

Unionism in NCBS

Our front page report on Sunday entitled "State-owned banks hostage to CBAs" was based on versions from both sides. Some highly placed sources in the nationalised commercial banks (NCBs) reeled off their litany of charges against trade unionism which has allegedly degenerated into running parallel administrations in the banks. With a vested interest in everything they are said to be exacting their pound of flesh from transfers, appointments, bank-lending and tenders for development. Some CBA leaders reacted sharply to these charges claiming that they were not regular features but only occasional occurrences, more like unfortunate aberrations.

Caught between sweeping chastisement and sugar-coated defence we are left with no other option than to make our own determination and the common sense clue that seems handy for the purpose is provided by the allegation-makers' expressed preference for anonymity — born of sheer fright of reprisals from the trade unionists. The disease apparently stems from the compelling co-existence between the tormented and the tormentor. Deeper down, however, it is something more than the potential harming power of aggressive trade union leaders which basically influences the course of employer — employee relationship. Just as the top-brass management sometimes may seek to drive a wedge into the trade unions to weaken them so also cliques in a management could hobnob with the union leaders for strengthening their relative positions. Resultantly, what we see is a pandering to trade union excesses in ironic contrast to chastisement of the same in the privacy of bank and secretariat chambers. That is as far as the tyranny goes under discussion without inviting any corrective action thereon.

The trade union leaders thrive on their linkages to major political parties which tend to support them regardless of the merit of their demands. The remedial process can be started by the political parties at the apex if they decide to take a position that in matters of administration and banking the managements would be allowed a free hand without intervention from any quarter whatsoever.

The government on its part is called upon to do everything in its power to ensure that management prerogatives are solely exercised by the managements themselves and that the CBAs confine themselves to the welfare agenda of the workers in the best tradition of trade unionism throughout the world.

An Indo-Pak Deal

India is to buy 3,000 megawatts of power from its neighbour Pakistan. This is an auspicious development in the wake of the recent meeting between prime ministers of India and Pakistan, Inder Kumar Gujral and Nawaz Sharif in Male.

We regard this as a major breakthrough in Indo-Pak relations which have been known more for their inimical nature than for good neighbourliness and friendly co-operation. This turn-around in their relations must be seen as an outcome of the cognisance taken of the emerging economic realities in the context of post-cold war market liberalisation now sweeping the globe.

We are happy to note that the two hostile neighbours are setting a new tone in their mutual relationship. This is amply reflected by the proposed energy deal because the area to which it relates is undoubtedly a strategically important one. So, when the two nations have decided to go for such co-operation in a vital sphere there are reasons to hope that the process of confidence-building in the South Asian region has received a big boost with so much more to come. After all, strained relations between the two giants of the region have had a negative impact on the regional forum South Asian Association for Regional Co-operation (SAARC).

We hope the two nations will ceaselessly endeavour to build on this new-found trust and make the most out of it. Their increasing friendliness is indispensable for the desired pace of growth in regional co-operation. That is exactly how South Asia can exploit the enormous potential it has for rapid and sustainable development.

Stroke of a Genius

The man who was a phenomenon in the performing art of drama in his lifetime also left a stroke of genius at death. His last wish was that his death should not be made public before the cremation of his body and that's exactly how it was done. Shambhu Mitra, the unrivalled personality of modern Bangla drama, had both the novelty and the vision to steer through the rough waters of Bangla theatre marked by overacting and crude physicality.

A creative man of his class does not finish his task merely by making his mark, he also creates taste and sets new standards both for his art and for the audience. Happily, people proceeded step by step to appreciate his craft and intellectual appeal. Indeed he and his equally gifted wife Tripti Mitra have taken Bangla drama to a new height. Rabindranath's serious dramas found a fitting match in the performing genius of the duo. Without their intellectual and artistic abilities dramas like Raktakarabi would not possibly come out with the verve and hidden message they have through the performances.

Shambhu Mitra is survived by his daughter Shaoli Mitra, herself a gifted performer of the art. Fortunately for us Shaoli has done credit to her by ably carrying on the intellectual and artistic legacy of her parents. On that count she got her father as a guide, friend and philosopher. Shambhu Mitra's mark is unmistakable in our modern drama.

So the man may have perished bodily but he will continue to live in his creations and the contributions he made for drama.

The South Asian Economic Community

The first thing that Bangladesh government should do is set up a research cell to study the potential gains and losses if it joined the community. Otherwise, all talks about the formation of the community and its future benefits will remain vague and wishful statements unsupported by hard facts and statistics.

THE ninth summit meeting of the heads of governments of the SAARC countries held in the capital of Maldives has ended last week with some bold statements. It called for, among other things, provision of microcredits to the poor families for poverty alleviation, control of child/women trafficking, and closer cooperation among the member-countries for speeding up economic growth of the entire region. What is most significant, however, is that it supported Bangladesh Prime Minister's proposal for taking steps towards establishing a South Asian Economic Community (SAEC) as a measure for boosting the region's rapid growth. Whether or not the formation of the SAEC is the right step to promote the region's fast growth has to be thrashed out.

However, although this idea was first put forward by the President of Sri Lanka in 1991 when a similar summit was held in Colombo, nothing much has happened since then. Now that the Bangladesh Prime Minister has pushed the idea further by suggesting some concrete steps to follow it up which the summit members approved, the subject has now become a matter of more than academic interests. If the idea has to be pursued further, every member-country will first try to assess whether or not it will gain economically by joining the proposed economic community. Therefore, the need for having some estimates of the net potential gains from joining the community has now become imperative for every member-country.

Although Prime Minister Sheikh Hasina has claimed that Bangladesh, or for that matter all the member-countries, will gain by joining the community, it is not based on any prior study of the subject. Since no one has done any formal research and analysis of the potential costs and benefits

of Bangladesh's participation in the SAEC, the first thing that Bangladesh government should do is set up a research cell to study the potential gains and losses if it joined the community. Otherwise, all talks about the formation of the community and its future benefits will remain vague and wishful statements unsupported by hard facts and statistics. However, at this stage of development of the idea, there are two issues that need to be addressed: Transition from SAPTA to SAFTA to SAEC, and people's mandate.

Transition from SAPTA to SAFTA to SAEC

The existing promotional measures that have been in effect among the SAARC countries are through preferential trade arrangements (SAPTA) given by each member-country, especially the richer ones to the poorer ones. These are voluntary but transitional measures purported to increase the volume of trade among the member-countries. It was envisaged that through the successful development of trading relations and accruals of gains from such trade to all members, the preferential arrangement (or SAPTA) will gradually evolve into a more advanced phase of free trade arrangement (or SAFTA). These are good intentions, no doubt. But what has happened over the last 10 years of trading, relations should be examined carefully before Bangladesh takes any further steps.

This writer has written a number of articles in this column over the last six months or so showing in quantitative terms the adverse effects of SAPTA on Bangladesh. Two points should be noted here. First of all, since 1985

Bangladesh's official trade with the SAARC countries, particularly with India, has shown that Bangladesh's exports to India have a declining trend while imports have a significantly increasing trend. This has been happening in spite of India's concessionary tariffs to Bangladesh on a larger number of trading items. The annual deficits in the official trade account to about \$500 million. Secondly, the picture of the cross-border trade or smuggling is similar. Bangladesh imports about \$1 billion worth of Indian goods but exports about \$500 million worth of Bangladesh and imported goods leaving a

flow of Indian goods into Bangladesh. This needs further research. But some important facts must be noted carefully. Since 1991, Bangladesh has undertaken major trade reforms. Its average unweighted tariff has come down from about 57 per cent in 1990-91 to about 22 per cent in 1995-96. At the same time, Bangladesh currency has been devalued in a step-wise fashion bringing it down from about Tk. 36 per US \$ in 1990-91 to about Tk 42 per US \$ in 1995-96. While the former measure increases competitiveness the latter gives protection to the domestic industries. The weight of these two measures must be

are in the form of quantitative controls, legal controls and domestic regulations in the hands of central government and various provincial and local bodies. Bangladesh business people seem to be finding these barriers much more difficult to overcome than the official customs duties.

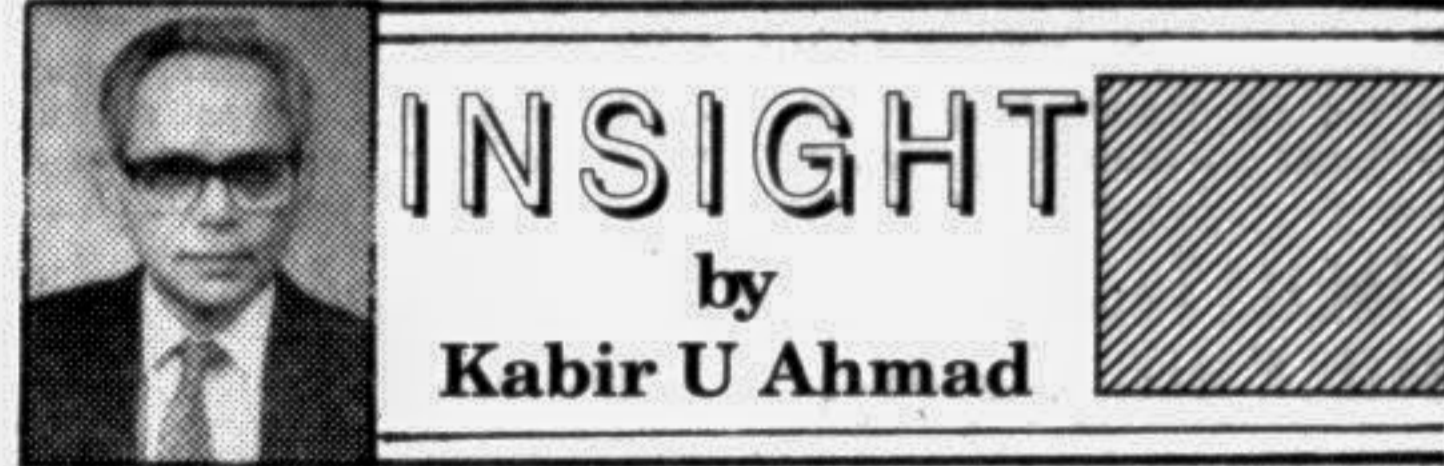
In view of these difficulties, this water has recommended in the past that Bangladesh would be well advised to maintain the present arrangement of preferential trading system but not proceed any further towards developing the free trading system (or SAFTA). Bangladesh should buy Indian raw materials and semi-manufactured inputs for further processing for export market in the outside world without hoping that it can find market in India. Like Singapore, it should aim at becoming the manufacturing powerhouse with the aim of selling in the outer world than in the SAARC countries. So far, this model has served Bangladesh well and it should be pursued further rather than bogged down in the intricate and long-drawn process of negotiation with the SAARC countries to remove their non-tariff barriers. Also one must remember that this is a slow-growing region with lesser demand for Bangladesh manufactured products. Bangladesh and the SAARC countries are competitive rather than complementary economies.

Finally, the question that must be answered is whether Bangladesh should spend so much time, effort and energy in trying to promote SAEC which is another step ahead of SAFTA? The answer seems to be in the negative. Since the transitional stage from SAPTA to SAFTA is riddled with all kinds of difficulties and ad-

verse trade effects, the prospects of gains from promoting SAEC looks remote. It would be irrational for Bangladesh to spend its scarce time, effort and resources in trying to develop a framework which may not yield any net gains to the country. On the contrary, it may be an obstacle to its future growth. Further, the fullest development or culmination of a regional economic community is the complete integration of customs, fiscal and monetary policies under a single currency which the European Common Market is now trying to achieve. Bangladesh had such an arrangement with Pakistan for twenty-four years which has ended in a disaster. Bangladesh political leaders, policy makers and opinion builders of all shades should think very hard on whether or not such uncertain goals are worth pursuing at all.

People's Mandate

None of the major parties had in their pre-election manifestoes given any idea of taking Bangladesh into a new trading framework of SAEC. Since this is a major commitment of the nation, a mandate from the people should be sought through a referendum. Such a major decision should not be imposed on the people from the top by any government whatsoever. Before such a referendum is held, the government has a responsibility of educating and enlightening the people through disseminating information about the benefits and costs of entering into such an arrangement. Britain conducted such debates and discussions at all professional and other levels and forums for over 10 years before she applied for membership of the European Common Market. Canada had a referendum on whether or not she should join the North American Free Trade Area (NAFTA). Bangladesh should do the same on such a vital national issue.



INSIGHT
by
Kabir U Ahmad

deficit of about another \$500 million every year.

With such adverse development of trade with India, the major player in the SAPTA, Bangladesh is a definite loser. This relationship cannot continue for long. The situation will be far worse if free trade arrangement (of SAFTA) comes into existence. Bangladesh will be flooded with Indian goods destroying all the potential industries at their nascent stage. Even now over the last five years or so, about 5000 industries have been closed down in Bangladesh. This figure was given by the present Chairman of FBCCI in a recently-held seminar of the World Bank in Dhaka. However, one has to be careful in imputing the entire blame for such closures to the

examined in determining the reasons for the closures of domestic industries.

However, one must also appreciate that India has some basic advantage like the availability of raw materials, domestically manufactured semi-industrial inputs, heavy machinery industries producing capital goods, highly developed human resource base and substantial amount of investible capital. The number of items it can produce is much larger and the quality of its products is much better. Bangladesh cannot offer so many high quality products to India for her imports.

What is most crucial in promoting trade with India is the non-tariff barriers that India maintains. These restrictions

Reforming Our Political System—Need of the Hour

by Sayed Eqbal Rezvi

It is time for realisation on either side of the divide to resolve their differences within the parameters of national politics. Bitterness and bickerings will only divide the nation.

THE political system in our country has to be fully and appropriately developed to reflect the hopes and aspirations of the teeming millions who are still prey to the machinations of vested quarters. It is painful to observe that the class character of the political parties has not changed. Even the June 12 parliamentary elections of 1996 conducted under a non-partisan, neutral caretaker government did not witness any big change. Politics in our country had become a money game and it still seems to be so. Political culture on the basis of democratic principles is yet to take firm roots.

In view of the objective situation, reforms in the political system is but imperative. Such a reform should enable eligible people, even if resourceless, to contest elections and serve the country according to their capabilities and prevent elected representatives to the legislature from shirking their onerous duties to the electorate. They should be halted from turning into turmoths as has

been observed in the past. It is regrettable that affluent persons are spending huge amounts on their elections — in most cases more than the prescribed amount — because of which many talented but resourceless persons cannot think of participating in elections. To bring an end to this obnoxious trend in politics arising out of the preponderance of money and muscle power, political reforms have become an urgent necessity.

Political stability is sine qua non for uninterrupted development in all spheres of national endeavours. Both the ruling and the opposition groups in parliament have to play their role, the electorate have given them. A pertinent question arises: are they really working in that direction? The answer, of course, is more in the negative. It has been observed most often that political lead-

ers recognised the importance of political stability when they were in power and once they were out of power they pursued policies detrimental to stability and peace. The seventh parliament inaugurated on July 14 last year witnessed noisy scenes, walk-out, mud-slinging and hurling of vituperatives on the sacred precinct of the law-making organ of the state. Is this democracy? Whither our democratic culture!

Politics demands sacrifice. To make politics meaningful, the presence of professionals in the legislature must be ensured along with representation from the peasants and the working class to make the House homogeneous. Politics, in a democratic culture, cannot be confined to a set class of social elite. And therefore political workers have to employ necessity in the changed national and global situations. This sort

of a composite parliament representing the broad segments of the society is the need of the hour. It is equally vital to establish the trust and faith of the poor in the present democratic dispensation. Nobody wants to listen to the reasons of the current political tussle but wants to see the solution of the lingering socio-economic problems.

The ruling and the major opposition parties in parliament have to analyse the current political situation and create a climate of reconciliation, a readiness to compromise and willingness to abandon the headline "take it or leave it" attitude which has embittered the relations between the government and the major opposition.

It is time for realisation on either side of the divide to resolve their differences within the parameters of national politics. Bitterness and bickerings will only divide the nation. Given the nature of the government-opposition relationship, efforts must be made by schol-

ars, thinkers and intellectuals to narrow the rift and bridge the gulf between the warring elements.

A developing country like ours can ill-afford to allow political confrontation to go unchecked. The secret of peace and progress of the nation lies in the spirit of accommodation, tolerance and a sense of overriding patriotism, which alone can sweep away the cobwebs of narrow and bigoted parochialism. But, unfortunately, political accommodation and flexibility seem to be unknown words in Bangladesh politics. Parliament is supposed to be a sovereign body. Are the political parties working in that direction? Actually what is very much lacking is democratic culture.

Political reforms cannot be initiated in isolation. A national debate must be held for soliciting suggestions of people from all walks of life. In this connection apart from parliament, every body should be

given an opportunity to ventilate his/her views. It would be much better if a broad consensus is reached on the issue of bringing in reforms in our outdated political system. Only then the path will be clear enabling a new era to emerge yielding place to a new vibrant political system. Political reforms, including electoral, should incorporate adherence to the new political ethics and imposition of electoral code of conduct.

The nation now stands divided into hostile camps. This should not be allowed to persist. A state of endless confrontation will bring disaster. The nation cannot afford this at all. Political expediency demands speedy political reforms to consolidate the democratic base providing opportunity to all, rich or poor, to equally participate in national elections. High sounding rhetoric on political stability, and the much hated culture of hartal, strike, walkout from parliament and turning parliament into a platform of public rally and clenching of fists without any genuine efforts to reform the political system, will be meaningless and amount only to deception.

To the Editor...

Bengal famine, war crime

Sir, The Bengal was extremely against British colonialism for many historic reasons. British colonial ruler tried to use various techniques to subjugate freedom aspiring forces. The Second World War brought golden opportunity for India to win freedom. Winning freedom was not without sacrifices. The world witnessed AUSCHWITZ of Nazi technique to annihilate Jewish, Polish, dissident German, French, Gypsies and others. World War resulted many crimes but war criminals did not go unpunished. Still worldwide search is going on to find them out and bring them to trial. "Eichmann in My Hands" by Peter Z. Malkin and Herry Steiv is a famous evidence.

Bengal was under famine at the end of Second World War. Famine was created for colonial cause. It killed many Bengalees. Is it not a war crime? Churchill undermined us for deserving self-rule. We should not forget misery of the famine inflicted on us by British raj at the end of Second World War. Is there any difference between British raj for killing Bengalees and Nazi for AUSCHWITZ? Writing of a man of Indian origin living in Canada published in a western magazine reminded me of Bengal famine that killed our ancestors.

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Punish the culprits

Sir, On April 30, 1997, it was reported that in 10 days 29 rapes have been committed. In another news, it has been reported that from in front of the parents a girl aged 10 was snatched and raped by a few monsters. Further, two or three days back of that date, another report said that a mother was tied with a tree and her two daughters were raped in front of her. These are simply horrible! When a rapist is caught, why is he not shot on the spot? Why, even after knowing that the girl was raped, she is sent for medical analysis? If and when it is over and the case is positive,

why the culprit is not shot in public keeping him standing on the road?

Our lawyers must not defend these culprits. When a delinquent person approaches the lawyer for defence of his case, the lawyer must chide him and say 'no' on his face. Then definitely the delinquent would not dare to commit another sin. If the lawyer takes up his case, then the lawyer should be punished. If these steps are taken, then definitely the rapists would stop and become good citizens.

Bengalees are brave and stalwart and can give a good account of themselves. But when one or two cases capital punishment would take place for raping, snatching, hijacking, stealing, dacoiting etc., then they will cease from doing any sort of such harms to anybody, man or woman, in the towns or in the village.

Can we expect that our government will take these steps to stop immediately these cases of harassment and that our people will have a sigh of relief?
Muhammed Eqbal
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State Minister's promise

Sir, The fourth session of the 7th Parliament has also been prorogued by the President but the State Minister for culture has done nothing so far to repeal the Abhinoy Niamtran Act. He promised the drama activists in July last (or was it August?) of his good intentions to move a bill to this effect in the second session of the present Parliament in response to the demands by the drama workers. Some of the so-called cultural activists went ga-ga as the minister made his promise. Where are the activists now? Has any one of them, who spoke very high of the minister and the government, come out with a reminder for the minister? No, because they think their position in the eye of the power will be jeopardised. After all, these were the people who spoke all kinds of things on the so-called Janatar Mancha act. This is the second reminder to the state minister. I hope, and like me many genuine drama workers of this country

hope, that the Act, will be repealed in the next session of the Parliament otherwise the state minister as well as this government will be considered as a breaker of promises.
Alamgir Rahman
Bashabo, Dhaka

Free electricity and water for mosques?

Sir, Former President Ershad has urged the government to exempt mosques from electricity and water charges, as reported in The Daily Star of April 26, 1997.

In this respect, let me point out that many people both literate and illiterate do not know how much water to use for ablution. They waste more water than they use. And electricity? The persons, who are employed in the mosques, randomly use the fans and keep the light on unnecessarily. So it will be a total waste if government allows water and electricity free for the mosques.

Mr Ershad is a wise man, do doubt. But he is also very astute. And that is why, by urging this exemption, he wants to be in the good book of the people. But people have known him by now. He has done many good things but his misdeeds have engulfed them in such a way that he does not now get due consideration. He must keep in mind that Rangpur is not Bangladesh.
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What's in a name?

Sir, When Gen. Nuruddin was sworn in as Minister in charge of energy and power, we were very elated for more than one reason. His very name triggered hope in our minds. But during his tenure people started to observe, to their dismay, that instead of giving enough light to the country he was giving more darkness. Some of us, however, still believe that he will ultimately live up to the significance of his name. Let us keep our fingers crossed for some more time to watch who proves right — the cynics or the Minister.
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Leadership Needed to Fight Corruption

by Alan P Larson

AN executive of a large European telecommunications firm visits the public works minister in a bustling, emerging market. He closes a deal that wins his company a billion dollar contract. Normally, this would amount to a win-win story in our globalizing economy, but in this case there is a problem. He paid a bribe. In the short run, this illicit payment improved his company's balance sheets and added to the minister's personal wealth. But it denied the developing country access to the most efficient bidder, diverted funds that could have been better spent on economic and social development, and corrupted fragile democratic institutions.

It also corrupted the executive, his company, and the government of his home country. The executive and his company committed an illegal act in the country of the foreign official, since every country prohibits the bribing of its own officials. Bribery fosters a climate of corruption that corrodes corporate accountability. If bribery and corruption are condoned or endorsed in some markets, it is then more likely to take place in others, as well. Moreover, if the executive came from France or Germany, he made his government an accomplice in this illegal activity; both countries, and several others in the Organization for Economic Cooperation and Development (OECD), continue to allow tax deductions for bribe payments, effectively subsidizing corruption. One might think that this scenario is rarely played out, but it is an all too common practice in international business. Every international business leader knows it is a major problem. So far, only a handful of countries have made transnational illicit payments a crime. Developing and transition economies want the help of major exporting nations to take effective action in ending these illicit practices. A year ago all of the members of the Organization

of American States joined together to conclude the Inter American Convention Against Corruption. This Convention creates an obligation for signatories to criminalize transnational bribery of public officials; makes transnational bribery an extraditable offense; provides mutual legal assistance in investigations of corruption; and calls for the seizure and forfeiture of illicit gains.

At the United Nations, developing and transition economies joined with the United States in the General Assembly last December to pass the Declaration on Corruption and Bribery in Transnational Business Transactions. This political resolution declares that it is no longer business as usual for bribery and calls for concerted international action to fight it.

In the United States, the Foreign Corrupt Practices Act and related anti-bribery statutes have led to the prosecution of dozens of US corporations, resulting in substantial fines and jail sentences. We have often depended on the assistance of other governments to give us the information we need to indict US companies which we suspect of bribery. Such deterrence becomes a dominant factor in corporate behavior and raises standards. We believe that similar legislation should be in place in the countries where international commercial bribery is practiced. It is essential that the world's economic leaders — like the US and our partners in the OECD — commit themselves to demonstrate leadership on this issue.

Very soon, the European Union will conclude an agreement which will criminalize bribery within the EU. Business leaders from one EU country could then be prosecuted for bribing public officials of another EU member country. This will be a small step forward, but it perpetuates an unjustifiable

double standard: the same EU business leaders will continue to be immune from prosecution — and may even receive a tax deduction — when they bribe a non-European official!

In May, Ministers from OECD countries will have an opportunity to commit to enact national legislation to criminalize foreign commercial bribery and end the tax deductibility of such bribes. We are near agreement on a common standard to guide national criminalization legislation and on a detailed and effective monitoring mechanism to ensure real implementation and enforcement.

The vast majority of OECD's 29 members favor an OECD commitment now to early national legislation to criminalize foreign commercial bribery. A few countries are blocking consensus by insisting first on the negotiation of a binding international convention. We view this as unnecessary and, at worst, a stalling tactic. We will work in the weeks ahead, along with our allies in this effort, to convince all OECD members to support a commitment at the May 26-28 OECD Ministerial for the rapid, effective and coordinated criminalization of bribery.

Each nation has a responsibility to combat commercial bribery. The time has come for such concerted action through national legislation. Failure to act will undermine democracy in the developing world. It will also dangerously erode our own institutions and values. Corruption after all is a dangerous two-way street. To be sure, overseas bribery by OECD-member companies corrupts those "other" officials and institutions. But it is equally true that our own businesses and institutions are corrupted when we tolerate — even subsidize — the practice. As the American poet Carl Sandburg put it, "handing honey, tar and dung/some of it sticks to the fingers."

The writer is US Assistant Secretary of State for Economic and Business Affairs.