

Unaltered Poverty Scene

Something must be wrong with our poverty alleviation programmes. Otherwise why the overall poverty situation has remained unchanged? The latest survey conducted by the government's Bureau of Statistics reveals that the hiatus in the economic status between the rich and the poor has increased greatly. Based on the CBN or the Cost of Basic Needs method, the survey has found out that the monthly average income of five per cent of the richest members of the society has jumped to Taka 20,615 in 1995-96 from 12,545 in 1991-92 recording a rise of 8,070 in the monthly mean income. Whereas the monthly mean income of five per cent of the poorest in the society has risen in the same time-frame from Taka 687 to Taka 774. The increase is a ridiculously paltry Taka 87.

Findings in other areas confirm this pattern. The monthly income per head in the village which stood at Taka 581 in 1991-92 made little progress in 1995-96 to show a figure of Taka 697 while the same index for a townsman travelled from Taka 905 to Taka 1504.

The only positive aspect, if any at all, is the reduction in the number of obolary population. The percentage of the poorest (reckoned on the basis of the daily calorie intake which is less than 1600) in the rural areas has gone down. From 18.3 per cent in 1991-92 it has decreased to 14 per cent. Thanks to the advent of micro-credit and the spurt it gave to the concept of self-employment in the village. However, there has been no change in the number of urban poorest with the figure standing static at 18 per cent after the quadrennial survey. The picture is same in the case of those of the poor whose calorie intake is more than 1600 but less than 1805. There also the rural population appears to be better off than their urban counterparts. The percentage of extreme in the villages has gone down from 28.3 to 24.6. But the same measure for the people bracketed in the same category in urban areas has gone up from 26.3 to 27.3 per cent.

The message is clear: urban poverty is on the rise. This explains why the number of people living below the poverty line has not recorded any decrease. From 1991-92 to 95-96 it stood still at 47 per cent. What little progress has been made in rural areas is nullified by the plummeting poverty index in town. This is a bad sign for a developing nation like us. Progress can be tardy but it cannot come to a grinding halt. This shows we need to refocus our development thrust. Would our policymakers and politicians read the writing on the wall?

How Far Shibir Can Go

The Chittagong University campus is in Fatehabad, about 25 kilometres from the city. Students travel there by the Nazirhat shuttle or by bus. Shibir, that SS type wing of the Jamaat, shocked the entire nation by removing the fishplates from the railway tracks of that shuttle. But that failed to stop the train. So on Saturday night they pumped barrels of bullets into the train waiting at Sholashahar to depart for CU campus. Each compartment of the train was then boarded and at least 10 officers and employees of CU were physically assaulted. Earlier in the day they had burnt a university bus in the city and four employees were hurt there in the Nandankanon area.

All this pales before the bomb attack in the evening on the CU Vice-Chancellor's residence in the city with the VC inside it. The viciousness of the present spell of violence has hit an all-time high even for the Shibir, which has been notorious for horrible acts of cruelty over all of its existence.

The immediate cause of the Shibir rampage is their forced retreat from the CU campus under pressure from BCL which got into a fray with the former on April 26 over a trifle. This was unacceptable to Shibir who held sway over the campus for more than a decade.

Both BCL and JCD are no match for Shibir. That has been proved time and again in the Rajshahi campus as well as in CU. For too many years RU and CU have lived in the shadow of unremitting Shibir terror. RU has lately come out of it very successfully and is currently enjoying a rare and welcome spell of academic life as it should be. CU must follow the example, as far as possible.

Why cannot Shibir be disciplined? How long will campus murderers and assorted criminals remain immune to laws of the land? Why should the CU authorities sit again with the Shibir? The answer is simple but the solution difficult and distant. The BCL also has its armed cadres, as criminally prone as the goons in the opposite phalanges. With them active and difficult to rein in, the government can hardly be harsh on those other criminal cadres. This is true in spite of the recent bold stands taken by the Prime Minister on campus terrorism. She is wrong to think unilateral liquidation of student cadres will not help. It will, because that will empower the government, both morally and legally, to effectively eliminate student terrorism. Through sheer force, if necessary. The nation will cheer her for that and remember the good work for years.

Thought Provoking

What material difference press freedom can make to economic management has been poignantly revealed in a worldwide survey carried out by Freedom House based in Washington. Leonard Sussman, the author of the report, has reached a conclusion that news media restrictions contributed to the recent Asian financial crisis.

It had a telling effect on economic management in several East and Southeast Asian countries. On one level 'pervasive and institutionalised press controls' bred corruption, cronyism and bad economic policies and on another level the people in those countries remained in the dark about a developing crisis and were caught entirely unprepared when it descended on them.

The fiction of halcyon days continuing it got the better of factual reality. The result was a disaster beyond ordinary repair.

Stretching the point the study adds that in weathering the crisis also it is the countries in the 'free press' category — such as Japan and the Philippines — which fared better than Malaysia and Indonesia in the 'not free' category that actually suffered the most.

In Bangladesh the press has been highly articulate and courageous in publishing investigative reports on financial corruption and extortionist thuggery of abominable kinds. Yet corrective and positive measures are hard to come by. Why? Because we cannot muster political will to bring these about.

The Great 'Asian' Debate

There is a coupous outpourings of the ideas and arguments from the speeches and writings by influential Asian leaders and outstanding scholars of the region as to what they mean by their new assertion. The clout from the region's newfound prosperity however enables its leaders to speak with confidence and sell their ideas with surprising ease.

of the sponsors of what has come to be called an 'Asian way' is indeed unique and unprecedented.

In fact, there is a voice of defiance when they call the Asians for a return to the region's traditional core values deemed to be common to all Asian societies and which differentiate Asia from other civilisation, particularly of the West. While the western scholars and policy makers are seized with the problems of the new confrontation, an animated discussion has been raging across the world — at least in the academic circle — on this spanning new phenomenon. In the meantime, there is a coupous outpourings of the ideas and arguments from the speeches and writings by influential Asian leaders and outstanding scholars of the region as to what they mean by their new assertion. The clout from the region's newfound prosperity however enables its leaders to speak with confidence and sell their ideas with surprising ease.

Singapore's Lee Kuan Yew, a powerful exponent of Asian values identifies a set of values, which according to him, binds together the politics and societies in East Asia. To him the centrality of family and a filial piety are the great virtues that give moral superiority to Asian societies as against the excesses and negative aspects of western society. Almost in the same

vein Mahathir Muhammad of Malaysia has derided western liberalism even more incisively for its many failings including high crime rates, decaying morals and lack of social discipline.

The arguments on 'Asian way' are more specific in the writings of Chinese scholars who pinpoint it in the value system of Confucianism which exhorts hard-work, thrift, filial piety and national pride. Some of these values are not much dissimilar from those stressed

cross-fertilised civilisation" with synthesisation of Chinese, Indo-Chinese, Japanese and American ones. To Ogura Kazuo of Japan, the Asian values are not only for the Asians to absorb but should be turned into a new set of universal values to be transmitted to the whole world.

As pointed out by myriad other advocates of 'Asian way' some of the attributes of Asian society do stand out. They include a reverence for antiquity, respect for education, deference to authority, communitarian-

right and prerogative of the West to impose its cultural values and ethno-centric definitions of human right on Asia. The 'Asian way' exponents find it difficult even to define a single human right regime that can encompass the vast region from Japan to Myanmar — let alone the question of such single regime for the whole world.

They wryly question: what gives western countries the exclusive right to interpret the standard of universal human right? Again on the question of governance the Asians are more used to respect for hierarchy and unquestioned obedience to authority. Their emphasis on order and harmony reflects some inclination for authoritarianism. But they have clear preference for governments according to moral dictates rather than by law as well as a spiritual concern with the form and function of the government.

Amidst the cluster of ideas what is however conspicuously missing is a central strand recognisable enough to represent an 'Asian way'. Not only that even the parallel strands are discordant with each other, the promoters of the 'Asian way' are not uniformly critical of western culture; neither are they uncritical of their own traditions and practices. But the biggest difficulty arises in recognising an Asian civilisation without including in it the cultural traits of great Islamic civilisation of the West and

Central Asia or Indian civilisation of South Asia.

Moreover it is also difficult to comprehend how the Islamic ethos of Malaysia, Indonesia and Brunei can really blend with the teachings of Confucianism or the Muslim minorities of both ASEAN and Sino-centred states in East Asia can reconcile to this apparent contradiction. By all reckoning the 'Asian way' pronouncement has so far remained more of rhetorics notwithstanding their force and potency.

Many however tend to see this cultural revivalism in the East Asia as an attempt by the region's political elite to replace the obsolescent state ideologies with alternative having more popular appeal and relevance. It is however yet to be crystallised whether the 'Asian way' is more of a ploy for regime legitimisation or the reflection of genuine concern for the loss of the traditional values. There are indications of reviving the initial and traditional symbols elsewhere in the world and at different point of time but never has there been an occasion of confronting another value system on that count as the 'Asian way' has done and made some success.

Nevertheless the Asians seem determined to deal with their problems in their own way. The fact that their own 'way' may not be uniquely 'Asian' is not so important in ultimate analysis. What is more a subject for consideration is a widespread Asian conviction that the region's destiny is in the hands of Asians for the first time in nearly half a millennium.



PERSPECTIVES

by Brig (Rtd) M Abdul Hafiz

in the ASEAN countries particularly in Singapore, clearly linked to Confucian heritage. Geng Huichang, a Chinese writer contrasts post-cold war turbulence in Europe with the stability in East Asia which he attributes to Asia-Pacific model of peaceful coexistence as well as national unity and harmony nurtured by an 'oriental wisdom'.

The theme of Asian value is taken somewhat off the track when the influential Japanese commentators claim that the 'Asian way' is not so much a return to the old mores and traditions as creating a 'new breed of

ism, cooperation, self-discipline and thrift — most of which are missing in today's western society. Apart from them, a spontaneous respect for order, the state and the elderly is the hallmark of Asian life. In decision-making consensus is the preferred mechanism for the Asians. These characteristic features do appear in contrast to western life.

But the emerging gap is perhaps widest on the conception of human rights and democracy where two values fundamentally differ. So much so that some Asians even question the existence of universal human

The SAARC and the Issues of Political Confidence

Setbacks notwithstanding, the SAARC has moved and it is moving as the vast multitude living in the region feel that the forum that has come after painstaking efforts should not be allowed to be washed away or weakened by hitherto known negative approaches.

TWO ministerial level important meetings of the South Asian Association for Regional Cooperation (SAARC) have just taken place in quick succession. The first was in Dhaka by the information ministers of the seven member countries and close on the heels, the commerce ministers met in Islamabad. Both the meetings dealt with such important issues like information and media with particular reference to free flow of information in the South Asian region and greater cooperation in availing of the information technology that sweeps across the world. And of course, the commerce ministers discussed the key matters of trade, commerce, industry, investment and other related subjects which is obviously crucial for the progress and development of South Asian region.

The South Asian Preferential Trading Arrangement (SAPTA) and the South Asian Free Trading Area (SAFTA) dominated the Islamabad conference and the member countries took some concrete decisions of cooperation in the relevant fields. Earlier, the Dhaka conference ended with adopting a declaration that envisages a number of measures to be taken by the member nations aimed at acting in concert towards developing the field of media and information which so far received scant attention. The very fact that the SAARC information ministers met for the first time since the venture was launched way back in 1985 itself speaks of the less importance that a crucial area like information has been given by

SAARC. However, both the meetings are welcome, ahead of the next summit of the regional forum in Colombo in July this year.

While there is no denying the fact that the SAARC has come a long way — albeit slowly — in forging cooperation among the seven South Asian countries which together command more than one billion people, that is one fifth of the humanity, it is also necessary to analyse the progress made so far in a spirit of constructive criticism. And more importantly, it is also pertinent to touch upon the issue of political climate and confidence in the area in the broader context of the advancement of the SAARC objectives. Going by the charter of the forum, the organisation cannot discuss bilateral political issues in the SAARC ambit and the architects of the forum had rightly done so keeping in mind the problems that would afflict the nascent venture if the vexed bilateral issues which are galore in the region are allowed to be taken up by the forum meant mainly to deal with economic matters.

Having lauded this realisation, one can, however, point out that the political climate in the region is inextricably linked with all the developments that pertain to the member countries. Arguably, contentious bilateral matters will seek to retard the growth of the forum since these matters are so intractable in nature that

contending parties are bound to be bogged down in unending exercises for their solutions while respective sides would only, not surprisingly, reiterate their known positions.

Still, the overall political atmosphere cannot be totally swept under the carpet by the member nations although this cannot come to the fore officially in the SAARC meetings. That the political issues are not totally ignored in such gatherings is amply clear from the

state visit here, has stressed the need for improvement in the political climate in the region so that the member states can exude greater confidence and take forward the SAARC programmes with a greater degree of seriousness. President Mamoun Abdul Gayoom's observation here in this regard warrants serious thought as he said informal talks can lead to the development of the ties which are otherwise afflicted by different misgivings and inhibitions.

It is well-known that two principal members of the SAARC family, judging by their geographical size are always at loggerheads due to traditional hostilities. India and Pakistan seldom miss an opportunity to attack each other in international forums on their known disputes. Despite their proclamations that both are keen to discuss all the thorny issues towards the objective of peace, most times they remain without contacts for a relatively long time. The SAARC meetings often provide them with the opportunity of bilateral contacts

although outside the purview of the forum. It is in the last summit in Male that the heads of the two countries took a number of important decisions like setting up hot-lines when they met for bilateral meetings. Expectedly, their problems are too delicate to call for resolutions but such meetings help improve the climate of animosity.

The growth of the SAARC itself was characterised by scepticism and mistrust to the venture after Bangladesh had mooted the proposal. It took a long time for the senior officials, foreign secretaries and then the foreign ministers to prepare the ground for the first summit. Several years were consumed to remove the air of confusion and misconception as far as possible before the first summit took place. The leaders finally showed the sagacity that such a regional institution can give them benefits no matter whether the results would be up to the expectations or not.

The process that was launched has been intermittently slackened as more than once the summit had to be postponed at the last moment or the meetings of the council of ministers — which is made up by the foreign ministers — had to be called off. These setbacks notwithstanding, the SAARC has moved and it is moving as the vast multitude living in the region feel that the forum that has come after painstaking ef-

forts should not be allowed to be washed away or weakened by hitherto known negative approaches. Once again, the leaders of the member states deserve thanks for remaining committed to the objectives.

The Dhaka meeting of the information ministers took a series of potentially promising decisions to increase free flow of information in the South Asia in the areas of media, broadcasting and information technology. This meeting should have taken place much earlier. Still, the fact that it finally occurred at the initiative of Bangladesh was a step in the right direction belated though. However, here once again the members could not take a firm decision on some issues like easy travelling by media persons in the member countries. The declaration makes a solemn pledge in this regard but it remains to be seen if they succeed at an early date to relax visa restrictions for the media people. After all, what is there to hide or get scared from fellow South Asian partners when others including those in the west get it with relative ease!

The Islamabad meeting of the commerce ministers revealed one alarming information. Only three per cent of the region's total foreign trade last year was conducted with SAARC countries! The meetings took several important decisions to boost cooperation in trade and industry but this figure speaks of a pitiable condition. Here, once again, the political will is very important. SAARC is moving well but greater political push is necessary to make it more workable and effective.

MATTERS AROUND US

Zaglul Ahmed Chowdhury



fact that their leaders — either in the summit or at other levels — often met at bilateral plane on the sidelines of the formal occasion and certainly they do discuss or at least touch upon the bilateral subjects. This casts a sobering effect on the relationship of the member nations. Every SAARC gathering leaves a positive effect, however minimum, on the bilateral relationship of the member states since it provides contacts among them that might have been missing for a long time.

The president of the tiny Indian ocean island state of Maldives, during his just-concluded

Chasing Shadows, Losing Gold

As regards money transfer (HUNDI), that is ARY's core business and like many other financial institutions they have to respect confidentiality as otherwise it would correct their credibility.

AT the Industry Collection Exhibition, supported by world renowned NM Rothschild & Sons Ltd in association with the World Gold Council and the London Bullion Market Association (LBMA), being held from Feb 9 to May 14, 1998 at the Bank of England Museum in London, Dubai-based Pakistani-origin ARY Traders are displaying ARY Rainbow Hearts gold pendants and ARY gold bars. The Sydney 2000 Olympic Coin Programme, a joint venture between the Royal Australian Mint and the Perth Mint, have appointed ARY Traders as the official distributor of their programme in the UAE. In defence of ARY, which had been named by the Ehtesab Cell, led by Senator Saifur Rahman, of alleged wrongdoings relating to his getting the sole rights to import gold into Pakistan, Mr Rolf Schnebel, Chief Executive, Middle East and India, World Gold Council said, "ARY is a well-reputed company in Dubai with a long standing presence in the UAE and during my time I have had very positive experience (of them). I have no reason to doubt ARY's statement (which had rejected GOP's alleged charges and challenged them to prove any wrongdoing).

ARY, comprising five establishments with a turnover in the past 3-4 years of US\$ 1.5 billion, started as a trading enterprise in Dubai in 1970. With its own jewellery manufacturing unit in Sharjah, ARY gold bars are sold internationally, with its ARY Rainbow Hearts, a 24-carat gold pendant incorporating the patented "Kinegram" technology crafted to reflect the rainbow colours. An international exchange company was set up in 1993, an impressive sales and purchase record has been set in a field that only recognised credibility, its trusted name is a household word in the South Asian

sub-continent and internationally in the gold trade. With such credibility shoring up an enviable reputation, how come ARY has run afoul of the Government of Pakistan (GOP)?

When ARY made a proposal to GOP in 1993 for giving 8-10 companies the right to import gold and shift the bullion trade from Dubai to Pakistan, it was opposed by the Ministries of Finance and Commerce on the plea that (1) a cartel would ensue by restricting to a few importers, (2) shifting of the bullion trade to Karachi from Dubai was wishful thinking, (3) it would encourage smuggling of gold to India by reducing duty from Rs. 80 per tola to Rs. 48 per tola because of the price differential, (4) it would drain the foreign currency reserves, (5) fixed taxation would be a violation of the principles of taxation, (6) a role for State Bank of Pakistan was required to import gold when necessary to stabilise prices.

The Economic Consultative Committee (ECC) approved the modified proposals of the Ministry of Finance and the scheme was advertised, but only seven prequalified out of the 11 who applied as only they submitted the full deposit of US\$ 100,000. One company, ARY, was finally selected. The Ehtesab Cell alleges that the exclusivity of the gold/silver trade into Pakistan was given to ARY because profits were to be shared 75:25 between ARY and Asif Zardari (AZ) but when Haji Abdul Razzak apprised AZ of the difficulties, he agreed to take Rs. 5 per tola as his commission. In November 1995, two separate summaries were moved by Javed Talat, Secretary Finance before the ECC for exemption of regulatory duty on gold and silver. This was approved. In the meantime,

Salman Faruqi came in as Secretary Commerce, in his absence two other firms were given permission. On his return he asked the Deputy Secretary concerned to withdraw the letter. The Ehtesab Bureau has given evidence of accounts opened up in Citibank Dubai and Citibank Geneva in the name of Capricorn Trading Company being operated by Mr. Jens Schlegelmilch but the beneficiary being Asif Zardari.

There is a record of US\$ 5 million being moved from ARY Traders to Citibank Dubai account of Capricorn Trading, a company incorporated in the British Virgin Islands and run by Mr. Jens Schlegelmilch, acting as agent for AZ in other offshore companies. Massive amounts were transferred from Citibank Dubai to Citibank Geneva, handwritten ledgers of Mr. Schlegelmilch support the evidence. Even prima facie there seems to be no case against ARY Traders but before we jump to conclusions let us take the case of transfer of US\$ 10 million from MCB to ARY's account. The transfer to AZ's account is suspiciously coincidental with the Citibank transfers for about the same value of money on or around the same dates.

The Dubai Courts have ruled in favour of ARY and others while asking police to gather more evidence, this in fact seems to be commission paid out to ARY as part of the Un-

derwriting of the PTCL share issue and onto AZ! Haji Abdul Razzak contends that when he had been informed by UBS on Khadim Ali Shah Bukhari & Co had been entrusted for floating the public issue at a base price of Rs. 30 per share, he had immediately rung up (then) MCB President Hussain Lawai and said this would amount to looting the nation. Lawai spoke to Ms Benazir, and requested the deal be cancelled. MCB then took up the issue alongwith its foreign partners at a base price of Rs. 45 per share, whereas PTCL shares were eventually sold at price of Rs. 56 per share, giving the pub-

deal with AZ wherein any money was paid as commission.

An objective analysis of the foregoing and other related documents reveals that (1) one cannot escape the element of criminal wrongdoing in the original purchase of the MCB, organised by Hussain Lawai, but including 12 leading businessmen, (2) Haji Abdul Razzak acted as a conduit for using MCB money on a circuitous route to give the second and final instalment in purchasing the bank, (3) subsequently when PPP regime took over Hussain Lawai was bailed out by Haji Abdul Razzak by going directly to AZ whom he knew through AZ's good friend, real estate dealer Iqbal Memon, (4) subsequently Hussain Lawai became friendly with AZ, like a good many senior bankers at that time, this relationship became very close, (5) since Mian Mansha's personal and business interests were being headed by the PPP regime and he had to go into "self-exile", he had reason to have grievance against Hussain Lawai whom he suspected to using AZ to pressurise him into staying abroad, (6) when the PPP/AZ regime was overthrown, the personal issue between Mian Mansha and Hussain Lawai, both strong men and gifted entrepreneurs, became a very public affair, (7) when Senator Saifur Rahman came into the picture as Chairman Ehtesab Bureau, he went the route of pressurising ARY in order to get them to testify against AZ, (8) when persuasion with ARY and Hussain Lawai failed, GOP then went the criminal prosecution route.

There is no doubt that AZ is an out-and-out crook who used his wife's PM-ship to organise multifarious methods to loot

AS I SEE IT

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