# The Baily Star

Founder-Editor: Late S. M. Ali

## President Strikes a Chord

Dhaka, Wednesday, January 27, 1999

President Shahabuddin Ahmed's annual recital of national policy directions through his mandatory New Year's address to parliament Monday was not without a central message so characteristic of his touching the heart of problems. He has urged the politicians to break out of the narrow partisan confines and thickets of petty interests on the forceful plea that at this juncture it is the country, its economic development and people's welfare that must take precedence over the former set of degenerated passions.

Country comes first, then the political parties. And what does a country mean? It means institutions with people as their focal-point - the state of their physical and economic well-being and a set of opportunities for them to grow, prosper and reach out to the new world unfolding with another millennium knocking at the door.

If we choose to remain caught in the vortex of continuing political bickerings and tirades we shall be thrown by the wayside by a ruthlessly advancing world, the President reminded us in so many words. Although the actual quote from him is, "We have to survive competing with the stronger economies," the essential message of falling by the wayside cannot be lost on any one.

The President, therefore, strikes a responsive chord with us and voices the concern of our people most eloquently when he sees economic development and culture of democracy as intertwined phenomena. So, the politicians who have drifted far away from the time-honoured normative political culture do need to reform themselves first. In this context it is the nature of opposition politics pursued on a tit-for-tat basis readily traced to precedents set by the present ruling party when in the opposition that causes worry because it is the

people who are suffering. The business leaders in a renewed call made upon the major political parties have urged them to sit for an immediate dialogue to avert hartal and save the national economy already teetering on the edge of poor investment from utter ruination. It is time the politicians paid heed to the voice of the people echoed by the President and the chamber leaders.

## A Futile Hartal

Another hartal came to an end at midnight last night. Once again it has demonstrated the futility of a brand of politics that shows scant regard for the people, and places the maximum emphasis on partisan pursuits. The Bangladesh Nationalist Party (BNP) and its allies had called the hartal ostensibly to demand resignation of the Chief Election Commissioner, but in reality to prevent filing of nomination papers for the forthcoming municipal elections. Boycott of the polls is the principal goal of the opposition, and attempt to foil filing of nominations through hartals was a logical tactic to achieve the goal. However, in both counts the opposition's case looks forlorn.

The logic behind "boycott" of the municipal polls on grounds of perceived partiality of the CEC has not been accepted by anyone other than the most rabidly partisan. Besides, it is doubtful whether political parties can exercise effective control over local government polls such as the ones to municipalities and Union Parishads. Under such circumstances, calling of hartals to foil such elections is rather futile. Not surprisingly, reports from election offices around the country show a high degree of participation by prospective candidates, and the Election Commission has not reported any disruption to the nomination filing process.

Given such a situation, we are well within our rights to ask, what was this hartal all about? And what purpose would any future hartals serve, should the opposition call them as part of the same exercise? It is clearly evident that the opposition's current tactics have little to do with the aspirations or anxieties of the people they claim to represent. Hartals are once again being used as a ladder to climb to power, even if it means beraking the back of the people, economically and socially. It is rather surprising that, having roundly condemned hartals as anti-development and anti-people during its terms in office, the BNP is now indulging in such activities without the faintest consideration for the welfare of the people or the future of the nation. What the BNP and its allies need to understand is that, if they wish to endear themselves to the people, they ought to turn away from the politics of hartals, and embrace politics that is good.

## Thrust on Leather Needed

We are delighted at the news of an international fair for the country's leather products in an attempt to give a real boost to this important industrial sector for the first time. This is one sector which is almost self-sufficient so far as raw material and trained labour force are concerned. Despite its tremendous export potential the leather sector has not received the treatment it deserves. In the absence of a clear-cut government policy this important industry which fetches more than Tk 1000 crore in foreign currency every year is practically struggling to survive. The country is deprived of a doubling of foreign currency earning aside from creation of job opportunities and expansion of the sector.

The government must not waste further time in preparing a comprehensive policy guideline for this vital sector of our economy and offer all necessary financial and legal help and also provide incentives to those factories that will be environment-friendly. Apart from earning foreign currency this sector also contributes handsomely in local currency to the public exchequer and has already established itself as the third biggest export-oriented sector after garments and frozen food. We are confident that given proper incentives and progressive policy guidelines by the government our leather sector will be able to successfully compete with Pakistan and India in the international market. We wish all success and godspeed to the Bangladesh Finished Leather and Leathergoods Exporters Association (BFLLEA) in their maiden venture of an exhibition designed as a major marketing exercise.

## When Terror Strikes, What is the Government's Worth?

The police has the Special Branch, the defence establishment has the Directorate General-Forces Intelligence (DGFI) in addition to the Military Intelligence (MI). The home ministry also has the National Security Intelligence (NSI). With all such intelligence agencies deployed in various roles, it is rather surprising that none of these managed to get a tip on the plans to assassinate Shamsur Rahman.

or Kashmir. One would certainly have expected intelligence services such as the SB, NSI and DGFI to keep a close watch on them, particularly since they may have links with

foreign terrorist groups. Unfortunately, the attempt on Rahman demonstrated that the security services were not carrying out any such surveillance on these fanatic groups. nor were they subjected to any of the mundane tactics used by intelligence agencies such as infiltration to gather information. Had that been done, the murder ring would have been broken before Rahman's life

was put in danger. In fact, the failure of the intelligence services to gather information on the fanatic groups' para-military training, arms procurement and planning for assassinations, probably had more to do with political dishonesty and opportunism of governments, past and present. This has not only allowed parties on the fundamentalist fringe to gain political legitimacy and mora strength, it has also left intellectuals to without real protec-

Intellectuals are no strangers to death in Bangladesh. The liberal, secular ideology Bengalee intellectuals have traditionally propounded has ensured that they remain prime targets of religious fanatics and neofascist political elements. The murder of the intellectuals by the Pakistan army and their Al-Badr death squads in December 1971, is merely the most dramatic expression of the intolerance and hate that the

serves left the country.

currency in the market.

Once the government re-

alised that it was spending its

international reserves in a fu-

tile defence of the currency, it

decided last week to float its

Brazil's devaluation and the

subsequent floating was unex-

pected, that it happened wasn't

a surprise to many people. De-

spite vows by Fernando Car-

doso, who began his second

term as Brazil's president on

the New Year's Day, to carry out

economic reform, both foreign

and domestic investors have

been leaving Brazil as it became

clear that there wasn't a politi-

cal consensus for fiscal re-

forms. The Brazilian Congress

last month rejected measures

aimed at reducing federal bud-

started when Itamar Franco,

the former president of Brazil

and the current governor of Mi-

nas Gerais, one of Brazil's 27

states, declared a moratorium

on the state's \$15 billion debt

with the federal government.

This was a major challenge to

Cardoso's austerity programme

which was introduced last

summer, when Brazil came

close to having to devalue its

Brazil narrowly averted a cur-

rency crisis by taking some

immediate steps, including an

increase in the interest rate to

prevent capital flight, drastic

cuts in the federal budget, long-

term fiscal reform, and a \$42

Towards the end of 1998,

Initial signs of the trouble

get deficits.

currency.

Although the timing of

fanatics propagate in order to stifle freedoms of expression and thought.

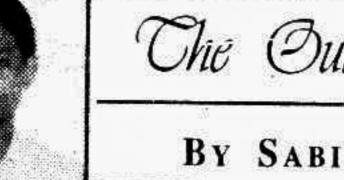
Over the past two decades and more, the forces behind the attempt to murder Rahman have been allowed to grow both in strength and audacity right before the very eyes of the State and society. Apologists of the State would say that the growth of religious fanaticism has been "tolerated", on the grounds of freedom of expression and thought.

However, there is a gulf of

difference between promotion

port among the general masses. But they have been able to recruit a fairly large number of fanatics, mostly from the madrasas who apparently have no stake in the functioning of a democratic State, and even less in the liberal, enlightened tradition of Bangladesh. The polities they pursue is a new brand of fascism, which uses religion as the motivating element,

rather than nationalism. The danger that fanatical groups pose to the lives and freedoms of liberal and secular intellectuals has been known



BY SABIR MUSTAFA

of a political ideology based on religious teachings, and propagation of an ideology that uses religion to incite hate and intolerance, and tries to stifle intellectual freedom through threats of violence or actual violence. Those who have been at the helm of the State's affairs since secularism was deleted from the Constitution in 1977. unfortunately, have not acknowledged this difference.

Since 1979, both the Islamic Revolution in Iran and the civil war in Afghanistan have inspired the growth of religious fanaticism in Bangladesh. Such groups are on the fringe of the political spectrum, as they have never been able to generate sup

for decades. The true character of these fanatics became visible they launched a street campaign against the writer Taslima Nasreen in 1994 and targeted the daily Janakantha newspaper. The extraordinary degree of intolerance became apparent when they attempted to whip up a hate psychosis directed against the tiny Ahmadiya community numbering around 100,000 in Bangladesh.

During all these, the State acted as a by-stander, watching passively as small fanatic groups publicly threatened the lives and freedoms of other individuals and communities. The signal sent by this passive non-reaction of the State in the

mid-90s was a dangerous one. It meant that fascistic politics of hate, even incitement to murder, would be tolerated. The idea was to create a cowed environment in which intellectuals would be terrorised into silence. The State virtually abdicated its responsibility to protect citizens' fundamental rights enshrined in the Constitution.

Since 1996, however, there has been a marked decline in the overt activities of these fundamentalist groups. The rout of the Jamaat-i-Islami in the June elections that year had clearly demonstrated that the people of Bangladesh had little time for fanaticism. The non-Jamaat camp of the religious Right, which contains a number of tiny Taliban look-alike groups, has never been in the electoral game. Their strength is based on their hold on the madrasas which provide fertile ground for breeding fanatics. But their biggest strength has been the government's unwillingness to tackle them head-on.

In recent years, the audacity displayed by these groups has naturally reminded people of the days of 1971, when bloodcurdling warnings against intellectuals by Jamaat leaders, through speeches to the faithful and articles in their mouthpiece daily Sangram, had preceded the December massacre. Such threats are heard at public meetings quite regularly these days, but without provoking the slightest bit of preventive action from the government.

It is clear that these socalled Taliban groups are basically terror-oriented with an intent to murder. Therefore,

there is no reason to treat them as "political" elements, and every reason to tackle them as a law and order issue under the country's criminal code. The attempt on Rahman's life has demonstrated that there is no scope to play the opportunist political game that has been played over the past two decades and more. Such opportunism has nurtured the Frankenstein that is now threatening to compromise the most fundamental element of a civilised, democratic society: freedom of thought and expression.

The Jan 18 incident has the potential to blow the lid on a number of issues. First is the question of whether "political" parties which incite hate should be allowed to function. Second is whether madrasas should be brought under the direct supervision of the education boards, or whether madrasas should be kept at all. Third is whether the time has come for Bangladesh to seriously scrutinise the role of some foreign diplomatic missions and NGOs and their links to fundamentalist groups.

But the question that requires immediate answer relates to the role of the government itself. It is not a matter of putting police guards at the doors of selected individuals. Such "protection" is illusory, because it does not address the core issues at stake. Unless fanatical groups are uprooted, the threat to the lives of the likes of Shamsur Rahman will remain

If the government wishes to protect freedoms of expression and thought, then it has little choice but to act against fundamentalist groups known to propagate ideologies of violence and intolerance. If it does not, then the words of a highly respected intellectual, spoken more in frustration than anger, would look prophetic. "This government is worthless", he had said.

Perhaps Prime Minister Sheikh Hasina would like to demonstrate to the public the worth of her government.

# The Latest Victim of Global Financial Crisis

The situation in Brazil would definitely result in scarcer capital, higher interest rates and lower

economic growth in the rest of Latin America. That's certainly the case if the initial response

HE ripple effect of the global financial crisis that A started with the devaluation of baht in Thailand in July 1997 can still be felt around the world. The latest victim of this

HAMSUR Rahman has put

death on Jan 18 last down

as a "miracle". And well he

might. This was an atrocity

waiting to happen, and it was a

matter of miracle indeed that

the intended target escaped

unhurt. The crude attack on

Rahman at his family residence

has certainly shocked the saner

segment of the population. But

it would be a fallacy to suggest

been there for all to observe for

a long time; threats, some

thinly veiled, others pretty

brazen, have been made against

intellectuals of secular disposi-

tion in public for years. Such

threats had become shriller and

more blatant in recent years.

But the response of the State.

which carries the sole respon-

sibility to protect the lives and

freedoms of citizens, has been

characterised by complacency

surprise has been accompanied

by total incredulity over the in-

ept performance of the various

security-related intelligence

agencies. Bangladesh may not

be much of a player in the re-

gional or global strategic game,

but Dhaka does boast an array

of such agencies. The police has

the Special Branch, the defence

establishment has the Direc-

torate General-Forces Intelli-

gence (DGFI) in addition to the

Military Intelligence (MI). The

home ministry also has the Na-

tional Security Intelligence

(NSI). With all such intelligence

agencies deployed in various

roles, it is rather surprising

that none of these managed to

get a tip on the plans to assassi-

from another planet, nor did

they carry out their activities in

total secrecy. Fundamentalist

groups such as the so-called

Harkatul Jihad lay out their

stores in public, propagate their

politics of hate through jour-

nals published from offices

with signboards. They even

boast of their connections with

militant groups in Afghanistan

The assassins did not come

nate Shamsur Rahman.

At the same time, the lack of

verging on abettment.

The danger signals have

that many were surprised.

his escape from the jaws of

financial contagion is Brazil. Brazil is now in deep crisis. Its currency, the real, has plunged more than 30 per cent against the dollar, since last week when the currency was first devalued and then allowed

to float in the market. The economic turmoil in Brazil started late last week with the resignation of the central bank president, Gustavo Franco, a hardline foe of devaluation. His replacement, Francisco Lopes, didn't waste any time in announcing that the trading band for the real set under the Real Plan, would be widened.

The Real Plan was initiated in 1994 by pegging the Brazilian currency to the US dollar. The real traded within a narrow band with a slow depreciation for more than four years, ending a hyperinflation that had reached an annual rate exceeding 2000 per cent in 1994,

In abandoning the narrow band of the currency peg. Lopes triggered a massive devaluation. The Brazilian currency slumped in value by about 9 per cent within a span of 48 hours. The devaluation was exacerbated by the steady decline in the central bank's international reserves. Lack of confidence among investors, both foreign and domestic, due to the absence of commitment on the part of the Brazilian political leadership about economic reform, cost the country about \$6 billion in December. In the wake of the devaluation earlier this week, more than 2 billion dollars of international re-

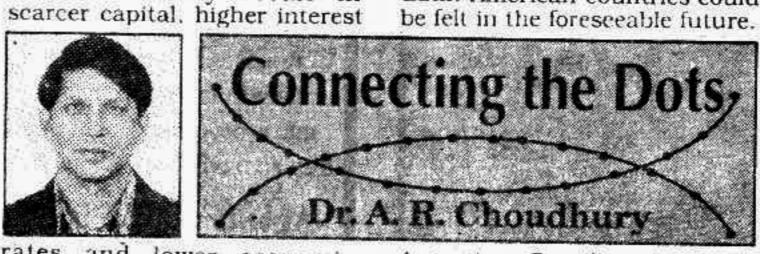
of regional markets is any indication. billion package of IMF aid

package. However, the measures have so far not restored the government's credibility. The high interest rates designed to attract foreign portfolio investment. combined with the IMF aid package, proved to be no substitute to fundamental structural changes in the economy. In Brazil's case, this includes a major reduction in the size of

the public sector. The situation in Brazil would definitely result in

the widening of the spreads aren't as pronounced as they were last August when Russia defaulted on some of its debt and devalued its currency. One reason for this may be that the investors are less leveraged than they were even a few months ago and that those who are likely to sell in a steep downturn had already bailed

out of Latin America. The ripple effect of the Brazilian crisis on the economic fundamentals in other Latin American countries could



rates and lower economic growth in the rest of Latin America. That's certainly the case if the initial response of regional markets is any indication. Throughout Latin America, jitters in currencies and equity and debt markets became evident as already nervous investors further cut their exposure to regional assets.

The crisis would postpone the recovery stage in many countries. Interest rates will increase as investors will demand a higher return on both dollardenominated international bonds and local-currency assets. However, market conditions immediately after the initial devaluation show that

Argentina, Brazil's main trading partner in Latin America, would be beset with higher unemployment and falling wages, just as it was after Mexico's sudden devaluation in 1994. It will also be forced to maintain high interest rates in the coming months in order to attract

scarce capital. Mexico's economy is also expected to slow as a result of Brazil's problems, though it benefits from its close commercial and investment ties with the resilient US economy. However, the Mexican authorities will have to find out ways to prevent downward pressure on their currency, peso, from exacerbating an increase in infla-

tion that already threatens to wipe out real gains in buying power. They need to tighten monetary policy in order to keep price increase under control. Monetary authorities in Chile and Ecuador responded by either selling dollar and buying domestic currency or raising the interbank target lending

Several other countries in the region, such as, Columbia and Venezuela, would also be affected. In these countries, high interest rates and skidding property prices have already sparked a financial crisis that is putting a strain on their budget deficit situation. The situation in Brazil will only raise the prospect that more problems will emerge in these coun-

The possibility that emerging market economies, especially in Asia, would face a fresh wave of financial crises also cannot be ruled out. The crisis has already sent shock waves across global financial markets, weakening the dollar and pushing stock markets lower.

The short-term global effect of the Brazilian crisis would be mainly through financial contagion which may work in several ways. First, international investors and speculators may readjust their portfolios. Second, countries may be affected through trade or banking operations. Third, economic agents in other countries may react because the situation in a crisishit economy resembles the situation in another.

The long-term effect of the crisis would be much broader. The move towards globalisation during the last decade has encouraged the free flow of goods, services, and capital across countries. Recent financial crises in East and Southeast Asia and Russia have challenged this world view. Some critics of globalisation have already started to argue that the risks of interacting with the global economy is greater than the risks of partially withdrawing. Events in Brazil would only strengthen their view.

As I have written repeatedly in this column on previous occasions, the international community needs to impose some type of control in speculative capital movement across countries. A regime of capital account convertibility that includes free flow of capital is pushing the developing countries towards more uncertainty as their economy is not robust enough to be exposed to the shocks that unhindered capital flows can bring.

There should be no doubt in anyone's mind that the developing countries need productive and long-term capital inflows. However, flow of capital based solely on speculation and short-term profit motive would only help to destabilise a developing economy. By imposing restrictions on speculative capital movement, the domestic economy can be protected from the pressures of the global financial markets. It would also help to introduce economic re-. form in a prudent and sequential manner. The latest episode of economic and currency turmoil in Brazil can only help to

emphasise this point.

### Living in a Lead-Hell

Sir, An alarming news item on number of dailies under above heading is the cause of concern for all sane citizen of Dhaka city. However, it is not understood how on earth the authority concerned in the Environment Ministry can explain this disastrous situation which is of course the outcome of accumulated negligence or total indifference for some time in the past. Effect of the excessive lead contents is said to be extremely damaging for the old people and the children in particular. Even if the people in the helm of affairs may like to do away with the elderly citizen, in this process the effect on our future generation after survival of as many residual babies through this ordeal may result in a population of sick human beings who will be useless resources suffering from many after effects of the highly polluted

In the recent years we have seen authorities in Mexico city, Manila, Paris and many other cities of developed countries adopting crash SOS measures to save their peoples from such slow poisoning.

How about our prime minister taking a serious look into the matter? We are confident she cannot allow such a state of affairs to continue uninterrupted. We feel it is worth declaring a state emergency/disaster as it may be appropriately called in civilised

To tackle such natural calamities, two immediate measures the government should and must take are:

city immediately, and in other

1. Total ban on vehicles with two stroke engines in Dhaka

cities gradually.

2. Introduction of lead-free fuel for all types of vehicle. We urge upon the government to act quickly before it is too late.

2 Rahman H Imam M Bhuiuan 75, Indira Road (Hamida Villa) Dhaka-1215

## **Empty rooms**

Sir, After every Eid holiday, we invariably see a news caption with a photograph showing scanty attendance in the government offices even after twothree days of holidays signifying that employees/workers overstay at home and do not return and resume duties on time whatever is the length of such holidays.

I do not know if there had been any reaction at any quarter about this. Does it prove that Eid holidays are short or too short and such situation are acceptable? If so can't we do something to legalise it? Or else, we should never try

to enforce discipline.

Mazhar Uttara, Dhaka

## Poor 5-taka coins

Sir, It is professionally unthinkable that the minting department of the Bangladesh Bank could goof up the market - . ing of new 5-Taka coins (DS Jan ' 13), so that even non-expert users on the streets could detect the minute physical differences of the two coins minted in two different foreign countries and released officially in Bangladesh as legal tender.

The monetary authority has no right to harass the public in this way, causing doubt, suspi-

cion and inconvenience, forcing the BB to explain the dis-

Another Bengalee, a Nobel crepancy later (why the explanation did not precede the issue We are bungling up even in day to day routine work. In this and struggle for existence. case, credibility of BB has been

One point comes out clearly harmed Quality control is a routine work, but it must be carried out at high level, without any compromise, especially in the case of legal tender. An investigation seems to be necessary in public interest as to the circumstances under which this issue of two different types of coins of the same denomination were authorised.

Such acts of indiscretion have to be nipped in the bud, before the already poor administrative standard totters into a shambles. This is not an isolated example. Biman carrying stowaways in the wheel box of planes is another example (two deaths already). Who are taking the responsibilities in these two separate examples? The public

Abul M Ahmad

have the right to know.

of the coins?).

## The will to live

Sir, The DS interview of Dr Mohamamd Yunus of the Grameen Bank is revealing on many points. The first general impression is the clarity and simplicity of thought, expressed in simple language, a sign of the mastery of the subject, and the lifelong dedication to a noble mission. He believes in what he is doing, and he has slowly but firmly built up an institution which is now attracting global attention, because the principle of micro-credit without collateral is concept outside the traditional theories of modern practising economics.

laureate, has just been recognised for elaborating on a theme that takes a closer look at the way the poor try to live

from Dr Yunus' observations. What the poor, the marginal and the economically deprived need is the will to live. The rest of the processing is technical. Thus, his caution about the hastiness of imparting quick "training" to the initiates in this marginal area, the way this modern training institution has been developed for the initial and subsequent training courses for the trainees who already have a certain base or background and enjoy the basic fringe entitlements, to be able to interact conformably with the training.

Thus there are different approaches to training in the different worlds where humans live. In the above case, the poor live aimlessly from day to day, without any push or sense of direction, and the motivation, or the will to live, is diluted, or practically absent (there is a Bangla idiom which refers to the rudder-less boat drifting in the ocean of life - haal cherey dawa). Of course, the 'will to live' factor may cease under other circumstances also, mainly emotional or psychological.

Watch the person how he tackles new situation (a small loan), and help him to guide his instinct and natural faculties of survival, natural competition and priorities, before confining him to formal training courses. In the same issue of DS (Jan. 8), on the next page, a poet and critic revealed in an interview that he was not wise because he was educated; therefore cultur-

ally confined. As a poet he wished to be free of man-made education. There is some confirmation of this faint echo in Amertya Sen's amendment to the existing economic paradigm. The progress of human knowledge is usually linear, and breakthroughs come at rare intervals (Newton, Einstein and others).

The poor need the seed to form a sapling, which could be nurtured into a hopeful future. The will to live is a basic motivation, and needs institutional support at the level of understanding of the recipients of the assistance.

Therefore foreign aid or assistance package have to be amended to tune in with the local cultural and economic environment - one integrated environment. The scholars have to pay more attention to the poverty environment. .

Here is a tempting question: How the ideas of Sen and Yunus could work together to reinforce the entitlements to the poor and the needy?

A Husnain Dhaka

### Encouraging hartals

Sir, Which factors encourage hartals (strikes, non-cooperation)? Hartals is imposed when normal standard methods of settling a dispute fails. It is the last resort because the other side wakes up when hartals are enforced by the other party or group, and takes notice and starts making noise. The response mechanism has to be tickled.

Therefore it is question of sensitivity to response. The

question is what will make the other side listen? The draw attention, the whole nation is got involved through hartal, and the nation is held as a hostage. The same mechanism operated in 1994 when the then opposition resorted to a total of six months of hartals. The modus operandi is the same. The holier-than-thou attitude will not take us anywhere.

It also means lack of tolerance. Wars and physical aggressions are also a form a lack of tolerance, when peaceful means fail. The politicians look at hartals in a different way, and offer their own type of political analysis. The outsiders and those not involved have different views. What should be the common outlook? It is the objective perspective, but the parties to a dispute are rather subjective in approach.

Why there are so few seminars on hartals, especially by the neutral groups and observers, including the academics and the intellectuals? There is lack of initiative by those not involved directly (the business sector) and indirectly (the masses). The students are used for or against hartals. The godfathers are silent or not neutral, or offer slanted views (conspiracy, self-interest).

To solve the hartal problem, the approach to the problem has to systematic and analytical. Several groups are involved: the disputing parties, the arbitrators and public opinion. Who will bell the cat? And why should everyone listen? Several platforms are being used to offer solutions. This will not do. There must be one single platform.

Alif Zabr Dhaka