# Barisal Poll Result

Dhaka Wednesday, July 22, 1998

Our congratulations to BNP on its retaking the Barisal-5 parliamentary seat. It was good sense on the part of AL, the vanquished party, steering clear of BNP allegations about forcing a verdict in its favour. The Election Commission's conduct of the by-poll has been generally acclaimed by local and overseas observers. To this we add our plaudits.

The sense of relief is as great as the sense of approhension that was building to nerve-shattering levels. But the pity is, all of this centred around a localised by-election whose intrinsic single-seat worth got blown entirely out of proportion, making it look like a national gateway to success in the next general election. Nearly a hundred MPs and high-ups from both sides invaded the Barisal constituency campaigning at a furious pace, as if stalked by ghost they gazed in a defeat the end of the world. For days together before the poll BNP had been firing allegations against the ruling party's 'manoeuverings' to rig the election and when came the first reports of a favourable trend, a scheduled press conference, apparently set to reject a presumably rigged poll result, had to be hurriedly cancelled. Still struggling to come out of the stridency spell a BNP spokesman gave the post-poll reaction thus: if there were no 'rigging' the margin of victory would have been larger than 10 thousand votes. Election campaigns are meant to highlight the quality of respective candidates and the agenda of the participating political parties but increasingly these are degenerating into fomenting distrust in what may be construed as a bid to hold explanation for a defeat or gain in the election by making noises. This is not to suggest that vigil should be dropped at the party level, or in appropriate cases, grievances would not be taken to EC but to warn against blanket accusations prior to polls which could undermine voter confidence in the system.

What kind of a logic is it that when you lost a poll you would say there was rigging and when you won it you would look kindly on the experience? Our politicians must get over this highly myopic mind-set before this becomes emblematic of their parties.

Now that its candidate has recaptured the party stronghold in Barisal he should be encouraged to participate in the parliamentary sessions rather than squander his victory through boycotts.

### **University Dues**

The recent increase in Dhaka University admission fees and other dues has been protested by a section of students. Whether one likes or dislikes the word commodity, when applied to a service called education, it has a price. The question is who pays the price. The students pay a very meagre part of it. The state bears the brunt. If our citizens decide that the state pay all of it, the state can do that without being much inconvenienced. But citizens know better and no one has up to now demanded free university education. If the students must have a share in the payment of the price, the size of that share must also be decided. Now, should this share be nominal or meaningful? In an analysis for press, the DU authorities have shown the increase amounts to Tk 40 per mensem or Tk 480 per year.

At prevailing prices, the students have been paying close to nothing for university education. This addition of yearly 500 taka to the 2020 Taka of the past year brings it to a monthly burden of 260 taka. How much had the parents spent per ward per month when they were at college? Even the hardpressed ones must have spent no less than 1500 taka, including clothing and conveyance, on each of their college going wards.

The tuition fee was so long Tk 12 per month. Now it is Tk 24. Ridiculous! Keeping intact the whole take at Tk 2730 a year, the tuition part must be raised closer to what it requires to pay the teachers. That's what tuition means, doesn't it? For the non-academic heads of this package DU must pay from sources other than students.

## Mandela's Passion for Life

It is not in him to stop amazing us. Whether in his steadfast commitment to nonviolence and the ability to go through sufferings in a struggle for a cause with a smile or in his longing to look for a private, quiet life away from the anxiety of performance and pressure of limelight, Nelson Mandela is a nonpareil when it comes to giving new dimension to human aspiration and achievement. By deciding to tie the knot a second time on his eightieth birthday, this legendary figure and epitome of unity among men, has created a superb example of what Tennyson rhapsodised as drinking life to the lees.

We speak of clichés like life beginning at forty. But Nelson Mandela has made light of all the crippling obligation that a living icon, a role model has and buried the eternal battle between head and heart to marry Graca Machel, the 52-year old widow of a late Mozambican president. It is a terrific victory of joi de vivre over the gray dingle of existence that this venerable man announced the other day at the twilight zone of his life. It is such a magnificently intriguing juxtaposition of man's craving for engagement and disengagement; for the weight of responsibility and lightness of being .On one hand he is ready to renounce the cares, concern of governance as his decision to retire from politics and presidency would suggest while on the other he is reaching out for life in its fullest splendour.

However, it is probably an ironic study of failure and inherent fragility in human relationship that at a time when Nelson is wistfully looking forward to a quiet life of conjugal love and care, he has to look for it at a new address. Before her relationship with this champion pacifist came to an end, Winnie had been an absolute tower of strength for both the African National Congress and Mandela particularly during the latter's captive years. But just when the hour came to mark the end of an epic struggle and the time for the two to be together, their ways parted. Winnie lost her moral edge, and thus lost on love too.

# The East India Company Syndrome

The immediate task is bold reform of the credit market and revive the sources of foreign debt financing. Although we have come a long way and East India Company syndrome is no longer valid, vigilance on the foreign investment front through prudent policies has considerable merit.

Europeans came to the south Asian subcontinent as traders. They invested in building their own ports, security systems in 17th century India brought back famine and misery. The through construction of protec-East India Company promoted tive forts, warehouses, processa different brand of totally uning plants etc., and opened the regular trade routes to Europe equal international trade from South Asia. They were the which economists of today first foreign investors who must not refuse to ignore. What came to subcontinent - long behappened in the past have imfore — perhaps 500 years before plication in terms of what we do modern day direct foreign investment (DFI) emerged as the Modern day foreign investment had a very slow beginning kingpin of economic growth. in the subcontinent. In the particularly in south-east and east Asian economies. We all 1950s, both India and Pakistan know what happened therepromoted direct public investafter. Investors over time be-

ONG before the battle of

tch, the French and other

Pallasey, the English, Du-

ment and supported domestic capitalist class to initiate incame invaders. The south Asian subcontinent became the dustrialization of the backcolony of an English trading ward economies. While India company; while modern day went in for huge investment in Indonesia was subjugated by the basic steel industry, Pakistan Dutch and the three countries of concentrated on processing of Indochina became colonies of the two basic natural fibers of France. Trading is fine. It the country — cotton and jute. The East India Company synshould bring prosperity to its hinterlands. However, the scedrome was too strong to be nario changed dramatically. overcome. Import substitution Investment became invasion was the order of the day. Export which the Asian monarchs of expansion had a brutal history those days did not at all anticiof the past. None of the two pate from before. countries were prepared to Suspicions against foreign touch it by the longest barge

investment, the East India pool. Company syndrome, was nur-With the end of the British tured for long 200 years in the Raj, private sector British comsubcontinent. It has strong panies, active all over the subroots. Therefore, Coca Cola or continent did not vanish overnight. Obviously, they felt computer-wallah — we may be facing difficulties in accepting threatened and also faced inthem with widespread arms. We creasing competition from local companies. Slowly, they do not carry happy memories of traders from the west. No started moving out to greener pastures of Africa, in particudoubt, investment to invasion lar. However, shrunken images is past history. But at least for the ultra nationalists, the smell of old British companies are still hovering around the subof blood and dry tears are still continent. The large tea garthere. Today, international trade is recognized as the engine dens of Sylhet are still owned of growth. However, such trade by James Finlay, one of those

old British companies with headquarters in London. But those are some of the best managed tea gardens of the country and two old British banks (one of them have become Australian these days) in Bangladesh today enjoy great

deal of confidence of customers. Therefore what had been a scare, at least in the public mind, have all changed over the last half a century. The change in mood is obvious in the banking sector. However, is James Finlay prepared to reinvest only a small part of what the company had earned, for God knows how many years, for the purpose of rejuvenating the tea industry of Bangladesh?

and engaged itself in creating a new image in the subcontinent. Officials from the British Ministry of Overseas Development, OXFAM or development experts from universities began their journeys to South Asia under a new title - development partner. The transformation from colonial master to development partner was pretty smooth since the divide and rule policy of British Raj was highly successful in creating much greater animosity within the subcontinent and in the turmoil, colonial Britain was forgotten or

became benign in comparison. As one enters the Windsor Manor Hotel at Bangalore, the sign board of the hotel shop.



# Window on Asia

**Shahed Latif** 

Many British companies had earlier left the country. We very much need their management expertise, in particular. Perhaps, the Lancashire cotton mills or Dundee jute mills have all collapsed or changed over to new products and processes in the meantime. Even now, if there is any scope to attract those British investors, in particular, to relocate their closed plants to Bangladesh, we should

do so without any further delay. After the end of the British Raj. the UK government joined the high profile donors group

"East India Company" is visible to all. Perhaps that is the only place where the name survives till today. If it still finds a niche in our mind then we are really far outdated. Colonialism is dead and gone. Investment cannot become outright military invasion any longer. However, there are several other issues which should be borne in mind in detailing out the investment promotion policy of Bangladesh.

Domestic investment must be buoyant and active before direct foreign investment will enter the market on a large scale. In this respect, the earlier strategy in India and Pakistan to promote local entrepreneurs had some merit. However, in pursuit of East India Company syndrome, domestic investment only and import substitution were wrong policies. Unfortunately, it took decades of cooling down and in the process, South Asia fell out of the mainstream of economic growth which has by now fundamentally changed the economies of East and Southeast Asia.

At the same time, equity investment also calls for corresponding debt financing. Consequently, with the huge inflow of direct foreign investment, foreign investment loans experienced still higher rates of growth, for example in ASEAN countries. The extremely important distinction between direct foreign investment and foreign portfolio investment, so vital for continued economic stability was lost. Total inflow of foreign funds became enormous, against which high profit expectations could not be sustained. Thereafter, we all know what happened: collapse of the exchange rates and the real estate market; incapacity of borrowers to repay in foreign currencies etc.. The economic crisis is now in full swing in several south-east and east Asian countries. Thus foreign investment may no longer lead to foreign invasion but it may be the cause of a new kind of devastation. The economic crisis which has now been recognized not to be short term phe-

nomenon does indicate that certain discriminatory policy with regard to foreign investment is necessary. The BJP slogan . "we want computer chips and not potato chips". has definitely certain merit, since the emphasis is entirely on technology import through direct foreign investment. Otherwise, India, with its large and vibrant private sector is fully capable of manufacturing simple consumer products for domestic markets in particular. In Bangladesh context, pri-

ority for direct foreign investment should be oil and natural gas development, electricity generation, large-scale infrastructure projects, backward linkage to ready-made garment industry and export manufacturing in general. Portfolio investment once came to Bangladesh. It brought in havoc to the stock market and went away. For the future, there should be effective policies to protect us against such onslaught of portfolio investors. As regards debt financing, the infamous defaulters have already ruined the market. Otherwise, we could have build up a solid line of credit for industrial financing from World Bank and other multilateral sources of financing. The immediate task is bold reform of the credit market and revive these sources of foreign debt financing. Although we have come a long way and East India Company syndrome is no longer valid, vigilance on the foreign investment front through prudent policies have considerable merit. We must avoid repeating the economic crisis now sweeping several Asian countries. Prevention is better than cure so that we do not have to make an emergency call to IMF, Washington DC.

# Post-Nuclear South Asia

# Prescription for Bangladesh's Diplomatic Initiative

by Khurshid Hamid

If the matter fails to be amicably resolved at the South Asian level and provided the two concerned parties India and Pakistan give the nod, the SAARC Contact Group could reach out to the five permanent members of the Security Council and Japan to form an open-ended group, Friends of India and Pakistan, to soothe ruffled nerves and facilitate reconciliation between the two countries.

NE read with much interest the passionate and utterly sincere plea by Prof. Talukdar Moniruzzaman, Sadeq Khan, et al to the civil society in Bangladesh to support positive Sino-US engagement for peace and security in South Asia (The Daily Star of 15 July). While according due respect to their earnestness and their patriotic worry one has reservations about their given assumptions and particularly their prescriptions and recommendations.

Diplomacy one has heard many times is the art of the possible. Having logged more than three decades in the profession may I add a weaker definition that diplomacy is the art of the pragmatic probable. that one of its core attributes is locating the few genuine grains from the tons of chaff that pollute the atmosphere after a geopolitical happening or incident, that diplomacy never had in history and will never have a level playing field, and finally that utopians lose their bearings in the real politick of diplomacy.

One corollary from the above is that what former Indian Prime Minister Gujral and Pakistan Foreign Minister Gohar Ayub have said about their newly-acquired nuclear langs, and also the expected pious declaration of the Sino-US summit of working together and with others to prevent an accelerating nuclear and missile arms race in South Asia and to promote peace and reconciliation between India and Pakistan, which the above signatories have mentioned, as well as the one-two-many popeyed eye-ball to eye-ball postures the top leadership of the two countries have struck since their explosions, which they have not mentioned, are all in the category of chaff and thereby immaterial and incompetent. Matters of true substance and thus of material competence about their respective nuclear blasts and what to really do about it now is being discussed in the encrypted telephone chats between Prime Ministers Vajpayee and Nawaz Sharif and in the one-to-one tete-a-tete between Presidents Clinton and Jiang Zemin, of necessity away from the prurient public eye and the media for the talks to register any, how-

ever minor, forward movement. The second corollary from the above is that one finds it difficult to agree that the nuclear tests have upset the regional security of South Asia, potential state of war. The fourth corollary from the above is that the recom-

particularly for the non-nu-clear neighbours, as there already exists for some time an overwhelming asymmetry of military capabilities between India and Pakistan on the one hand and the rest of the South Asian countries on the other. including Bangladesh which ranks third in terms of the critical mass of population and economic power to conduct warfare, and yet we are surviving in this milieu with serendipity and with relative independence. and as a tailpiece India does not need nuclear weaponry to bully Bangladesh. The third corollary is that

one finds it difficult to accept the assertion that Kashmir is an impending flashpoint for nuclear warfare in South Asia by accident, impulse or design and that the threats of holocaust are at our doorsteps. For a) the acquisition by India and Pakistan in the last two decades of increasingly deadly pre-nuclear arsenals lead to overweightage by both to deterrence than compellance, and despite festering Kashmir the two countries have not fought a war in the last more than a quarter century, b) the fail-safe devices to prevent nuclear accidents available to India and Pakistan today are much more sophisticated and reliable than those used by the United States and the Soviet Union in their incipient nuclear power years, c) both the Indian and Pakistan Prime Ministers have been screened through multiple elections and a democratic process and the weight of their office casts upon them the mantle of true statesmanship not given to Dr. No's impulsive madness, and lastly d) the absolutely abhorrent compellance capability and thus the supreme deterrence only of nuclear weaponry

Pakistan minor Gullivers bound in iron chains, as it rendered the United States and the Soviet Union in the now halcyon days of the Cold War, and ironically this leads to a moratorium milieu rather than a

mendations to extend support to positive Sino-US engagement for peace and security in South Asia, to demand external intervention and internationalization as the only feasible alternative to resolve the Kashmir issue, to harangue India and Pakistan to abide by UN Security Council resolutions against nuclear weaponization, for Bangladesh to repeat-sponsor its annual motions in the UN General Assembly for a mu clear-free South Asia, are either unrealistic non starters or pusillammous at best. For a) China always and the United States presently are anathema and therefore unacceptable to India, though one has written elsewhere that both these countries should constitute the sheet-anchors of Bangladesh's security, b) India is all for bilateralism and will not tolerate international intervention on what for her is the fundamentalist issue of Kashmir, and that's that, and finally c) the two UN resolutions mentioned are toothless twiddledum and twiddledee as like Lady Macbeth for both India and Pakistan, here's the smell of the [nuclear] blood still: all the perfumes of Arabia (read UN resolutions) will not sweeten this little hand.

Having said all of the above, and having noted that Bangladesh has so far like a pious ineffectual angel only flapped her luminous wings in vain before the nuclear dragons of South Asia, one feels that we have a definitive role to play to bring about sweetness and light in the exacerbated security concerns in our region, even though one does not subscribe to the

doomsday scenario mushroom-

ing in our press and the world

Prime Minister Sheikh Hasina was profoundly ill-advised to make her hasty highprofile day-trips to India and Pakistan, making prior public statements of attempting to find common grounds for nuclearized India and Pakistan. and her post-return statements showing an embarrassing blank about any discussions on the nuclear explosions having taken place was a let-down. And still more embarrassing was her mouthing on her return the need for universal and total nuclear disarmament, which was India's sovereign logic justifying her nuclear tests.

Our Prime Minister should have been advised that the nuclear tests is a core nationalistic issue for both India and Pakistan not prone to instant resolution, and her quickie shuttles were unlikely to add an extra feather to the many feathers of kudos in her cap of governance. But the Bangladesh Government was well-advised in not coming out with official public condemnation of the nuclear tests of India and Pakistan, at least we did not welcome it as the hitherto arch anti-nuclear proliferation state Sri Lanka did, for the matter is too much of a life-and-death issue for us and facile public posturing is likely to be more counter-productive than otherwise.

From the Bangladesh perspective of her security concerns in post-nuclear South Asia what is the crying need of the hour is Rolls Royce quiet and Rasputin-like frenetic behind-the-scene diplomacy on her part. As she is by far the largest of the non-nuclear states in South Asia it should be a categorical moral imperative on her part to take the initiative in organizing a Contact Group of all the non-nuclear states of South Asia for conducting shuttle diplomacy between New Delhi and Islamabad to delicately probe for an empathic understanding of the real thinking of the leadership of the two countries on their post-nuclear happenstance, to patiently seek possible common ground, however fragile and remote, in their perceptions of short-and long-term security, economic and societal welfare of their respective nations, to attempt to exert an influence to direct their attention and focus towards these commonalties, to

try to influence the development of their nuclear weapons and missiles to be limited to numbers rationally tolerable to their civil societies with all the foregoing negotiated through their agreeing to no first use of nuclear

weapons and eventually signing the NPT and the CTBT would be natural corollaries - and finally and most importantly to try to facilitate their meeting across the negotiating table in a reasonable cordial frame of mind. Bangladesh and non-nuclear SAARC would be eminently suitable and relevant for the foregoing task, and it would be in consonance with the present moratorium world style of regional bodies settling their household altercations. If the matter fails to be ami-

cably resolved at the South Asian level and provided the two concerned parties India and Pakistan give the nod, the SAARC Contact Group could reach out to the five permanent members of the Security Council and Japan to form an openended group. Friends of India and Pakistan, to soothe ruffled nerves and facilitate reconciliation between the two countries. The efforts of the Friends after the Contact Group has softened the ground is likely to bear fruit as they would be accompanied by the licit boost of bringing along the potent paraphernalia of bilateral economic assistance and the these days over-arching IMF and the World Bank. No moves along the latter direction seem to have yet taken place.

One is aware that Bangladesh has in the not too

initiatives with a big bang which have ended in a short while with an ignominious whimper. One recalls in this connection the Foreign Ministry's diplomatic move a couple of years ago to call a meeting of the Islamic Conference countries to deliberate the festering worsening situation in Bosnia—one did not understand to what purpose when the Islamic countries themselves had shown remarkable lack of activism on the matter, the European Union had failed miserably to reach any viable resolution of the conflict in their own backyard, the Balkans, and the siletti scream of the Boshlans themselves was for the United States and President Clinton to do something, which he did later. The obvious denouement was that our initiative was stillborn and Bangladesh received an unnecessary diplomatic slap in the face. One has recalled the foregoing to highlight that the circumstance, the milieu and the parameters are different and the matter of much more vital concern to our national security and survival to justify the Bangladesh Foreign Ministry making a studied diplomatic leap forward here

distant past taken diplomatic

The foregoing shuttle diplomacy should under no circumstances be conducted at the high profile Prime Minister or Minister level, but rather at the senior diplomat level away from undue public interest. By a Bangladeshi Richard Holbrooke, if you may, but less abrasive and more subtly feminine in wheedling compromises as he shall not have any superpower or other military

In conclusion now is the time for all good countrymen, be it the political leaders, the senior bureaucrats, the intelligentsia, the various special interest groups, and the more informed members of the civil society to come forward to give consensus, crises consensus if you like, support to the above proposal of activist diplomacy within sobre parameters by Bangladesh in the new paradigm of nuclear weaponized South Asia.

The author is former Bangladesh Ambassador to Italy and Switzerland.

## **Amazing BUET**

Sir, We can always rely on BUET to amaze us. They have been doing that very well for the last few months, but the latest is the second best (the best being vacations for world cup).

We have read that the VC is trying to solve the matter of the 13 teachers and he was reported to have said that he will call a meeting of the syndicate upon getting a letter from them, which they are supposedly sending. But lo and behold! They are served eviction notices to vacate their houses. What kind of a gesture is this? This is like extending one's hand for a shake only to reveal a knife at the last moment.

This would put Machaiavelli to shame.

A.T.R. Rahman Dhaka 1212

### Congratulations!

Sir, Congratulations to the new football World Champions — France. The host team of the '98 WORLD CUP FOOTBALL, no doubt, deserved the win. They played well and luck was also with them.

On the other hand, the

mighty Brazil, four-time winner of the title, failed to cheer up their supporters and well wishers as well as themselves. as they were not so organised on the field to create any panic on the French defense. Being a supporter of Brazil, it's very hard to accept its defeat. But one's win must result in other's

renders both India and

S M Enayetur Raheem Applied Statistics ISRT. DU

### Dilli Ka Laddu

Sir, It is an old saying that one who eats "Dilli ka laddu" - the roll sweetmeat of Delhi. that person repents and the one who does not also repents.

Many of us wonder as to why and on what mission our Prime Minister Sheikh Hasina went to New Delhi after India and Pakistan had conducted nuclear tests. What did she gain by meeting with Indian Prime Minister Atal Bihari Vajpayee in New Delhi is a mystery to all

We would have felt proud if Sheikh Hasina had boldly declared in New Delhi that Bangladesh would also carry out her own nuclear test if India

and Pakistan do not solve their half-a-century-old Kashmir dispute and stop the nuclear arms race.

Whatever has been the negative, positive or zero outcome of Sheikh Hasina's visit to New Delhi, the bright side is that she was in an indicative mood to mediate and to help solve the Kashmir dispute and stop the nuclear arms race in the subcontinent.

We have noticed that whichever government comes to power in our country always enjoys a very important and strategic role in the subcontinent of India-Pakistan-Bangladesh economically, militarily and politically. Both India and Pakistan seek Bangladesh's support and friendship. The truth is that as if Bangladesh is the balance regarding the sub-continent issue.

O H Kabir 6, Hare Street, Wari Dhaka-1203

SOFA

Sir, Lately, much fuss have been going on over the SOFA. I

want to express my opinion.

Need we forget the Operation

Sea Angels in 1991, which

to millions Bangladeshis, who would have otherwise perished. To me SOFA is nothing but a strategic I have noticed in some news-

brought in emergency disaster

papers, some so-called prominent people have objected the agreement which would, probably, bring prosperity and definitely a much-needed friend closer to the people of Bangladesh. I would like to ask the authorities to put to test the popularity and influence of these so-called intellectuals who have done nothing but 'talk' these last 27 years.

I request the government to sign SOFA because it would be more beneficial than any other agreement signed earlier with any other nation.

Muzaffar Siddique Bijoynagar, Dhaka,

### Where were you, Mr Senator?

Sir, How dare Senator Akram Zaki of Pakistan, go to Bangladesh to tell the Bengalis they are 'two brothers of the same mother'? My query to Mr

were you when your brothers were being killed in 1971, and your sisters raped?'

Perhaps a gentle reminder to the Senator would be in order, as his memory seems to be failing him. The Pak army in its orgy of hate raped 200,000 women and killed 3 million innocent Bengalis Bangladesh in 1971 in the largest genocide since Nazi Germany. And the Senator has the impertinence to go to Bangladesh and say they are brothers'?

No thank you, Senator, the Bangladeshis are doing quite well without the 'brotherhood' of the Paks and perhaps you and your kind can begin to atone for 1971 by going down on bended knees to apologise to your 'brethren' in Bangladesh. The Bangladeshis can take it from there - preferably in the War Crimes Tribunal in The

P Haque Baluwater, Kathmandu

### Nepal

Hague.

"Bank Exceeds ..." Sir. An interesting news was published in the business sec-Zaki is, 'Mr Senator, where tion of the DS dated 7th July captioned 'Bank Exceeds Issuing Expense Limit' highlighting on the violation of a specific section of the Banking Companies Act by Al Arafah Islami Bank as published in the prospectus.

It is claimed by the company secretary of the bank that they have "checked" with the Bangladesh Bank without specifying whether the Bangladesh Bank has given its consent in writing to the bank against its quarry. If so, then it must immediately publish the clarification or clearance which they are apparently indicating to. Responsibility of a specific violation of the Act is apparently being shifted to the shoulder of the Bangladesh Bank which does not directly owe a duty of care to the public for the contents of the prospectus.

As investors we want to see for the sake of much talkedabout transparency, a statement from the Bangladesh Bank whether they have any objection to such violation. Silence may be treated as consent.

Nurul Karim Ripon A Biochemist Mugdapara, Dhaka