

Arms Recovery

The futility of a fringe-touching arms recovery drive was highlighted afresh by a front-page news item published in this paper's Eid-eye issue. The perspective in which this has been underscored is quite different from the familiar one made up of allegations about the campus-raids having yielded next to nothing and arms licences issued to party loyalists by the erstwhile BNP government. The latest investigative report sheds new light on the ineffectiveness of the arms recovery exercise in that pipeguns get made aplenty on local lathe machines relying on an extensive smuggling of ammunition into the country. If there were no bullets to the weapons these could not have posed a threat to life and limb.

Furthermore, the basic ingredients of crude bombs and crackers are coming from perfectly authorised imports of raw materials meant for use by the match, fertiliser and soap factories. The inventory-keepers are, in the very least, abetting in the criminal act of making the explosive material available to the underworld lured by huge profits from tiny parcels of the merchandise. This hole should be easy to plug by vigilance mounted in a no-nonsense manner within the factories or their godowns themselves. No political will needs mustering here; only a pre-emptive strike at the management lapses and exemplary punitive actions in appropriate cases could do so. The manufacture of cocktails or crude bombs can be substantially thwarted. It should not be also beyond the capacity of our law enforcers to put a stop to pipegun-making. But we have had problems with trafficking of arms and ammunition into the country via our borders, both land and sea. The sensational Cox's Bazar haul has been a case in point whereupon professional vigilance must have been stepped up on this front.

In an overriding sense, what is basically needed is a political-cum-law and order environment in which the demand for arms and ammunition will be automatically curbed. The caretaker government can be a catalyst in this regard provided the major political parties themselves stand guard against propensity to muscle-flexing. The terrorists are in no ideal situation to be backed by any of their previous or supposed mentors when caught under a caretaker government. For this virtue to come into a full play the political parties need to cooperate.

Eliminating Child Labour

About 70 lakh children under 14 years of age, constituting one-fifth of the population of that age group in the country, are engaged in wide-ranging jobs — some of them extremely hazardous. A children's rights promotion body in Dhaka reveals that the percentage of the underaged children in such occupation is around 30. Now here is a cause for concern. First, if one-fifth of the children under 14 are doing jobs, they are certainly out of schools and therefore also deprived of a normal childhood. Second, the hazardous nature of their job makes them vulnerable to injuries, impairment and stunted growth — both physical and mental.

The argument that these children's condition would have been even worse if they were jobless is unfortunately flawed. As one of the child promotion executives argues the children did not require to do those jobs had their parents got the opportunity to do the same. The problem is that employers would not offer the jobs to adults because they are not as exploitable as the children.

Now the question is how long will the country live with it? We have made a mess of the whole employment sector by not implementing employment rules and regulations. To bring order in the sector all private enterprises must abide by the set standards. Let there be a genuinely serious attempt to get the children out of the unholy trap and send them to some vocational training centres and, if possible, to schools. With such a large number of youngsters remaining out of the formative process the nation itself gets weakened from within.

A policy should be formulated to replace the underaged working children with the unemployed adults. The compulsory education for all must be implemented to the letters. Only then this dangerously harmful practice of child labour can be eliminated.

Why This Reward?

An official of the National Education Curriculum and Textbook Board has been rewarded for his malpractices, so says a report carried in a Bangla daily. The story in brief is that the allegations of abuse of office and acceptance of bribe were proved by a committee constituted to investigate into the matter. And on the recommendation of the committee to take action against the corrupt official, the education ministry had transferred him to the secondary and higher education directorate. Now the same official has been brought back to the National Education Curriculum and Textbook Board with a greater responsibility on him.

Formation of probe bodies has been rather a formality over the years as their reports are hardly made public. Now here a case where the committee did its job well but eventually all its good work has proved futile. This will erode the people's confidence in administrative accountability. Any administrative wrong-doing has to be brought before the public. This not only acts as a deterrent against administrative malpractices and corruption but also ensures the transparency of the government.

Instead of penalising a corrupt official if we reward him, a bad precedent is set. The case may be worth a review.

Towards a Non-partisan Civil Society

by Mirza Hassan and Sara Hossain

THE establishment of the caretaker government is a victory for the parties with initiated this demand as well as of civil society (or citizens in general). But the meaning of this victory varies according to the vantage point of the viewer, which may be partisan and political or wholly non-partisan.

For the former, the 'victory' is total: it lies in the creation of a level playing field for major players in the forthcoming parliamentary elections. For them, questions regarding the accountability and transparency of political parties to the people are not of immediate importance, indeed might even be considered to be as transient as the tenure of the caretaker government.

For truly non-partisan viewers, however, the caretaker government is not an end in itself but only a necessary condition for democracy. Their interest is in ensuring the permanent and ongoing accountability of political parties to citizens.

Prof. Sobhan's comments (The Daily Star, 12 April 1996) provide a point of departure for our discussions about civil society's role in ensuring such accountability.

Prof. Sobhan identifies several areas for civil society intervention in 'ensuring a meaningful election'. These include drafting a code of conduct and instituting mechanisms for monitoring elections. In our view, political parties themselves will be vigilant in these areas, motivated by self-interest, and the need to ensure a level playing field for the elections. Civil society's role as a watchdog, while significant, is therefore not as critical (though it may become more so if the watchdog chooses to bite and not just bark e.g. to institute complaints and effect compliance with violations of the code of conduct, rather than merely reporting on them).

For anyone interested in ensuring not only meaningful elections but also the transition to democratic practices, Prof. Sobhan's identification of the priority areas for civil society intervention in the post-election period is more relevant.

i) formulating a policy agenda for political parties to address; ii) setting in place ongoing institutional arrangements to ensure the accountability of MPs and iii) design-

ing institutional arrangements and mechanisms for keeping alive the people's agenda in the minds of voters, parliament and the new government.

These proposals suggest that the role of civil society with respect to political parties will be both enabling — to formulate and keep alive a people's agenda — and constraining — as a watchdog.

The million-taka question is: Does civil society have the capacity to undertake this role? In particular, is the leadership of civil society sufficiently autonomous (of political parties)?

Here we'd like to introduce the idea of the **NON-PARTISANSHIP OF CIVIL SOCIETY**. The degree of non-partisanship of civil society is positively related to its capacity. Only a genuinely non-partisan civil society can play an autonomous role vis-à-vis political parties and thus priorities and secure the interests of its constituents. (For the purposes of our discussion here, we define 'civil society' in a more narrow sense than is conventional, and exclude political parties from its ambit. We draw specific examples primarily from the experience of professional organisations and NGOs.)

It's a sad commentary on Bangladeshi civil society that its general response to the resolution of the two-year long political crisis has been one of relief. Few or no organised, independent and effective initiatives were seen (until the last days of the caretaker government movement). Continuous economic devastation and endemic political violence was met with little more than high sounding rhetoric and moral appeals addressed to politicians. Hard questions thus remained largely unasked and unanswered. Could the resolution of the crisis not have been effected without causing maximum disturbance to citizens, without devastation to our economy and a severe erosion of our (nascent) democratic culture?

Even in the last stage of the recent movement, civil society manifested the effects of **COLONISATION**. Fractions of civil society organisations pub-

lically demonstrated their support for the parties of their choice. (Of course, this colonisation of civil society organisations by political parties is to some extent an inevitable reaction to the history of colonisation by ruling parties, most blatantly visible under military and autocratic regimes, but also evident under democratically elected governments).

As a consequence of such colonisation, civil society has been beset by intense **TRIBALISM**. This features the growth of patron-client relations between certain civil society actors and their chosen political parties. It also features a 'dependency syndrome' in which the civil society actors tend to toe the party line on any political question.

The result is **INTELLECTUAL STERILITY**. The incapacity to rise above narrowly defined party interests leads to a virtual inability to adopt any rational, objective and independent position. This is too

with pro-democratic political forms. There are certainly instances, such as the last stages of the recent movement for a caretaker government, which require such relationships to be forged. However, such an alliance must be between equals, and not based on the dependence of one party or another.

In the course of the recent movement, we saw not an alliance of equals, but a colonisation, as fractions of civil society institutions manifested their 'loyalty' to one or other political party. This resulted in a net gain for the parties, and a substantial loss both in terms of autonomy for those civil society institutions and for the furtherance of the interests of their respective constituencies. It also resulted in divisiveness within civil society organisations.

The idea of non-partisanship is to some extent vindicated by the establishment of a caretaker government. Since the independence of Bangladesh, there has been a

crisis of democracy and governability. Politicians in India have accepted the possibility of losing elections. This is a difficult issue to analyse. We won't discuss it further here, but the uncertainty principle justifies the need for both a caretaker (non-partisan) government and for a strong, independent and non-partisan civil society, as permanent and institutional constraints on political parties. In Bangladesh, the significance of a non-partisan civil society is far greater than for example, in countries such as the former Soviet Union. In those societies, it was only the 'party-state' which stifled the growth of civil society. In our case, it is not only the ruling party but competing political parties (forced to join the game with the ruling party), who seek to colonise and dominate civil society.

It is important to assert the need for certain critical sectors of civil society to be urgently freed from political control. A clear example of the disastrous effects of such political manipulation is provided by recent experiences regarding fertiliser distribution. This provided a lucrative area for the ruling party to build up patron-client relations through patronage distribution and efforts to build up local party machineries. Can we realistically expect that any other political party which comes to power won't follow suit? Given this situation, we need to consider how fertiliser consumers — the peasantry — can best protect themselves. Perhaps only a genuinely non-partisan organisation can work as an effective deterrent to the kind of political manipulation witnessed in this area.

Many similar examples could be cited of areas which urgently need to be freed from political control. It is not enough to lament the failures of civil society in the past and present. We need to look to the future and identify critical areas for intervention by civil society organisations. At the same time, we must remember that civil society cannot be effective unless it asserts its autonomy from political parties, and establishes its own independent identity.

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often at the cost of the particular organisation of civil society concerned, and the interests of its constituency.

The impact of tribalism may be illustrated by an example relating to one important sector of civil society, the university-based academic community or intellectuals. In the recent movement, like many others preceding it, 'statements by [any number of] intellectuals [aka bibritibis] were frequently issued in support of the major political parties. Prior to the 15 February elections, a group of intellectuals called for the banning of FEMA (the Free Election Monitoring Alliance) on the grounds that any monitoring exercise would effectively legitimise an 'illegal' election by the then ruling party. When FEMA's monitoring exercise in fact threw up critical information regarding gross abuses of the election process by the ruling party, the same intellectuals were quick to adopt FEMA's findings to buttress their own positions/mmm

To restate our position, if civil society acts from motives of enlightened self interest, it will require its leaders to be non-partisan, and will seek to

strengthen its own non-partisan identity. What do we mean by the term 'non-partisan'? Of course, citizens may be card-carrying members of a political organisation and run for political office while simultaneously heading or running for office in civil society organisations. However, we would argue that civil society organisations, motivated purely by self interest, and the interests of their constituencies, may choose to avoid drawing their leadership from among such politically partisan persons. Wherever an irreconcilable conflict of interests arises between the interests of a partisan political actor and those of a leader of civil society organisation, the interests of the former tend to prevail. Imagine then the predicament which recently faced the Bangladesh Garment Manufacturers and Exporters Association, whose members were severely affected by the ongoing political crisis, and

sections of whose leadership simultaneously owed allegiance to the ruling and opposition parties.

We are not arguing of course that a non-partisan leader of civil society must be a 'political eunuch', with no proactive commitment to democracy and good governance. We have seen that organisations or individuals who are non-partisan or neutral in this sense are only too often co-opted by the state or state agencies. In our terms, being non-partisan is not a passive condition, but connotes the capacity to take a rational perspective, to hold a commitment to democratic values, and to have a capacity to actively assert democratic principles without degenerating into tribalism.

What we suggest is the need for development of strong, independent and non-partisan civil society organisations, with the capacity to protect the interests of their respective constituencies. We don't of course intend to undermine the role of political parties. Their role remains crucial as risk-taking political entrepreneurs. At critical moments, when democracy itself faces a serious threat, civil society may forge an alliance

An instructive contrast is provided by the former Soviet Union and the countries of Eastern Europe. In the pre-glasnost era, a 'party-state' virtually stifled the growth of civil society. After 1989, politicians in these societies became democrats virtually overnight, to the extent that they were willing to abdicate state power on losing elections. (For example, in Poland, Lech Walesa, the labour leader who struggled against the communist party faced and accepted electoral defeat from the very same communist party). Even in India, a country which is far closer to us in terms of history and culture, the uncertainty principle is now entrenched. Whatever the

Loan Default

With such toothless tigers in charge of financial monitoring, what does one expect? Put VA Jafarey out to pasture and/or put him out of his misery. One hopes that the saying "the bigger they are, the harder they fall", does not come true for Pakistan's biggest retail bank.

because privatisation has brought it into focus. Default has been taking place for over two decades. Probably the worst case of financial bungling may be in Habib Bank Limited (HBL) where excesses by banking executives, both professional and non-professional, reached such alarming proportions that in comparison Yousuf Habib (remember him?) seems to be a petty thief. Once this scribe himself approached VA Jafarey to intercede in what was clearly an outrageous scam by the present bank management. Yousuf Dalia included. VA Jafarey, PM's Advisor on Finance replied he could only advise the Pakistan Banking Council (PBC) to look into it but was powerless to take any action himself.

With such toothless tigers in charge of financial monitoring, what does one expect? Put VA Jafarey out to pasture and/or put him out of his misery. One hopes that the saying "the bigger they are, the harder they fall", does not come true for Pakistan's biggest retail bank. National Bank of Pakistan (NBP) seems to be in a healthy state but figures (like appearance) can be deceptive. Only time will tell whether NBP is doing as spectacularly as MB Abbasi is professing, or whether the media projections are just another window-dressing for poor banking practices that may have fooled all (including this scribe) into glorifying him personally.

As far as the DFIs are concerned, the lesser said the better, almost all of them are in trouble of some kind or the other due to loan default. Some like the NIT, ICP and NDFC are facing a liquidity crunch in being caught up themselves in the share market whirlpool or in trying to bolster a sagging share market on behalf of GOP. The domestic debt crisis is likely to blow up in our faces if depositors decide en masse

that their money is not safe in the banks. Since major loan defaults are exclusively in the public sector financial institutions, the problem is either of management and/or prompting by "remote control" from influential people or a combination of both. In 1993, the Mueen Qureshi (MQ) caretaker government updated list of defaulters prepared by the Mian Nawaz Sharif government and published it in the newspapers. The defaulters raised a hue and cry because their "privacy" was violated and the "sacred trust of banking confidence" breached. No matter they had looted the banks at will and there was no difference between them and traditional bank dacoits. Let us give MQ credit for the publicity

reading. It serves as a 'Who' of the captains of commerce and industry with quite a few legislators thrown in for good measure. Most of those who have taken loans are not really doing any business and as such do not seem to have any intention to return their loans they have obtained. The pattern is that of the Finance Minister of a South American country who when asked why he was requesting for \$100 million when he only needed \$10 million, said, "If I take \$10 million I am in trouble, if I take US\$ 100 million, whoever has loaned me this money is in trouble". Well, most of the public sector financial institutions are in deep trouble, no matter what figures they trot out in

entrepreneur or a bad dishonest staff that may contribute to the decline of business and loan default. Most salaried class obtain small loans because of various personal commitment but they are the best clients as far as loan repayments are concerned.

In such cases, understanding is necessary, including the need for re-structuring if possible. In worst-case scenarios, the collateral that the entrepreneur gives as guarantee against the risk, can be encashed. However, some unscrupulous characters make it a habit of acquiring loans but take their venture deliberately into bankruptcy. One must conclude that repayment was never an option as the collateral they gave can never be encashed. It would be interesting to make a survey of all those who have taken loans in the last two decades and made

gations, even trying to bring down the government in power in order to escape retribution. With the money they have acquired they are not averse to entering politics themselves to combine political clout with monetary strength within the corridors of power.

In order to stop this evil from proliferating, first the MQ caretaker government in Pakistan (1993) and now the Habibur Rahman caretaker government in Bangladesh (1996) have made loan defaults a disqualification for political candidacy. However, this is only a negative initiative, a positive move can only be made by making loan default equitable with drug smuggling. Anybody who owes more than Rs1 million (or near figure) and is in default must be prosecuted by Special Tribunals, his (or her) entire property confiscated and his (or her) running businesses or industrial enterprises handed over to a 'trust manager'.

What do loan defaults mean? It means that once money that would normally be recycled in the economy is taken out that others who could have put it for productive use, particularly at the lower end of the spectrum, are denied its use. As for the banks, they start to face a liquidity crunch which eats into their assets in a force-multiplied way as liabilities mount. When banks began to face shortage of funds, depositors began to get scared and turn to safer havens. As banks close their doors, the entire economy comes under the gun, first psychological then real.

One is likely to face economic apocalypse in the same manner of the famous Depression in the US of the late 20s or early 30s when millions faced unemployment because of a prolonged credit crash that destroyed businesses and financial institutions. We have to take loan default seriously, bringing it firmly into the ambit of accountability, otherwise we will be in far serious financial trouble than what we are presently in.

AS I SEE IT

Ikram Sehgal writes from Karachi

that removed the veil of how many of our rich and famous had become rich and famous, mainly by looting the banks!

However, the rich remain rich and escape retribution by exercising the potent factor of influence that have made them rich in the first place. Even a cursory glance at the list would have shown that default was not confined to dubious loans made on political basis but took place across a wide spectrum of business and industry, in particular the textile sector over the past two decades. The yellow cab scheme of the Mian Nawaz Sharif government went out of control into the hands of con men and scam artists, resulting in losses of billions. However the list of the defaulters makes interesting

their well presented Annual Reports to show off their efficiency and expertise.

One must separate genuine loan default from the scams. There are many business and industries that have come to grief due to various reasons but not because of lack of honest effort on the part of the entrepreneur. In a Third World environment such as Pakistan, commerce and industry are at the mercy of the changing rules and regulation of government. That these keep changing many times a year in some cases drives the entrepreneur into bankruptcy as he (or she) cannot make long-term commitments based on any long-term policies of the government. There may be many other reasons, natural and/or artificial, not the least being the inefficiency of the

the worst of all the offenders are those who deliberately set out to obtain major loans on false pretenses and misrepresentation with most collateral dubious or fraudulent. Some of these people have even opened private banks of their own on the strength of these loans. One gentleman presently in default to many banks (and being prosecuted presently) was in the forefront of trying to obtain permission for a private bank. Somehow, they always escape accountability by greasing the palms of whoever is in power. Having plenty of funds to go around, this is considered 'acceptable expenditures' for 'goodwill'. Such people tend to react badly to enquiries and investi-

To the Editor...

Comments from political parties

Sir, This is just to express my appreciation for the article 'People Demand Commitments from Political Parties' by Muslehuddin Ahmad published in your esteemed paper on April 21, 1996.

The article mentions briefly the harm done to different spheres of national life during the prolonged political stand-off and leaves to history the task of apportioning the blame for the same. It does, however, emphasise that the apex forum for discussing national issues is the parliament and thorough disapproves of the manner in which the dissolution of the Fifth Jatiya Sangad was forced.

The role of the bureaucrats in our system has been detailed in the most unambiguous terms which brings into bold relief where they erred during the agitational politics earlier this year. As a former top bureaucrat, the author indeed owed it both to his erstwhile colleagues and to the nation.

The right of the political parties to call strikes has not been denied but it has rightly been asserted that the exercise of this right should not infringe upon the right of the citizens to move freely and go about their respective vocations.

There may be no disagreement with the demand for commitment from the political parties that they will not resort to hartals or anything that

will destroy the economy of the country or stop the people from earning their livelihood. I hope the political leadership takes note of the views.

Muhammad Shams-ul-Haque Dhanmandi, R/A, Dhaka.

Meeting Power Need

Sir, This has reference to your editorial titled 'Meeting Power Need' published on 21st April 1996. The country is experiencing acute power shortage during hot summer. The PDB authority said that the situation would not improve soon as generation of power had decreased due to

short supply of gas and falling water level. If we open the pages of newspapers of 'this time' of last year we will find the same news. The WASA is also telling the same story it had told last year.

Almost all the sectors of industry blamed the political unrest as the main factor for their bad business. What about power at present — industries are keeping their wheels running for a limited time for want of power and thus are incurring loss.

and markets be closed after 8 pm. There shall not be any illumination in any public or private festivities. This certainly would save more power.

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Mad cow crisis

Sir, I was horrified to read Mr. Mahbul Haque Chowdhury's letter on 'Mad cows' in the 20th April '96 issue of your paper.

Turning to his other suggestions that the infected meats could be fed to dogs, lions, tigers etc, the writer must understand that in that event a dead lion, a mad tiger or a mad dog, mad lion, mad tiger etc.

He suggests that instead of killing the large number of cattle the British Government may send these disease-ridden animals for use in farmlands in the countries where cows are still used for ploughing the