

## Blunder of a Statement

ACCORDING to reports Khaleda Zia declared yesterday that trial of 300 of her workers should be held first before any other trial is held. Only fools will have any doubt as to which trial she was hinting at. What did she mean by it? And, more importantly, why did she say it? It appears to be her position that the death reference hearing at the High Court of the Bangabandhu murder case should not be held before the trial of the murders, as she claims, of her workers is held. This statement is devoid not only of logic and legal point but also of a modicum of common sense. We view this as a political blunder. One of the main points of Sheikh Hasina's propaganda offensive against the BNP and its public threat of toppling the government was that it was all meant to dislodge the trial of Sheikh Mujib's killers. In short the AL chief's position was that BNP did not want the trial to be completed because it wanted to protect them. Through her statement on Saturday, Khaleda Zia proved Sheikh Hasina to be correct.

As long as the BNP chief was protesting the intimidation of judiciary by the AL, she was right on target. What the ruling party did in the form of *lathi* (wooden stick) demonstration was a naked intimidation of the higher judiciary that not only shocked the country but also gave the most fascistic impression of its mind-set. The AL will have to pay a heavy price for their arrogant show of anger. But the BNP chief had no business linking her protest against the intimidation of judiciary with postponing the trial of the convicted criminals, some of whom are self-confessed killers of Bangabandhu.

Khaleda Zia also claimed in public that she has documents proving huge pay-off in the recent purchase of the Soviet supersonic bombers, MiG 29. It is a major revelation and one that could unmask the network of corruption that seems to engulf the government at the moment. She must, however, prove equal to her word. We want her to produce before public, through the mass media, the proofs of her claim, and do so quickly. She will be doing a great public service if she brings out into the open this massive corruption. However, if she is unable to do so, her credibility will suffer greatly, not only on this score but in a general sense also. Her every other public utterance will be suspect.

## Power Plant Plight

WHEN people across the country eagerly await an end to the load-shedding tyranny, comes the distressing news on the breakdown of the second unit at the Raozan power plant. More troubling is the fact that the 220 MW unit - built and installed by CMEC and supervised by its technical staff until 1997 - was rendered dysfunctional due to mishandling by untrained technicians. Even worse, so far all possible repair efforts have proved futile and it is highly likely to remain out of order for at least six more months. Overall, the mishap has cruelly exposed the inadequacy of human resources and logistics in our power sector.

From the very beginning, we have gone about the wrong way in this particular case. Seeking CMEC's assistance in building and installing the unit is justified but our failure to have our own staff trained to operate the plant certainly isn't. Time couldn't have been the constraint in this case; for the plant was under the supervision of the Chinese company until 1997. The PDB's complaint that CMEC did not hand over the information guidebook, even if it were true, only relates to its own failure to ensure that the builders of the plant had imparted technical know-how before they left. On each count, we feel the Power authorities have failed to act effectively and efficiently.

At this point of time, the reality is: while the country is experiencing a daily load-shedding of over 300 MW, our power generation capacity has been substantially reduced by this avoidable mishap. The staggering repair cost, estimated in the tune of four crore taka, aside, there is no way that we can have the plant reactivated without assistance from CMEC. However, bureaucratic tangle has rendered this option dicey, too. While the PDB has extended CMEC's contract to operate and maintain this March, it hasn't assigned any schedule for the company to start its work.

Obviously, the whole situation is in a tangle that only the PDB authorities can unravel. Immediately, they must ensure that the plant be activated as soon as possible. In the long term, however, they must make an arrangement with CMEC to have our own technical staff trained in operations and maintenance of the plant.

## Welcome Decision

INAUGURATION of a special law and order cell for protection of exporters in Dhaka and Chittagong metropolitan areas certainly comes as a cheery bit of news for the country's garment sector. Each cell equipped with four pickup vans and two cellular phones provided by the BGMEA promises protection of garment manufacturers and exporters against terrorists and illegal toll collectors. In this regard, the home minister's unequivocal directive to the police to "arrest terrorists and illegal toll collectors even if they belong to my party" sounds reassuring and, if abided by, would definitely spare the exporters a lot of trouble.

Admittedly, transportation of raw materials and finished products has been greatly hampered by the tyranny of the toll collectors. As the minister confessed, there exists a nexus - between trade unions, transport owners and government officials - behind this evil operation. This is not at all a happy picture. It is indeed encouraging that the government has decided to put an end to it.

While welcoming the prudent step, we would urge the government to expand the cell to cover other export-oriented industries like jute and jute products, leather and leather products, frozen foods etc. so that these vital sectors can carry on their operations unhindered. If complete protection for these industries against toll collectors and terrorists can be ensured, productivity of these industries would automatically improve. Besides, improved law and order scenario would inspire confidence among investors and attract foreign direct investment. In the long run, economic growth would have a real fillip.

**C**ONGRESSMEN are barking up the wrong tree. The problem is the party, not Sonia Gandhi. That she does not vibe with the masses, as political leaders generally do, is nothing new. Nor is her reticence a discovery. She has had such deficiencies from day one, when she was persuaded to become the Congress president. Her Indian origin also does not sell any more. It is a cliché which does not even embellish speech or writing. It is true that she is not clicking. But then who else in the party is? The more realistic question to ask is: "Why none is clicking, neither the high-flying Rajesh Pilot, nor the low-profile Madhavrao Scindia? Docile Manmohan Singh has only a few friends in the party. Nor has Arjun Singh endeared himself to many. Who else is there?"

The problem is with the party. It is too incoherent, too dispersed. Whomsoever you put at the head, you will hear the same small talk against him or her. Back-biting is the bane of the Congress. Sonia is no good, many leaders say in whispers or in a roundabout manner.

They very well know that she is the only point where different groups in the party meet or the only key which opens many locks. Still they run her down. Was Sitaram Kesri, her predecessor, better?

No doubt, there was less bickering during the days of Narasimha Rao. But that was because he, as Prime Minister, had unlimited favours, benefits and the largesse of patronage to distribute to keep the dissidents quiet. There was no party even at that time. It was power,

**Unfortunately, the party members have become a new set of masters, who want reward for even the speech they make to laud values. Come to think of it, the party has become a squabbling crowd of white-capped self-seekers jostling with one another for power and riches.**

which had sucked in many. In fact, Rao alienated the Muslims over the demolition of the Babri Masjid. They have not yet returned to the Congress. The dalits and the backward, once the party's vote bank, have found new moorings. Why has the party done too little to woo them is the question to ask. Leaders indulge in rhetorics, nothing beyond. Over the years they have lost credibility. They talk more, act less.

The real problem is that the Congress has not learnt anything from the past. Even after being in the wilderness for so many years, it has not faced the fact that it is a long haul to power. But it behaves as if its government is about to be sworn in. Every leader, big or small, is still floating in the air, refusing to come down to earth to face the challenge of rebuilding the party from below.

There is yet no realisation that without a charismatic or an all-India leader, as the Congress has had for decades, people have to be attracted on the basis of programmes and personal contacts. Some volunteers have to work at the grassroots. Where is the tribe? Even the youngsters want a ticket to the assembly or parliament within a week of their joining the party. Till recently, the Congress behaved so high and mighty that it refused even to have a coalition at the Centre. Sonia could have been the

Prime Minister after the fall of the Vajpayee government. But she wanted to go it alone. The manner in which the party has reacted to the Bihar situation and joined the government shows that the party has come to understand the reality of coalition politics in the country.

Laloo-Rabri case. The BJP may call the first one a "political case" and the second a corruption case. But basically they are the same. If one were to stretch the example, even the CBI, which is under the Prime Minister, is not above board because it has several politically-produced cases in its tow. The ques-

tions are do realise that the days of Mahatma Gandhi are gone and his advice, "simple living, high thinking," has ceased to mean much. Still they expect them to return to the ideal when they took pride in living in small huts for showing kinship with the poor and the hungry.

Even otherwise, had the same pre-independence spirit of sacrifice and selflessness which had distinguished the Congress Party from others persisted, India would have probably found missionaries to lead the country to prosperity. But the spirit of dedication rapidly evaporated after the last British soldier left the country.

Advani says that the Congress must shed its anti-BJP bias. Had the Congress been travelling on the right path it could have retorted that what it was against was Hindu Rashtriya. Were the BJP to shed that stance and develop into a secular political party, the Congress could do business with it. But the Congress exposes itself when it talks about a "grand alliance" with the BJP itself.

## BETWEEN THE LINES

**Kuldip Nayar writes from New Delhi**

But in the process the party has compromised with corruption. This is where Sonia Gandhi should have put her foot down. The party cannot be built on a policy without principles. The coalition politics is understandable but not with the tainted elements. The demand for the resignation of Chief Minister Rabri Devi after the warrants against her by the CBI should have been the Congress party's cry, not that of a few leaders at the Centre. Sonia Gandhi's argument that Home Minister L.K. Advani and HRD Minister Murlidhar Joshi should resign carries weight. Both have been charge-sheeted and both await trial. But a cogent argument doesn't mean that you must compromise on principles. She would have had a better case if she had said that there was no difference between the Advani-Joshi case and the

tragedies of the Congress. It has no long-term perspective. One other ill that afflicts the Congress is that it has to live up to its old image. People still associate it with austerity. They are greatly upset when they see the Congress ministers wearing silk khadi, occupying big houses, riding in sleek limousines and leading an os-

## OPINION

### Aid Club Meeting on the Net

**M. Shamsul Haque**

On April 14, 2000, Professor Rehman Sobhan published an article in The Daily Star titled *Farewell to Paris*. In that article he argued for not holding the meeting in Paris on the basis of declining contribution of foreign aid to GDP of Bangladesh and rising foreign exchange earning from garment export and wage earners remittances from the Middle Eastern countries. He also wanted more open discussion on the development agenda in the presence of members of the civil society and the shadow finance minister in the parliament. All or some of these could have been possible this year if the meeting was held in Dhaka. In view of the lap of the BNP? Even if the Communists are defeated, the party would have embraced communists. Is this the desired goal to achieve? This challenges the very secular credentials of the Congress. How can it join hands with Trinamool Congress, already in the

side issues for development financing in Bangladesh. Corruption raises transaction costs directly and by distorting relative prices. The World Bank could have said that as an example of reducing transaction costs and wastage of resources the meeting would be held over the Internet. After all streamlining the financial minister on the imperatives of reforms etc. could be better done that way on the Internet. After all avoidable transaction cost is a form of wastage and the donors took part in that practice along with GOB officials.

Reports also inform us that France did not participate in that meeting as they stopped financing development projects in Bangladesh. Perhaps they are working on the basis of research findings from the Heritage Foundation and the like that "foreign aid did not help increase economic development in poor countries". Why then we went to Paris and contributed to the French GDP?

It is debatable if we should stop getting foreign aid. As it appears if we have to participate in the New Economy we have to invest heavily in that sector and also on related skill development of the young people of Bangladesh. Foreign aid could be most useful if we take a crash programme to accelerate IT education and facilities in

GOB in

the article?

Early this month, a conference was held in Washington DC on the New Economy. It was attended by US President Bill Clinton and Bill Gates of Microsoft. Bill Gates gave an example of how the use of IT can reduce the processing cost of a purchase order from the current average of US\$75 to US\$10 only. That would add another US\$1.0 trillion to the US GDP.

That is a saving in transaction costs which is unnecessary under the new economy. Resources thus saved could be deployed for some other activities. That is how productivity has been rising in the USA for the last 7/8 years.

What seems to have transpired at the Paris gala meet by top bureaucrats from GOB and the donors will result as transaction costs for whatever sums are finally doled out by the donors. Could not the World Bank as the organiser of the meeting say that this year the meeting was not needed and shuffle the rest of the papers back and forth on the Internet and file for possible future reference? This was more appropriate when some top bureaucrats brushed aside donor con-

cerns on rising corruption as

"side issues" for development financing in Bangladesh. Corruption raises transaction costs directly and by distorting relative prices. The World Bank could have said that as an example of reducing transaction costs and wastage of resources the meeting would be held over the Internet. After all streamlining the financial minister on the imperatives of reforms etc. could be better done that way on the Internet. After all avoidable transaction cost is a form of wastage and the donors took part in that practice along with GOB officials.

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Make more roads rickshaw free. But in narrow lined areas, especially in old city, prohibit entry of cars and introduce modern efficient rickshaws. In the new areas of the city confine rickshaw to lanes and by lanes.

• Make traffic flow one way in most roads. The direction may be changed according to time of the day. All the major cities in the world have this arrangement.

• Strictly prohibit movement of trucks and other goods carrying vehicle during the day. This is one of the most neglected part of our traffic rules.

• Encourage import of more modern buses by the public sector.

• Introduce circular train service around Dhaka city.

• Relocate all intercity bus stands on the outskirts of Dhaka.

• Introduce heavy fines for those using roads as stack yard for construction materials.

• Coordinate between agencies for digging the roads. The mayor who should coordinate this centrally may form a task force.

Most of my suggestions may seem like outlandish dreams, but these are nothing new and, as I have mentioned, are in existence in most major cities of the world.

## The Poor Protest

by Ekram Kabir

**There has to be a departure from the Bretton Woods twins' obsessive concerns with poverty alleviation which are proving to be futile, because with each financial crisis, the goal of poverty alleviation recedes even further, making these organisations appear as if they specialised in going backward only.**



Protesters at WB-IMF meeting venue being driven away by police

For example, the protesters maintained, IMF's primary activity is to provide loans to countries that face financial hardship. Such assistance, however, comes with a heavy price, and countries that accept IMF loans or grants must agree to 'Structural Adjustment Programmes', crash policy diets imposed on developing nations in an effort to make them more 'stable' and 'competitive'. Now, that generally entails making cuts to social services, privatising industries and reducing tariffs, policies that benefit local elite, foreign investors and multinational corporations, but can devastate emerging societies.

Ruling elite [in developing nations] have their interest with elite in the North, not with ordinary people. They choice [to accept IMF loans and structural adjustment programmes] is being made by bureaucrats and people in government. No ordinary person in the third world would choose declines in health and education spending and increases in infant mortality. The IMF likes to go about its business without outsiders asking too many questions. In theory, the fund supports democratic institutions in the nations it assists. In practice, it undermines the democratic process by imposing policies.

Officially, of course, the IMF doesn't 'impose' anything. It negotiates the conditions for receiving aid. But all the power in the negotiations is on one side - the IMF's - and the fund rarely allows sufficient time for broad consensus-building or even widespread consultations with either parliaments or civil society. Sometimes the IMF dispenses with the pretence of openness altogether and negotiates secret covenants.

Describing how these institutions are contributing to economic crises in developing countries, he cited examples of Russia, East Asian and Latin American nations. According to the former WB economist, "The IMF likes to go about its business without outsiders asking too many questions. In theory, the fund supports democratic institutions in the nations it assists. In practice, it undermines the democratic process by imposing policies.

During the meeting, he argued, the IMF's main concern - to reduce poverty - and they would be discussing issues relating to this. A leading witness to the organisational defence, James Wolfensohn, president of the WB said it was demoralising to hear of mobilisation for social justice when he thought that is exactly what the Bank was doing everyday. He hoped that the protesters who want to close the WB down wouldn't succeed.

But will their audience worldwide be satisfied with that?

Emerging from the Bretton Woods' global economic system devised by the victors of Second World War, the IMF and WB were designed to manage global economic activity by fostering monetary and financial stability, reconstructing countries devastated by war, and promoting free trade. Unfortunately, activists say, their policies have often augmented socio-economic inequality, destroyed local environments, and made third world nations slip even further into debt.

Now how valid are the allegations of the protesters in Washington? Did they have any point in what they were saying?

Joseph Stiglitz, former chief economist and vice president of the WB, giving an insider's view, wrote in a US-based daily, *The New Republic*, "I was chief economist at the World Bank from 1996 until last November.

goods for Nepal due to bureaucratic procrastination, and lack of political drive (DS front-page item, April 18)

That is the problem when an elected regime is engrossed with more political power games than with the speedy follow-up of major projects which could enrich Bangladesh through inter-border transactions. It is not the problem of India's short strip of land in the transit zone, but official processing delays in Dhaka - a recurring phenomenon when other go-slow projects are analysed. Things do not run automatically while remaining patronisingly in power!

May day while the sun shines in the sphere of political activities this motto is applied with efficacy. Why our politicians are awed by politics, and cannot relegate it to the background? This artificial political sensitivity is holding back the rapid development of the nation, for which the am-

During the gravest global economic crisis in a half-century, I saw how the IMF, in tandem with the US Treasury Department, responded. And I was appalled." Certainly, words that mirror the protesters' concerns.

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In these circumstances, even when globalisation is an established entity, the roles of these financial institutions have been questioned, and with reason. The policymakers must realise the urgency for pro-poor "actions". There has to be a departure from the Bretton Woods twins' obsessive concerns with poverty alleviation which are proving to be futile, because with each financial crisis, the goal of poverty alleviation recedes even further, making these organisations appear as if they specialised in going backward only.

Economists in the institutions frequently lack extensive experience in a respective country. As Stiglitz would say, they are more likely to have first-hand knowledge of its five-star hotels than of the villages that dot its countryside. They are put in