

Farewell to Kohl

Germans have returned a verdict in Sunday's general election that in one word can be described as a classy triumph of voter maturity seasoned through a deep-delving thought-process. Kohl fatigue has executed a change epitomised by Schroeder but glistened in the eye-corners with tears for the exit of a man whose unbroken 16-year rule was studded with two stars — unification of Germany and jelling of the European union.

Exit poll returns to which Helmut Kohl instantly bowed with full and gracious acceptance of his responsibility in the debacle showed Schroeder's Social Democratic Party (SPD) winning by a five per cent margin of votes over Kohl's Conservative Christian Democratic Union (CDU). Compared with the former party's 41 per cent Christian Democrats got 36 per cent.

Yet there is no way one can miss the message of the verdict which, by German standards, is uniquely assertive. This is for the first time in Germany that a sitting Chancellor and a ruling party have been voted out of power. Parliamentary votes might have brought these about in the past but the general elections had invariably seen the incumbent Chancellor and the party in power revalitated in their positions.

At this time of fireworks on the Rhineland for Gerhard Schroeder even the most carried away onlooker will not fail to read into the very basic operative implications of the poll results. If the driving energy and towering vision of Helmut Kohl were his strong points they also exacted a price through social effects — unemployment, strains and stresses — on the debit side of his balance sheet.

The winning SPD with its likely coalition partner in the Environmental Green, which won 6.5 per cent of the vote just topping the mandatory limit seems all set to seriously address the social concerns, including unemployment that has doubled over the years, and, of course, the environmental issues limbering up now for some keen attention.

Well, it could also be a grand coalition with the runner-up Christian Democratic Party from whose chairman's post Kohl makes his most dignified exit, too, in a statesmanly bowing act to the poll verdict. Schroeder has kept his option open on the coalition matter. And, he has said he would continue with the foreign and European policies of Helmut Kohl subject to minor adjustments in the pattern of emphases.

Our congratulations to Schroeder and the German electorate. And, valedictory tribute to Kohl for his work as a leader of the friendly people of Rhineland.

Urban Committee Needed

Solid waste, polybags and other plastic things and flood sludge, thrown into the floodwater by householders, are clogging all sewage outlets of Dhaka city. This has resulted in obdurate lakes of stinking goopy water to stay even as the flood has retreated. Mayor Hanif could hardly have done anything with these deposits if he depended on his paid army of garbage people, the sweepers. So, he has gone into action to clear the 728 spots of particularly daunting deposits with the help of a huge work force come responding to a planned 3,000-tonne food-for-work programme, to be executed under the supervision of 10 zonal engineers. Hanif did not wait for formal allotment of foodgrains for the job and switched on the work with the 4 tonnes he had from the relief programme.

We wish the mayor all success in his welcome exertions, if also to balance his miserable failure to meet the city's day-to-day garbage collection challenge. His urgings of nightly refuse collection so that in the daytime Dhaka can present a garbage-free visage, has yielded next to nothing. And his big yellow bins have compounded the problem of dirt and stink rather than helping it.

The size of the job of removing and later disposing of the garbage of an 80-million-plus city population is something beyond the ordinary mortals' comprehension. If Mohammad Hanif hasn't been warming a particular seat for three years, he himself would fail to grasp the size of the challenge. We are more than sure he hasn't been able to make leaders of the government appreciate the gargantuan size of the fleet of dirt-removers together with the collection manpower at least double the present strength he will need to effectively deal with the problem. The city suffers as a result and there is no sign that Hanif, while he is there, will get his garbage-managing needs from the government, to speak nothing of getting his metropolitan government.

At least let's have a special coordination committee comprising chiefs of utility agencies and an appropriate representative from the local government ministry with Mayor Hanif placed at the top of it to spearhead a 'clean Dhaka' campaign.

Death in Flight

All deaths are irreparable, inconsolable. But some stand out for their sheer untimeliness, their sense-benumbing power to make a mockery of all that life stands for and its sound and fury. The death of the trainee duo of Parabat Flying Academy serves as a reminder of that truth. In their twenties, Fareea Lara and Rafiqul Islam must have been all dreams about the career of flying instructors they were to launch themselves in a few days' time when they were guiding the tiny Cessna-150 through the overcast skies near Dhaka Sunday last; they had already completed the arduous phase of graduation with flying colours. The formal degree was just a flight away from them. But that was not to be.

Cruel. But one has no other way but to accept this continuous robbery of death on life as an in-violate existential condition. While praying for the salvation of the departed souls and extending our heartfelt sympathies to the bereaved families we hope they would come to terms with these irreparable losses with fortitude.

It has been a particularly bad spell for private airlines. After the narrow squeak of a GMG airline aircraft comes this fatal accident in a training flight. Public expectations to see private airlines as a complementary presence to the national flag carrier in domestic aviation at least, remain somewhat unmet. The private owners along with the aviation authorities would be well-advised to do their bit to make sure the negative image does not get imprinted on the public mind.

Pakistan, Iran and the Talibans

by M. Rashiduzzaman

A Fresh Regional Conflict Ready to Explode?

There is a running debate inside Iran about its confrontation with another Muslim country, also led by the fundamentalist Islamists though of a different brand. The Islamist leaders of both the countries had misgivings about the Western motivation in the Middle East and other Muslim states.

IT'S scary to visualize Iran, with more than 200,000 soldiers attacking Afghanistan, which will possibly embroil both Pakistan and Saudi Arabia, the two traditional American allies, and the backers of the Talibans who have brought upon themselves the Iranian wrath for more than one reason. Afghanistan, the alleged spawning ground of the self-styled anti-American militant leader Osama bin Laden's terrorist followers, is at the precipice of an exploding war with Iran, unless diffused by concerted international efforts. The Americans had been preoccupied with their domestic affairs since the U.S. cruise missiles were fired on the suspected guerrilla facilities in Afghanistan and Sudan. Now, there are post-bombing winners and losers in the South and Southwest Asia who might gravitate themselves into fresh conflicts, escalating violence, more militancy and worse the old and simmering hostilities.

Pakistan's Prime Minister Nawaz Sharif, already strapped by the domestic challenges and the punishing economic sanctions since the May nuclear test-explosions, is now entangled in the deepening confrontation between Afghanistan and Iran. The religious militants alleged that Nawaz Sharif's government in fact collaborated with Washington by allowing the American missiles to over fly the Pakistani territories for bombing the doubted camps in Afghanistan. One cannot help wondering if Prime Minister Nawaz Sharif wanted to inject more Islamization in order to neutralize the clamouring Islamic militants in the wake of the US bombing of Afghanistan and the brewing conflict next door.

Enmeshed in the ravaging civil war in Afghanistan since the Soviet soldiers were forced to leave is the ideological rivalry between the Shia and Sunni branches of Islam. One is the Shia Islamic orthodox which led to the overthrow of the Shah of Iran, and the establishment of an Islamic state in Iran with the strict Shia code of

beliefs and conduct. The Taliban victory in Afghanistan, symbolized not only the political ascendancy of the Pushtu-speaking Afghans, but it was also the expression of an orthodox Sunni variant of Islamic fundamentalism, presumably favoured by Pakistan as well as Saudi Arabia.

Washington's strike against Osama bin Laden, known to be a private financier of the Taliban movement and the anti-American terrorism, was reportedly viewed with doubts and confusion in Saudi Arabia. Many believe that bin Laden is a representative of the Saudi political strategists who wanted to balance the Sunni orthodox against Iran, which, following the overthrow of the Shah, became a revolutionary alternative to the rest of the Muslim world. Locally, it was Pakistan, which helped the Saudi strategic and diplomatic goals in Afghanistan; as a result, Pakistan has been rocked by the sectarian bloodshed between the Shias and Sunnis, with no end in sight.

Iran feels threatened by the (Sunni) Taliban victory in Afghanistan for the following reasons: To Tehran, it was an American ploy, aided by Pakistan and Saudi Arabia, to help the Taliban leadership in winning the post-Soviet Afghanistan's civil strife that would be a counter force against the Islamic government in Iran.

Afghanistan's small Shia minority was afraid of the Taliban having the political and military control, and more than 2000 Hazara Shias were allegedly killed by the Taliban soldiers when they captured the Mazar-e-Sharif, the last hold-outs of the anti-Taliban forces. Some of the alleged brutalities have been confirmed by the human rights organizations based in Afghanistan. Iran and Pakistan have been

neighbours and strategic friends over a long period of time, but now Iran viewed Islamabad with distrust since they were believed to be the principal military providers of the Talibans.

The Talibans recently killed 10 Iranian diplomats and journalists that caused an emotional surge against the Talibans. US missile bombings in Afghanistan have given a strange sense of legitimacy to the Iranians to strike against the Taliban fighters who are allegedly carrying out terror activities against Iran.

Whether Iran will eventually attack the Taliban strongholds in Afghanistan is still a matter of speculation, but if it does, the whole region will be heading for an embroglio of continuing death, destruction, uncertainty and chaos. With its half a million strong military, Iran can inflict heavy casualty on Afghanistan but, in that process, it will unleash other feuding forces that would have far reaching repercussions. The anti-Taliban groups inside (as well as outside) Afghanistan will possibly be the strategic allies of Iran, and even further stretch an unending civil war. There were reports of anti-Taliban resistance in several towns that were not yet captured by what the Talibans call the Islamic Emirate of Afghanistan.

The Taliban leaders accused the Iranians of supplying arms to their opponents. Even if Iran wins over the Taliban fighters in a conventional war, the Pushtu Afghans will not surrender to the Shias of Iran, so the cycle of civil war will not only continue but its tangled web of terror will only get more complicated and internationalized. In the process of such a complex conflict, hundreds of thousands of the Afghans might again flee to Pakistan. Iran and the three neighboring Central

Asian countries. Even though the feared Iranian invasion is no more than periodic but limited incursions against Afghanistan, the destabilization in the region will continue.

There is a running debate inside Iran about its confrontation with another Muslim country, also led by the fundamentalist Islamists though of a different brand. The Islamist leaders of both the countries had misgivings about the Western motivation in the Middle East and other Muslim states. The Western leaders would chuckle that a number of Muslim countries were not only fighting amongst themselves over their geo-politics but they also clashed over the two different types of Islamic fundamentalism. Iran, Afghanistan and Pakistan enjoy such strategic locations that whatever happens there will also affect the Central Asian states' export of their gigantic oil and gas resources to the outside world from their landlocked territories. Sitting just across the borders of Afghanistan are Turkmenistan, Uzbekistan and Tajikistan, the three post-Soviet countries who are suspicious of political Islam exported either from Iran or the Talibans.

Along with the multinational corporations, the Western governments have a serious interest in what happens in the region. During the last six years or so, the Western oil companies claim to have invested over \$10 billion in exploring the Central Asian oil and gas, and planning for laying pipelines across Iran and Afghanistan/Pakistan. Disturbed by the fear of fresh insurgency after the US bombing of the terrorist bases in Afghanistan, the US Oil Company Unocal suspended its plan to build a gas pipeline from Turkmenistan through Afghanistan and Pakistan;

they had also withdrawn their employees from Pakistan. It's a disturbing development for the American business interests in the region that will become even more uncertain if Iran and Afghanistan start a shooting war with each other, with Pakistan and Saudi Arabia lurking behind.

Iran has a definite strategic advantage over Afghanistan since Turkmenistan, Uzbekistan, Tajikistan, and indirectly even Russian troops may support an Iranian attack on the Talibans. But that will not be the end of the battle-tested young Taliban fighters who will continue resisting the Iranians. The Iranian leaders will possibly weigh the different options and avoid unleashing an open war with Afghanistan, according to numerous Western observers. Meanwhile, there is a flurry of diplomatic activities to avert an open war between Iran and Afghanistan. Pakistan has announced that it would remain neutral if a war breaks out between Iran and Afghanistan, but Iran does not appear to be convinced by such assurances from Islamabad.

The Iranians are surely aware that it was easy to get into Afghanistan, but difficult to get out unscathed. In recent history, it has been true of the Soviet troops humiliated by the Afghan guerrillas, but many Pakistanis are doubting the wisdom of their siding with the Talibans, a coalescence that is hurting Pakistan both financially and politically. Pakistani authorities calculated that once the Talibans establish a foothold throughout Afghanistan, it will not only be an economic boon from the business to and from Central Asia but the vast Afghan territory will give Pakistan an additional strategic depth in case of an armed conflict with India. None of those prospects appear bright for Pakistan now.

In analyzing Afghanistan realistically and grasping what is happening there, we face some conceptual and practical problems. The normal characteristics of a modern state are all but collapsed in Afghanistan since there is no effective central authority that keeps law and order over the nation as a whole. For all practical purposes, the warlords of different sizes, strengths and ideological varieties rule the ethnically fragmented country. After the last King Zahir Shah was forced to quit, there has been no single national leader who could unify the country. Bulk of the Taliban who claim to have established a military hold over most of the country are the young product of the religious schools in Pakistan and other neighboring countries, and most of them are without any experience in running the affairs of state. An extremely orthodox strain of Islamic interpretation, denounced by many Muslim leaders, was the Taliban political glue to bind a disparately divided nation.

Visibly, the Taliban forces and their activities constitute a movement, but not yet an internationally recognized and full-fledged governing authority. Yet, they have earned a de facto status as a non-state actor that held most of Afghanistan, and someday they expect a full recognition from the global community including the United Nations. The growing tension between Iran and the Talibans has drawn attention of the United Nations Secretary General, and more recently the UN Security Council passed a resolution condemning the killing of the Iranian diplomats by them. Though anarchistic in its mode, the Talibans want to be recognized as a legitimate government, which is contingent upon their acceptable conduct in the territories that they now hold and also on their responsible dealings as an international actor. For Iran, the best hope is to reign in the Talibans through their patrons including Pakistan and Saudi Arabia.

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Getting Ready for a New Europe

Traders in Bangladesh, both exporters and importers with close link to the European market, must be aware of the sweeping changes to be introduced in the financial and trading sectors in Europe. Once the single currency takes hold, Bangladeshi businesses will find that their trading relations with Europe will never be the same again.

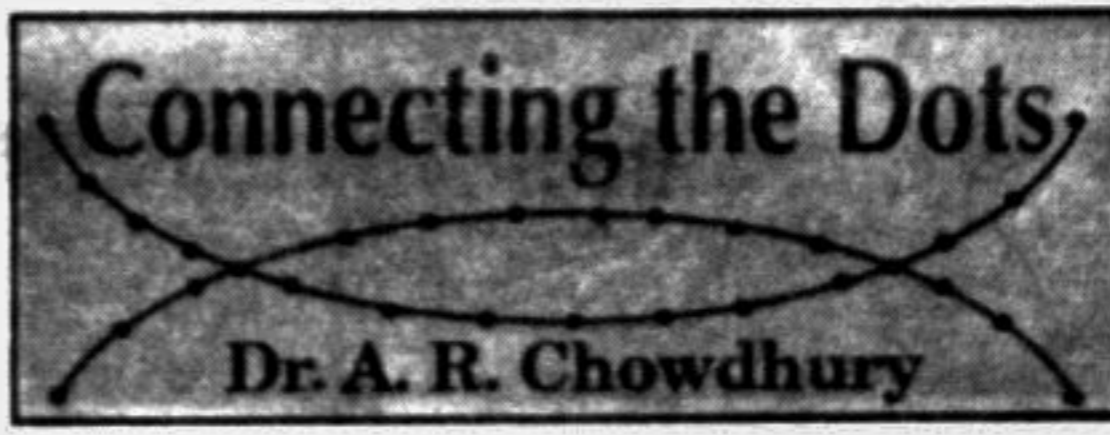
hasn't passed the Maastricht tests. The EMU completed the European Union's barrier-free internal market. The single currency is meant to provide lower interest rates and more competitive economies. It will also encourage better integration of national markets, simplified financial management and elimination of exchange transaction cost. Currency risks within Europe's exchange rate mechanism will be completely removed.

With the onset of EMU, exchange rates for these countries will be set in Euro. Although national currencies will remain, stocks and government bonds will be denominated in Euro and companies can start accounting in Euro.

EMU will impose a uniform monetary policy on its members implying that interest rates will be the same in the entire EMU zone. A fiscal discipline will also be imposed as individual governments will have to keep budget deficits within 3 per cent of gross domestic product.

It should be noted that despite the rosy picture portrayed in different European capitals, the EMU has both short and long-term risks. The short-term risks stem mainly from Europe's relatively rigid labour markets and high degree of regulation. Lack of flexibility will prevent the EMU zone to react to asymmetric economic shocks — shocks that affect some countries or regions but not others.

For example, if shocks lead to economic recession in some regions, national governments



will have no effective policy instrument to stimulate the affected region. In the absence of sufficient labour mobility and a political union that allows fiscal transfers from rich to poorer regions, the EMU can face extreme political and economic crisis during periods of economic downturn.

There are also some long-term risks involved. This arises from the uncertainty about the political future of EMU. Previous experiences have shown that efforts to attain monetary union without a political union have tended to fail. In the absence of any clear momentum towards a political union, EMU's long-term success is far from guaranteed.

Despite these uncertainties, both exporters and importers in Bangladesh will have to realise that Euro is no longer a vision, it is a reality in order to benefit from this inevitable switch, they have to be prepared. The sooner it happens the better. One of the major advantages of the switch will be felt by the Bangladeshi traders who do business across the European continent. Currently they have to hold multiple currencies and deal with several banks. The introduction of Euro will help them to consolidate their banking transaction and conduct business more efficiently

across the entire continent. Many traders in Bangladesh are still oblivious to the Euro's impending approach. But they should realise that, beginning January 1st, as companies in the EMU start doing their business in Euro, they will also want their overseas business partners to do the same. Unless Bangladeshi traders are quickly willing to switch to the new currency, the European companies may find it more convenient to trade with business in other countries who are eager to make the switch to Euro.

If the EMU is successful, its member-countries will grow and become more productive. Euro will become a strong and credible currency at the expense of mostly dollar and yen. A more productive and wealthy Europe would mean more demand and larger markets for countries like Bangladesh.

It could also lead to more competition among say, garment exporters in various countries. In order to survive in this highly competitive environment, Bangladeshi traders must be willing to invoice in euros immediately following its introduction. Several Asian countries have already recognised the reality and have embraced the Euro. Companies in Hong Kong,

Singapore, and Japan stand out among these. They have already started the procedure of pricing their products in Euro beginning early next year.

Besides trade, the introduction of Euro would also affect finance. The integration of the fragmented European markets will mean that Asian companies will have access to a much larger and liquid market than before. European stock and bond markets will become an attractive destination for funds from this part of the world. It will offer investors an opportunity to diversify their portfolio. Euro will also create a larger liquid pool from which to raise funds. Several Asian countries, such as Japan, the Philippines, Singapore, and South Korea

OPINION

ASEAN Cracking Up?

A Husnain

The Thai Prime Minister recently hinted that the future of the ASEAN 7-nation grouping may be watched with care, after the cyclone battered the financial market and the resulting economies. Now Mahathir of Malaysia is pressing ahead with some political gambits in the home front. He should know what he is up to. But his main indirect target appears to be Singapore. The vast majority of Malaysia's trade is via Singapore.

The recent restrictions on the movement of the Ringgit may adversely affect her neighbour, considering the volume of transactions. He may not be liberal allowing the neighbour to fatten itself at the expense of Malaysia, as has been the pattern so long, especially after the economic disparity between the two countries yawned considerably.

Does the situation remind us of the Indo-Asia economic equation? Asia is in flux; and those with foresight to read the near future correctly will be the gainers — at least be able to hold out.

Singapore is already feeling the pinch in more ways than one. Vast Indonesia was a vast potential market with a quarter of a billion people; now visibly impotent at the global level. The standard of living in Singapore may be high, but the cost of living had always been comparatively higher, and it has been showing a rising trend even in these adverse times. Time for some of the factories to start migrating, as the labour wages are becoming uncompetitive (such migratory trend is a feature of western capitalistic economy). Tiny Singapore island, has a nation of about three million people; hence the presence of the 'micro complex' bug is understandable.

Singapore is a gateway of various types of international services (a service-oriented economy), and is also a financial hub, along with the recently oriented HK. These income earning sources would be in state of flux during the end of

have already decided to issue Euro-denominated securities as soon as feasible.

EMU will be one of the biggest economic experiments ever attempted. It has no precedents in either scale or kind. Hence it is very difficult to accurately predict its long-term success. That would depend on how the people, business firms, and national government react to the new structure. But at least in the short-run it has come to stay forcing us to think harder about the nature of this new structure, and the extent to which the Euro will act as a catalyst for developing new relationship in international trade and finance.

Euro offers an economic and business opportunity to Bangladesh as well as other countries in the region. In order to benefit from the Euro's emergence, we must be prepared. The sooner it happens, the better effect it will have on our overall economic condition.

To the Editor...

Clinton's Affair

Sir, The letter written by Ms. Nur Jahan on 'Clinton's Affair' in your recent issue has drawn my attention. She has opined in her letter that it would not be possible on the part of Bill Clinton to become the President of United States and be installed in the White House without the help and support of Hillary Rodham Clinton. I take exception and amazed as to where Ms. Nur Jahan has gathered such information from. So far as I know Hillary canvassed from the deepest portion of her heart for her beloved husband Bill Clinton at time of election in the United States. She undertook tremendous pains for Bill's election campaign. She moved from door to door for casting votes favouring Clinton — no doubt, and the people of United States people elected Clinton the President categorically. Is it not, Ms. Nur Jahan?

Secondly, Ms Nur Jahan also stated that Clinton did not hesitate to betray Hillary. But her concept in this regard is not correct at all. Everybody knows that there is entire happiness in their conjugality. So it is greek to me, how Clinton betrayed Hillary. My opinion is that neither Clinton nor Hillary be-

trayed each other; rather they have a great sympathy for each other. There is a harmonial relationship between Clinton and Hillary.

I want to draw the attention of Ms Nur Jahan to the fact that American education and mental faculty are such that they are very open-minded and generous not only to themselves but to others even.

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About special commission's report

Sir, It is obvious that Kenneth Starr's report would never have published if it were in Bangladesh. If it were published, wouldn't have Mr Starr been detained under Section 54?

Recently the special commission headed by Justice Habibur Rahman has completed probing the Rubel murder case and has submitted its report and recommendations to the Home Ministry. We urge the government to make the report public. We don't understand why such previous reports were not published in the media. But

what we see in the USA, a report which is absolutely against the man who is the head of the states has been made available for the public not only through the media of that country but also worldwide on the Internet. Where lies the problem of publishing such reports in Bangladesh that claims to be a democratic country with a democratic government? We don't find any reason behind it.

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S M Enayetur Raheem
ISRT, DU

Parking hazard

Sir, To perform our professional and personal work we have to go to Shilpa Bank, Adarsh Court, ANZ Grindlays Bank, Sonali Bank, BCIC, Sadharan Bima, Sena Kalyan, PDB and Dhaka Stock Exchange buildings daily. For the last few months some L N Corporation is realising parking charge at the rate of Tk 5.00 for keeping car in the Motijheel and Dikhsa Commercial Areas starting from Dainik Bangla crossing up to the Ittefaq crossing on the plea that they have taken this area from the Dhaka City Corporation on a long-term lease. For realising

the parking charge they cannot show any paper of the City Corporation for the lease, rate, duration of parking etc.

Initially they used to charge Tk 5.00 for the period up to lunch and Tk 5.00 for the period after lunch. Now they have engaged different collectors for different portion and these collectors are charging parking at the rate of Tk 5.00 for keeping the car at any place irrespective of the duration of parking. So, if anyone parks the car in ten places to meet different requirements he will have to give parking charges of Tk 50.00 though the entire area claimed to have been leased out to a single organisation. As a result, it has become difficult to carry on the activities of the people self-employed.

I want to draw the attention of the Ministry of Local Government and other government agencies to look into the matter and request them to let us know the actual position, the area leased out, rate for parking, the duration for parking etc.

A Sufferer
Dhaka