

## 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 Shamsul Huq that 75 per cent of the recommendations submitted by him would hardly have presented any implementational 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

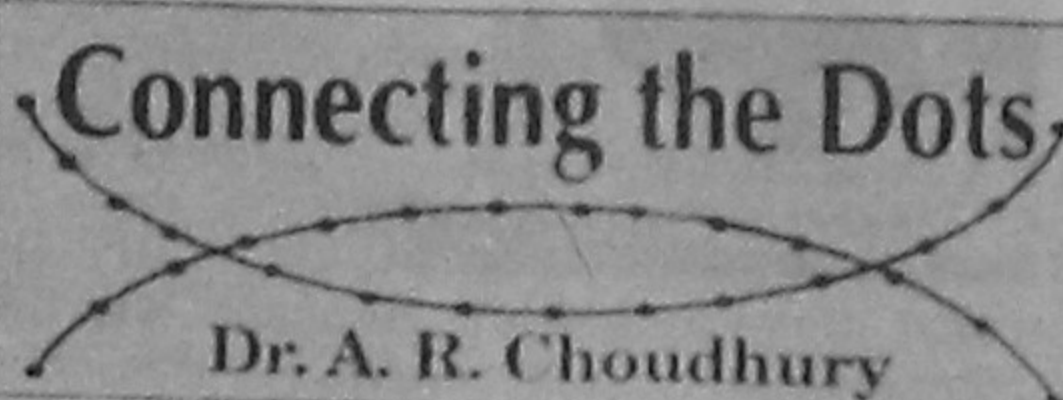
DURING a session at the Jatiya Sangsad in July, the Prime Minister lamented that even her "recommendation does not work in the face of bribery in getting a job." Now, it seems, in some cases, even her directives go unheeded. Earlier this year, against the backdrop of a drastic decline in fish resources, 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 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.**



financial sector, specifically with the process of bank and corporate restructuring. The ratio of non-performing loan 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 macro-economic 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-

omic 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. China's popularity among foreign investors is partly due to its success in insulating itself from Asia's economic turmoil and to expectations that it will soon join the World Trade Organisation. Adding to the woes of the East and South-east Asian countries is the fact that China has a vast home market, huge pool of low-cost labour, and a growing class of educated technocrats. WTO membership would continue to strengthen international investors' confidence over the longer term by forwarding China's reform effort and increasing the predictability of its markets. That prospect makes it even more urgent for the East and South-east Asian countries to regain competitiveness by liberalising and upgrading their economies.

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.

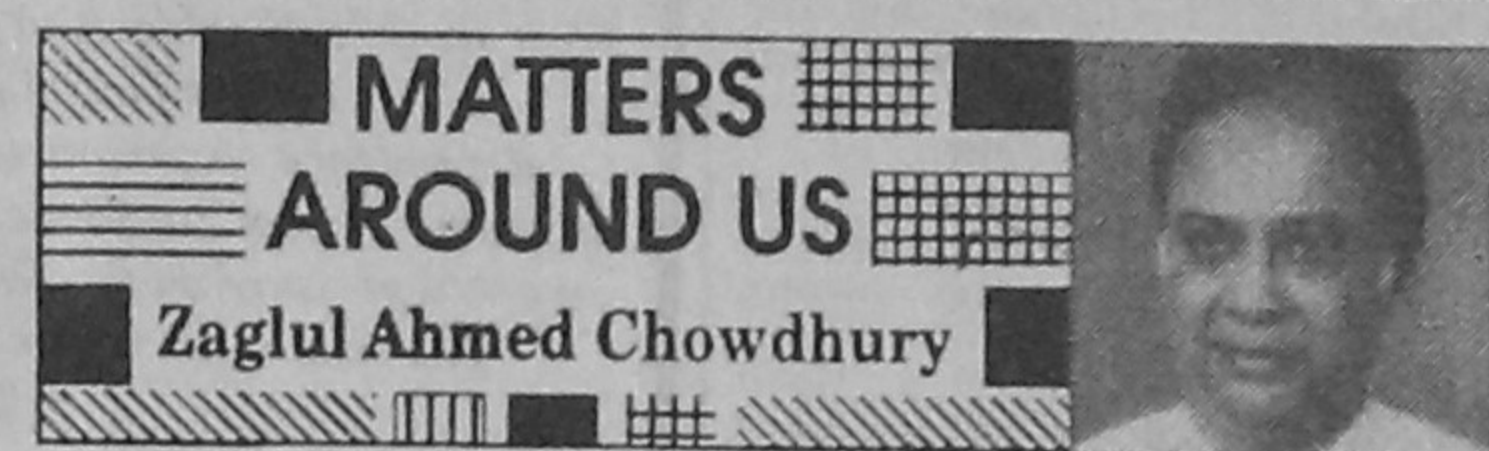
## Stiff Tests Lie Ahead for Sonia Gandhi

**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.**

SONIA Gandhi, widow of former slain prime minister Rajiv Gandhi, has been re-elected president of the main opposition Indian National Congress with a thumping majority. The outcome of the election against lone challenger Jitendra Prasad was a foregone conclusion. Prasad, a veteran and former vice-president of the party, at no stage appeared capable of throwing a semblance of resistance to the scion of famous "Nehru-Gandhi" political dynasty of India whose members dominated the party affairs and also ruled India for most part of the time since the country's independence from the British in 1947. He said his fight was more a symbolic one since he felt things were not fine with the party under Sonia's leadership. Mrs. Gandhi was chosen as party president little more than three years ago by the working committee to replace veteran and elderly Sitaram Kesri who had earlier been elected in formal voting by councillors easily beating heavyweight Sharad Pawar and outspoken Rajesh Pilot. Kesri died recently because of old age complications. Pawar left the party after being at loggerheads with Sonia and relatively younger Pilot was killed in a tragic car accident a few months ago. Kesri was removed as he failed to provide the necessary dynamism to the organisation which was reeling under frustration of being shunted out of power in the 1996 general elections. P. V. Narasimha Rao, under whose presidentship Congress lost power was forced to quit as organisation's chief yielding place to Kesri, but Kesri also had to make way for Sonia Gandhi after the reclusive widow of Rajiv Gandhi finally shed her aversion to politics and formally joined the Congress.

Sonia's recent re-election came at a time when the Congress had also lost the general elections last year and cut a sorry figure by winning lowest ever seats in the lower house of parliament (Lok Sabha) only 112 in the 544-member house. The national

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 Prasad 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 Prasad'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 Prasad 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'. Prasad also alleged that voters' list was doctored 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 midterm 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.



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## 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 Sabur, 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. For the last couple of days, news in most of the national dailies is inspiring optimism among the

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 photo-journalists. It would then be another blunder if the nation do 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  
ICDDR, Dhaka

### 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 vehicle 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 prosecuted.

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 policies 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.

AM  
Dhaka

### Action against bank loan defaulters

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

ened against bank loan defaulters and if necessary their property and valuables would also be confiscated.

From different news report, we have learnt that over 24,000 crore Taka remains as outstanding default bank loans for years together.

Time to time we raise a lot of hue and cry against bank loan defaulters but unfortunately the authorities concerned do not take any positive step for the recovery of the loans. As a result, the defaulters become all the more reckless and defiant.

We have also learnt that bank loan defaulters' cases are often transferred from Artha Rin Adalat to High Court where it remains pending for years together.

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 in this regard.

A Citizen  
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