

Towards Transparency in Banking Sector

THE Supreme Court verdict on Monday upheld a High Court ruling nullifying the directorship of five persons from two nationalised commercial banks—Arab Bangladesh Bank Limited and National Bank Limited. This has certainly given a huge impetus to the process of ridding the banking sector of the demon called loan default. The judgement, definitive as it is, apart from asserting the supremacy of law, sets forth a direction as to how the task of disciplining the sector should be fulfilled as a matter of paramount importance to the national economy. Bangladesh Bank, especially its governor, deserves the credit for initiating and then tenaciously pursuing the cleansing process started by his predecessor. The next step is to decisively act on the strength the Supreme Court has bestowed upon the central bank through the verdict and go about weeding out the default culture with renewed vigour.

In the process of elimination, certain key issues as regards classification of defaulters must be taken into consideration. Hopefully, all loan defaulters have not been put in the same category. There should be a sensible and, of course, a sensitive approach to differentiate between wilful defaulters and those who breached repayment schedules by the force of circumstances. In the case of wilful default, there should be a distinctive division between defaulting and defrauding, the latter essentially sought to usurp huge amount of taxpayers' money through loans, by means of fictitious identification, for setting up some illusory industrial units.

On the whole, the drive, while ensuring that no wilful defaulters as well as defrauders escape punishment, must also leave space for the 'circumstantial' delinquents for self-rectification. Also, there remains a facilitator within the banking system in the shape of corrupt officials who favoured the defaulters with loan in the first place. To make the system transparent and accountable, it is imperative to identify and punish them.

The Supreme Court judgement has paved the way for transparency in the banking system. The government must ensure that it makes the most of the opportunity to exorcise the default culture once and for all.

Rehabilitate Street Girls First

IT was an unusual press conference at the CIRDAP auditorium on Wednesday. Representatives of three sex workers' organisations strongly condemned the move by a vested quarter led by a ruling party MP Shamim Osman, to evict thousands of sex workers of Tanbazar and Nimtoli areas of Narayanganj in the name of their rehabilitation.

For the past two weeks or so, sex workers of these red light areas have been under a tremendous pressure from vested quarters aided by government machinery following the murder of Jasmine, also a sex worker. The leaders of the community have indicated their line of thinking through the 7-point demand they voiced in no uncertain terms. They have even threatened to stage a sit-in around the Prime Minister's office if they were evicted from their place of business in the name of rehabilitation.

One may ask what prompted the zealots to launch a drive for rehabilitating the inmates of the brothels, that have been in existence for at least a hundred years? Intriguingly, instead of targeting a few brothels why the question of rehabilitating all the sex workers of the country is not being mooted by these leaders? At least these unfortunate women have a place to live in, but what about the thousands of street girls stalking the city roads and parks every night? Why the benevolent leaders do not try to rehabilitate these unfortunate human beings? Would it not be fair for these 'social reformers' to provide the inmates of the brothels with better healthcare and sex education? In this country hundreds of thousands of unemployed, unskilled, husband-driven, pimp-recruited, broker-allured young women have taken to this profession, mostly against their will and in search of a livelihood. The community leaders were right in their argument for a better life and living, and the NGOs supporting them should also come forward in helping these hapless human beings lead a better and safer life.

In the heat and controversy of the whole affair, the murder of Jasmine has been pushed on to the back burner. But we expect that the real culprit there will soon be brought to book. The interested MP should, with the help of social welfare ministry, start an immediate campaign for rehabilitation of the 4000 floating prostitutes in Dhaka city. That will be a good start to make.

Tele-medicine Services

WHERE good news is few and far between, the introduction of Tele-medicine Service Link at the Paralysis Rehabilitation Centre (CRP) in Savar on Wednesday certainly gave us a leap of the mind. The initiators and patrons—especially CRP founder Valery A Taylor and the Swiphens, the couple behind this noble initiative—have our acclamation. Also, we can be proud of the fact that Bangladesh is the first country in the subcontinent to have had the privilege of this telelink-based healthcare facility. This will give us instant access to the latest in medical advice treatment.

Expectations will run high among people, especially the elderly segment, with cardio-vascular diseases, neurological impairments, abdominal complications and other health-related problems that maybe the telelink service one day will expand to address their concerns as well. If this happened, it might put a brake on the tendency to seek better treatment overseas.

We therefore commend the health minister's declaration that the telelink health services would be expanded throughout the country, both in government and private hospitals and clinics. We would expect this to happen sooner than later. As far as using this technology is concerned, it is imperative that we involve skilled, capable physicians. Besides, a window of opportunity exists for the major hospitals, including those at the district level to use Internet, an essential medium for acquiring information, vital for the health sector.

Getting the Gun, Forgetting the Butter!

Any discussion on defence budget or defence purchases should invariably consider the "gun and butter" argument. As economist, we would not say whether to buy or not to buy guns as it is purely a policy matter of the politicians. The ethics of economists lies in showing policy makers the alternatives.

gements relating to the purchases, I observed three types of criticism. First, there are semantic criticisms relating to the deal. Some critics apprehended unfairness in the deal which was, of course, totally rejected by the government. Some critics also questioned the rationale of buying war planes from Russia and not from others. Well, whether we agree or not, one may raise such questions the way one likes and we should respect their views. The second set of criticisms could be termed as 'non-sense arguments'. Among these include, for example, buying warplanes from Russia would amount to handing over our national security to India, purchasing planes from Russia but their parts from India etc. In fact these arguments are purely political rearings no reasoning, whatsoever.

The third line of argument—missed out in the analyses and reports I have seen so far, is one that I would like to deal with to-

day. This argument has, of late, captured attention of seminal social scientists including Nobel laureate Amartya Sen and (late) Dr. Mahabubul Huq. And the argument does not apply to any particular country of South Asia but to the whole region. Especially, it pin-points India

development to qualify for a survival in the next millennium. It stands more for the protection of the body and less for the protection of the border. Increasingly, security has come to mean: (a) not of state alone but also of people; (b) not national alone but also of individuals; (c)

border at the cost of the body (human development) might disturb the equilibrium.

During the 1980s three countries of the world spent heavily for defence development—as opposed to social development—to top the list of the highest military spenders. For example, Iraq spent eight times more on account of defence than social spending. Somalia five times and Nicaragua 3.5 times. Have they been able to protect their borders and the bodies? But look at Costa Rica. During the last 50 years the country had been allocating about one-third of its national income on education, nutrition and health. As a result—among South American countries—one can watch real democracy and development only in Costa Rica.

(Late) Dr Mahabubul Huq once calculated the social costs of one billion dollars spent on defence purchases by Pakistan. He came to the conclusion that Pakistan (a) could bear the ex-

Beneath the Surface

by Abdul Bayes

and Pakistan where defence expenditure is more than educational expenses. Bangladesh is doing better in this respect by maintaining a reasonable distance in these two types of sectors. Nevertheless, growing demand for defence could hardly be defended when social indicators need to be lifted loftily.

So, the third line seeks a threshold level of human de-

security not by deployment of arms but through development and (d) security means total security: in the streets, at the household, at employment points and of the whole environment. Ideally national and human securities are not likely to be naturally exclusive events since both the roads lead to the same destination. But tilting the balance in favour of the

penses of 17 million infants' (out of school) education in primary school for one year; (b) provide safe water for 67 million persons for one year and (c) provide family planning services for one million couple for one year. He used to argue that, in general, the people of this sub-continent have almost no idea about the 'human costs' of defence expenses.

Any nation that aspires to live in a competitive world that is likely to offer should devote relatively more resources to the social sectors. In fact, particularly, countries like Bangladesh need to put more than what has appreciably been done towards the development of the social sectors—over the years. Because they are the least developed countries hence the least they think over a military build-up, the better it would be for the future. So, any discussion on defence budget or defence purchases should invariably consider the 'gun and butter' argument. As economist, we would not say whether to buy or not to buy guns as it is purely a policy matter of the politicians. The ethics of economists lies in showing policy makers the alternatives. Buy the gun, begone the butter!

Fallout of Kargil

It is difficult to assess the impact on their future relations, their limited contacts and still more limited efforts towards normalcy. One thing is sure: the atmosphere created in the wake of the meeting between Vajpayee and Sharif at Lahore in February will not return for a long time to come.

NO war, however limited, is without a fallout. The Kargil fighting was confined to one part of the Line of Control (LoC). Yet, its repercussions will be far-reaching. Both India and Pakistan will feel tremors for a long time to come. The biggest fallout will be in the political field.

Take India first. The main advantage of Kargil looks like going to the Bharatiya Janata Party (BJP). Prime Minister Atal Behari Vajpayee has become taller in stature and he is generally seen as the person who led the nation to victory. The BJP will gain because of his image.

His warning that Kargil should not be politicised has been of no avail. Kushabhai Thakre, the BJP chief, and his other colleagues, are going all over the country, receiving kudos for the job which the armed forces have done. As the election campaign picks up pace, the BJP and its allies will be more strident in their slogans of victory.

Were they to stop at that, it would be less disconcerting. What is dreadful is the mood of Jingoism which is sought to be developed in the country. It is nationalism in name but sheer communalism in reality. It has manifested itself in different forms. One was the demonstration outside the residence of Dilip Kumar to ask him to return the Nishan-e-Pakistan award which late Prime Minister Mojarji Desai also received.

Another was the thoughtless order by Information and Broadcasting Minister Pramod Mahajan to ban the Pak TV

channel, which has now been lifted. Yet another was the closure of web sites of two Pakistani newspapers, *The Nation* and *The Dawn*. The Pakistani press has justifiably picked holes in India's liberalism. One of them has written: "Denying people access to the sources of information of their own choice characterises totalitarian regimes and thus runs counter to India's claim of being a democracy."

Patriotism does not mean

dittingo what a particular political party says to reap dividends at the polls. Some people, who are in the government, do not understand that India is a different type of society—open, democratic and liberal. You may not agree with a person says. Still you defend his right to say it. Whatever the situation, the nation cannot demolish its values of tolerance and dissent, which are necessary to stay pluralistic and democratic.

The country solidly rallied behind the armed forces, not the party which is trying to hog the limelight. It is true that the nation was initially in a state of shock. But once the armed forces put their act together, it overcame the jolt. In the name of defence nothing spurious should be sold to it.

In fact, it goes to the credit of the country that the anger

against Pakistan never took the shape of anti-Muslim feelings. During wars in 1965 and 1971, the RSS and its party were able to foul the atmosphere. This time even they did not dare to do so. On the other hand, the Muslims, who generally stayed indoors during wars, were as much on the streets as the Hindus to ventilate their disgust over the Pakistan aggression. Some Muslims in the army have died on the front trying to

doing the rounds is that Nawaz Sharif intruded in Kargil to help his friend, Vajpayee, to win the elections. Sharif's political opponents are not going to leave him alone. They may start an agitation which may ultimately prepare the ground for the Pakistan People's Party chairperson, Benazir Bhutto, to return. Sharif has lost in stature and even though his two-thirds majority is intact in the National Assembly, Pak-

istan's Lower House, dissidents within the party are growing in number. The Ayub Gohar group is restive. Gohar has neither forgotten nor forgiven Sharif for taking him away from the Foreign Affairs portfolio.

The humiliation of Pakistani forces can lead to two things: one, the army will be cut to size as it happened in the wake of defeat in the Bangladesh war. Two, the army can lick its wounds till such time as it gets an opportunity to have its revenge on the rulers. One interesting sidelight which is being projected abroad is that Sharif went along with the in-

trusion so as to deal with the much-honoured army effectively once it got bruised.

The mujahideen are not such a problem as is being presented. Most of them belong to the armed forces and the rest are Sharif's own creatures, depending on his generosity. Even those from Afghanistan or Sudan are hired by the ISI. That they are not under Islamabad's control or that they are fighting for their independence are mere arguments to frighten the West or to convey that Sharif is doing his best to tackle an impossible situation—for example, what the terrorists have done in Bandipur, near Srinagar, against the BSF.

The economy of both countries has been hit the most. India is in a bit better position because of its size. But the fact remains that both sides are spending crores and will be spending much more, famishing the fields of education, health and employment.

My experience is that the situation like the weather in the subcontinent does not change materially: it is hot, hotter or the hottest. Sometimes, I fear that Kargil may well be the Rann of Kutch-type operation, which was followed by the 1965 war within a year.

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repeated the Rann of Kutch, India would fight it at the place of its choosing. This happened in 1965 when he ordered the forces to march towards Lahore to relieve pressure in Kashmir.

That Pakistan is an intransigent neighbour or that the fundamentalists and the anti-India elements there have more influence than their number is not a revelation, India knows this to its cost. Talks between India and Pakistan may create an atmosphere where the beleaguered liberals, the harassed journalists and others come to the side of peace and defeat those who still talk in terms of *Jihad* and who want the two countries to end up in a nuclear war. What Sharif should realise is that trust is not something which can be switched on or off at will. Vajpayee feels let down and he cannot sit across the table on his asking.

Even otherwise, the talks will have to wait till the elections in India are over and the new government is in the saddle. That means sometime in November. Even if the foreign secretary-level talks were to resume immediately, they would be only perfunctory. A caretaker government cannot take a decision which is the prerogative of an elected government.

It is difficult to assess the impact on their future relations, their limited contacts and still more limited efforts towards normalcy. One thing is sure: the atmosphere created in the wake of the meeting between Vajpayee and Sharif at Lahore in February will not return for a long time to come.

OPINION

Let the Kashmiris Decide their Own Future

Barrister A Hasib

hand, insists that a third party intervention is necessary inasmuch as all the bilateral talks on Kashmir have met so far with no success.

There is no doubt that with the passage of time, Kashmir has become a complex issue particularly after the collapse of USSR, and more so after the recent events in Kosovo. The collapse of USSR saw the emergence of several independent Muslim States in central Asia. This has become more of a concern to China for some of its western part, mostly inhabited by Muslims and bordering the Muslim states of Central Asia. China already has the problems of Taiwan and Tibet that want to become independent. Taiwan is, for all practical purposes, an independent country. Partly because of this change and concern, the recent visit of Nawaz Sharif to China failed to bring the desired result. China, which so long supported Pakistan, was a little cool and advised to solve the Kashmir problem through discussion. Should the discussion be bilateral or multilateral was, however, not clearly mentioned. But one thing is clear that China is, in a subtle way, shifting from its previous stand on Kashmir.

Russia, which exercised veto on Kashmir several times in the past is worried about the way

majority Muslim subjects

opted for India when the irregulars, mostly Pathans, tried to occupy the state by force. India first sent in its armed regulars and then referred the matter of dispute to the UN. The UN passed a resolution in 1948 to hold a plebiscite. This is how the dispute over Kashmir was internationalised at the highest level. It is understood that Lord Mountbatten, the last Viceroy of India, who apparently had the two-nation theory in mind, advised Nehru to refer the matter to UNO. Nehru spoke in the UN and pledged to hold referendum in Kashmir to ascertain the opinion of the people of Kashmir. But the promised referendum never took place. India first blocked the plan of holding plebiscite in 1949 when US Commander Chester Nimitz was assigned the task by UN. In the meantime there were three wars between Pakistan and India of which two over Kashmir. There were also many joint conferences, meetings, agreements and declarations by India and Pakistan; but the people of Kashmir had no say in those talks. The most important of these is the Simla Agreement in 1972 whereby it was decided that all disputes between India and Pakistan including Kashmir would be settled bilaterally. India still insists on bilateral diplomacy for solving the problem of Kashmir. Pakistan, on the other

NATO is pushing to the east. It wants to carve out a new axis with India and China. India and China are inclined to agree to this new axis because of the fear of secession of part of West China, Tibet and Taiwan of China; Kashmir, Assam, Nagaland and some other parts of India. This, in its turn, has proved helpful to Pakistan in a way. The USA and other G-7 countries are now watchful about the influence of Russia on India and China's policy on Kashmir. As a result of this, the G-7 countries and the USA are now taking some interest in Kashmir. USA sent a high level military team to Pakistan and India to talk on the present fighting in Kargil. The G-7 countries through called Pakistan to withdraw behind the Line of Control, did not mention Pakistan as sending what India termed as "infiltrators".

And when Sharif's mission to China failed, he cut short his visit and rushed to Washington for talks with President Clinton and both are reported to have good understanding. Accordingly, Nawaz Sharif agreed to influence the Mujahideen to withdraw from Kargil. Whether this is in line with Sharif's earlier statement that he has no control on freedom fighters nor they take order from him, will however, mean some suc-

cess for Pakistan's foreign policy on Kashmir.

On many occasions in the past Kashmir was on the international agenda. This time, the issue has assumed a new dimension; because the Mujahideen, who so far since 1987 adopted a hit and run tactics, have now occupied a small territory from where they have successfully been fighting for the last more than two months and their initial rejection of the agreement between Clinton and Nawaz Sharif shows their resolve to fight. The fighting in Kargil may stop due to ensuring winter or persuasion by Pakistan due to latter's moral support for them.

The core question in any solution of the dispute is the participation of the Kashmiris. The occupation of one third of Kashmir by Pakistan and two thirds by India apparently has not been accepted by the International Community or by the Kashmiris. It is also assumed that Pakistan agreed to the Simla Accord of 1972 to free its 90,000 prisoners of war from India. But that bilateral accord does not do away with the UN resolution of 1948 calling for a plebiscite in Kashmir to ascertain the opinion of the Kashmiris. The Simla Accord on which India insists to solve the Kashmir problem through bilateralism is an accord between Pakistan and India. The Kashmiris had no part or say in it.

Kashmir is quite a big state, with a population of eight million. The G-7 countries and the USA who are supporting democracy all over the world and are fighting against violations of human rights both in India, Pakistan and in their own land, they may vote for independence instead of joining Pakistan.

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Asian regional tie-ups for import and export. The Malaysian side has been exploring openings for doing business in Bangladesh through large scale contemplated investments, including fuel and edible oil processing plants (re) locations in Bangladesh. It is time for Japan and Malaysia to shift to labour-intensive locations.

Let us have more information than mere hollow propaganda in the government controlled media.

A. Husaini Dhaka

To the Editor...

Discretion in defense purchases

Sir, Making defence purchases in India and depending on spares during emergencies appears to be a premature move, knowing as we do the sensitive historical, political, diplomatic, economic and cultural background in this part of the SAARC region. So long the Kashmir dispute is not solved, the noble objectives of SAARC will remain dormant. Then there is the huge trade disparity with India, creating a negative local response. South Asia is a disturbed region at present, and several situations are in flux; and we ourselves are not stable, bluntly speaking.

There are too many controversies floating around. Better to let these subside, before committing our defenses to rely on parties across the borders