

# Agenda for the new government

MD. ASADULLAH KHAN

WHEN the anxious citizens were waiting to see some peace to prevail after an apparently peaceful election on October 1, in which BNP-led four-party alliance won a landslide victory, the country is witnessing rather an upsurge of violence, a steady worsening of the economy and polarization of the society on extremist lines. Worrysome is that the AL has rejected the polls result. According to AL, crude rigging in the election robbed the party of victory. All that comes out of the confusing scenario is that the country may remain volatile in the days to come.

However, despite all the odds, the people are optimistic about democratic governance. This has been evident from the impressive voter turnout in the just concluded elections. Against all the odds the agenda for the new government is clear: holding together a country torn by partisan conflicts and clashes, curbing terrorism, corruption, and rampant lawlessness and healing the wounds of minority community the victim of repression and looting let loose in different parts of the country after the election.

The economy, long dominated by unprofitable state enterprises and a sprawling bureaucracy, is in deep recession with the country's foreign exchange reserve coming down to 1.07 billion dollar, an all-time low. At the same time, export potential of RMG and frozen fish seems to be bleak after the September 11 terrorist attacks in the US. It has declined by about 23 per cent just in one month. The CPA (Chittagong Port Authority) sources say that there are at present a total of 43 ships either in jetties, moorings or outer anchorage as against 70 on average. On the other hand, export of RMG products demanding "duty and quota free" access to US market is now reportedly being tagged with the issue of gas export, a long-standing demand of the international oil companies (IOCs) now working in Bangladesh. Mentionably America is Bangladesh's major export

market and about 40 per cent of the country's \$5 billion earning from apparels comes from the US market. It is further learnt from BGMEA sources that after the September 11 attack in the US, 20 big RMG factories have sustained a loss of 20 crore taka because of cancellation of order other than rendering two lakh labour forces in these units jobless.

Even after a peaceful election, dark clouds of uncertainty hover over the horizon. Reality has betrayed expectations and there have been new intraparty conflicts, clashes, killings and lootings and

orders given by the outgoing PM went unheeded.

The Finance Minister has issued orders for slashing bank rate by one per cent in a bid to repair the ailing economy, to instill entrepreneurial activities and encourage stock market. But shockingly, people at large, specially those belonging to middle income group remember the harrowing experiences of the stock market scandal in 1996. About two lakh investors lost their last savings in the share market and some of them it is reportedly known switched to criminal activities like extortion, smuggling,

deep rooted to be cured by tinkering. And over the years, things have drastically changed. The country's largely illiterate and overwhelmingly poor electorate, despite all the handicaps, are now well informed. Dull and stereotyped propaganda and rhetorics indulged in during the electioneering do not appeal to them. At the same time fewer and fewer Bangladeshis now fit the stereotype of illiterate populace on whose bovine passivity earlier rulers could rely. The BNP alliance taking over the administration of the country must heed this fact that

analyse in depth as to how a vast cohort of youths can be provided with employment opportunities by opening new areas like handicrafts development, leather bag and shoe making, jute carpet manufacturing in line with the developed countries of the world with an effort to capture foreign market. Also livestock, poultry, pisciculture are some of the potential and viable sectors that must be geared up for absorbing the youth forces.

Unfortunately, leather industry, in spite of the fact that we have such abundance of raw leather and a varied prospect and enviable

effort to curb terrorism, hijacking, muscle-manny and extortion-sprees on the street and market places can be effective without providing them with job.

Many in the country are still enthusiastic that the new government that espouses some social and economic policies will be able to keep the mantle glowing. With the policy statement for her 100-day agenda, the Prime Minister of the new government underscoring goals to eliminate terrorist activities from all levels of national life, establish a poverty-free society and run a government on the basis of national consensus taking decisions on national issues at the Jatiya Sangsad allowing weightage and importance to opposition's views, a fair change is expected to take roots. Remem-bering the dictum that "there is many a slip between the cup and the lip" the administration must show prudence, transparency and foresight in bringing about the changes.

While appreciating the Prime Minister's concern about filthy city roads with uncleaned garbage and innumerable potholes and directives to repair these pitiable conditions within a week, this must be pointed out here that much remains to be done about cleaning the foul air thereabout. Ominous levels of carbon dioxide and other noxious emissions from motorized vehicles contribute to an unhealthy environment. Ironically true, promises were made, laws were enacted in the past but little was implemented. Other than the abysmal fuel quality a boom in the three-wheeler with two stroke engine and absence of mass transit system, traffic scenario has worsened steadily.

Now as the country enters a new phase, what is called for is not only a programme for national administration but a vision for the nation - a vision of unity, consensus and non-violent journey to progress and that only could be fashioned and implemented by a leader who is more than a politician -- a statesman.

MD Asadullah Khan is Controller of Examinations, BUET.

Now as the country enters a new phase, what is called for is not only a programme for national administration but a vision for the nation - a vision of unity, consensus and non-violent journey to progress...

topping it all a new dimension has been added the repression of religious minorities by known miscreants. The present government that made pledges in their election manifesto to curb terrorism's root must face down this mafia group without fear or favour. Shockingly, what is true till now we have leaders who are very capable of shedding tears but perfectly incapable of assuming duties. People only wonder how many incidents of killings, looting, extortion and repression would be enough to prod the administration into effective action against the criminals. Ironically, the criminals' arrogance is fed by feckless response that unfortunately greets each new barbarism. The situation has come to such a pass that men and women of all religions, of all ages have assembled in street corners and parks to show their anguish.

"Get these terrorists and criminals out", the throng cries, referring to a system that has allowed hardened criminals who are constantly changing colours to terrorise the society for decades. Assuringly, Prime Minister Khaleda Zia, after assumption of office, has issued order to the law enforcers to book the criminals without discrimination. But people now sadly remember how such

hijacking etc., when they had nothing to live by.

However, with a global recession looming in the wake of September 11 attacks and a war launched on Afghanistan, there is no chance of Bangladesh escaping the effects. The new Finance and Planning Minister has realised the implications of the falling export, global recession and it seems, he has taken extra-ordinary steps to fight economic mayhem. Now the attention of the new Prime Minister should be aimed at soothing inter-party tensions and repairing the economy that suffered most during the last few years' political turmoil. Her commitment to make multi-party democracy work, her effort to make the economy produce what people need to consume and to put an end to the practice of systemic official lying, might transform the country to bear the envisaged fruits. Needless to mention, fundamental changes are needed to rescue the economy from work stoppages, debt burden, corruption and colossal unemployment problem of about 20 million educated youths.

True, BNP rule in the first two years in the '90s produced a flicker of prosperity and glitter, but the economy, nonetheless, experienced a decline because the stagnation was too widespread and

they would be judged by the track records.

Indeed, the new government need not look beyond the immediate past regime for lessons about the predicament into which a democratic government, just for lack of sensibility and realistic appraisal of people's sentiment, can easily slide. People are fed up with politician's venality, economic deterioration and social tensions, agitation in the street, workplaces and insecurity even within the safe boundary of their houses, mostly spawned by party conflicts and self-centered activities of disgruntled politicians.

The challenge facing the new administration is how to stem the eroding public confidence in government. The first prerequisite is probity on the part of the leaders matched by tough and consistent enforcement of laws without malice or favour to anyone. Reduction of corruption in public life would restore confidence of the people and inspire them to work for the growth of the country. The task for the new prime minister and her cabinet would appear to be most challenging in as much as they inherit a dismaying legacy of moral malaise, economic stagnation, population pressure and colossal unemployment problem. A task force may be instituted to

possibilities to feed foreign markets remain apparently neglected because of lack of entrepreneurship, technical expertise and business acumen. People have to be inspired and motivated to take up this new sector by providing state-sponsored expertise, capital, infrastructural facilities and land for setting up new industries. Sadly true, industrial growth and foreign investment in the country in the past suffered most because of bureaucratic control, political interference and instability and terrorism. Nevertheless, we were more interested in importing finished goods than producing them in the country. That practice did have an appalling effect on our economy.

The benefits of economic growth must be distributed more evenly. Such growth which was spurred by fitful economic liberalization programme has tended to benefit the already upper middle classes. So the poor who constitute almost 60 per cent of 130 million people in the country must be provided access to educational and employment opportunities to reap the benefits. Moreover, nearly 40 per cent of the country's population is under 22 years old. This fast growing segment can be an explosive mix in a country running short of employment opportunities. No

# Fakhruddin Ahmed: A tribute

HARUN UR RASHID

I am very saddened to learn that Mr. Fakhruddin Ahmed has recently passed away. He was a giant of a man with great depth and integrity. Though his contemporaries in foreign service were formidable, he was a competent and equal member of the group. He had an extraordinary record by having been the only person to be appointed as Foreign Secretary twice--once in 1974 and then in 1986.

He was Bangladesh Ambassador to Italy, Yugoslavia and then to the United Kingdom and served with great distinction. He was called from his retired life to become the Adviser of Foreign Affairs with the rank of Cabinet Minister in the first care-taker government during 1990-91. In his memoirs "Critical Times" (UPL, Dhaka, 1994), he referred to this appointment as "the most glorious period of my career". He wrote another book entitled "The Caretakers" (UPL, Dhaka, 1998) describing his experience as the Adviser in the care-taker government.

Mr. Fakhruddin Ahmed was born in 1931. His father Mr. A A F Mohiuddin Ahmed was a Deputy Magistrate during the British period. He had to study in various schools as his father was posted from district to district in Bengal. He obtained his M.A. in International Relations from Dhaka University in 1952 and joined the Foreign Service of Pakistan in 1954. He served in different capacities at the Pakistani diplomatic missions in Jeddah, New York, Tehran and Accra.

In 1968 he was transferred to Islamabad from Accra (Ghana) as a Director in the Foreign Office. There I first met him. We lived in the same suburb (Sector F-6/3, now called Shalimar) in Islamabad and our houses were close to each other. Soon my wife became a friend of his wife. He impressed me from the beginning because of his strength of character. In my dealings with him, I found him always courteous, constructive and helpful. He was commonly known as a "person who was a tiger to his boss but lamb to his junior colleagues".

During the liberation period we were both stranded in Islamabad. During that period his house became a central point of our gathering in the evening. We used to listen anxiously to news from BBC, VOA and Akash Bani (Indian Radio), on from his powerful radio set that was able to pick up foreign broadcasts as to what was actually occurring in Bangladesh. His instant commentaries on the news were perceptive and analytical. We escaped to Bangladesh with our families via Afghanistan almost in the same period.

He was a Bengali first and last. He was a self-effacing person and he never compromised his principles despite heavy odds. He never tolerated injustice and unfairness meted out to Bengali officers during Pakistan period. In Islamabad he became Director (Personnel Administration) and in that capacity he started recruiting Bengalis in 'Class IV jobs' and soon filled in the quota. During that period, he was instrumental in transferring many Bengali foreign service officers to 'good posts'.

He was promoted as Director General in March 1971 but his formal order was delayed until November 1971 because of the liberation war. I recall that he wrote a very strongly worded letter to the top bureaucrats in the Ministry as to why he was not able to move to Dhaka to head the Liaison office of Foreign Office as Director General. At that time a Bengali officer needed guts to write such a letter and he demonstrated his courage in doing so. Action is louder than words and he believed in it.

As Foreign Secretary in 1974 he unobtrusively helped many officers in their career. He championed equal opportunity to all. The surprise was that many officers never knew of his stouthearted fight for them with his political masters. He never told any officer anything and he took no credit. It was an amazing but a rare characteristic. He never wanted any credit for his actions. He did it because it was fair and just.

During 1975, when BAKSAL was formed, we were advised to join the party and there were pressures on us (Foreign Office) to do so. But as Foreign Secretary he never joined BAKSAL despite the pressure and we followed him. It was a very bold step by him. He guided us in uncharted political waters.

When he was Foreign Secretary again in 1986, I was Additional Foreign Secretary and had the opportunity to observe him work from a very close range. He was quick to grasp the essence of a subject matter and could see further through a 'brick wall' than anyone else I knew. I hardly saw his feathers ruffled even under pressure. He was as cool as 'cucumber'. True to his character he never compromised his views in tendering advice to his political masters and they were not very comfortable with him. His conscience was clear because he knew that his advice was honest and in national interests.

Mr. Fakhruddin Ahmed was an inspiration to many of us. He was a person of great humanity and warmth. We know how much we will miss this remarkable man. We pray to Allah for the salvation of his soul and offer our sincere condolences to the bereaved members of his family.

Barister Harun ur Rashid is former Bangladesh Ambassador to the UN, Geneva.

# Combating corruption should be given priority

ABMS ZAHUR

TO be known as the poorest country is not a matter of shame. To be branded as the most corrupt country in the world is certainly a stigma. It is all the more disgraceful for a country liberated through the sacrifice of three million lives. It is an irony that we have been branded during the regime of the party which played the most dominant role in the struggle for independence. However, it may be considered heartening that the party founded by a valiant freedom fighter has taken the extraordinarily onerous task of eradicating this evil. In making such a commitment it is understandable that it knows that complete eradication of corruption from the society is rather an outlandish dream. Even to bring down corruption to a tolerable limit is a difficult task and the ruling party needs active cooperation from the opposition parties.

Most citizens of Bangladesh believe that there is corruption at almost all levels of government. Such an environment undermines that public confidence in government. This engenders wrong economic choices and constrains government's ability to implement policies, makes the poor pay the price and threatens its strategy of private-sector-oriented growth. It is unfortunate that social condemnation of official corruption hardly exists in Bangladesh. Public cynicism has reached a state where an official who shuns illegal money-making is likely to be regarded with mild contempt. In fact the people have started believing that attempts to fight corruption are doomed to fail.

A large portion of country's corruption stems from the non-democratic rule. With the restoration of a freely elected government in 1991, it has been difficult to realign distorted patterns and procedures of governance within the needs of a democratic state.

Some economists think that corruption is a disguised form of taxation. Instead of paying for high public sector wages through general taxation, people end up paying for public services by bribing officials. When bureaucratic and

Needless to say that people are adversely affected by the virtual breakdown of the legal system and increasing levels of lawlessness. The business enterprises are bearing the cost of doing business where most transactions are delayed and distorted by corruption. Such state of affairs is slowing down foreign investment in the country.

regulatory controls are pervasive, corruption may be seen as the way of overcoming them. Though this may seem rational the risks and uncertainties attached to corruption make it much less efficient than a more transparent system of raising revenue. By extracting 'rents', bureaucrats raise the cost of doing business.

The reasons for the extensiveness of official corruption are many. Some are cultural or sociological. Some others are based on the 'public interest' view of government. The following framework may provide a useful tool to both identify causes of corruption and ways of combating it:

- \* Opaque and extensive regulatory structure provides good opportunity for rent-seeking. The absence of any effective means of obtaining redress through legal or administrative procedures ensures that abuses of bureaucratic power go unpunished.

- \* Lack of transparency in government: Poor public access to information on government decisions that go unquestioned.
- \* Influence of powerful business interests: Businesses, both domestic and foreign, are not averse to bribing officials. They consider bribery as just one of the costs of doing business.

- \* Low salaries for public servants: The erosion of compensation packages of policy-makers and bureaucrats has increased temptations for them to supplement their incomes illegally.

- \* Weakness in the legal framework: If malfeasance is detected punishment is unlikely. It is not uncommon for high government officials found guilty during Ershad regime, got promotion in Khaleda regime and was appointed on contract during Hasina regime. They are truly "management experts" because they can manage well.

- \* Self-sustaining cycle of cor-

ruption: Due to decline in the reputation of the civil service along with growth of acceptance of graft, condition of 'adverse selection' has been created. Nowadays many apply for public services less by considerations of public service, professional price, or prestige and more by calculations of the possibilities for rent-earning.

Certainly bureaucratic corruption cannot exist in isolation. It is a reflection of prevailing behavioural patterns and cultural mores in society. Corruption in government is sustained only by the willing participation of many people in the private sector and the business community. Political leaders must also take much of the blame. One of the most important factors in the spread of corruption is the growth of political graft. It is not uncommon for political leaders, having "invested" relatively large sums in the election campaigns to take advantage of rent-seeking opportunities once they gain office. Political corruption is also the source of funding for the political parties. The corruption of politicians has a strong demonstration effect throughout the public service.

It is difficult to quantify the economic cost of corruption which introduces a potentially large and uncertain cost element. Corruption causes considerable inefficiency in public administration e.g. higher costs and delays in public projects, biases in the formulation of policies to create opportunities for rent.

Though successive governments have condemned corruption and taken isolated punitive actions they failed to tackle the underlying structural issues. Most programmes to eliminate corruption have concentrated on better enforcement of the rules and procedures. The tendency to view corruption as personal misdeed has led to an excessive reliance on punishment.

In Bangladesh powerful politicians and bureaucrats are never prosecuted while in office. There is an anti-corruption bureau (ACB). It is largely ineffective. According to a report ACB filed 1584 cases on the basis of about ten thousand complaints in 1994. Between 1991 and 1994 only 365 persons were convicted from ACB cases and only 95 of these persons were officers. What is urgently needed is a systematic effort to attack the sources of corruption. We have to identify the opportunities and incentives for graft embedded in the extensive and opaque structure of regulation

and the administrative control. It is an extremely difficult task. A more practical approach appears to be to expose administrative processes to public scrutiny by cutting away the regulatory thickets in which corruption thrives. This would leave a smaller number of rules and thus simplify administration. In designing regulations the limitations of the bureaucracy must be taken into account. To induce higher ethical standards financial incentives with bonuses linked to performance or consumer-satisfaction and meritorious awards may be introduced.

# Gas export: Need for a patriotic decision

MONIRUL I KHAN

THE government is planning to export or sale gas outside the country. It is a significant news for various reasons. The present ruling party campaigned strongly against the sale of gas while in opposition. Coming to power it is moving in a reverse direction. Naturally question has arisen why this change in policy position? The Finance Minister's argument in support of gas sale relates to its natural characteristics. He said selling abroad is better than wasting gas underground. So far I know the experts in this area espouse divergent views on this matter. Among other reasons, economic necessity of a different kind has been brought into forefront to account for gas export. When its export was opposed earlier it was also on economic ground although the views were different. Earlier it was mentioned as an invaluable natural resource, which could significantly contribute to generate electricity. The assumption was not incorrect if it is taken into consideration that the power plants now being built or in

the pipeline in the country largely depend on natural gas as source of fuel. In the production of fertiliser the need of methane rich gas of Bangladesh is incomparable. There is no need to elaborate the importance of electricity and fertiliser to gear up the economic growth. It was also highlighted that by exporting liquefied gas the country could earn huge revenue to discourage the export of natural gas. Certainly, it will be needed to know why and how the earlier options have lost their importance.

Present logic supporting gas export that the revenue will help reduce the scarcity of foreign currency the country is severely suffering from raises host of issues that demand immediate attention. The revenue from gas export will actually start to flow several months from now then how would it help reduce the alleged foreign currency shortage now? Is gas export a pre-condition to access USA market with RMG? USA envoy has already dispelled it. By way of speculation, is gas export a pre-condition to access multilateral loan to avert the present crisis of foreign currency shortage? If it is not so, would the revenue from gas

export be much higher than what would be derived from electricity generation or fertiliser production? It may be argued that the government does not have necessary capital to produce electricity or fertiliser using the gas at present thus its export is the better option. But then why the government is not seriously trying to attract foreign capital to establish more electricity and fertiliser plants? Is it because the potential investors are interested to earn quick profit from export than a roundabout way of reaping it through electricity or fertiliser sale? Some critics said that India would use it for production of electricity which she would export to Bangladesh, then how would Bangladesh manage the foreign currency to pay the comparatively higher electricity import bill?

It is also alleged that the cost of production of gas could be higher than its sale price. Question arises about its possible implication for the size of revenue to the government. In other words if the companies exploring and exporting gas take away the lion's share as its cost of production, then its export may not be profitable. In the event of gas being finally exported what

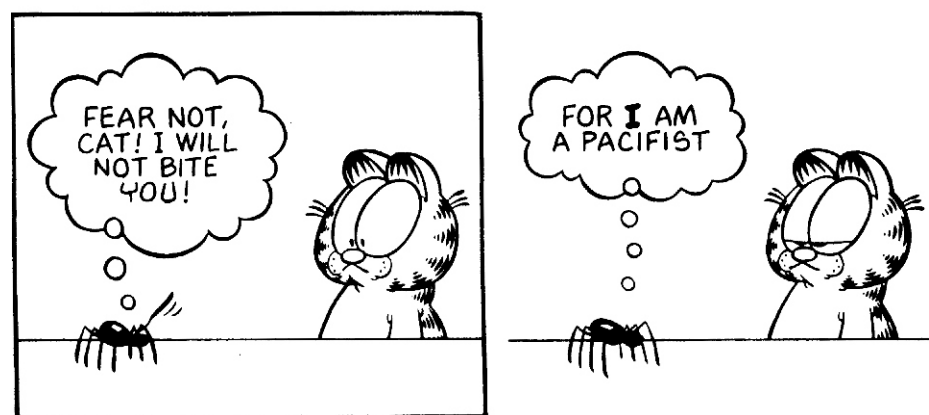
plan does the government have to produce electricity or fertiliser in the future? Or how is it going to expand the use of gas as fuel within the country? To my mind opposing gas export is not tantamount to anti-India. Because the country is exporting other commodities to India (and importing many more), then why will it be particularly sensitive about gas export. We should not forget that the people of Bangladesh are ardent admirers of Indian music, literature and cinema of the present and past. The opinion of the people would have been the same had it been exported to any other country. Since the politicians, experts and the business people have fomented very high positive image about the extraordinary value of this resource the people of this country have turned particularly sensitive against the issue of export.

Present ruling party was severely critical of the past regime's approaches in the signing of CHT peace treaty and the water sharing treaty with India. The most serious allegation was the bypassing of the parliament in reaching two very important agreements affecting the interest of the country. It is

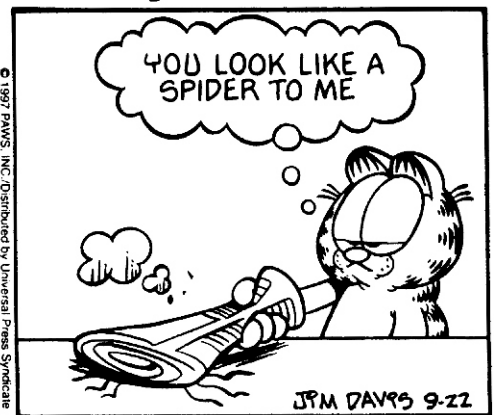
expected that the present ruling party will place the issue in the parliament before they finally decide in favour of gas export. Transparency is required to avoid any future allegation that the national wealth was plundered by this government. People are waiting earnestly to know why the capacity of the local exploring organisations had not been raised when it was possible. Malaysia and Bangladesh started engaging foreign experts in oil and gas exploration probably around the same time but Malaysia has been able to reduce its foreign dependency significantly but Bangladesh could not, why? It is hoped many other issues will be discussed at length in the parliament before any final decision about the export of gas is made. Particularly the issues related to its real reserve and how the country will be affected in the event of its eventual export and what alternatives are there to produce future electricity, fertiliser or for expanding domestic gas consumption need to be discussed.

Monirul I. Khan is Professor, Department of Sociology, University of Dhaka.

# Garfield®



# by Jim Davis



# TOM & JERRY

