring about adequate changes in the existing two laws on NGOs. namely, the Foreign Donations (Voluntary Activities) Regulations Ordinance, 1978 and Foreign Contribution (Regulation) Ordinance, 1982. Thirdly, together with the NGOs, the NGO Bureau could finalise and operationalise the code of conduct proposed by ADAB. Fourthly, government may adopt measures for strengthening small local NGO through training and funding by the Rural Poor Foundation, BRDB, BARD, RDA, etc. (There are now over 20,000 small local NGOs registered with the Social Welfare Department). Similarly, the government may di rect the banks to liberally finance NGO projects for gen-

erating self-reliance funds. Fifthly, the government

may facilitate greater cooperation between NGOs and local government bodies, so that at the grassroots level, the legitimacy and popularity of an elected body of long standing may be usefully combined with the funds. flexibility and target group approach of the NGOs to bring about a qualitative change in the lives of the common man. Sixthly, the NGO Bureau may like to concentrate more on objective evaluation rather than direct control in order to make NGOs more accountable and effective. This would imply that the professional evaluation capacity of the NGO Bureau will have to be considerably strengthened. Thus, every year, it should be able to intensively evaluate a considerable number of NGOs from different sectors and of varying reputations and make the evaluation reports available to all concerned, including the donors, for necessary followup actions. Finally, through dialogue,

incentives and persuasion. the government can stimulate NGOs towards greater self-help and self-improvement through measures such as self-regulation, networking, entrepreneurship, harmonisation with GO policies and activities, working through existing small NGOs rather than expansion, redefinition of target groups, etc.

# Buchwald's COLUMNI

# Disinformation

TOBODY believes anything I tell them about Washington any more. I keep swearing that the following is true but everyone laughs at me.

In the bad old days when the Soviet Union was the evil empire, the Soviets managed to plant large amounts of disinformation in official Washington. Although the CIA was fully aware that the information was false, it failed to inform the White House or the Pentagon that the intelligence was tainted

Let us begin at the beginning. Moscow feeds information to a Soviet agent in Pakistan and orders it passed on to an American, who is under the impression that the spy works for him.

The message is, "We now have a missile that can blow up any Hard Rock Cafe in the United States."

This goes through CIA channels to Langley, Va., which concludes that it is a plant by the Kremlin. But the CIA decides not to inform the President or the Secretary of State that the KGB is up to mischief, because

if it does, that might leak that the source of this information in Pakistan is a double agent. The message about the missile hits the Pentagon like a

We must develop an anti-anti-missile to stop the Soviet rockets from penetrating any Hard Rock Cafe," one admiral and two generals declare.

Six major defense companies, which get everything the CIA contracts out, offer to build the defense system at a cost of \$10 billion. The President reads the news and says that he wants an

effective missile but one that will cost only \$5 billion. The news reaches Moscow and several generals who have not been informed of the KGB original leak start building a new missile to defend itself against the latest American missile now named Black Ice.

Finally, it is revealed that the CIA has a KGB mole named Ames in its organization making sure that disinformation gets to the right places in the United States. When this is discovered, all the CIA officials are given promotions and a big party to convince the KGB that they were still being duped by Moscow.

Now I know all this is hard to believe, but if the President believed it, why shouldn't you?

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#### Underground roadcrossing

Sir. The whole of Dhaka is in the throes of road traffic 'derangement' and the spirit of eight million people of the metropolitan city is in travail. No amount of cries and complaints of the citydwellers convince or make our administration, Dhaka City Corporation, Traffic Police or our political leaders to take any pragmatic, effective and practical step with a view to doing away with the city's

ever deteriorating road traffic situation, public meetings on public thoroughfares, unlicensed rickshaws, crowd of hawkers and vendors and making suitable arrangement for their rehabilitation.

terms of delivery, output and

One of the greatest problems in the city's road traffic mess is crossing a road. The traffic signal, zebra crossing or the supervision of the traffic police, all have proved to be a failure and totally use-

The Dhaka City Corpora-

tion is, however, constructing a few overbridges in crowded and conjested points for the pedestrians. But would it help solve the road crossing problem? How many overbridges can DMC build? Where is the space available and where is the money?

We have had a very bad experience in building overbridges for crossing the road by the pedestrians. Why does not the DMC build a few underground road crossings at Shishu Park point, Motijheel Commercial Area, Hatkhola, Folder Street (Wari), New Market and of course, Gulistan, etc., where space constraint will not be a hindrance? This step will facilitate movement of vehicles all the times and ensure safety of the pedestrians.

O H Kabir Dhaka

#### ASHA-52

Sir. A group of students of 52nd Batch of Bangladesh Agricultural Institute, Dhaka has set a unique example of utilising leisure time in productive and income-generating activities by applying their knowledge and skill so far acquired as students of agricultural science.

In 1993, these students had established a forum called Agricultural Students Horticulture Association (ASHA-52) and undertook a number of flower and vegetable growing projects. They work in the field and run the forum on cooperative basis. Whatever meagre their income may be, but they are earning something and gathering practical knowledge on the subject. This can well be an example for others to em-

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