

PARC Recommendations

ALTHOUGH set up with a new crusader's fanfare in January, 1997, with the AL government then barely into the seventh month of its incumbency, the Public Administration Reform Commission (PARC) has been ill-starred from the very word go. Its lack of autonomy or freedom of action in relation to the Ministry of Establishment, the delays entailed in securing logistical back-up to get into a functional gear and the fact that the commission's chairmanship changed hands have had a negative bearing on the working of PARC.

In about four years of its existence through a few extensions of tenure, the commission has finally submitted 137 recommendations - 30 of them interim, 70 short-term and 37 long-term ones - to the government, of which two stand adopted and that, too, clearly of a very routine nature. Only receipt and acknowledgement of letters at the secretariat have been streamlined together with the inclusion of travel tax in airline tickets.

But we have it on the authority of no less a person than the commission's Chairman ATM Sham-sul Huq that 75 per cent of the recommendations submitted by him would hardly have presented any implementation difficulties because these could neither be cost-prohibitive nor were they politically sensitive.

Both the initial trepidations and handicaps that the PARC had suffered and the subsequent poor rate of implementation of recommendations go to bring out the underlying truth about how low on the government's agenda administrative reform has been.

We have always believed and communicated as much to any newly-inducted government that the best time to carry out reforms is during the first two years of incumbency when the expectations for change are in the air - the people anticipating it and the bureaucracy in an amenable mood for it. That also happens to be a politically less torrid time for the opposition to come to parliament and have its say on a service reorganisation bill were it tabled anyway.

This government has missed the bus and so did the others before it when it came to carrying forward any serious reform agenda. On its assumption of office, or seizure of it, the latter in the case of military rule, every government in a frenzied show of activity constitutes commissions in a bid to rewrite reports and recommendations on affairs like education, administration and law, as if the earlier editions were authored by some morons to be treated with disdain!

Then when the fresh genre of recommendations would be in the hands of the new crusader for change the latter too would renege on their implementation thereby contributing to the mountain of reform literature and leaving it to be nibbled at by termites in the dark, dank store-rooms of the national secretariat.

In the specific case of PARC recommendations, our suggestions would be three-fold. First of all, we want all the 137 recommendations of PARC made public. Secondly, let the PARC be given some more time, eight weeks at the most, beyond the November 30th deadline, to prepare recommendations for the remainder of 173 government, semi-government and autonomous organisations, they having submitted suggestions for streamlining only 21 of them so far. Finally, we would like to see a machinery set up exclusively for the purpose of implementing PARC's recommendations.

Row over Wetlands

DURING a session at the Jatiya Sangsad in July, the Prime Minister lamented that even her "recommendation does not work in the face of bribery in getting a job." Now, it seems, in some cases, even her directives go unheeded. Earlier this year, against the backdrop of a drastic decline in fish resources, the government decided to put the fisheries ministry in charge of 568 *jalmahals* (wetlands) under a sustainable management plan to boost fish production and better conserve the ecosystem. The idea was to involve the Fisheries Department, local administrations and the non-government organisations in their management, instead of leasing these out to influential and unscrupulous people who catch even the fry to up their profit, thereby causing drastic depletion of fish resources. Also, the Water Development Board has plans to excavate canals and other channels to work as outlets for fish and water. These can be put under the co-operative system. In this regard, the Prime Minister issued a specific instruction to the land ministry to hand over the *jalmahals* to the fisheries ministry. Unfortunately, as it has turned out, only about 30 *jalmahals* each on an area of more than 20 acres have been transferred to the latter's disposal since April 14. Seemingly, her directive lost its way in the web of localised administrative manipulations engineered by vested interest groups. The whole scheme seems to have become uncertain at this point in time.

Annual earnings from these wetlands are in the tune of millions of taka; obviously, therefore, the moneyed and influential local 'businessmen' would try to block the hand-over by any means. Moreover, even if the inter-ministerial changeover takes place, at the functional level these people would definitely create obstructions. These are all expected. What is unexpected in the whole episode, however, is the temerity of the local administration. How could they turn deaf to a prime ministerial directive? Are we to infer then that the officers of the government have traded their loyalty for the lure of lucre? Or, have they caved in under intimidation from the 'influential elements'?

Economics and environment aside, the whole episode has negative implication for governance as well. The Prime Minister is the chief executive of the state. If her directive does not work, whose will? The matter should be resolved now and with an iron fist. The local administrations as well as the land ministry must be put to task for having failed to carry out the PM's directive.

Mixed

LAST month the Asian Development Bank came out with the Asia Recovery Report 2000. It is a semi-annual review of Asia's recovery from the financial crisis that began in mid-1997. The report, though encouraging in certain ways, is bleak in others. An analysis of the events in the last few weeks make the report look even bleaker. The five countries most affected by the financial crisis - Indonesia, Malaysia, the Philippines, South Korea, and Thailand have seen a consolidation of the recovery mode which started in 1999. However, the recovery is still far from complete. One way to measure the extent of recovery is to compare the current per capita income levels with their pre-crisis levels.

According to the latest statistics, only South Korea has exceeded its previous peak level of per capita income. In the other four countries, per capita income has yet to climb back to their pre-crisis level. Exports have continued to grow strongly in all five countries and now exceeds the pre-crisis level. This has been mainly due to the continuing expansion of the global economy and the boom in information technology. With the exception of the Philippines, imports have also picked up due to an increase in domestic demand. As a result, the contribution of net export to growth has declined.

One of the most dramatic progress has taken place in the

Reviews for South-east Asian Economies

After being initially impressed by the region's efforts to bounce back, foreign investors seem to be losing interest. There are several reasons for this. One is that necessary restructuring and reform efforts in many of these countries are lagging, as are plans to liberalise regional trade. Governments in Malaysia and Thailand have failed to introduce tough measures, while Indonesia and the Philippines face deep political uncertainty. The second reason is the intensified competition from China for foreign investment.



Connecting the Dots
Dr. A. R. Choudhury

financial sector, specifically with the process of bank and corporate restructuring. The ratio of non-performing loans in the banks has fallen steadily. This has been mainly due to the absorption of loan and debt by governments, loan restructuring, and economic recovery which has allowed borrowers to renew servicing of their loans. The social impacts of the crisis have turned out to be less serious than originally feared. This may be due to the fact that recovery was faster than anticipated. The agricultural sector absorbed unemployed urban dwellers, and the presence of informal safety nets in many instances. As the recovery process deepens and consolidates, the quality of recovery is also improving. The more broad-based recovery, increased intra-regional trade, improved macroeconomic management, reduced financial vulnerability, and stronger external position indicate that these five countries are now in a much stronger position to absorb shocks. Given the nature of recovery, these countries should also prove attractive to foreign investors. In particular, strengthened financial systems and more cohesive macroeco-

nomic policies should result in greater predictability of capital flows and their more efficient use. But this is where the problem begins.

All five countries are now facing sliding currencies and waning investor confidence. The situation is worst in the Philippines. Although its economy is expected to grow by about 4 per cent this year, an increasing budget deficit and signs of an economic slowdown have resulted in a loss of confidence in the peso for months. Political uncertainty arising from the impeachment proceedings against President Joseph Estrada has not helped either. The Philippines has failed to qualify for a final \$300 million loan installment from the IMF leading the peso to fall to an all-time low of about 50 to a dollar. Thailand has also seen a fall in the value of baht

in recent weeks. After noticing a certain correlation between baht and peso, investors are shorting the baht because it costs less to do so than shorting the peso. This offers the investors a cheaper way to cash in on the Philippines' woes. Central banks in these two countries can rely on limited options. In the Philippines, the central bank has already raised interest rates, forced banks to increase their liquidity reserves, and continued to intervene directly in the foreign exchange market. This intervention has left the country short of the \$16 billion reserve target set by the IMF. This has jeopardised any hopes of future assistance. The Bank of Thailand, on the other hand, has fewer options, if any, at its disposal.

Raising the interest rates further will bring about financial disaster for several commercial

banks. Curtailing offshore lending by banks is hardly to have any impact on the economy. Currency intervention will be ineffective as long as the Government continues to send out mixed signals. The situation in Indonesia also doesn't inspire much confidence. The rupiah has fallen by about 20 per cent since the beginning of the year. In contrast, Malaysia's ringgit peg to the dollar has held firm and the South Korean won, supported by strong inward investment flows and continued current account surpluses, has appreciated slightly in the last few months. Another immediate problem faced by these countries is the exodus of foreign capital from the equity markets. The equity market in all five countries have fallen steadily during the last few months. Foreign investment powered the region's past economic growth and is essential to its future prosperity. However, after being initially impressed by the region's efforts to bounce back, foreign investors seem to be losing interest. There are several reasons for this.

One is that necessary restructuring and reform efforts in many

of these countries are lagging, as are plans to liberalise regional trade. Governments in Malaysia and Thailand have failed to introduce tough measures, while Indonesia and the Philippines face deep political uncertainty. The second reason is the intensified competition from China for foreign investment. That will involve a sustained drive to increase skill levels, stimulate creativity and deepen the technology base. Opening the door to international investors is just one part of that process. The real trick is to create the conditions that will make them want to come in.

Stiff Tests Lie Ahead for Sonia Gandhi

Sonia has a handicap which is her being a "foreigner" because of the Italian origin. But Sonia is fighting against the critics and her victory from two seats was an indication of her being accepted by the people. Now, it is not the "foreign" origin but the credibility of leadership that counts more for her. Sonia has to inspire confidence among the partymen.

democratic alliance (NDA) under the leadership of prime minister Atal Bihari Vajpayee returned to power last year in the snap elections with a bigger majority and this gave a further jolt to the Congress which was hoping to stage a comeback in the South Bloc. But it did not happen and despondency grew further in the organisation and many questioned, in recent months, the effectiveness of the leadership at the top to rejuvenate the party which led the Indian independence movement. "Nehru-Gandhi" family rendered unique contributions to India as Motilal Nehru was a leading figure in the party in the pre-independence days and later his son Jawaharlal stepped into father's shoes and became the first prime minister of



Independent India. He remained at the helm till his death in 1964 and his daughter Indira, a former president of the Congress, wore the mantle following the death of prime minister Lal Bahadur Shastri two years after Nehru's death. She ruled the country for many years in two spells and then her elder son Rajiv Gandhi came to the scene following his mother's assassination in 1984 by her own Sikh bodyguards. Earlier, younger son Sanjay, who

was groomed as the heir apparent in the political pattern by Indira, was killed in a plane crash. Rajiv too met unnatural death when he was killed by a Tamil woman suicide bomber in 1991 while he was campaigning as the opposition leader in the south prior to the polls. The Congress then looked to his Italian-born widow Sonia for leadership as none else was available in the organisation for politics as Rajiv's daughter Priyanka and son Rahul were

both not enough grown up for the task.

Sonia was reluctant to throw her hat in the ring of politics but agreed after five years when Congress lost power. She could not demonstrate any "magic touch" but certainly her joining politics encouraged most Congress leaders and workers as they feel emotional in their attachment with the "Nehru-Gandhi" dynasty. Under her stewardship, although the party bagged the lowest seats in last year's elections but she in her maiden election bout won both the seats she contested for. In her re-election as the Congress chief, she polled more than 7000 votes of the party councillors while Prasada less than 100. The only interest in the polls was how many votes the challenger could muster. Had he won several hundred votes like 500, then this could be at least an embarrassment for Sonia as this would have reflected some kind of commotion within the organisation against her. But this did not happen.

However, the very fact that a senior leader contested against her and more particularly against a member of the family that dominated party's affairs for decades came as a surprise to many and Sonia herself was also taken aback although she put up a brave face and said it was the democratic behaviour in the organisation and there was nothing wrong in Prasada's action. In the past, party leaders who dared the challenge the leadership of the dynasty could not remain in the Congress with honour and it remains to be seen if Jitendra Prasada meets the same fate. He had charged that Sonia was acting as chief of a fiefdom through a small coterie and was out of touch with the ground level

of the organisation as she sat on the Ivory Tower. Prasada also alleged that voters' list was distorted and the secret ballot voting was not maintained as it was easily identifiable who voted against her. He said many did not dare to vote in his favour for being identified. The party denied these allegations.

But the cakewalk win for Sonia puts her in real tests as she has now to revitalise the party and bring it back to power since Congress is not much used to remain in opposition for long. As next general elections in the country are quite away unless mid-term polls are held unexpectedly, she has to prove party's worth in five state assembly elections mid next year. The party has given her the thumping mandate and it was now upto her to live upto the expectations.

Sonia has a handicap which is her being a "foreigner" because of the Italian origin. The NDA alliance questions this background to become prime minister of India while partymen Sharad Pawar, A. P. Sangma and Tariq Anwar also doubted this credential to lead the party and country. All three left the organisation. But Sonia is fighting against the critics and her victory from two seats was an indication of her being accepted by the people. Now, it is not the "foreign" origin but the credibility of leadership that counts more for her. Sonia has to inspire confidence among the partymen. She has another disadvantage which is language and little experience in parliamentary politics which is important in India where the British type is practised. The winter session of Lok Sabha starts soon and she has to play an active part here facing veteran ruling party leaders. Sonia is improving her Hindi and also getting matured in politics but it seems that she has to go still a long way. Unless Sonia is able to prove her qualities in the coming days, the Congress may smart under deeper frustration and Sonia is well aware of this situation.

To the Editor ...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

Health policy: Adjourning perplexity

Sir, The write-up in the opinion column titled Health Policy: Confusion Continues by Dr Muhammad Abdus Salam, published on November 16, 2000, has drawn my attention. The author deserves credit for highlighting one of the most important issues as far as the public health is concerned. A nation should have a National Health Policy that would guide, from time to time, the political leaders in deciding issues related to the health of the population. It is, however, surprising that the prevailing situation, since the independence of the country, is just the opposite. The fear of 'whatever they say is policy' should no longer be endured. 'Accountability' and 'responsibility' should no more be manifested as mere words in the policy papers and be proclaimed in the public meetings only.

readers in particular and the people at large. The government and the ministries concerned should keep up this spirit and nurture the environment for proper development of the national policy. Efforts should be put forth in its proper and timely implementation. Handing over of the policy document to the Prime Minister should not be limited only to a snapshot and a matter of fascinating event for the journalists. It would then be another blunder if the nation does not see a successful outcome of such an important issue and are deprived of upholding the pride of having a national health policy. Those who fail to read history is destined to suffer from the repetition of its mistake.

Dr Kuntal K Saha
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Rickshaw-free Mirpur Road

Sir, Dhaka's roads are in a complete mess. Traffic jams, unruly driving, rickshaws, make-

shift shops make life really unbearable. The traffic police appear unaware of their duties. A city of 10 million people can't afford dependence on slow moving vehicles such as rickshaws. Abundance of rickshaws, pushcarts and manual vans make traffic movements slow. This city needs some of its roads free from slow vehicles so that fast moving vehicles may run faster and transport city dwellers to their destination in time. Therefore, the need of the hour is to designate, in a planned way, some roads that must be made free from slow moving vehicles.

Except for the VIP road, there are no roads in the city through which fast moving vehicles can ply. More roads must be made free from slow moving vehicles so commuting can be easy. Mirpur road is an important road in many ways. It stretches from the north to the south from Gabtali terminal through to Eden College, to Dhaka University, to Gulistan. It is parallel to the VIP road. If this road is free from rickshaws, vehicles that usually take VIP roads may ply on this road thus making the VIP road a bit jam-free. In my opinion, rickshaws are the main cause of traffic jams. Rickshaws occupy 80 per cent of the roads. They ply in three or four columns and ply at random without minding traffic rules. This is most visible at

intersections where traffic jams are most frequent.

What will happen to those who ride rickshaws? Authorities must make arrangements for them -- increase frequency of passenger buses, permit private companies to ply more vehicles. Ridding the roads of rickshaws is not the answer. Footpaths must be freed from makeshift shops and vendors. The police must enforce strictly the traffic rules. Otherwise, no tangible improvements would be felt. So, integrated traffic system must be in place.

We hail the government's decision to make Mirpur Road rickshaw-free. Initially, the citizenry may find it troublesome but as days go by they will adapt to the new system. Therefore, the government or the police must not give in to the pressure group such as labour unions, shopkeepers, etc.

Everybody would be benefited from a rickshaw-free Mirpur Road in a very short time. Therefore, authority should go ahead with their plan of making this road free from rickshaws as planned.

Ulfat Hussain
36 Mirpur Road

Hypocritical governance

Sir, Dhaka's traffic problem cannot be solved in spite of all the

official platitudes, unless the unauthorised drivers and vehicles are driven off the roads and the parallel vested groups proscribed.

Now that the election time is near, the regime is not likely to touch this issue. Political parties who compromise on unethical grounds do not deserve to be returned during the next national polls. There is something called political moral courage, which goes into hiding while craving for cheap popularity. Good management and bad politics do not mix (anywhere in the world). To be tough, one has to become unpopular from time to time. Public interest comes first and misplaced kindness has no place in efficient management.

The politicians in power are not getting the message. Name-dropping is not necessarily good governance. The gap between precept and practice has to be narrowed, to win votes.

We feel that the most convenient and easiest way to recover bank loan is to file a FIR in the concerned Police Station (Thana) with a copy of Artha Rin Adalat's decree against the bank loan defaulter and lodge a criminal case against him.

We therefore request the government officials and bank managers to publish a list of bank loan defaulters and to take immediate action in this regard.

A Citizen
Dhaka-1203

Action against bank loan defaulters

Sir, Recently, Finance Minister SAMS Kibria has declared that legal frameworks would be tight-