

PM and the Constitution

ONCE again our focus is on the Constitution. This time it centres on the question of whose prerogative it is to appoint the Chief Election Commissioner. The Constitution says it is the PM's. The opposition says it will NOT accept any new CEC unless the President himself brokers the consensus. The AL says it is unconstitutional for the President to be involved. The President must act ONLY on the advice of the PM. Anything else is outside the Constitution and as such illegal. Doesn't the opposition have any respect for the Constitution, the AL asks? We are heartened to learn about the AL's, and especially of the PM's attachment to the Constitution. However, we cannot help being reminded of another occasion when our Constitution was again under focus. The occasion was when AL was in the opposition and BNP was in power. The former was demanding that BNP agree to the principle of forming a caretaker government to hold the next general election. This was a precondition for the AL to return to the parliament that it was boycotting. BNP's reply was that "the principle of a caretaker government was not in the Constitution and as such it could not agree." "Doesn't the opposition have any respect for the Constitution," the BNP asked?

The Awami League's reply at that time was "Constitution was for the people. People were not for the Constitution". What the AL meant in saying this is that as and when it became necessary and desirable for the welfare of the people the Constitution has to be changed and adjusted to serve the needs of the people. In other words the Constitution was NOT supreme but the NEEDS of the PEOPLE were.

However dangerous it may be as a principle, and however legally flawed this argument may be, it is what the AL said. We have decided to bring this issue forward because again the question of the supremacy of the Constitution versus the wish of the people has come before us. There is no question that everybody wants that the new CEC should be selected on the basis of consensus. There is not a single voice in the whole country that supports the unilateral selection of a CEC by the ruling party. So what should the AL do? Follow mechanically the rigid interpretation of the Constitution? Or follow its own principle, its own laid down path, its own example and what it told the public while in opposition? This time the issue is far less central than the question of a caretaker government which was not only NOT in our Constitution but not also of any other country of the world. If the AL is to show respect for the views of the public then it definitely should avoid the unilateral path. Yesterday we suggested several options in our commentary and editorial. Other ideas may also be sought. In the least Kibria-Saifur contacts may be revived or similar contacts between others may be tried. But unilateral action must be avoided at any cost.

Woes of Poor Patients

POOR patients at government hospitals in the capital city hardly get any free treatment. The state of affairs at Bangabandhu Sheikh Mujib Medical University (BSMMU) Hospital is a case in point. A Daily Star correspondent making an on-the-spot investigation at the hospital came up with a poignant story on Thursday of the plight of poor patients some of whom suffering from a terminal ailment. The patients and the hospital authority tell contradictory stories about the pitiful situation in which the poor patients find themselves. It is common knowledge that even an ordinary sawing blade required in some cases before surgery is not provided by the hospital. Along with this small item almost everything needed by a surgery patient has to be bought by the patient's relatives from outside. Needless to say, poor patients are supposed to receive treatment without cost including free supply of medicines. A number of patients undergoing treatment at the hospital complained that they had to buy medicines at their own cost including the vitamins. Only the bed was free. The hospital superintendent tried to portray a good supply position. But some doctors, nurses and people working at the hospital confided to the reporter that there was hardly any medicine at the store.

Poor patients are supposed to get free treatment by virtue of interest accruals from a fund kept in fixed deposit which come to around taka twelve lakh every three months. Money is released by a fund granting committee which says a patient can "get a maximum of taka two thousand worth of drugs at a time". Head of this committee Dr Sirajul Haq told the reporter that the system has been working only since early last month.

We know that with such a huge population it is difficult to achieve an ideal situation in any field but what the people expect are more organised and efficient services. These hospitals receive medicine from the government; if the patients don't get them, where do they go?

Musharraf Balks

PAKISTAN'S Chief Executive General Musharraf has beaten a retreat from his attempt to change the procedure whereby country's controversial blasphemy law was being applied. He has yielded to the pressure of conservative clerics on the issue. Human Rights Commission in Pakistan has, reportedly, reacted strongly to the General's abandonment of plans to change the way in which the law is implemented. In the face of a number of Islamic organisations' protests he leaves the procedural part of the law unchanged.

Expressing concern over this latest development, human and minority rights activists said that the regime's stated commitment to human rights has proved to be hollow. Currently, if an individual goes to the police and simply accuses someone of blasphemy, the police can make an immediate arrest before investigation. What the General was suggesting is to discourage false accusations and claims. The General wanted the complaint to be referred to a senior civil servant, who would then proceed to investigate before ordering any arrest. In other words, had the change come through no case would have been registered by police until this was first investigated by local officials. General Musharraf did not aim at changing the law, he was only trying to amend the procedure. It proves that even a military-led government in Pakistan is hard put to push a reform measure if it is not looked kindly on by the clerics. The military strongman himself has been quoted to have said: "As it was the unanimous demand of the Ulema and of the people, therefore, I have decided to do away with the procedural change in registration of a First Information Report under the blasphemy law."

BY now, Bangladesh has gained some experience in the implementation of market oriented liberalising policy reforms. It is now agreed that the macroeconomic restructuring could successfully remove many of the macroeconomic irritants to pave further the ways for stabilising the economy. The runway to take off to a sustainable growth plane has, seemingly, been cleared but, disconcertingly, the uplift from stabilisation to growth is yet to occur. A paper by Wahiduddin Mahmud on "Bangladesh: Structural Adjustment and Beyond" presented to a conference of the Bangladesh Economic Association and the International Economic Association, held recently in Dhaka, a number of reform-related issues that Bangladesh embraces since mid-1980s. "It is widely believed that the economy has now the potential to go into an accelerated growth path — to even match the erstwhile performance of the so-called East Asian miracle economies — but the actual performance of the economy remains far below its potential," Mahmud observed.

Investment is the linchpin of growth. But an enabling environment for private investment had been languishing in the wake of bad governance that we are faced with. While domestic resource mobilisation efforts in 1990s displayed consid-

Right Politics for Right Reforms

Reforms need good governance. Good governance, in turn, reaps home good harvest from economic reforms. Let us not demolish good prospects created by the adjustments and reforms so far, and hook ourselves to a rein of macro-economic imbalances. Let us not rock the boat.

erable success, feeble private sector investment response is due to the absence of factors that mostly feature in good governance: strong financial institutions, better infrastructures, honest and efficient bureaucracy and a productive legal system. The politics of agitation and confrontation — pyromania politics as it is called — added to the dwindling confidence of investors at home and abroad. The institutional reforms — the main vehicles of market oriented liberalising policy reforms and supposedly products of good governance — are yet to take place. Without institutional reforms, high "transaction costs" currently restrict private investment. Actual private investment thus trails much behind the potential.

The story about the spectre in the financial sector, possibly, needs no introduction. The spectre is the product of a non performing regulatory framework. "Bangladesh went for financial liberalisation without providing adequate supervision and regulation. A notable example of this is provided by the recent upheaval in the country's stock market...the market

went through an episode of boom and bust that virtually destroyed any prospects of its further growth, at least in the near future". Although tax administration weathered few shots of improvements over the years, it failed to weave a transparent and sustainable system of revenue generation due to lack of good governance. For example,

for good governance to step in. Bangladesh, of late, has come up with an active industrial policy — pro-growth and pro-private sector. Implementation of such a policy is difficult in the wake of lack of capability and lack of government agencies. Historically, the realm of the industrial sector fell foul of political patronage "to degenerate into a vehicle for

financial sector reforms as well as privatisation? Administratively, these are more difficult to implement no doubt, but there are other reasons for not getting their teeth into those reforms aspects. "Much of these reforms are essentially to deal with economic crimes that generate huge illegal incomes, whether it be from willful default of bank loans or corruption in tax administration or electricity pilferage or illegal financial deals...". Wahiduddin Mahmud did not mention (but we need to mention) that with many of these vital deals, the politicians themselves have stakes in them, either financial or political. When the reforms themselves are less who are the beneficiaries of the existing system and status quo; why should we ponder as to why such reforms have apparently proved so insurmountable? The author, of course, answers the question he posed earlier. "In part, it is a problem of vested interest group bent on protecting their sources of income, legal or illegal and governments' inability to resist their appeals. Political leaders may forge alliances with these groups to create and distribute rents as a

necessary tool of political management". Allegedly, economic reforms have pulled patronage and illegal financial extortions out of the line ministries and threw them in the nook and corner of business activities. Rent-seeking from licences declined with reforms but toll collections rose to an astounding height in the absence of good governance.

"One could, perhaps, conclude that if there is a political demand for rent seeking and illegal income, economic reforms alone can hardly be the remedy." For Bangladesh, politics is travelling along a path that tends to hinder reforms and development. Unless there is a breakthrough in political process, political ideas and attitudes, and political institutions, reforms can hardly deliver the goods they are meant to do. Without political reforms, economic reforms are like leaving burning candles in the hands of infants. They play with fire not knowing its implications. So before burning the fingers, please put governance on an even keel. Reforms need good governance. Good governance, in turn, reaps home good harvest from economic reforms. Let us not demolish good prospects created by the adjustments and reforms so far, and hook ourselves to a rein of macro-economic imbalances. Let us not rock the boat.

Beneath the Surface

by Abdul Bayes



agricultural income and income from other informal sectors remain outside the net of direct taxation. The episode speaks of weak tax administration. Again, good governance should have reduced the size of budgetary burden of state-owned enterprises or arrested the size of the government. Developmental allocations are not being properly scrutinised nor are the projects regularly and properly monitored. All of these constrain growth and ask

distributing political spoils and privileges. In developed democracies, political patronage is delimited by the institutional, legal and normative constraints that deter politicians and bureaucrats to bag personal gains. The absence of such restraints in growing democracies like Bangladesh, allegedly, opens up frontier of political patronage — and privileges. Why have not there been governance related reforms, such as administrative, legal,

INTERNATIONAL TERRORISM

South Asia — New 'Epicentre'!

by AMM Shahabuddin

Asian peace will remain a rhetoric and will only hang from cliff unless timely action is taken to reactivate the whole process and place it on a right track... Let not the peace efforts for South Asia get lost and die down.

'bug' was gone. But now they are suffering from a new 'bug' — 'terrorism', of a new 'breed' and 'brand' — 'Islamic militancy' which they very often mix up with 'struggle for freedom'.

Before we get into the State Department's report vis-a-vis Clinton's statements during his South Asia tour, let us make a brief study of Clinton as a man of 'charm' and 'skills', both of which he had shown enough since his entry into the White House about a decade back. An Australian some time back, *inter alia*, said: "He (Clinton) has always been able to rely on his charm and skills to get through and be forgiven."

Whatever humiliation Clinton had to endure in his personal or private life, because of his own 'folly' or 'stupidity', politically he rode high on the wings of his 'desperate' actions in Iraq which is still suffering under the rigours of UN sanctions, mostly due to American pressure. So whenever he is in desperate mood due to humiliation at home, he ordered 'desperate' actions against Iraq.

Now, the US State Department for the first time has singled out South Asia as a 'major hub' of international terrorism, accusing both Afghanistan and Pakistan of providing 'safe haven' to the international terrorist groups. And such a mighty report came within a week of his return from his tour of South Asia — India, Bangladesh and Pakistan. According to this report, Americans "today were most at risk from loose networks of terrorist groups" although in the past, state-sponsored terrorism was "the biggest threat" to the Americans. Afghanistan (under

anti-American Taliban government) has been particularly singled out as a 'major terrorist threat', because of its providing continuing 'shelter' to that great terrorist — Osama Bin Laden. Pakistan has been particularly because it "harbours and aids" known terrorists (perhaps who were sent into Indian Kashmir by violating the Line of Control).

Clinton, on the other hand, during his South-Asian tour, was cautious enough in his statements, avoiding any pro-Pakistan and anti-India stance. Rather he indirectly advised Pakistan to respect LoC perhaps hinting not to repeat last year's Kargil 'adventure', by sending more trained militants there violating the LoC. He also made it clear that America in no way would get involved in the Kashmir issue as a third party. Rather he strongly advocated 'dialogue' between the two countries to find a solution of their problem. His brief visit to America's old-love or lost love, Pakistan, was just a diplomatic gesture, without aiming at any substantive results relating to burning political issues. General Pervez was, however, given the clear message to put his house in order with a truly democratic set-up within the shortest possible time.

In fact, Clinton's visit to South Asia, particularly to India, was aimed mainly to capture for America the huge consumer market of one billion Indian population and he did it very successfully by winning the hearts of Indian people as well as the government, showing a major pro-India tilt, leaving its old ally Pakistan in lurch. And Pakistan's army ruler's recent interview to CNN,

saying that he was ready to meet his Indian counterpart anytime and anywhere, shows which way the Indo-Pak peace wind is blowing.

As regards Clinton's success in India, a French News Agency (AFP), in a despatch from New Delhi, has nicely summed it up saying: "India-US economic ties were the big winner from President's visit to India with four billion dollars in business agreements, heralding the beginning of a new trade relationship". It was a big leap forward both for India and America in economic, and subsequently, political fields. The high profile reception given to an American President for the first time during the five decades or so, speaks more loudly than it hides anything. Of course, Indo-US relations started moving on a highway when Clinton dealt the masterly stroke by pressurising then Pakistan Prime Minister Nawaz Sharif to pull down the Pakistani 'intruders' from India's Kargil sector, which ultimately led to the fall of Sharif. But it raised Clinton to an unprecedented height of popularity in India. As a follow-up, Clinton's visit to India changed the entire format of Indo-US relations, spread over a wide scenario, while Pakistan was lying at a corner, perhaps licking its Kargil wounds. So what the State Department revealed within one week of Clinton's return from his historic South Asia tour, was well calculated to fit in with its strategy and long-term propose, raising the new 'bug' of South Asia becoming a major hub of international terrorism and accusing Afghanistan and Pakistan of providing 'safe haven

to international terrorist groups".

But it won't be out of context of mention that most menacing international terrorist, Saudi billionaire Osama Bin Laden was the US 'blue boy' on whose shoulders US put the guns to drive out the Russian forces from Afghanistan. And not only that, millions of dollars in cash and kind (arms and ammunition) were channelled through Laden for the guerrillas (now Islamic militants) under him to carry on their fight against Russia while Pakistan served as a convenient base for the operation.

In conclusion, it must be admitted that President Clinton, during his week-long visit to South Asia, particularly India, has achieved what he had aimed to. India had also its own old score to settle. India expects increasing US investment henceforth, almost to the tune of 10 billion dollars this year. In 1998-99, America had two-way trade of \$10 billion and US exports are growing by 15 per

cent which is likely to jump up further after Clinton's visit. Clinton had, no doubt, shown his skill on a tight-rope walking, when a slight slip here or there might have marred the show. Now that India is removing decades-old trade barriers against hundreds of US products and slashing import duties on high technology, it will open a new vista in Indo-US trade as well as political relations, focusing on an unprecedented market access for US companies. Representatives of 50 such companies accompanied Clinton.

But the President has missed a golden opportunity to bring about a rapport between the two new nuclear powers of Asia, by helping them to find the right solution of the Kashmir issue. As a world leader and also the only superpower leader, Clinton should have used his tremendous personal influence to create confidence between the two Asian arch rivals as he had done elsewhere. Again peace can't be achieved by leaving the spreading cancer unattended. The baby has been thrown out with the tub water. Asian peace will remain a rhetoric and will only hang from cliff unless timely action is taken to reactivate the whole process and place it on a right track. Clinton had missed the bus. But let not the peace efforts for South Asia get lost and die down.

The writer is a retired UN official

SRI LANKA'S ORDEAL

Question of Morale?

by A S M Nurunnabi

Should the military situation continue to remain critical and no deal reached between the Sri Lankan government and the Tigers, analysts believe India will probably push for a political solution that gives Sri Lankan Tamils considerable autonomy yet preserves Sri Lanka's formal unity.

THE Tamil victory at Elephant Pass, gateway to Jaffna Peninsula, has posed a test for the government in Colombo. The Sri Lankan army troops with a strength of more than 10,000 faced between 1,800 and 3,500 guerrilla fighters of the Tamil Tigers who launched a fierce attack on the heavily fortified base. When the smoke of the heavy fighting cleared on April 22, the Sri Lankan army fled, leaving an estimated 1,000 soldiers dead and the Elephant Pass in the hands of the Tigers.

The rebel victory at Elephant Pass raised the stakes in Sri Lanka's bloody 17-year-old civil war. By capturing the only land link between Jaffna peninsula and the rest of Sri Lanka, the Tigers threaten to renege their former stronghold, Jaffna town, which they lost to the government in 1995.

Seizing Jaffna would allow the Tigers to re-establish a *de facto* state in the region. It would further dishearten an army whose morale analysts describe as dismally low due to severe losses. Military gains by the Tigers may threaten Sri Lankan President Chandrika Kumaratunga's party with defeat in parliamentary elections that must be held by October.

New Delhi has ruled out providing military assistance to Sri Lanka — partly in deference to Tamil sensibilities. The army is opposed to repeating India's military mistakes between 1987 and 1990, when more than 1,000 Indian soldiers died trying to implement a failed peace accord in Sri Lanka. Instead, India has pledged humanitarian assistance. New Delhi also said it was willing to help with negotiations only if requested by both the Sri Lankan government and the Tamil Tigers.

For now, all eyes are on Jaffna peninsula. The Sri Lankan army would now concentrate on retaking the Elephant Pass by using the single air base at Palaly and the small port of Kankesanur to get supplies in. The Sri Lankan government

earlier rejected a rebel offer of safe passage of government troops on May 8. According to a defence analyst, the worst scenario for Sri Lanka will be the fall of Jaffna with troops getting trapped. There are 35,000 to 40,000 personnel there, including the army, navy, air force and police. In the view of the analyst, with morale low, even 40,000 Sri Lankan troops cannot guarantee to ward off a Tiger force estimated at about 5,000. "One only has to look at Elephant Pass. Over 10,000 gave up against a thrust by about 3,500 rebels. The crucial difference is the will to fight."

The Sri Lankan President has responded to the crisis by redirecting all development spending towards the war effort, extending harsh censorship laws to the foreign media and allowing the army to seize property. The government's reasons include protecting army morale and preventing a backlash against Tamils in Sinhalese majority areas.

Colombo's May 4 decision to resume ties with Israel after 30 years seems aimed at bringing Israeli advisers and military equipment. Analysts believe that this was done with the tacit consent of India. India and Israel have had close defence ties since the two countries established diplomatic relations in 1992.

With India and Pakistan both ruling out military help, it is felt that an evacuation of the Sri Lankan forces on the peninsula is beyond the capacity of the country's small air force and navy. In these circumstances, observers feel that for now, Sri Lanka's best hope lies in holding off the Tigers long enough for weapons and advisers to turn the tide of battle. Should the military situation continue to remain critical and no deal reached between the Sri Lankan government and the Tigers, analysts believe India will probably push for a political solution that gives Sri Lankan Tamils considerable autonomy yet preserves Sri Lanka's formal unity.

To the Editor ...

OIC Secy Gen: Clarifications

Sir, We have noticed that there was an article of M Anwarul Haq in your newspaper, dated 15 May 2000, regarding the election of the OIC Secretary General, stating that H E Mr Faruk Logoglu, Under Secretary of the Turkish Foreign Ministry, will come to Bangladesh on 25-26 May in order to persuade Dhaka to withdraw its candidature for the contest for the OIC Secretary General.

Please, let me make some clarifications on this issue so that we can prevent the public opinion from being misinformed.

As is clearly known, the meeting of political consultations between Bangladesh and Turkey will be held in Dhaka on 25-26 May 2000.

The last meeting was held in Ankara on 17-21 April 1996. Afterwards, the next meeting could not be held due to some various reasons till today. H E Mr. Faruk Logoglu, having been assigned to the Under Secretariat duty of the Turkish Foreign Ministry in the beginning of this year, wished to come to Bangladesh in early March, in respect of materializing his first visit abroad to Bangladesh. Nevertheless, those dates were postponed again due to some administrative reasons and subsequently both sides agreed to meet on 25-26 May in Dhaka.

As can be easily seen, it has been a long process and this meeting is not related to the election of the OIC Secretary General.

During the consultations, both sides will discuss the entire gamut of the bilateral relations as well as the international issues including the OIC Secretariat General.

Erdine Ulumlu
Ambassador of Turkey
to Bangladesh, Dhaka.

Gas: Potential demand and perspective export

Sir, While shifting through old DS, a headline, "Gas Export to India a Losing Proposition" (DS 08 Oct 99) by Shariar Khan appeared glaring to me. It mentioned, Shell Oil's view, "Pipeline gas export will be most profitable for Bangladesh".

Whereas, energy experts and Petrobangla (PB), considering all angles, indicated such export would be a loss with Shell Oil's benchmark 1.2 USD/unit against proposed export price -- 3.0 USD/unit. Shell convinced our PM, based on likely discovery of more gas source. Besides, gas reserve for fifty years will depend on a complex calculation of each year's export earning and the amount diverted to development which will again need gas as fuel or raw material for local and exportable items. Since above news referred PB, where PM is the head of Energy Ministry. Thus, it must have come to her notice. Subsequently (DS-21 Nov '99), the speakers at a "Gas Strategy in BD" roundtable opined that gas should be used for power generation and produce fertiliser for poverty alleviation. Where, an economist and ex-Finance Minister (Saifur Rahman) said, "There is a hide and seek game going on regarding gas export option, chiefly because of its political implications. However, it is also difficult to agree to gas export before you know how much gas you have and how do you want to use it." The gas estimate tabled from sources was between 26 TCF and 100 TCF that showed a wide gap in speculation.

Presently, the PM assured the nation (in a BTV programme "Face the People") and informed the visiting US President that gas would be exported only after meeting the gas reserve for our own 50 years need. To determine our probable demand and export over a

span of 50 years, we must have a reliable pre-hand accurate recoverable gas deposit data spreading over each 50 years showing after each year's export, meeting all needs. Our subsequent gas demand calculation is also complex.

As soon export earning starts flowing, industrial growths are expected. Therefore, in subsequent years, our own demands of gas as raw material and as fuel will increase exponentially with the growth (industries, gas power plants, gas-fed automobiles/locomotives, and other gas appliances). To assess 50-years' gas need, our anticipated phase wise development plan based on earnings from gas and other exports etc for that 50 years, is a key determining factor. This complex calculation needs experts' opinion on such projects. Besides, the detail homework of government functionaries, on the future development projects to be taken in hand, their anticipated gas need vis-a-vis depleted reserve and accordingly staggered annual gas export details. The "Dutch Disease" is also a prodigious factor.

Should we decide the exportable gas amount 50-years ahead relying only on PSC partner's data? Besides, should we allow PSC partner/s to siphon out entire exportable amount in a couple of years? Alternatively, should we fix the annual export limit in staggered way for the PSC period? In former case, if much of the deposit exhausts in export in few years, then how will we supplement our own need for rest of the projected years (50 years)? Recoverable gas of wells differs from time to time. Sometimes a prospective well turns out to be dry after expensive drilling. It happened in more than one block in Bangladesh. Government must consult economists, geophysicists, and planning and finance experts to get the firm figure, each time before Gas Export Schedules are attached to each PSC. We must take lessons

from KSA, how they have handled Standard (Chevron) Oil Co. before forming ARAMCO for its national benefit, and what lacked Nigerian oil export planning that left the oil rich Nigeria still a developing nation.

Star Gazer
Dhaka

Naming culture

Sir, The present government's obsession of changing names of different establishments after the names of persons of their liking has made the general people really frustrated.

For quite sometime there was a rumour going on that the name of Patenga Airport of Chittagong may be changed. This made the people of Chittagong very upset and they earnestly longed for good sense so that they don't change the much-loved name, which is in use for such a long time. But the government did not relent. 'Patenga Airport' is now called 'M.A. Hannan Airport'. Everytime we hear the new name it makes us utterly frustrated and we feel like asking the government only one thing -- was it at all necessary?

Nur Jahan
Chittagong

ETV news

Sir, The news reporting of the Ekushey Television (ETV) has attracted a lot of viewers no doubt. I am also a regular viewer of ETV news, which is broadcast on 7:50 PM everyday. But the duration of the news is very short. I think if the time is increased then the news would be more informative and elaborated.

Besides, I would also like to give importance to economic news of Bangladesh.

S.M.E.R
Mirpur, Dhaka.