

FOCUS

Values, Democracy and Development

by Muslehuddin Ahmad

The values which determine the character of individuals, the shape of the society and indeed of the nation greatly influence the democratic process on which depends the market economy and the development in general. Everything is at stake because of the serious erosion of values.

The World Bank and the IMF holding the "purse" and having "a fiduciary and moral responsibility to make sure that the funds are well spent" as rightly emphasized by World Bank Senior Vice President Joseph Stiglitz, may make immediate moves with a view to reversing the present devastating trend.

Human Values and Economic Disparities: The necessity to respond to the needs of one's kins, neighbours, and fellow citizens and indeed of the suffering humanity in general is integrally linked to human values that should transcend through centuries. Still 20th century experienced the glaring example of fast growing gap between the rich and the poor. Individuals apart, many states continued to amass wealth but several of them have failed to respond to the already recommended aid target of tiny 0.7 per cent of their GNP's. In order to make the first step towards reducing the ever growing economic disparities between states, all developed countries must make the firm commitment to meet the recommended level without further delay. This should be taken as the moral responsibility of these states for the sake of world peace and security.

So far as the individual developing countries are concerned, their leaders must reaffirm commitments to carry out their promises for good governance, equality and growth as rightly put by the World Bank President.

Need for a Massive Outreach Programme by WB for Poverty Reduction: In his latest address to Board of Governors the President of the World Bank James Wolfensohn said, "We meet today on the threshold of a new millennium. ... Will we begin to judge our efforts not by the prosperity of the few but by the needs of many? Will we be prepared to hold ourselves accountable, to make the effort necessary to bring about change?"

The questions raised by the World Bank President carry enormous significance for the Bank as well as for the world economy. He stressed on the "change" which is the need of the hour. The present trend of the "prosperity of the few" ignoring the "needs of many" and virtually at the cost of many is indeed polarizing the world both economically and politically. The ultimate result is likely to be disastrous in terms of world peace and security unless all countries together make moves to bring about the "change" in this sort of apartheid economic situation.

Several of the developed countries have shown commendable interest in aiding the developing countries. But firm commitment and concerted action by all are yet to materialize. Undoubtedly, to bring about necessary "change" some new approach in the development strategy needs to be undertaken

ously take its time, he may consider taking the first step by introducing a massive "Outreach Programme" that would extend credits to only small and medium entrepreneurs through some new mechanism. While the Bank may continue to work through the governments, it may, under this Programme, strengthen its Missions in various developing countries by adding a "Poverty Reduction Wing" which may directly work in partnership with various organizations including private ones engaged in poverty reduction activities. The programme outside the governments may be monitored by the local Advisory Committees that the Bank may appoint, if necessary, in consultation with the respective governments. The past experience shows that strong monitoring will be needed for the sake of transparency and accountability. If the size of the programme is large enough, this will, over a period, strengthen the economic base that may lead to "poverty reduction and sustainable growth". This will also mean broader participation in the development process, which will ensure social justice. Unless the base is strong economic growth cannot be sustained. A hole in the bottom, may continue to empty out any economic gains.

Tons of money injected into macro enterprises on the philosophy of delivery from the top by way of creating jobs does not seem to have made any major dent in many developing economies but be seen in the context of world economy. For example, these two wheels did not move together as democratic governments but they are ignored. As they cannot compete in the market with the macro enterprises with few turning into entrepreneurs. The rich continue to become richer and the poor, poorer. This is against all values and indeed affront to social justice and undoubtedly against the democratic ideals. It's time to introduce some new approaches to the market economy. After all, the small entrepreneurs form a big sector of the market but they are ignored.

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It is easy to talk about the

lack or even absence of democracy in a country or a society but democracy in the world institution is hardly discernible. A walk through the UN system will easily reveal the absence of democracy in the UN Security Council. A country having veto power — something totally anti-democratic — still bulldozes the views of the rest of the world even 50 years after the World War II. If the Security Council, by necessity as a Watchdog

Body, has to be more powerful than the parent body — the UN General Assembly — then the answer lies in expanding the UNSC to 1/3rd or at least 1/4th size of the parent body with members rotating alphabetically, however, permanent members remaining permanent but without veto power. Absence of veto in the UNSC will ensure justice internationally.

Does Democracy Lead to Good Governance? The World Bank President well emphasized the consensus of the Seoul Conference on the integral role Good Governance plays in the development process. But is democracy the pre-requisite for a "Good Governance"? Even in a democracy only one or some govern and often they govern as dictators ignoring practically everything presented by the opposition and thus make a mockery of the parliamentary democracy in the name of majority rule. In some countries democracy led to unstable governance resulting in chaotic economic situations. Some

would say these are exceptions but these exceptions are becoming the rule day by day. "South Asia is said to be in crisis in governance" and with more than five decades of democracy, India has ranked 42nd and with some democracy of the serious erosion of values.

and more military rule Pakistan is at 52nd and with "nearly decade old democracy" Bangladesh at 54th place. This was revealed in a joint report on countries' governance by Mahbub ul Huq Human Development Centre and UNDP.

The crisis on governance would be less evident if democracy is practiced as it should be. There must be political will as well as the strong commitment to govern democratically and that must be with tolerance to opposition views, respect to the views of the civil societies, total transparency, accountability etc. This would again depend on the values the political leaders attach to their governance work.

Corruption Stands against All Values: Corruption stands totally against all values and is rampant in many democratic societies. Corruption destroys normal business ethics, results in failure of the banking system, misdirects investments in the stock market, derails the market economy and indeed greatly hinders the development process. The fall of Soviet Union led to the establishment of some form of democracy in Russia. But the Russian people are paying the price for the half cooked democracy. "Billions of dollar, much of it reportedly given by the IMF and the World Bank were plundered by the corrupt business and officials and also some politicians in collaboration with a bank in New York, a city situated in a country where highest form of democracy prevails. President Bill Clinton said that corruption could "eat the heart out of Russian society". He is right but one wonders why he did not say anything about the bank concerned in his own city, which apparently did not care about the business ethics let alone values.

Need for International Discipline Based on Values: In my opinion, the values which determine the character of individuals, the shape of the society and indeed of the nation greatly influence the democratic process on which depends the market economy and the development in general. Everything is at stake because of the serious erosion of values.

Prof. Sen used an interesting term "disciplinarian states" to identify some states (according to Prof. Sen — pre-democratic South Korea, Singapore, post-reform China) while talking about "the Lee hypothesis", the point of view of Lee Kuan Yew, former President of Singapore on comparative economic growth. Here also one may suggest application and, if necessary, imposition of some form of international discipline based on well-recognized "values" (Transparency International may help work out) on the governments to make democracy and market work better with total transparency, accountability etc. This would again depend on the values the political leaders attach to their governance work.

States Not Following Discipline to be Penalized: The States not following the discipline should be barred from receiving funds from world institutions. The World Bank President and the Managing Director of the International Monetary Fund should present reports based on the assessments of their own institutions and also of the bodies like Transparency International and other civil bodies on each of the States receiving funds to the annual meetings of the World Bank and the IMF stating compliance status of these States of the international discipline and particularly the level of corruption. Unless this is done the present devastating trend directly affecting the economic development will not be reversed. However, the "Outreach Programme" that delivers funds to the needy small and medium enterprises should continue and indeed be strengthened and expanded. Such a delivery system will directly help the needy and deserving people as envisaged in the World Bank President's address and, in my view, this makes economic sense.

Humanitarian Catastrophe in East Timor A Test for Clinton Doctrine?

by ASM Nurunnabi

Fresh from the success of the NATO air war over Kosovo, Clinton saw an opportunity to shape his legacy. When asked if there was a Clinton Doctrine, he said, "if the world community has the power, whenever there is ethnic or religious conflict, to stop it, we ought to stop genocide and ethnic cleansing."

Within hours of the announcement that the vast majority of East Timorese had voted for independence from Indonesia, militias trained and supported by elements of the Indonesian armed forces turned the tiny island into a tropical hell.

Concerted attacks on churches and other places of refuge killed scores and terrified anyone who favoured breaking away from Indonesia. An estimated 200,000 East Timorese out of a population of 850,000 either fled or were forced out from their homes. Gangs emptied and looted the capital, Dili, where columns of smoke choked skies. The rampage drove nearly all foreign journalists from the territory and within a week, the United Nations Assistance Mission in East Timor, which organised the August 30 referendum, had dwindled to a skeleton crew of 84 staff.

According to later reports, the death toll certainly reached into the hundreds, perhaps the thousands. East Timor became a blasted land, emptied of as much as a quarter of its population, and scarred by a nightmare that refused to end.

There was compelling evidence — from Indonesian and UN sources, militia leaders and human rights workers — that the military or elements within it had been planning the chaos in East Timor for some time. They key controller of the chaos had been the elite Special Forces, or Kopassus, which had been a key player in covert and psychological operations in East Timor and elsewhere. Diplomatic and military sources said the pro-Jakarta militias had been groomed to carry on the fight, backed with army-provided arms and ammunition.

From the day Indonesian President Habibie proposed a referendum, military sources said, the armed forces set about organizing the militias in each of East Timor's 13 districts. But what started as an apparent covert operation to intimidate voters had gone badly wrong, and the implications for Indonesia now appear dire.

For much of a week, world powers muddled, fretted and demanded that Indonesia stop the violence. The government in Jakarta promised to restore order, but the atrocities continued. The international community was outraged, but also paralysed for days, while reports of atrocities multiplied. Outraged over the violence, UN Secretary-General Annan and Western governments gave the Indonesians an ultimatum: Maintain peace and order or we will do it for you with the introduction of foreign peacekeepers. Australian warships with 500 troops abroad were positioned in the Timor Sea.

The United States, in particular, was initially hesitant to act. But with the whole world watching, a superpower had to do something. "I don't know the head of a state of a democratic country who, when confronted with the news, editorials, TV

Long march to freedom



coverage, can say 'I don't care,' said Bernard Miyet, head of peacekeeping operations for the United Nations. It was hoped that the threat of force — together with sanctions — could pressure Indonesia to invite peacekeepers to the territory. Just before departing for an Asian economic summit in New Zealand, US President Bill Clinton took the mostly symbolic step of cutting military relations with Indonesia. He also indicated that economic aid would not be restored if Jakarta did not invite outside help to restore order. The International Monetary Fund had earlier cancelled plan to send an economic-review team to the country — a prerequisite for the next tranche of aid.

These were some signs that the West, particularly Australia, was reaching the end of its tether. None of these seemed to matte directly to most East Timorese, who had a new era of suffering headed upon them at what was supposed to be their moment of triumph. In the wake of the violence, fighters from the territory's top independence organization Gusmao's Falintil remained in the hills, afraid to be drawn into what they believed would be a massive crackdown.

The group's civilian leadership went into hiding. Gusmao was released from prison in Jakarta on September 7, but he did not opt to go to East Timor. He secretly fled to Australia, where he has been reportedly taking steps to set up a government in exile for East Timor.

To many, the climax of a 24-year military occupation — a last bitter slap in the face. "It's a psychological kind of attack," said an evacuee. Such "psy ops" were the

General Wiranto, born clear indication that it was the Indonesian military where decisions were being made. In this context, General Wiranto, leader of Indonesia's armed forces, later told a high-level UN Security Council delegation that the accelerated deployment of peacekeeping troops was now an option.

In later developments, Indonesia caved in to global pressure and said it would accept an international peacekeeping force to restore order in violence-wrecked East Timor. Thereafter, the UN Security Council authorised a multinational force to restore order in East Timor. In a unanimous vote, the Council endorsed "all necessary measures" to halt the killing and destruction in the former Portuguese colony by pro-Jakarta and anti-independence militias. US President Bill Clinton, speaking in New Zealand, urged Indonesia to stop the East Timor killings now. He said, "What I would like them to do, now that they have asked the United Nations to come in, is simply to stop the most egregious forms of violence and let the non-government organizations in to provide humanitarian relief right now."

Troops for the multinational force have been offered by Thailand, Singapore, Malaysia, the Philippines, Fiji, South Korea, Bangladesh, Pakistan, as well as Britain, Canada, France, Argentina, and New Zealand, among others. President Clinton has pledged a limited presence of hundreds of troops mostly to handle air-traffic, transport, logistics, communications and intelligence.

One major concern in East Timor is starvation. The UN Food and Agriculture Organization (FAO) has said more than 200,000 people may starve. When an overwhelming majority of East Timorese voted on Aug 30 for independence, the pro-Indonesian militias, backed by Army units, went into a frenzy of murder, forced expulsions, looting and mayhem. Nobody would mistake East Timor for a major strategic asset, and nobody can argue that the vital interests of any major power are threatened. But the question is: does that make the nameless people there any less important, say, than those in Kosovo? That was the question facing world leaders at present. It was only a few months ago that Clinton was talking about a new foreign-policy paradigm. Fresh from the success of the NATO air war over Kosovo, Clinton saw an opportunity to shape his legacy. When asked if there was a Clinton Doctrine, he said, "if the world community has the power, whenever there is ethnic or religious conflict, to stop it, we ought to stop genocide and ethnic cleansing."

The Importance of Being a Benn and a Castle

So-called smart weapons are enabling powerful nations to make war without incurring casualties to themselves — a historic development of the nineties that is almost unnoticed. It is one of many uncomfortable facts that governments prefer not to be debated. Gemini News Service reports on the importance of veteran politicians who insist on speaking out.

Derek Ingram writes from London

on the Balkans while they paid little attention to the unspeakable horrors of Angola.

Both Benn and Castle have respectable credentials. In the 1950s both were leaders in the Movement for Colonial Freedom, which campaigned for the liberation of leaders in Africa and mounted huge rallies in London's Trafalgar Square and around the country.

That said, like just about every politician, neither has a history free of political contortions. Benn, campaigner for unilateral disarmament by Britain, served in a cabinet that held a nuclear armoury.

Castle did an about-turn as Minister of Employment and tried to cut the power of the trade unions, years before Margaret Thatcher actually did it. She had withdrawn from the Wilson cabinet weakened.

But now, in 1999, what Benn and Castle are saying still points to a reality; namely, that in this last year of the 20th century, perceptions of the world remain as skewed as ever in favour of the industrialised countries.

For example, the atrocities and loss of life in Sierra Leone were worse than those happening simultaneously in Kosovo. Yet for months they were almost unreported. In Britain, when one or two white hostages were taken it suddenly became a big story. The fact that large numbers of black hostages had also been held, in much more appalling conditions, passed unnoticed.

And for good measure he pointed out that the believed death toll in Turkey of 40,000 was fewer than the number of children dying each year in Iraq as a result of sanctions.

Barbara Castle, meantime, was on television castigating Western governments for their concentration

was the case and the powerful Western media went along with that.

In analysing the tragedies in Africa today it is comfortably forgotten that many are the direct result of the Cold War when the Soviets and the Americans ruthlessly used countries like Angola, Mozambique, Somalia and Zaire (now Congo-Kinshasa) as surrogate battlegrounds.

Angola is a disaster area because in the 1970s the Americans and white South Africans backed to the hill the rebel Jonas Savimbi and his UNITA movement against the legitimate government of Agostinho Neto.

Today, after more than 30 years of civil war, nearly a million dead and millions more homeless, the UN has declared Angola to be "the worst place in the world to be a child".

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The author is the founder and former editor of Gemini News Service.

by Jim Davis



James Bond
BY IAN FLEMING
DRAWING BY HORAK

AS BOND PHONES A FRANTIC ALARM TO HIS FRIEND, SPENCE, THE SECURITY OFFICER AT LONDON AIRPORT, THE INSPECTOR ARRIVED, FOLLOWED SOON AFTER BY BILL TANNER.

RIGHT, SIR, SIR!

