

Privatisation

Divestiture of state sector industries has been disappointingly slow largely because we regarded it as a global policy imperative of some trans-border vagueness rather than as a purely domestic priority agenda with a very high stake involved.

Privatisation cannot brook any delay for the simple reason that germane to the heavy subsidisation of the SOEs have been all the major ills of the national economy: deficit financing and bank borrowing by the government, crippling liquidity shortage in the NCBs, perpetuation of a default culture, and a licence for industrial inefficiency across the board — well into the private sector preserves.

While the top government or corporation functionaries know all of this like the thumb of their hand they have nonetheless drawn a flak for not being up and doing enough in matters of disinvestment or things in general pertaining to the private sector. This is somewhat baffling and smacks of hanging on to patients even after failing to treat them. Hence one of the thrust areas should be to ensure that the political government's seriousness has been duly partaken of by the line ministries. Simultaneously, we would like to see our diplomatic missions abroad do the job of salesmen for our divestiture scheme.

Public sector workers' resistance to privatisation has been a formidable impediment to the progress of the process. We welcome the assurances given by the Privatisation Board Chairman Kazi Zafarullah that: (a) they needn't be afraid of losing their jobs; and (b) the Privatisation Board is going to include labour front leaders, apart from professional groups, MPs and members of the business community for a broader-based effort. Needless to say, participation of couple of opposition MPs in the board's activity will build bipartisanship into its functioning. There should be committed takers amongst the local entrepreneurs in view of their grasp of the economy which has been badly impaired by the losing SOEs to their detriment.

We need an appropriate financial sector legal framework as a booster dose to privatisation. The valuation of industries ought to be realistic, transparent and acceptable to the buyers in accord with the international standards.

Secretariat Brawl

Situation in the Bangladesh Secretariat looks tensed up following rivalry between two factions of employees on the question of legitimacy of the present Secretariat Employees Association. The deferment of the Pay Commission's report is also at issue. The problem brewed up when Syed Mohiuddin, who was the immediate ex-president of the association, on being promoted to the next higher echelon, second grade official level, that is — moved with a plan to form a new association with the promoted officers. Jafar Ahmed, the incumbent president, was also among those promoted. Now the controversy is if he can still hold the office of the president of the Class III employees' association. Jafar Ahmed has serious objections to his rival forming a new employees' body and brings a charge against him for conceding to a deferment of Pay Commission's report by six months. This has, however, been denied by Syed Mohiuddin.

What is interesting is that both parties have denied that the conflict has had anything to do with political rivalry. Let us hope so. But then we must ask why should the situation be so contentious as to lead to a physical confrontation where riot police had to intervene and separate the aggressive parties. When commotion and confrontation to go on at this level in the country's premier bureaucratic office for days, it gives the impression of an unconditional administrative laxity. Employees have the right to assembly or protest or hold rallies. But how can they escape their respective duties and go about their militant activities during office hours? Are they not slowing down secretariat work, if not bringing it to a grinding halt?

Any dispute can be resolved through discussion across the table. The country's laws are enough to decide the position of one who no longer belongs to the rank of class III employees. It is a point of law or of rules as to whether promoted officers have a right to form a new association. Why come to blows and let the prestigious office down? We must not believe you are importing and introducing terrorism in that August office too. Please, be sensible and resolve the issue immediately through negotiations.

Student Smokers

We knew that smoking was on the rise in the country. But we were hardly aware that the prevalence of the habit could be so problematic among the young generation — particularly those pursuing studies in schools and colleges. A Consumer Association of Bangladesh (CAB) survey reveals that more than 50 per cent of students of the city's educational institutions studying in classes between VIII and XII have already acquired the bad habit. One of the notable aspects is that an overwhelming majority of the student smokers — 70 per cent that is — have got the habit from friends and just 13 per cent were inspired by cigarette companies' ads.

So, here is an alarming trend among the young learners. They are, let us assume, preparing themselves as worthy followers of their elders. How? Because when smoking is on the decline in most tobacco-consuming nations, people are becoming increasingly addicted to it in Bangladesh. In their civil suits against tobacco companies, recent court verdicts in favour of the plaintiffs have encouraged anti-tobacco campaigners in countries like America to press on. We in this part of the world have had no such deterring influences.

The educational institutions surveyed include a few reserved specially for girls. Findings there have not been brought under a separate head. Perhaps the prevalence of the habit among girl students would have given a new insight. Whatever it is, there is no doubt that the habit is acquired less consciously than it should have been. Can we launch a campaign for making students well aware of the menace, so that they can, despite the freedom of choice, take responsible decisions?

America's China Policy: Strategic Issues

by Brig (Retd) M Abdul Hafiz

It is a truism that the United States in the late 1990s is more secure externally than it has been since the close of the Second World War. The obvious threat of Soviet military might, both conventional and nuclear, has been, by and large, neutralized. Yet the United States has to accord priority to neutralizing one remaining threat to its national security — a direct strategic nuclear attack.

THE gradual rise of China to a great power status is primarily symbolized by its continued economic success with a steady double digit growth rate. Since 1978 when Deng Ziao Ping loosened the monolithic structures of Mao era and made PRC attractive for investors and reformers the per capita GDP of China has grown more than one fifth of world's population roughly quadrupled. It's foreign trade grew more than 16 per cent per year from 1978 to 1994 with exports exceeding imports during most of these years. While China's steep trajectory of economic progress is still rising, China has, of late, been in the news for host of other reasons. Prominent among them are China's commitment to build-up augmenting its defence budget while most other countries have been cutting back in the wake of the demise of cold war. If China's recent growth rate continues it will become the world's second largest economy soon after the turn of the century and even if she does not increase further her defence budget as a percentage of its GDP — currently about 4 to 5 per cent — the sheer magnitude of its growing GNP ensure that China would have impressive military capabilities.

China had already been a nuclear power with PLA, the world's largest Army which not only continues to remain vocal in internal politics, its aggressive posture can be seen from China's assertive military actions with regard to Taiwan and South China Sea. While China's growing military power and inflexible positions on regional issues cause anxiety for the neighbours, some of the Chinese moves have indeed thrown challenges of global proportion which only the United States can think of tackling. They include prickly issues like China's own nuclear test defying the test ban treaty, her alleged supply of M-11 missile to Pakistan and nuclear technology to Iran, failure to abide by human rights standard set by the west, muscleflexing in the Spratly Islands and last year's missile brandishing across Taiwan straits.

The rise of a great power has always been turbulent in the past often experiencing war for it obviously challenges the status quo in power relations. It is not surprising that a new China poised to attain its greatness is trying to find its new place in the global order and would cause tremor in the existing arrangements of international system. The dislocation, if any, affects none more than the United States, the world's only superpower having deep and diverse range of power resources across all key dimensions of power including the military, economic and soft power — appeal of cultural, ideological and institutional factors.

As back as in 1917 and 1941 the US learnt in a hard way that she was too large and globally integrated to isolate herself from any development of global consequence. In today's context it is wellnigh impossibility. The sumtotal of these considerations highlight the importance of China in US foreign policy plans for Asia-Pacific. The assessments by regional experts are mixed on whether China will be aggressive outside her own backyard. In the face of this uncertainty it would be unwise, according to American Sinologists, to push China into a corner through a preemptive containment strategy. Such a strategy, they think, would be difficult to reverse, whereas if the US begins with a strategy of engagement it can always fall back to containment if China's attitude makes it necessary. The US policy makers have already been trying to adjust to the growth of Chinese power and establish new cooperative relationship with it. However, in doing so the US was to take into consideration the whole gamut of Sino-American bilateral relationship-political, trade, cultural with, of course, strategic issues overarching all other aspects of it.

It is a truism that the United States in the late 1990s is more secure externally than it has been since the close of the Second World War. The obvious threat of Soviet military might, both conventional and nuclear, has been, by and large, neutralized. It is unlikely for the foreseeable future that the Americans would face a direct military threat from any quarter. Yet the United States has to accord priority to neutralizing one remaining threat to its national security — a direct strategic nuclear attack. This precisely brings one to the threats likely to emanate from China, one of the two nuclear powers outside Transatlantic community. The community shares values, interests and goals with little possibility of its members clashing with each other. Russia's nuclear forces have declined considerably. Moreover, the US considers her to be manageable. It leaves

China alone in the list. Indeed a hostile China can have enough nuisance value for the west.

Although China has limited inventory of full range US-4 land-based intercontinental ballistic missile and ballistic missile submarine, they give her capability to strike continental America. The ongoing nuclear modernization programme of PLA is also designed to retaliate against Russian or US nuclear attack. So the US has a high stake in improving relations with China with a view to controlling the latter's nuclear regime. The United States' long term interest in reducing its strategic vulnerability also influences thinking about horizontal nuclear proliferation and spread of missile technology. Even here comes the centrality of China as a nation with great potential either for working with the US to control nuclear proliferation or undermining the nuclear control regime.

The United States has a vital national interest in helping to convince China to play a cooperative and constructive role both in the region and in the international arena. Yet the American policy towards China seems to have been ad hoc reactive and driven by short-term considerations. A measure of US ambivalence and dichotomy is specially clear with regard to the issue of Taiwan. According to PRC government, Taiwan remains a part of China and its future must be resolved by China alone. But in US perspective the issue is not that simple. Although the US still adheres to the 'one China principle' as stipulated in 1977 Shanghai communiqué the successive US governments also maintained distinct and enduring set of interests regarding Taiwan.

The strategically situated Taiwan strait is a gateway into both north-east and south-east and its potential base for future US military operations in a regional or global crisis. Particularly after its exit from the Philippines, the United States opposed any use of force by China to re-acquire Taiwan. In fact the Taiwan Relation Act 1979 actually goes further by committing the US to resist any force or other forms of coercion which would jeopardise the security or social and economic system of the Taiwanese. The US commitments seem to have been increased in the recent years as the Taiwanese have begun to assert their right of self-determination most visibly in the wake of recent presidential

election in the island. Because Beijing sees the election as a conscious move by Taiwan towards a political status independent of the mainland.

The US dichotomy was obvious when Taiwanese president Lee Tang-Hui was granted an American visa to visit his US alma mater and afforded an audience with the members of the Congress. China responded to Lee's visit as well as election in Taiwan by intensifying P-4 military exercises off the Zhejiang coast and warning that fresh blood and lives would be the price of any Taiwanese attempt to block reunification with Chinese mainland. The strategic considerations remained high as the US posted aircraft carriers off the strait to monitor the developments thus risking the chance of a disastrous war.

America's collective memory of the Vietnam war and the declining US military presence in the western Pacific all but rules out direct US involvement in another conflict in the region unless her interest is seriously threatened. Yet the geostrategic importance of the South China Sea situated in the critical maritime corridors between the Straits of Malacca and north-east Asia is indeed understandable. If a hostile power gains control over the area it would be able to interdict much of Japan's imported oil and disrupt US and allied naval and maritime operation in the region. This explains why the US and her allies are concerned about the ongoing dispute over the Spratly Islands in the South China Sea and PRC's growing strength in the area.

According to China experts, the PRC's interests in the South China Sea are rooted in a determination to consolidate its national domain and to secure economic and other advantages. All or part of Spratly Islands in the South China Sea are claimed by six regional states including China. The Chinese leadership contends that the United States has nothing to do with the Spratly Islands dispute and should not interfere. The US nonetheless has a strong interest in preserving stability and unrestricted access to the South China Sea. This can be achieved, only through US contribution to regional efforts to oppose Chinese hegemony over the region. The overall strategic considerations with regard to China make the US face a dilemma of striking an extremely delicate balance in her policy posture.

Reflections on the Tiger Economy

by A Husnain

There are three basic arenas to watch in a tiger economy: the pre-tiger stage of levelling the infrastructural weaknesses, and preparing for the take-off stage; the consolidation of the tiger stage; followed by the development phases to maintain the tiger upsurge or the levelling at the top.

THE use of the economic term 'Asian Tiger' is now familiar, and in Bangladesh the fond expression is being dropped around with crude immodesty. Latest press reports are not all charitable with the state of the tiger economy in South Korea and Thailand. The latter is facing severe image problems in the banking, financial and housing sectors. The investors, local and otherwise, are looking for places outside for reinvestment. S. Korea's macro graft hidden peaks are surfacing, with embarrassing outcomes internally and abroad. There appears to be less resistance to moves about the coming closer of South and North Korea. Has Uncle Sam decided to ditch South Korea? Thailand appears to have been burnt out. The Philippines is still struggling with her scattered infrastructures. Singapore is saturated; hence eyeing abroad for investment. In Malaysia, the going is still good, but Mahathir has cautioned the banking community not to act as mere money-lenders, but go ahead and take some risks.

There are three basic arenas to watch in a tiger economy: the pre-tiger stage of levelling the infrastructural weaknesses, and preparing for the take-off stage; the consolidation of the tiger stage; followed by the development phases to maintain the tiger upsurge or the levelling at the top. The slide starts within a decade of the top cap, accelerates, and the burning out starts. The superpowers look for another site, another cub. Hello, Bangladesh!

Bangladesh was coming up nicely, but the democratic general elections intervened, and the spell was broken — temporarily, let us hope. The convalescent and cleansing phase is now on, bringing worry and embarrassment, fluctuations and mud-slinging. External affairs is as disillusionary as the internal affairs of the state. A country divided is engaged in a virtual fight for unity and consensus. The civil service is split, and that means the pillar. The labour unions have been politicized, and today enjoy too much power for misuse. Group-hoarding threatens to become a cult. Almost any sector can be brought to a temporary stop, by unauthorised vested groups

backed by invisible godfathers (or godmothers?); or, so it seems, in the absence firm implementation of policy decisions. Lip-service has become more transparent (if that is the word to be used). There is disillusionment all around.

The fiscal and banking sectors are sick; although less sick than the macro defaulters of business loans. The signing of the GATT papers opened our entry doors, but the exit door to export markets are jammed, far or near. The power crisis will linger for years. The new tele-phones are there, but how many can dish out Taka 10,000 to 18,000 on the mood of the moment. Are we ready to take off as a tiger cub? No. Now, Mother Nature has come in uninvited, with greetings at a speed of 200km/h.

Natural calamities expose the stability and weaknesses in the infrastructure of a nation. The recent overblown cyclone revealed that our cyclone preparedness exercises are bearing fruit; otherwise the damages and the casualties would have been on a much larger scale.

In the communications sector, one lesson has been driven in time and again: we must go wireless, short and long-haul. It is cheaper to install and maintain, and a large part of it is invisible to cyclones, as the physical structure is less. The other lesson is that the low power mobile solar systems have to be installed on a large scale in the interior and coastal areas for the SOS and business activities. A recent survey revealed that development of the surface transport system (roads, feeder roads, bridges, culverts, riverine haulage), have increased mobility and business, and reduced prices of commodities by about one third.

Is our civil service ready for the take-off of the tiger, with millions of tons of files and paperwork? The administrative loadshedding of the SOEs (state-owned enterprises) is a ticklish political problem, with a strong Opposition watching with binoculars. The JS has a Bohemian outlook, disdained by the economic tigers. Most of us believe Bangladesh can take off as the next economic tiger of Asia, but few can precisely predict when the time will come during this century. There is a lot of homework in hand.

Zealots May be Barred from Dialling M for Murder

Feuding between Muslim extremists has been growing in Pakistan. Following the death of a senior policeman, the authorities have vowed to get tough with the sects — and with foreign elements believed to be encouraging them. Yousaf Rafiq writes from Islamabad.

PAKISTANI police battling an upsurge in religious violence have called for a ban on the use of cellular phones in Punjab province — the region worst hit by sectarian clashes.

Terrorist activities are often coordinated by mobile phones. Officers claim a recently-lifted two-year ban in Karachi helped curb factional fighting there.

While the government considers whether to introduce a new clampdown, it has decided to pass regulations to control the use and spread of loud-speakers by Muslim clerics. Police already take notes of some sermons given during prayers.

The authorities are anxious to curb fighting between sects of the majority Sunni and minority Shia Muslims, which has led to more than 80 deaths in the first four months of 1997.

Previous governments have shied away from a showdown with sectarian militants because of their potential for pulling large numbers of demonstrators onto the streets. But matters came to a head with

the recent killing of a senior police superintendent, Chaudhry Ashraf Marath.

The murder was allegedly carried out by activists of Lashkar-e-Jhangvi Pakistan, a Sunni organisation, in retaliation for the arrest of three of their members on suspicion of the killing of a senior Iranian envoy in Multan in February.

The involvement of a foreigner in the mutual terrorism is no coincidence. Shia and Sunni extremist groups are believed to receive financial backing from elements in predominantly Shia Iran and in mainly Sunni Saudi Arabia.

Many people also accuse a third country — India — of involvement in stirring up violence, while the Iranian Speaker, Ali Akbar Nateq Nuri, pointed a finger at a fourth when he accused the United States of being behind the at-

tack on its cultural centre in Multan.

Pakistan's President Farooq Leghari has accused the Indian intelligence agency RAW of fomenting discord.

"Such elements want to cause Pakistan's disintegration by creating lawlessness and uncertainty," he said.

"I think the RAW and other anti-Pakistan forces want to fulfil their nefarious designs by organising terrorists in the name of religion."

He told Interior Minister Chaudhry Shujaat Hussain that there was no point in tightening the laws — what was needed was a tough clean-up operation.

A mid-May cabinet meeting decided "to take strong measures against foreign diplomats who are backing — politically or financially — organisations involved in promoting sectarian violence and terror in the

country."

Prime Minister Nawaz Sharif emphasised that foreign powers would not be allowed to light a war on Pakistani soil "and legal action will be taken against people involved in such activities."

The government is setting up provincial intelligence coordination committees. These will aim to work with the security agencies in pinpointing and prosecuting sectarian activists (and members of crime syndicates), identifying their sources of funding and weapons and discovering their training camps.

In addition, the authorities want to open a dialogue with sect leaders with the object of resolving their differences.

Scores of sectarian groups are at work, but the most feared are Sipahi-I-Mohammad (SMP, a Shia organisation) and

Sipah-I-Sahaba (SSP, Sunni).

Arshad Ali Shah, president of the supreme council of the SMP, says: "We created the Sipahi-I-Mohammad to protect our community against the SSP killers."

The sects are dreaded because of their blind faith and extremism, which can drive them to commit acts of lethal violence.

The government has also said it would like to see the media help to eliminate ill-will between factions. But it will not be easy: a proposed television programme on sectarianism had to be cancelled when representatives of the SSP and of another group, Terik-e-Jafria Pakistan, refused to take part together.

In North West Frontier Province, the authorities have brokered an accord between Sunni and Shia organisations,

which sets out heavy penalties for breaches of the peace and the use of heavy weapons.

"Blood money" compensation for deaths has been raised from 50,000 to 100,000 rupees, and the fine for a breach of security on a main road has been increased to Rs 500,000. A Rs 300,000 penalty can be imposed for the use of heavy weapons in the province. An individual aggressor in a conflict can be fined Rs 1 million, while a guilty community can be forced to pay Rs 7 million.

Foreign donations for sectarian activities are banned. Processions will be allowed only for a limited number of agreed religious functions. The fine for defaulting will be Rs 100,000.

The rise of sectarian violence has accompanied a decline in the parliamentary representation of religious parties. In 1970, they comprised about a third of the national assembly; today they have only two out of the 217 seats. — GEMINI NEWS

YOUSAF RAFIQ is a reporter for Pakistan's 'Financial Post'.

To the Editor...

Can BTV tell?

Sir, The opening title of the Bangladesh Television contains video clips of various subjects, all of which, I presume, reflect the traditional, cultural and natural heritage of Bangladesh. Believe it or not, I saw the title for the first time a couple of days ago and was astonished to see the clipping of a large bird wading in an inundated paddy field. The bird in question is a Painted Stork (ranga bok), scientifically known as mycteria leucoccephala.

The Painted Stork has almost completely disappeared and there are no recent, authentic sighting records from the country. The video clipping shown on the BTV is an authentic document, provided it is taken from any place in Bangladesh. Would the BTV authorities kindly inform when and where this bird was photographed? The information is very much desirable and important as it will help me, the bird watchers and the scientific community to update the list of avifauna in Bangladesh.

S M A Rashid, 70 Kakrail, Dhaka-1000

Transit debate

Sir, Nowadays public debate on transit is being started upon in the daily newspapers. Some people are against and some are

for granting transit to India. A few days back, Professor Wahiduddin Mahmud expressed his opinion on transit in The Daily Star.

Professor Wahiduddin has suggested application of economic and political science's 'public choice' theory for debate on transit. 'Public choice' theory lies in the area of welfare economics. The area of welfare economics is related with the ways in which society can and should make decisions. For economic development it is important and there should be an appropriate level of provision for public goods. Near about 600 crore Taka is expected to come from the traffic as transit fee.

Professor Mahmud indicated 600 crore Taka as public goods. But the question arises: how the common people are benefited from that huge amount of money? Unless the way of investment is clearly mentioned, the collection from transit fee cannot be termed as public goods.

And from this point of view, 'public choice' theory is not applicable to the transit issue.

Asif Showkat (Kailoi) 42/B, Hakhola Road Dhaka-1203

Transfer provision of employees

Sir, I have gone through the incidence took place in SSMC.

How horrible! An employee dares teasing a female student. In fact, majority of the employees establish a long chain of dirty games in the name of association. In reply to a fervently asking question one higher official at the Health Directorate comments: "Transfer provision of employees is a unanimous demand from all sectors."

My fervent prayer to all ministries concerned is to adopt such provision in a priority basis.

Dr Md M R Khan MO (FW) Saitanpur FWC Zaktiganj, Sylhet

Save Rajshahi College

Sir, Rajshahi college was established in 1873 AD by the British in this neglected region and was mostly well-known like London's Oxford College.

There are now Degree Pass Courses, 22 subjects of Honours and Masters degree courses and about 15,000 students are studying at this college.

This famous century-old college is now facing manifold problems such as shortage of teachers, non-gazetted staff, classrooms, furniture, buildings, library facilities and others, although this college has now become a university college.

Most of the students are attending classes by standing in the classrooms.

It is also very difficult to do the official works due to the shortage of the non-gazetted staff despite the present large number of students and need for heavy official purposes.

Several posts of gazetted staff like Accounts Officer, Administrative Officer, Sectional Officers and others should be created and more non-gazetted staffs should be increased and appointed. It never had any banking system since its inception. A banking system like others university colleges should be introduced to perform the financial purposes smoothly.

New subjects like Computer Science, Finance, Public Administration, Geology, Business Administration and others should be introduced for Honours and Master degree courses.

The seat numbers of Honours and Master degree courses should be increased to double for getting the scope of higher studies. Huge quantity of science apparatus should be supplied for learning the practical classes properly.

The college library has been running without a trained full-fledged Librarian for about a decade. There has been a few books of honours and master degree courses with a few staff at the library.

More buses for the students should be given, as there is only one bus for the students.

There has been no medical doctor and free medicine distribution for the treatment of the students since Bangladesh came into being.

More hostels of both boys and girls should be constructed soon to solve the acute crisis of hostel accommodation.

There is no good college canteen.

Brilliant career-teachers should be appointed as most of the teachers have been since more than one decade at this famous college.

Md Ibrahim Hossain Rajshahi

Friday as holiday

Sir, We have gone through the letters published in these columns from time to time on the above subject. On the pretext of delay in financial adjustment, to suggest to open Friday as working day is considered by us (Muslims) as an attack on our culture, based on religion. The following facts will justify our stand.

Local agents of the anti-Islamic section, perhaps at the direction of their foreign masters, raise the question of delay in monetary adjustment as Friday remains here as closed holiday. It appears from their attitude as if all monetary transactions await adjustment only on Friday, although the

fact is that is an everyday business.

Saturday and Sunday are observed as full holidays on religious grounds in the USA and Sunday in Europe. These holidays do not adversely affect in any way their financial adjustment. Only Friday as holiday in Bangladesh holds up their adjustments. Is it?

When it is 10am in Bangladesh, it is more or less 10pm or so in the entire USA and in Europe it is 4pm. Will there be any one available in the US and Europe to carry out the financial activity if we work on Friday at normal working hours?

A huge number of technical experts and many others from USA and Europe are working in the Middle East where Friday is the weekend holiday. They do not bother for financial adjustments.

We strongly adhere to our religion. Taking advantage of our financial weakness, the anti-Islamic people dare step in on our religious and cultural activities. Friday congregational prayer is the greatest prayer of the week. It is ordained by Allah to attend it compulsorily. Working on Friday stands on the way of our attending congregation in time. So Friday should be a closed holiday.

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