

Assessing Clinton's Visit to Dhaka

The visit to Dhaka by President Clinton is a turning point in relations between the two countries. It is an indication of how seriously the US takes Bangladesh in development of regional stability and economic opportunity.

by Harun ur Rashid

President Clinton came, saw and left Bangladesh on 20 March. The visit is historic and it has short term and long-term significance.

In the short term, the US President's multi-million dollar aid programme in food, clean energy and trade will help Bangladesh to facilitate to put into action necessary steps in both economic and social sectors. Bangladesh will receive assistance for setting up a nuclear plant and the US agreed to the preparation of an extradition treaty with Bangladesh to enable the three Bangladeshi fugitives from justice in the US to return to the country.

In the long term, Bangladesh is counted as a partner with the US to peace and development in the Indian sub-continent and beyond. Furthermore the Indian sub-continent is not perceived any more in the context of India and Pakistan alone. Bangladesh has been recognised to play an important role in the region and the visit of President Clinton has demonstrated this fact.

Admittedly Bangladesh did not get what it wanted from the President during the visit. The US also did not secure what the US companies desired in gas sector, especially an agreement in gas-exports to India. How-

ever, trade co-operation and the potentiality of Bangladesh as a trade and investment partner for the US companies have been laid. A new chapter has been opened in the bilateral relations simply because Bangladesh is attractive to the US in economic terms. It is not merely an aid-reipient country of the US any longer.

The gas exports to India runs into difficulties for many reasons, partly psychological although in economic terms it has merits. Gas is not oil and therefore when gas is discovered it has to be used or utilised, if not, the gas-well has to be closed which involves large sums of money. For this reason it appears that the foreign companies are interested to see that gas is exported to India as the available gas cannot be utilised at present in Bangladesh.

Why does gas-export face difficulty? There could be several reasons.

Gas exports to India is seen by some section of the community in Bangladesh as providing more empowerment to India, already a powerful neighbour. Secondly, India's conduct on sharing of waters with Bangladesh from common rivers other than the Ganges leaves much to be desired. Third, India's proposed barbed-

wire fencing along the border with Bangladesh is viewed as insensitive as it hurts the sentiments and pride of the people of Bangladesh. Lastly the trade deficit with India is enormous and there appears to be no concrete steps to eliminate this elephantine gap. The suggestion that only gas exports can remedy this deficit with India appears to add further the perception that India is reluctant to reduce the gap by taking its own corrective measures.

Another difficulty seems to be that the general election is scheduled to be held next year in Bangladesh and no government in power is in a position to decide on this politically sensitive matter of gas export, lest they lose the election. After all, gas reserves are the only non-living natural resource of Bangladesh and gas exports is perceived, rightly or wrongly, as selling one's 'family silver' for a short-time gain.

President Clinton is a consummate politician and has played his card very well in the context of Bangladesh politics. His short stay appears to be well-calculated and there is a view that he did not wish to associate himself to enhance the image of the ruling party by participating in a set of programmes initially chalked out

by the government. He had kept it to the minimum protocol wise and was very careful to remain neutral in the game of politics in Bangladesh. He met the leader of the Opposition Begum Khaleida Zia despite his constraints of time.

A view prevails that the gloss of the visit to Bangladesh was stolen by the President's statement that he would meet President Assad of Syria in Geneva on his way to the US to put the Middle East peace negotiations on track. All the foreign electronic media made this news item as number one, relegating the visit to Bangladesh as secondary.

All said and done, the visit to Dhaka by President Clinton is a turning point in relations between the two countries. It is an indication of how seriously the US takes Bangladesh in development of regional stability and economic opportunity. The People's Republic of Bangladesh, a gas-rich democracy of 128 million people, with proximity to both China and India, appears to be counted as a player in the region which President Clinton described as "perhaps the most dangerous place in the world today".

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Prime Minister Sheikh Hasina and US President Bill Clinton listen to a woman from the village of Joytura. Clinton, during his historic one-day visit to Dhaka was supposed to visit the village but the event was cancelled for security reasons. —AFP photo

A Few Hours of Unexplained 'Reasons'

One thing that we learnt is that everything can be changed if there is the will to do so. Dhaka, before and after Clinton's visit, is completely different. On Eid day, all Qurbani-related garbage were cleaned up within hours of slaughtering, unlike other Eids where the stench would remain for days afterwards ... Carpeting Panthapath took three days. One cannot help but question why, in other cases, it takes months?

by Navine Murshid

CLINTON'S visit to the 'Bottomless Basket', as described by Henry Kissinger during Nixon's time, has been viewed with a lot of suspicion as well as hope by the Bangladeshi people. One question that was common to all, however, was whether all the expenses incurred in preparation for his visit was worth it, especially since he did not visit the places he was supposed to.

Questions remain as to the purpose of his visit as many of the issues remain un-addressed.

He was supposed to visit Joytura village where BRAC and Grameen Bank had organised cultural programmes. Clinton, however, managed to dis-appoint them all. The children there were overjoyed at the prospect of his visit there. A boy at the BRAC School said that he was ecstatic because Clinton, a person whom everyone wants to see, would come to visit them. His hope died down soon. Moreover, he did not visit our Jatiya Smriti Shaudho in Savar, due to unexplained security reasons. This hurt the feelings of many a patriot, especially because USA was one of the countries that did not support Bangladesh during our Liberation War. Leftist groups demanded that he apologise and brought out processions in this regard.

Clinton, in his speech, said: "Twenty-nine years ago Bangladesh began a lonely struggle against extraordinary obstacles and did not receive

the support it deserves from many countries..." (including the USA, he did not add). These may not be words of apology, but these are words that acknowledge the fact that they were wrong in not supporting Bangladesh at the time. Very clever, indeed.

What we heard in his speeches is what we knew all along. He would not be able to do anything 'beyond the law' about the illegal Bangladeshi immigrants there. But he would see to it that the Bangladeshi Americans there are doing well. He did not address political instability, but in response to a question from the press, he said that in democratic countries, including the USA, there are conflicts between the opposition and the government. The only way to resolve differences would be through talks. The point is, we know that already.

Laudable was perhaps our Prime Minister's words regarding export of natural gas. She was firm in her decision not to export gas without meeting 50 years of domestic demand. The other remarkable aspect of Clinton's visit was Opposition Leader, Khaleida Zia's visit to Gono Bhavan to meet him. In the process, she came face to face with President Shahabuddin Ahmed and Prime Minister Sheikh Hasina. This is the first time she came out of her cover and greeted Sheikh Hasina under public scrutiny. This is certainly a good step. We expect change of more such 'greetings'.

What did we achieve at the end of his visit?

A lot of compliments, ranging from how much the Americans admire Bangladesh for its Islamic heritage, culture, the role of Bangladeshi peace-keepers in Bosnia and Kosovo and ratification of the Comprehensive Test Ban Treaty (CTBT) to how much he looks forward to stronger US-Bangla ties. But his days left in office are numbered. Many see this visit as his electoral campaign with the elections coming up. Clinton's visit to South Asia at the end of his tenure, otherwise, means nothing at all.

What else? The Agency for International Development would give \$97 million in food aid in the agricultural sector; \$30 million for using environment-friendly methods in gas extraction and a \$50 million package to South Asia to clean energy resources, prevent pollution and promote environment friendliness. We received a lot of media coverage world wide and recognition for our sacrifices in 1971.

What have we 'sacrificed' for his visit here? Our international airport was shut down completely. Some roads and highways were blocked from weeks now, first to clean up and carpet the roads and then for 'security reasons'. A lot of money and time was spent on preparation for different cultural activities in different parts of the country where he was supposed to visit, but did

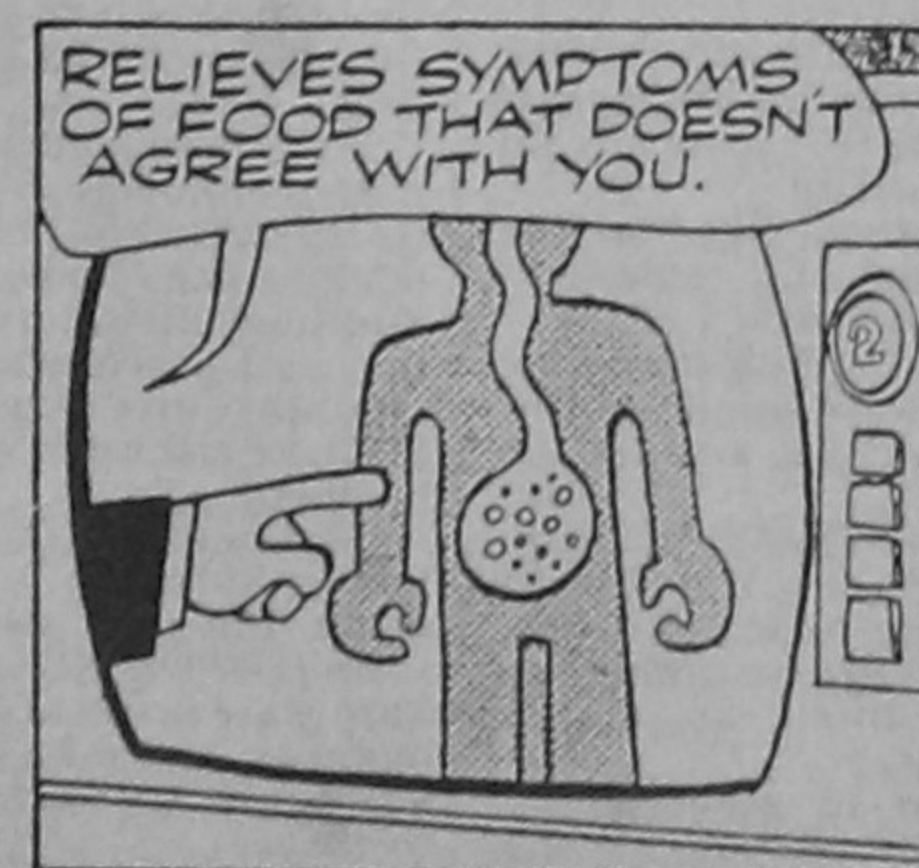
not. People in general could not move about freely. There are cases of people standing on roadsides for more than an hour only to cross a road. Even a month before His Excellency's visit, traffic jams on 'Clinton's route' became the order of the day. Leaving beside the cost incurred from public funds to repair roads, to 'rehearse' Clinton's welcoming ceremony and the like, the people have paid in terms of time and in terms of frustration (due to road blockage). Fearing that they would get stranded, most people opted to stay at home than go to office. A full-fledged working day was turned into a holiday. As one passer-by commented: "This beats hartals!"

One thing that we learnt from here is that everything can be changed if there is the will to do so. Dhaka, before and after Clinton's visit, is completely different. On Eid day, all Qurbani-related garbage were cleaned up within hours of slaughtering. By the end of the day, there were little remains, unlike other Eids where the stench would remain for days afterwards, thanks to President Clinton. Carpeting Panthapath took three days. One cannot help but question why, in other cases, it takes months to carpet roads.

We now know that the government can be efficient if it wants to be. We expect nothing less, in terms of efficiency, in the future.

By Hanna-Barbera

TOM & JERRY



Why and How to Involve NGOs in Health and Nutrition Projects

Since it is one of the biggest and most important social/nutrition sector projects in Bangladesh, the involvement of NGOs, while practically required, should be very carefully streamlined for the best interest of the high-profile project as well as the least developed nation-state.

by M. Mahbubur Rahman

FULFILMENT of certain national objectives such as people's participation, such as expansion of literacy, extending primary health care services, raising nutritional awareness and promoting woman empowerment are far more difficult than achieving certain other goals. In public sectors, the legacy of bureaucratic control mechanism and absence of good governance have largely been the major constraining factors. Our government officials and extension functionaries are mostly office-centred and file-memorandum-focused. In many cases, our school inspectors do not visit schools; bank managers do not go to clients' home to see their credit utilisation capacities and repayment behaviour; and health professionals seldom make home visits within their pay scale provisions.

There are hundreds of evidences that the latter do not even attend to their workstations if these are located at unions or upazilas. This is the fault of bureaucratic legacies and governance that the donor communities have held in suspect. They are increasingly putting various conditions on grants, donations or even loan money that are to be duly repaid. Donor communities are now more blunt than ever asking the sovereign government with regard to achievement of the goal of good governance, in particular, the progress made in scaling down the widespread bureaucratic and institutional corruption. Future fund flows to Bangladesh seem to be conditional with qualitative changes in the country's overall governance scenario. Some donor project documents keep on insisting NGOs' involvement in the government executed programmes, especially in micro-credit, education, and health service interventions. Bangladesh Integrated Nutrition Programme (BINP) and the forthcoming 'National Nutrition Programme' (NNP) are the splendid examples; a donor supported Non-formal Education project is another in which the government has involved NGOs for its implementation.

NGOs have comparative advantages over GOs (government organisation) in dealing with projects, where the project-specific target population need to involve themselves as the major stakeholders. NGO programme organisers having similar university graduation with that of the government officers do well perform the needed fieldwork but the latter cannot, as they lack appropriate orientation, and also for the simple excuse that their colleagues in other offices need not have to do such jobs. It means that the government officials will take little more time for adopting a work-culture that is more humanistic and people-centred. Therefore, until the governance conditions improve towards adoption of a 'neo-professionalism' the donor communities will have fair reasons to insist NGOs' involvement in various social sector projects including those of health and nutrition. Government ministries and/or departments concerned (Education, Health, Fisheries, Women Affairs, etc.) have to administer carefully and rigorously a three-stage pre-designed methodology in order for them to select suitable and appropriate NGOs from among many thousands now established in Bangladesh.

Stage 1: A mere registration certificate from the Social Service Department is not just enough. NGOs have to be registered with NGO Affairs Bureau and should have track records of project implementation for a minimum period of ten years with donor supports. Second, they should have work experience in more than one district or a minimum of ten upazilas, preferably in three or more of programme sectors (e.g. education, health, fisheries, micro-credit etc.). Third, they should produce a set of pertinent documents, namely the list of three consecutive Executive Councils/Governing Bodies; proof of foreign grants/donations received, Audit and recently printed Annual Report. Government need not have to impose any criteria that a prospective NGO should have membership with any NGOs Apex body. In many cases, the latter serves certain parochial interests and often is highly politicised. Neither, NGO Apex nor the NGO Bureau should be asked to provide the list of NGOs for the purpose of pre-qualifications.

Bigger NGOs monopoly and/or a dominating role over the government projects should be strictly controlled. By now some of the big NGOs in Bangladesh have begun to change their philosophy from 'social services' to

'commercial enterprises'. Many seem to be more inclined to build up assets in rural townships as well as the metropolises. Since they also behave like government and in some sectors control more assets and resources, it would be increasingly difficult on the part of the government to keep track with NGO operation systems and financial management.

The irony of the fact is that the government monitors will be simply helpless in dealing with a smart NGO Operation Manager. Moreover, big NGOs will hardly like government Monitors/Advisers to encroach on their operational domains — as they have alternative sources of project and resources. Preference should be given to the mid-level NGOs. Our experience suggests that the bigger the NGOs the wider their exploitative tendency, the more intensive their desire to become commercial enterprises; and the stronger their attitudes to be over confident — ignoring others including the government.

Stage 2: Following Stage 1, once a shortlist of the possible NGO partners is identified, further reviews shall be necessary with regard to their ongoing project implementation consulting with the major project stakeholders, Thana Nirbahi Officer/Deputy Commissioner and the present/immediate past donor focal persons. Their Annual Project Reports, Impact Assessment Reports, Case Studies and such other documents can provide some useful bases for the second level reviews on the suitability of NGOs. Work experience of the NGOs in similar projects, or first phase performance of projects of the same ministry could as well be pre-viewed. Qualitative data and their analysis will be needed in order to judiciously complete the requirements of Stage 2. This may be a difficult task for certain ministry or department and its Project Implementation Units (PIU). In that case, help from some independent consultants/firms could be sought alongside government's direct involvement.

Stage 3: More often than not the minister, political leaders, top bureaucrats, or donor officials concerned, show interest in some particular NGOs regardless of their (NGOs) qualifications and good profile. This is difficult to stop but systems are to be established such that these manipu-

lations could be controlled, and if not at least such interference could be recorded for future lessons and consultations. NGO selection process is crucial for a development project in health and nutrition; and, for any shortfall in the sincerity of purpose the project implementations will suffer. It is advisable that a high powered 'NGO Selection Committee' should be formed to oversee the NGO selection process. This committee consists of representatives drawn from the ministry/department concerned, donor agencies, and United Nations Systems (WHO, WFP, UNICEF, UNFPA, UNAIDS etc.) operating in Bangladesh.

Some more suggestions are: First, a small project allocation, not less than five per cent of the total, should be used for three activities, namely (i) NGO selection process, (ii) monitoring of NGOs for progress being made, and (iii) training of health professionals at the upazila level — especially on how to work with NGOs and their functionaries at the grassroots. Second, GO/NGO together should facilitate participation of rural elite including elected officials of the local government institutions. Third, GOs should conduct periodic impact assessment reporting the government line functionaries on the need for and importance of NGOs' involvement in health and nutrition projects. Understandably, NGOs are being involved in the World Bank-supported billion dollar National Nutrition Programme. Since it is one of the biggest and most important social/nutrition sector projects in Bangladesh, the involvement of NGOs, while practically required, should be very carefully streamlined for the best interest of the high-profile project as well as the least developed nation-state.

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PRIVATISATION

A Crying Need for the Economy

For a smooth transition to privatisation, both the Government and opposition parties should take strong political commitments. Laws pertaining to privatisation should be made more effective and bureaucratic complexities removed at any cost.

by AM Shawkat Osman

THE first government of independent Bangladesh had nationalised the industries left behind by Pakistani industrialists in 1972. Historically, most of the entrepreneurs of heavy industries in the region were from West Pakistan. During the time of reconstruction of war-stricken Bangladesh, it was too tough to operate the nationalised industries efficiently. As a result, after a short period of time the nationalised industries not only failed to make any profit but also started to incur serious losses. Under the circumstances, the government started the privatisation process.

The present situation: The present condition of nationalised industries is very bad indeed. These sick industries are posing danger to our national economy. According to the Privatisation Board, the annual loss of our government industries is \$50 crore. Since 1972 till now, the total amount of loss stands at \$900 crore, which is nearly equal to our national income. The annual loss is equivalent to 8.33 per cent of our national budget, 50 per cent of education budget and more than 16 per cent of the Annual Development Programme fund. This piece of information was made available by the World Bank resident mission chief Frederic T. Temple in a seminar held on 12-13 May, 1999, arranged jointly by the World Bank and the Privatisation

Board. In that seminar finance minister S.A.M.S Kibria said that privatisation was a complex matter. He emphasised the necessity of comprehensive study for privatisation. F.T Temple also told the audience that the efficiency of nationalised sectors was not good. Compared to that the efficiency of private sectors was far better. In this age of globalisation and free enterprise, we must keep pace with the present competitive economic progress. But our efforts to this end is bound to fail if we continue to incur heavy losses in the nationalised industrial sector each year.

The process: In 1976, the government started privatisation process as a specialised programme. Up till 1990, many industries were privatised. But this process has slackened after 1990. In order to speed up the privatisation process, the government formed the Privatisation Board in 1993. However, from 1993 to 1996, only twelve sick industries were privatised, costing about \$3.7 crore. The present government has targeted 32 industries for privatisation. Only four have been privatised so far and the process of handing over nine industries has been completed. The government has also decided to off-load the shares of nine industries. However, this present scenario does not remove the gloomy picture. The govern-

ment has decided to form a 'Privatisation Commission' in lieu of the Privatisation Board. The proposal has been approved by the Cabinet. The government is very hopeful about the future performance of the proposed 'Privatisation Commission'. Whatever the process, it has to yield results.

Problems: Each and every government was found to take privatisation seriously. But we haven't reached our goal yet. The amount of monetary loss that our sick industries incur in a couple of years could pay for the construction of another bridge similar to Bangabandhu Jamuna Bridge. There are many reasons responsible for this pitiful condition: 1. Bureaucratic complexity; 2. weak political commitment; 3. fear of decline in Government's political popularity; 4. pressure from local politicians, members of parliament; 5. pressure from labour organisations; 6. vagueness of privatisation laws, etc.

Probability: Against the backdrop of failure of nationalised industries, privatisation is the need of the hour and we must privatise the sick industries as quickly as possible. An annual loss of \$50 crore is extremely harmful for our economy and we must arrest this trend. We must create an environment so that private entrepreneurs will not shy away from investing in our country. The nationalised sick indus-

tries get loan money from banks and a large amount of money has been used up for this purpose. As a result, the banks are no longer able to adequately finance various businesses. This is extremely detrimental to progress our economy. If we can, through creating a favourable atmosphere, persuade private entrepreneurs to come forward for industrialisation of the country, our economy will surely be strong.

Conclusion: In Bangladesh, the process of privatisation is too slow to considerably improve the economic condition. Though labour organisations, for their own interests, offer stiff resistance to privatisation, it is being increasingly felt that there is no other way to economic progress other than privatisation. Under these circumstances, we must expeditiously find ways to complete the process of privatisation. For a smooth transition to privatisation, both the Government and opposition parties should take strong political commitments. Laws pertaining to privatisation should be made more effective and bureaucratic complexities removed at any cost. The Japanese industrialists who recently visited Bangladesh also emphasised the need for privatisation. It may not be inconceivable to say that for Bangladesh, privatisation is the most important task at hand at the beginning of the 21st century.

James Bond

