

Bangladesh Bank on Reforms

There is little doubt that the Bangladesh economy is passing through a fairly difficult phase. The floods have inflicted colossal damage, both short-term and longer-term. External factors, particularly the East Asian crisis and general slow-go in global economic growth, are likely to put forex earnings under pressure, through reduction in exports and remittances from expatriate workers. All these, according to Bangladesh Bank's annual report published on Sunday, are likely to reduce growth of gross domestic product (GDP). Growth rate had already slowed down, from 5.9 per cent in fiscal 1996-97 to 5.6 per cent in 97-98. The central bank has chosen not to predict the growth rate for the current fiscal, but expressed the hope that the decline may be minimised. What the analysts at BB are banking on is acceleration of reforms and effectiveness of rehabilitation programmes, particularly in agriculture.

The central bank's report carries a number of important messages. First is that industry did recover well from the downturn of 96-97, by registering 8.1 per cent growth in 97-98. As a result, GDP growth rate kept above five per cent for the third year running. Export performance was good, helping to improve the balance of payment situation. But the much-desired "breakthrough", in terms of double-digit industrial growth, 15 per cent plus rate of investment and six to seven per cent GDP growth did not take place. This breakthrough is unlikely to come this fiscal either, given adverse internal and external conditions. But the ground for the take-off needs to be strengthened amid the adversity, otherwise the new millennium would not usher in a new era of sustained growth.

What the government needs to do is to keep the focus on reforms firm and steady. Post-flood rehabilitation programmes, if implemented effectively and without delays, can re-energise the rural economy and generate much needed income at the household level. But industrial growth would require a great deal of policy actions. The central bank's plea for the government to adopt the role of a facilitator rather than a regulator of industry, is perfectly in line with the vision of creating an environment conducive to growth of commercial and industrial activities. Reform of the public sector is essential, but this may require time. But changes in rules and procedures, which create bottlenecks for business activities, can and must be carried out without any further delay.

Still a Non-starter

The Prothom Alo Roundtable on the State of Public Administration Reform on Saturday reverberated with a chorus of impatience at the tardy handling of the important agenda despite the mounting urgency to carry it out. The approach that smaller reforms be taken up now with the bigger and difficult ones approached in the next phase is a soft-glove play-safe strategy evidently short on political will which is the crux of the matter. Political will needs to be mustered first at the level of the governing party and then it has to round it off with a bipartisan understanding with the opposition on this key issue of national concern so that the reform when carried out could survive the vicissitudes of political fortunes. Getting the cooperation of the opposition should not be a difficult proposition because BNP, the principal component of it, remains committed to administrative reorganisation since its earlier tenure in government. Besides, there is no reason why it would not like to be party to something as important as administrative reform in which it should have as much of a stake as the ruling party.

Some very thought-provoking suggestions have cropped up from the Prothom Alo Roundtable. Black money, muscle power and illegal arms constitute a big hindrance to people's participation in a democratic culture. We could not agree more on that point. The criminalisation of politics has in no small measure been the result of political parties' dependence on money collected from various private parties promising favour at some future date. Some way must be found to finance the political parties in a manner that they can be held accountable for their conduct. It sounds reasonable that police and intelligence services are placed under the command of public representatives not merely to ward off harassment and oppression but also to make them effective with assured public cooperation in their work. Their answerability to the community leadership together with the bipartisan working of the parliamentary committees can make democracy perform in people's interest.

All governments in power need to remember that the exercise of the mandate of an elected government, and 'politicisation of the administration' are not one and the same thing.

Cold Air in Wet Steamers

The Bangladesh Inland Water Transport Corporation's (BIWTC) ambitious plans to install air-conditioners in the first class saloons of the crumpling paddle steamers suggest the high-ups actually have little knowledge of the miserable condition the fleet is in. The four steamers at BIWTC's disposal with porous roofs, frequent engine failures and weak structure are in dire need of repair and renovation, not equipment for passenger comfort. It seems the authorities have not even cared to find out why the corporation, despite having its own dockyard and band of engineers, has been outclassed by the private-sector water transport systems in wooing passengers; why it is incurring massive losses year after year. That the steamers do not have air-conditioned saloons, they should realise, is not the reason, it lies elsewhere. They need to ask themselves some questions and find the right answers. Why only three years after the Belgian government-sponsored renovation works the steamers are in such a miserable condition? There have been allegations of corruption involving crores of taka which need to be investigated and the flawed maintenance immediately streamlined. That the chairman is aware of the miserable condition the steamers are in is a good sign but make-shift arrangements won't do any good.

What the corporation needs at this moment is to get the house in order. Rooting out irregularities in the management system will automatically result in better service and eventually more passenger revenue.

Cooperation as Progress for All Concerned

Cooperation is the outcome of collective decision-making by the participants. It, therefore, has all the difficulties associated with articulating, negotiating, deciding on the trade-offs and agreeing on the goals and methods of cooperation by the entities involved.

LEXICOGRAPHICALLY, one meaning of the term 'cooperation' is working together to common ends. It also means: to be helpful, not hostile. The second meaning can be associated with a passive stance on the part of one or more participants in terms of agreeing to what a more dominant partner or coalition of partners has decided. We are not talking here of cooperation in this sense.

We are concerned here with cooperation in the sense of the participants working together in seeking commonly agreed upon goals. Clearly, cooperation is the outcome of collective decision-making by the participants. It, therefore, has all the difficulties associated with articulating, negotiating, deciding on the trade-offs and agreeing on the goals and methods of cooperation by the entities involved.

Cooperation is useful at all spaces of human endeavour — i.e., among individuals, among families, among communities, among political parties, among countries, among groups of countries, and so on. Apart from the individual level cooperation, there is in fact a collective decision-making involved within each entity as well, given that views may differ among the members of the entity; and the higher in terms of the number of people, interest groups, geographical area, etc.) the level of the entity, the more complicated is the decision-making activity within it; and, therefore, formulating an agenda for active cooperation among the entities becomes more and more complicated, the higher the level of, and the greater the complexity within, the entities.

If technical analyses show that cooperation in a given situation generates positive-sum win-win results for all the participants, then it is the ethical and moral responsibility of the leadership of each entity to seek a workable cooperative arrangement with the others to realise that potential. Indeed, the cost of non-cooperation under the circumstances would be deprivation and self-abnegation for each, which is unjustifi-

able not only morally and ethically but also from the economic point of view.

When cooperation is thus valuable, it behoves the leadership of each entity to persuade its members to support the idea, the goals, and an appropriate conceptual framework and, then, work out jointly with the other entities the details regarding policies, programmes and projects and the institutional arrangements for the implementation thereof. In this piece, I intend to discuss briefly cooperation in the South Asian region, particularly in the Ganges-Brahmaputra-Meghna (GBM) sub-region (involving Bangladesh, Bhutan, Nepal and the north-eastern part of India).

The concept of cooperation as is used in this paper is an interesting and a politically correct expression these days in South Asia. Only a few years ago this was not so. People who then talked about cooperation in the region were not with the tide as it were, and felt a sense of hopelessness regarding their mission. The regional relations among South Asian countries were characterised more by mistrust, misunderstanding and antagonism than by a spirit of cooperation. It is not the case that those roadblocks have now all evaporated.

But, obviously, the political climate in the region as a whole has now improved significantly, opening up windows of opportunity for increased regional cooperation. Today, academia, citizens groups, business people, and others from the regional countries are enthusiastically coming together to help promote cooperation SAARC-wide or sub-regionally within the SAARC by contributing to the development and refinement of concepts, frameworks, and action programmes as well as by initiating activities wherever feasible. The governments have also started moving forward.

The Ganges Water Sharing Treaty between Bangladesh and India (signed in 1996), the Ma-

hakali Treaty between Nepal and India (signed in 1996), the Free Trade Agreement between Sri Lanka and India (signed in 1998), the benefits being derived from the Chuka project (initiated in 1987) in Nepal implemented with Indian cooperation, the bus service between Delhi and Islamabad to start on 20 February next, and the ongoing negotiations for purchase of electricity by India from Pakistan are concrete and heartening examples of evolving cooperation in the South Asian region.

The decision of the Prime Minister of India to travel by the first bus service from Delhi to Islamabad and the enthusiastic welcoming of the move by the Prime Minister of Pakistan

land and people). But it remains characterised by a highly degraded and continuously degrading environment on the one hand, and a large (over half a billion) and fast growing (at around 2 per cent in Bangladesh and Nepal and 1.8 per cent in India) population with half the present number absolutely poor on the other. With 1.3 per cent of the world's landmass, the region contains almost 10 per cent of the world's poor. The per capita income in the sub-region is less than half of that of Sub-Saharan Africa.

Social indicators such as literacy, infant mortality and child mortality are among the highest in the world. It is now realised that, under a business-as-usual scenario, the envi-

Lest We Forget ...

by Qazi Kholiuzzaman Ahmad

are outstanding steps towards building bridges between the two countries. One, therefore, hopes that these building blocks will lead to further cooperation among the regional countries, and eventually to the resolution of outstanding serious issues, thereby helping create a vibrant cooperative regime in the region for peace (social, economic, environmental and political) and progress in the 21st century.

In the GBM sub-region, the realisation that a premium needs to be assigned to cooperation has been intensifying in recent years. To assist the governments (Track-II) in this process, Track-II efforts (i.e., efforts of outside-government academia, institutions, and other groups from different countries) have been increasing in the sub-region. It is an area that has a high potential for growth given its abundant natural resources (water, hydropower potential, coal, gas,

ronment will continue to degrade, populations will continue to grow, and poverty and the number of the poor will continue to increase so that the vicious cycle of population growth-environmental degradation-poverty will be ever further entrenched and a socio-economic and environmental turnaround will become ever more difficult and intractable as the time goes by.

A Track-II initiative by the Bangladesh Unnayan Parishad (BUP), Dhaka, the Centre for Policy Research (CPR), New Delhi, and the Institute for Integrated Development Studies (IIDS), Kathmandu has been calling attention to the need and available options — water-based and otherwise — for cooperation in the sub-region, based on their joint studies initiated in 1990. The process has been assisting in creating an environment in the sub-region favourable for the governments to make decisions for coopera-

tion. It expects to unveil in about a month's time the outcome of its Phase II research activities involving nine areas of cooperation.

These are: augmentation of the lean season Ganges flows; water-based integrated development of the GBM region; quality of water in the GBM river systems, especially in the Ganges; coordination between the two barrages on the Teesta River, one in India and the other in Bangladesh; the desirability and techno-economic feasibility of developing an eastern region energy grid; cooperation in flood forecasting and warning and disaster-management; dam safety, environmental impact and rehabilitation of displaced people; formulating an outline plan for seismic monitoring in the technically dynamic Himalayan region; and technoeconomic assessment for developing an inland water transport network.

Phase I had earlier identified these nine among other areas of possible cooperation. The process will continue, contributing to the shaping of a vision framework, refining and appraising options to focus on, and developing an institutional arrangement for intensified cooperation in the sub-region. There are other Track-II efforts being pursued, which are also making contributions towards the evolving sub-regional cooperation.

As for the governments, in addition to signing the Treaties and Agreements such as those mentioned earlier, a strong political will to march forward has been expressed through the creation of the South Asian Growth Quadrangle (SAGQ). Six areas of cooperation (multimodal transportation, energy, tapping the natural resources, environment, investment, and tourism) have been identified. Not much progress by way of concrete steps has yet been achieved though. But the creation of the SAGQ and the

country is in its eighth year of expansion and shows no sign of slowing down. Clinton is reaping the benefit of a vibrant economy.

For all that, and despite his constitutional travails and moral lapses, he remains among the luckiest of presidents. His high public approval ratings glide on the updrafts of a soaring economy over which he was little influence, he wins favour for declining levels of crime that have more to do with local policing and demography than with the federal government, and he enjoys the best of enemies in Saddam Hussein.

Is it too late for Clinton to establish a legacy that transcends impeachment? In a cover story in The New York Times last month, the case was made that Clinton had already redefined and downsized the presidency, consistent with the demands of the time, just as Franklin Roosevelt had enlarged it six decades earlier.

If you buy the argument, however, it would be legacy by accident, not design. Clinton needs to find something more positive to leave behind as his legacy; otherwise, he will only be remembered as the second president to be impeached after Andrew Jackson in 1868.

The Impeachment Trial and Clinton's Legacy

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high crime and misdemeanor necessary for his removal. They came nowhere near threatening the security of the nation.

The common assumption has been that an acquittal by the Senate would be scant consolation for Clinton. He would never be free of the stain on his presidency. At best he would limp through the rest of his term. But we are now witnessing a different outcome.

The TV images of recent days

fixed two things in the mind of those who followed the impeachment proceedings closely. One was the terrible pain creating the brows of Clinton's accusers. The House prosecutors were ageing before our eyes. These men knew Clinton is going to beat them. They just couldn't bear to believe it.

The second was of the sheer irrelevance of the proceedings. Those who watched reminded themselves that this trial would give them a ringside seat at one of the great events in American political history. But what we found was simple partisanship. On the Senate floor, the House prosecutors' desperation provoked the tragicomic plea for the jurors to "keep the faith" with those who fell in the fight for freedom on the Normandy beaches. This case, they contended, sat alongside the heroic struggles of the civil rights movement. Compelling? The people yawned and switched off.

The defeat for Clinton's accusers is much bigger than the victory it delivers to him. Sure, much of the Republicans' present agony stems from their obsessive loathing of a president who always outsmarts them.

The Republicans have

missed something else. And the price of their obsession may be a lot higher than seeing Clinton

serve out the remainder of his term. While the Republicans are

busy trying to remove the president, he has seized upon a political and economic issue that will dominate the battle for the White House and the Congress.

In the upcoming general election in 2000. How should the government spend its budget surplus? The federal government expects to have budget surplus for the first time in three decades. While the Republican answer was always going to be a tax cut, Clinton said that the surplus would be spent in saving the social security system, on health, education and other middleclass causes. It seems he has once again caught the public mood and left his opponents at the starting gate.

His critics may paint him in

the primary colour of arrested adolescence, but give Bill Clinton this: His political skills often demonstrate a sense of moment and maturity that separates him from his contemporaries. This gifted, politically acumen, but morally flawed politicians has once again outwitted his accusers.

Now that he has survived the latest salvo against his presidency, the question that intrigues political observers is what will be his legacy after he leaves office? Will he be known as the president who has impeached or will he be able to leave any mark on the American political landscape?

In trying to reconcile his relationship with the Republican

congressional leadership after the impeachment saga, it seems that Clinton has realised that he only has two years left in his presidency. He has to work with the Republican leadership in the Congress to enact new legislation that would help him to leave a distinctive mark on the country's future.

The two determinative forces of his presidency consist of a burden removed before his time and a blessed inheritance. The first was the end of the Cold War, which occurred on George Bush's watch and which spared Clinton the rather formidable task of managing the nuclear-tipped relationship with the former Soviet Union. The world still had dangerous neighbourhoods, but it was a safer place at the start of the decade.

The second was an economic expansion, in its early stages when he came to power, that was driven by private-sector investment and reinvestment and required of the president only nurturing. The US econ-

omy is in its eighth year of expansion and shows no sign of slowing down. Clinton is reaping the benefit of a vibrant economy.

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OPINION

Power-enhancement Exercises

A Husnain

The US official team of energy experts are in Dhaka (welcome) to assist the GOB with the modalities of the technical processing of development of the energy, gas and power sector (including the possibility of striking oil in the restricted areas).

As for the timing of the visit, is it not a bit too late? Earlier technical assistance might have made the sector more thriving, and reduced the dragging effect we have been noticing during the last few years. Secondly, the visit has quickly followed the declaration of the Sunderbans as World Heritage zone. Only top analysts could possibly find a link between the two actions.

Southern Bangladesh is a very suitable site for international security activities, as far as South Asia region is concerned, and the other perimeters comprising the two big nations, India and China; followed by Myanmar and ASEAN. Bangladesh is an attractive geographically as strategic site for monitoring the Asian scene (where else to go?). The arc of the SAARC has to be flattened into a seamless boundary for multinational business and trade activities covering in market comprising one-fourth of the world's population (this is the Dollar speaking, not guns).

Some small steps have already been initiated: the bus service between India and Pakistan, to be hopefully followed by a similar one between Bangladesh and India. The sale of electricity by Pakistan to India, a real macro trade breakthrough might help break the psychological barrier in the future possibility of Bangladesh exporting her surplus natural gas to the neighbours. The regional hydro-electric potential has to be tapped in a practical

and timely manner. Local politics cannot ignore the hovering effects of the Global Village in this Information Age. The DCs and the LDCs have to live in harmony with the global taskmasters (take quinine for malaria). Once Dhaka's pollution clears up a little, the horizon could be scanned more meaningfully. Meanwhile watch for the small print and the footnotes.

To the Editor...

Amen for Americans

Sir, Americans around the world can finally breath a sigh of relief. The Clinton fiasco is officially over. What's yet to be resolved is what type of trying to get the stain on Monica Lewinsky's dress: evidence seems to be getting wackier by every passing day.

Definitions were pretty big. Too, I mean where in the world would you find politicians blushing over lewd definitions? Only in America. I wonder what legal ruckus 1999 has in store for us? I can assure you that millions of people span the globe look forward to it.

Yet I still haven't figured out just what bothered me the most...probably the Clinton Jokes my friends had been sending me. And don't think that was isolated to a bunch of teenagers with spare time. Even CEOs and financial analysts found time to smirk over a few cheap cracks. But no matter what people say, America is still the heavyweight champion of the world and hence it does serve as a sort of example. It's very reassuring knowing

that the Congress has finally dropped the President's problem and has finally started passing bills (which was what it was supposed to do in the first place) instead.

Keep up the good work America.

PM becomes CM?

Sir, I ask our intellectuals that if supporting Pakistan in a cricket match or saying 'Bangladesh zindabad' means Bangladesh becoming a mini-Pakistan, then when the Indians