

Politics harming investment climate, again

Govt and Opposition must give economy more attention

On paper, our package of incentives for foreign investment is among the best in the developing world. In reality, it flounders on the rock of (a) political stand-off between the ruling party and the opposition; and (b) high cost of business entailed through poor governance, extortionist and rent-seeking culture, erratic power supply and unreliable port facilities. So, in a patently tragic but eminently explicable irony, the incentives have not made us into an 'attractive' destination for foreign investors. It does not require the knowledge of rocket science to realise that if politics normalises taking a firm grip of governance, improvements in other areas will follow automatically.

A climate of unrest is the biggest damper on investment, both local and foreign, each being dependent on the other. But unfortunately in a hugely misplaced pattern of emphases we skirt the need for normalising politics as the key to solution and touch on the fringes of problems with ad-hoc measures. This basically amounts to beating about the bush or missing the point that potential foreign investors have been making to us all the time.

The case in point is the 'number of decisions' the government took on Saturday to re-organise the Board of Investment with Prime Minister Begum Khaleda Zia in the chair. Some of the steps being ordered may have been critically needed to dynamise the BOI, like for instance, delegating adequate powers to it, fine-tuning the investment policy to the current climate and even having an international investment conference to gain publicity for the country. But all of these will be of little avail should the domestic political climate remain as inclement and vitiated as it is now.

Even the fact that the Privatisation Board of nearly two years ago has since become the Privatisation Commission could not make much of a difference in the dismal disinvestment picture.

Packaging of incentives and restructuring of supposedly facilitating agencies may be relevant exercises in themselves; but putting money up-front is the hardest decision any investor can take; and he never takes it blindfolded to the viability and profitability of an investment project. Japan's list of probable investment-worthy countries does not include Bangladesh. Most investment professionals are of the opinion that if politics hadn't been tempestuous in Bangladesh for the last one decade, much of the investment that has gone to Laos, Vietnam and Cambodia would have flowed into our country.

The Metropolitan Chamber of Commerce and Industries' entreaties with the Prime Minister that she hold talks with the agitating opposition to save the economy merits a trouble-shooting initiative from the government on an urgent basis.

Even water was being hijacked

Military to protect pump houses

FINALLY the army had to be deployed to protect the pump houses in order to ensure regular supply of water to Dhaka residents. This may sound as ridiculous or absurd but the state of urban governance has reached a crashing point. It is even more disturbing to learn from the media that military deployment to ensure water supply has been a regular feature for the last three years.

It has been reported that local hoodlums and the powerful take over the pump houses and then forcibly direct water supply to their desired areas. Illegal lines also proliferate like the leak in the pipes that carry water to homes. Water is now a precious commodity whose supply has to be protected by the military.

The water supply situation is in a bad shape anyway. As against the demand of 160 crore litres, WASA is able to supply only 128 crore litres. Hence there is a built-in problem. This is a regular shortfall that increases by ten per cent during the summer months. However, the crisis is also compounded by the system loss in the water sector that is as high as 40 per cent. That being the case we are talking about a massive shortage, almost half of the total demand. Not to be outdone, WASA has managed to install generators in 240 pump house only and left 150 more on their own. With power outages when summer comes, the situation naturally becomes worse.

Why WASA can't get its act together is a difficult question to address because it simply hasn't developed the tools of accountability. Till the urban scene becomes a matter for the people and not just the administrators we will have to wait for that.

Public attitude towards public utilities remains as dismal as ever. People have no sense of ownership and abuse this paid service. Had there been minimum concern for what is essential and never reaches everyone, we would have been much better off. And in the end, we have to admit that the military presence is the only force that can effectively inspire some respect for the laws and rules. This should not make a utility organisation shirk its responsibility anymore than it has already done.

We can only hope that people will recognize that the issue is not in supply of water but ensuring that we are governed by social contracts between the people and the administration. Obviously that needs strengthening.

PRAFUL BIDWAI writes from New Delhi

EACH day Mr Narendra Milosevic Modi stays on in power, he inflicts grave wounds upon Gujarat's people, the 95,000 victims of violence in refugee camps, the state administration and India's secular-democratic Constitution.

Like a hardened criminal, Mr Modi is trying to evade culpability for India's worst-ever pogrom by blaming, victimising, and maligning others: his own honest police officers 27 of whom he has transferred, non-governmental organisations and MPs. He terms all non-BJP MPs "hypocrites" who "exaggerate" the Gujarat situation's gravity.

Mr Modi's remark that the Gujarat disturbances will stop the moment Parliament ends its session is an affront to that institution. As the chairman of the National Human Rights Commission, Mr Justice J.S. Verma, has said after a three-day visit to Gujarat, the situation is far from normal; citizens are gripped by a "fear psychosis".

Mr Verma's remarks on the state's failures confirm what civil society groups like the Citizens' Initiative from Ahmedabad have been saying for three weeks.

New evidence is emerging of the shocking role Mr Modi's own cabinet colleagues played on the first

day of the post-Godhra violence. Health minister Ashok Bhatt and urban development minister I.K. Jadeja directed "revenge" attacks from police control rooms on February 28.

It is then that former MP Ehsan Jaffrey was charred to death. That was also the beginning of the Naroda-Patiya butchery of 90 Muslims.

come respectable doctors and lawyers participated in the killing and looting?

Modern India's first communal riot was recorded in Gujarat, in 1713. Gujarat is India's only state in which the BJP rules on its own. The VHP too has an active presence in each Gujarat village with a population exceeding 500.

It is not for nothing that Gujarat

Hindutva furnished the "Bhadra" identity. When faced with a challenge from Dalits and OBCs wanting to share power, the upper-caste elite reacted violently, especially against the KHAM (Kshatriya-Harijan-Adivasi-Muslim) coalition.

The upper caste reaction took the form of an agitation in 1981 against the reservation system.

"The myth of Gandhi's

liberal thought and tolerance have been missing...."

A second factor has been the growing influence of conservative non-resident Indians. The highest proportion of professional NRIs in North America comes from Gujarat. Their "long-distance" nationalism is reactionary, and feeds Hindutva.

This community is more orthodox and backward-looking than its

concessions, or to respect liberal values. As the great historian E.P. Thompson observed, a liberal culture doesn't come out of thin air; it arises from people's struggles.

Since the early 1990s, growing bhadralok aggressiveness has taken the form of xenophobia. It is in Gujarat that textbooks were first severely rewritten to glorify everything Hindu and malign everything non-Hindu.

The effects have been aggravated with the creation of Hindu and Muslim ghettos, reducing mutual social interaction.

Gujarat's Muslims, probably the most culturally integrated in India, have been turned into the bhadralok's villains.

Traditionally, Gujarat's Muslims were divided into 130 different communities disparate in descent, occupation, lifestyle, and custom. The Bohras and Khojas were severely persecuted by Sunni Muslims, not Hindus. Hindutva has been blind to all this.

Hindutva has delivered a devastating blow to Gujarat's society and economy. After now the carnage, economic growth is certain to slow down. Rising unemployment will fuel frustration, strife and violence.

Gujarat's future looks bleak. But unless the Hindutva juggernaut is stopped, much of India could soon begin to resemble Gujarat.

Praful Bidwai is an eminent Indian columnist.

Hindutva as a caste weapon: Why Gujarat?

Hindutva has delivered a devastating blow to Gujarat's society and economy. After now the carnage, economic growth is certain to slow down. Rising unemployment will fuel frustration, strife and violence...Gujarat's future looks bleak. But unless the Hindutva juggernaut is stopped, much of India could soon begin to resemble Gujarat.

The first day set the stage for the large-scale massacre that followed.

India's Milosevic is now instructing his police to fudge First Information Reports by diluting charges against communal killers from "murder" to "murder in dacoity". In Mr Modi's refugee camps, conditions are ghastly. In one camp, with 9,000 people, there are only four toilets. In another, the daily food rations are 60 grammes.

Such is the continuing ferocity of the communal hatred that a mob killed a Hindu woman who sheltered a Muslim. The violence is comparable to that witnessed during Partition.

What explains this frightful communalisation? Why has Gandhi's Gujarat turned so bestial? How

has been called Hindutva's crucible or "laboratory". Its recent victims have been Christians, Adivasis, Dalits and Muslims.

Hindutva's strength in Gujarat derives from the general Right-wing influence in this business-oriented state which places a premium on commercialising human relationships. Politically, the Right's influence goes back to Sardar Vallabhbhai Patel.

Three other factors have worked on this fertile soil. The most important is the consolidation of an alliance between the patidar land-owning farmers, and Brahmins and Banias. This has divided the state between "Bhadra Gujarat" and "Aam Gujarat", say social scientists Achyut Yagnik and Suchitra Sheth.

Gujaratpeaceful, tolerant and non-violentexploded", say Yagnik and Sheth. This was repeated against the OBCs in 1985-86.

The leader of this second violent campaign against dilution of bhadralok power was none other than Mr Narendra Modi. The movement was originally targeted at the Hindu low castes, but soon turned against Muslims.

While "Hindutva was gaining ground", say Yagnik and Sheth, "moderate voices were getting ... inaudible. By the early 1990s, community leaders ... no longer wielded any authority over their youth ..."

These youngsters have grown up on a diet of anti-minority invective and the voices of moderation,

resident counterpart. It provides the role-model for young Gujaratis whose anti-minority orientation is only matched by their hatred for Gandhi.

A third factor is Gujarat's weak liberal culture. Gujarat has a tradition of tolerance, and peaceful co-existence of different ethnic groups.

But tolerance is not the same thing as modernist liberal pluralism.

One reason for liberalism's absence has been the weakness of Gujarat's labour movement. Once militant, this was compromised by the pro-employer Mazoor Mahajan union based on the romantic notion of "trusteeship".

The early disarming of the labour movement meant that Gujarat's elite was under little pressure to make human rights and other

The Imperial hangover of the Commonwealth

ABDUL HANNAN

ZIMBABWE predictably has been suspended from the Council of the Commonwealth for one year with immediate effect based on the findings of the Commonwealth group of election observers who reported that President Mugabe was returned to power in the Presidential election which according to them was deeply flawed and not free and fair. Nonetheless, the decision to suspend Zimbabwe was predetermined and a foregone conclusion anyway judging by the intensity of the campaign to force a decision on the suspension of Zimbabwe, spearheaded by British prime minister Tony Blair and joined by Australia, New Zealand and Canada during the recent commonwealth summit which was racially splintered on the issue. The fifty brown and black member states of the fifty-four member Commonwealth, however prevailed in their arguments over the white Commonwealth that pending the results of the election it would be unfair to prejudice any decision. The United States and the EU had already imposed sanctions on Zimbabwe for alleged pre-election intimidation and violence in Zimbabwe. Soon after the announcement of suspension of Zimbabwe, Switzerland followed suit by imposing sanction on Zimbabwe and freezing its assets in Switzerland.

However, the question is about the propriety of interfering in the internal affairs of a sovereign country by the self righteous Commonwealth, the EU, America or Switzerland and to chastise and punish the perceived errant and offending Zimbabwe. Who has given the right to the developed North to foist down the throat of the developing South within the Commonwealth, the much vaunted Harare principles and values of democracy, rule of law, human

rights and governance? If the election was flawed, let the people of Zimbabwe reject and renounce the results and take appropriate measures to oust Mugabe. Besides, it is not entirely true that multi-party democracy is absent in Zimbabwe. The Opposition is the majority in the Parliament and the local government bodies. It is a pity that some members of the Commonwealth behave as the erstwhile subject minions of the old British empire and acquiesce to

pending Nigeria for its repressive regime under a ruthless dictator, the then President Sani Abacha, particularly for executing the death sentence by his Kangaroo court of Ken Sara Wea, the environmentalist protesting against the degradation of Ogoni land by Anglo Dutch Shell oil company. Pakistan which was earlier suspended from the Commonwealth for overthrowing a democratic government by General Musharraf was suddenly lifted centre stage internationally along

11 million hectares of prime land are owned by 4,500 white farmers while one million black farmers share 16 million hectares, much of it is poor soil.

Zimbabwe will occupy a special place in the history of the evolution of modern Commonwealth and its suspension provides the defining test of the relevance of the organization for its member states. It is time the report of the committee headed by President Mbeki of South Africa to review the rele-

modities, debt relief, external aid and investment, transfer of knowledge of technology and the impact of environmental pollution by the industrialized West. The developing countries were weary about unfettered free trade, investment and globalization adversely affecting local economy and environment and aggravating social inequity and gaps between wealth and extreme poverty.

There was also divergence of emphasis in the interpretation of

Fifty-four member states of the Commonwealth spread across continents, the Pacific and the Caribbean, representing 1.7 billion people collectively account for one third of world population. Two thirds of the poorest of the poor happen to be located in the Commonwealth which to stay relevant must address itself to the vicious cycle of misery and despair of this silent majority...In the words of its Secretary General, "The deeply destabilising treats of widening gap between the rich and the poor is one of the gravest problems we face today. No one in the world can have a secure future when half the world has no future at all."

harangues, pep talks and lecturing of the West with equanimity and least resistance. How else could presidents Obasanjo of Nigeria and Mbeki of South Africa, members of the 3-member Task force entrusted to take the decision to suspend Zimbabwe, agree on the decision without dissent with all their personal ambivalence on the issue and the overwhelming opinion of the African countries that the election was free and fair? Unless the white Commonwealth treated Zimbabwe as yet another "white man's burden" to "civilize" her about good behaviour, it could not have rushed to hand down the harsh punitive action on Zimbabwe. The action clearly betrayed neocolonial imperial hangover of the past out of step with realities of the present.

The action was selective as there are many countries in the group where democratic practices are far from perfect. Many still remember how the Commonwealth dithered on the question of sus-

side the western alliance in the so called war against terrorism, wooed by President Bush, visited by Tony Blair, the British Prime minister and regaled by offer of generous aid by those who earlier had imposed sanction on it.

Yet, the real cause of anger and venom of Britain, nay, the west against Zimbabwe is rooted not in the alleged repressive regime of Mugabe but in his policy of social justice by redistribution of land from the white farmers to black landless people. In the historic three and half months Lankashter talks in 1979 on ending Ian Smith's unilateral declaration of independence of North Rhodesia now named Zimbabwe and granting of independence to Zimbabwe, the crucial issue of land ownership was fudged. It was proposed that a fund would be set up to compensate white farmers if their land was acquired by Zimbabweans. When Zimbabwe settled down to independence, the fund was quietly forgotten. Twenty-two years later

vance of the Commonwealth for the 21st century was made public. To remain relevant, the institution must not work at cross purposes to promote conflicting narrow and parochial agenda and interests but work in unison to harness its Commonwealth of material, human and intellectual resources to improve the quality of life of its vast poor and marginalised population in order to be able to promote peace and stability, harmony and prosperity in the world. The conflicting agendas of its member states was never more apparent than in the recent Commonwealth summit held in Australia. While the main preoccupation of the white Commonwealth was terrorism, suspension of Zimbabwe, governance and free market economy, a familiar and distinctly favourite western agenda, the anxiety and concerns of the rest of the members representing the interest of developing South was alleviation of poverty, access to market of the developed West and fair price of their X exportable com-

terrorism. In a departure from the beaten track of western interpretation of terrorism, Prime Minister Khaleda Zia while reaffirming unequivocal condemnation of international terrorism, underscored the need to urgently identify the underlying root cause of terrorism to combat it successfully. Here lies the importance of multilateral fora which provide the opportunity for authentic dialogue and discourse between the first world and the third world developing countries to hear the other voices for clearer understanding and appreciation of international issues and concerns with a view to building bridges across cultures and national borders. For the third world countries there is no alternative to remaining members of the Commonwealth, the non-aligned countries (NAM), the group of 77 and the UN which provide the opportunity of their collective negotiating power with the developed West.

Five hundred multinational

companies of USA, Europe and Japan account for 80 per cent world volume of foreign direct investment (FDI) and half of world trade. Two billion people, one third of human race, live on less than two dollar a day. The unconscionable situation in which the rich gets richer and the poor becomes poorer can and must be ended. In an inter dependent world today, the fates of the developed and developing countries are inter linked and the need for mutually beneficial partnership between the two cannot be overemphasized. While the West needs the South to promote and further their strategic and economic interests and expand spheres of influence, the South needs the support and assistance of North in the interest of promoting its sustainable development by balancing its inequality of share of global prosperity.

Fifty-four member states of the Commonwealth spread across continents, the Pacific and the Caribbean, representing 1.7 billion people collectively account for one third of world population. Two thirds of the poorest of the poor happen to be located in the Commonwealth which to stay relevant must address itself to the vicious cycle of misery and despair of this silent majority. The Secretary General of the Commonwealth Don Mckinnon succinctly portrayed the dilemma of the situation in the summit when he said, "The deeply destabilising treats of widening gap between the rich and the poor is one of the gravest problems we face today. No one in the world can have a secure future when half the world has no future at all."

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OPINION

Why has the BNP become so intolerant, so quickly?

A K FAEZUL HUQ

WHEN the four party alliance [reduced in effect to two party by now], came out victorious after the last parliamentary elections, people's expectations [for a better future and an overall improvement] ran very high. And quite justifiably so; because by the time the last AL government handed over power to the caretaker government (CG), everything conceivable appeared to be in utter doldrums or polluted beyond comprehension. Millions of peace loving, law abiding and terrorism abhorring people, who had probably been praying in silence and subdued voices, thus heaved a sigh of relief when the change eventually came.

But it was not just a question of heaving a sigh of relief and completing the rituals of thanks giving to the Almighty; it was definitely something more than that. People were anxiously waiting to see that the BNP [and its political allies] which had complained and spoken of so much misuse, intolerance and injustice that was allegedly perpetrated on political opponents and dissenting voices during the five years of Awami League's rule, would not only take lessons from history and guard against any such repetitions, but would also give adequate credence

to the prevailing mood of the ordinary citizens -- the common man -- control their own pent-up anger and passions, wherever and whenever visible, and would be able to present the country with a tolerable level of governance.

Alas, the socio-political barometer does not in substance indicate anything better or cheerful today or even closer to that; rather it unfolds an appalling and disquieting scenario all around, as the new government seems to be most unconcerned, unnecessarily impatient and thoughtlessly impulsive in almost all its acts and deeds, thereby losing its grip on everything, sooner than expected. After all, "haste is good only in catching fleas". [Alla Yaroshinskaya].

Obviously, the dark clouds of frustration, have a tendency to gather all over even faster than the nor'westers, much to the discomfort and disappointment of the common man [and the sensible section of the BNP cadres -- comprising both its leaders and workers at different tiers] who have already started discussing the future of the party itself -- asking their own selves various questions like "what next", in sheer disgust and disappointment.

And the new administration's curious wisdom behind opening umpteen 'fronts' within such a short

span of time, has obviously led to many pertinent questions being openly asked. Why can't the top BNP leadership, people wonder, have some more patience and show a reasonable degree of tolerance, instead of resorting to political vendetta so soon and so nakedly? "Tolerance and liberty," as the wise have said, "are the foundations of a great republic." [Frank Lloyd Wright]. And I would simply like to add, that they are also the foundations of a strong government.

In fact, intolerance and the urge to settle everything so crudely, has explicitly done them [BNP] more harm than good on at least two counts -- (a) the public sympathy has already dwindled and substantially tilted towards the AL, without any visible effort by the AL leadership itself, and (b) has brought in some miserable name, even for the innocent and 'not-so-bad guys' amongst them, i.e. the BNP. Stiffing the opposition voices in dissent and putting behind the bars opposition activists, on the slightest pretext, by applying the outdated Sec. 54 of the CrPC, or setting previous scores in a free style, does not augur well for those who sing the songs of democracy and liberty, day in and day out; rather it only indicates the bankruptcy of their overall confidence. And "Constitutional government",

says Herbert Lehman, "cannot survive when the rights guaranteed by the constitution are not safeguarded even to those citizens with whose political and social views the majority may not agree".

Why can't the BNP leadership [and Jamaat has nothing to do in this regard] accept the stark realities, no have said, "are the foundations of a great republic." [Frank Lloyd Wright]. And I would simply like to add, that they are also the foundations of a strong government. In fact, intolerance and the urge to settle everything so crudely, has explicitly done them [BNP] more harm than good on at least two counts -- (a) the public sympathy has already dwindled and substantially tilted towards the AL, without any visible effort by the AL leadership itself, and (b) has brought in some miserable name, even for the innocent and 'not-so-bad guys' amongst them, i.e. the BNP. Stiffing the opposition voices in dissent and putting behind the bars opposition activists, on the slightest pretext, by applying the outdated Sec. 54 of the CrPC, or setting previous scores in a free style, does not augur well for those who sing the songs of democracy and liberty, day in and day out; rather it only indicates the bankruptcy of their overall confidence. And "Constitutional government",

its infinite wisdom, put the guilty, the criminal and the innocent -- workers and leaders alike -- who are merely opposed to them on political grounds, on the same footing and steam-roll the whole lot at one go without making any distinctions? And why should the national parliament, at all, embark upon such embarrassing, unproductive and time-wasting legislative business as bringing down the portrait of Bangabandhu Sheikh Mujib, and that also, through the back door, [because a private member's bill is no exercise of guts]; as if the national parliament is the most appropriate place meant for all the redundant things of life; or conversely, the government has no other business or important work to do!

Let us say, for mere argument's sake without conceding, even if the AL had enacted a superfluous law while deciding to put up the portrait of the great leader on the walls, in offices and institutions, the BNP, for a simple change, through manifestation of its proclaimed magnanimity, could have easily and most tactfully ignored the whole matter; because Sheikh Mujib, after all would never be able to peep out of the framed glasses and lead or instigate a fresh movement against the alliance government after 27 years of his

death!

And to be very candid, it is immaterial whether Sheikh Mujib's portrait finds a place on our walls, tables and shelves or not; since his colossal contributions for achieving the independence of this country cannot be obliterated or scaled down by any individual or groups of individuals, or by pointless parliamentary exercises. He has indeed, and shall continue to, live in the hearts of the millions, despite his innumerable flaws and faults as one of the greatest Bangalis of our times, and it is therefore a sheer wastage of time and energy for the "Paramaniks" and their 'likes' to table a ridiculous bill in the esteem parliament, just to ignite the flames of discord once again in the political arena, without any rhyme or reason and then sing the song of democracy. The BNP ministers and top government functionaries should therefore exercise more restraint while issuing statements on such delicate subjects.

Similarly, passing on the 'back' of inefficiency for a terrible break-down in law and order doesn't augur well for the Prime Minister or her Cabinet colleagues either; simply because the BNP cannot absolve itself of the solemn responsibilities it has gleefully accepted, and should be doubly careful so as to ensure that they do not commit the same mistakes as

their predecessors did. If required they ought to make further amendments in their hastily prepared "blue-print" and treat the opposition with more compassion. There is no harm if Sheikh Hasina continues to speak non-stop about her government's achievements or about the purported brutalities committed after the October elections on the AL supporters and activists; or keeps on telling the tales of vote 'riggings' at various places -- in either condensed or exaggerated forms -- because neither of those can be entirely denied nor the public made to digest beyond an acceptable limit.

Instead the condemnable acts of AL, wherever deemed relevant, should be tactfully highlighted at appropriate forums for refreshing public memory which is indeed very short. To be very frank, with so much left to be done, the government should, without wasting any further time, concentrate and try to complete the remaining portion of its solemn election pledges at the earliest. Here I am quite tempted to quote the famous utterances of late President John F. Kennedy at his inaugural address on 20th January 1961, when he said: "All this will not be finished in the first 100 days. Nor will it be finished in the first 1000 days, nor in the life of this administration, nor even perhaps in our

lifetime on this planet. But let us begin". A sincere and bold beginning therefore is most imperative at the moment.

The million Taka question therefore is: how to proceed with a semi-nervous and a sluggish bureaucracy with no alternative either in sight, [obviously due to all those unnecessary witch-huntings], and confusion truly confounded at every step. Already the Consortium meeting held recently in Paris has "tied the law and order with reforms for further assistance." They have also called for establishing an independent Human Rights Commission, creation of the office and appointment of an Ombudsman, separation of the judiciary from the executive, decentralization of the administration and separation of audit from accounts. And if the donors really mean business and stick to their guns, then certainly a tough summer awaits our formidable Finance Minister. The scenario in short is quite depressing at the moment, unless some near miracle changes our fate for the better.

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