

Bangladesh-India trade relations

A business perspective

SAYEEFUL ISLAM

THE trade issue between two neighbours has been in the news in a new perspective. The WTO debacle at Cancun and the Preferential and Free Trade patterns that have suddenly come to the fore necessitate a fresh evaluation. After all trade is dynamic and evaluation of trade issues must be constantly updated. Most of the discussions have centred around the problems that exist in the trade pattern. But businessmen are by nature optimistic and look for solutions.

The first issue is the severe trade imbalance. The unabated influx of goods from India has many detrimental effects on the economy of Bangladesh. Bangladesh naturally wants to bring a more equitable status to the imbalance.

But the positive aspect of this lies in the fact that it is in India's interest as well to ensure that the economy of Bangladesh is not affected negatively by this severe imbalance. It is in India's interest as well to address this imbalance.

There are two basic reasons.

First, Bangladesh is within the top five trading partners of India. The formal and informal export to Bangladesh has been estimated to be to the tune of over 3 billion US dollars. This is indeed the hen that lays the golden egg. An economically weakened Bangladesh would have reduced buying power and hence would be forced to lower imports. Indian exporters would be the most affected.

The second reason is India cannot expect to achieve its role as a global power if its economic relationship with its neighbours are not based on mutual trust and a genuine desire for overall growth.

Recent, pre-SAARC Information Ministers' Conference offered freer access to the Indian economy. The same concept has been given by the Indian Foreign Minister in an article published on 13 February 2003 in one of the largest selling newspaper in India -- The Hindu.

The business community here is convinced that the Indian political leadership wants the economy of the region to develop. But what we really want to see is a roadmap with dates and objectives that both parties agree on which will rest the trade pattern in a win-win scenario both for India and Bangladesh.

Now is the time when the Bangladesh business community must develop confidence in the pronouncements coming out of Delhi. It is true that discussions on reduction and

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elimination of tariffs have been launched but we would like to see these implemented and formulated in a way where immediate and tangible gains are seen in the trade scenario for Bangladesh.

Specially the economy of Bangladesh has many complementarities with the economy of the North East Indian states. The people of the North East states would derive immediate benefits from increased imports from Bangladesh. This can again be a win-win situation.

With relevance to the North East what is the political reality of this region at this moment? The governments of both countries are facing pressures from two sides. One is a rising population. The other is rising expectations. With satellite dish and internet the expectations of the people are rising. The governments of both countries have no choice but to ensure that adequate economic opportunities are created for the population or the rising expectations will lead to frustration and unrest.

The political leadership of both countries must also be aware of the year 1998 when the political economy of the world opened a new chapter. It was the first time in modern history that the volume of worldwide intra-regional trade overtook inter-regional trade.

What is intra-regional trade? In the past two decades we have seen the emergence of regional trade blocs -- EU, NAFTA, ASEAN. These bloc members are the major players in the world market and they are increasing in size and strength every day. In the year 1998 the world received one more signal and the strongest signal yet that neighbours must unite, not fight.

The political leadership of both countries must than recognise the economic reality which is that unless the governments rethink their policies the region as a whole will become rapidly poorer and weaker as compared to other regions who are reaping the benefits of regional cooperation.

A meeting between the Indian Minister of State for

surplus India enjoys over Bangladesh is often politicised. That a similar situation exists in the Bangladesh-China trade scenario.

To be fair this issue is to be viewed in the context of the fact that China does not have the same cultural, social, religious and heritage bonds that Bangladesh and India have.

The Chinese and Bangladeshi economies cannot develop and integrate in the manner that the Bangladesh and Indian economies can.

And most importantly, India cannot take its place on the global stage if it does not have good economic relationship with its neighbours.

What is the way forward? The Indian government should extend its hand of cooperation to Bangladesh and make the New Year -- 2004 -- the export to India year. The only solution is in greater economic integration with Bangladesh by giving priorities to a zero tariff access to the Indian market as it exists with Bhutan and Nepal by investment cooperation, reduction and elimination of non-tariff barriers and added cooperation in the spheres of culture and tourism, education and health care.

Finally we must recognise that if countries act alone they act in only self-interest, but when neighbours work together they choose the path of enlightened self-interest.

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The Year of the Monkey unfolds with a new controversy

MONZURUL HUQ writes from Tokyo

JAPANESE Prime Minister Junichiro Koizumi seems to have an obsession with the controversial Shinto shrine in Tokyo that, among others, enshrines country's convicted war criminals who were responsible for the misery that the war time Japanese leadership brought to its own people as well as millions of others in neighbouring countries. The prime minister once again went to Yasukuni shrine at the onset of the year to pray for what he has termed 'Japan's peace and prosperity'. Since the shrine is where war criminals of highest category like Japan's war-time prime minister Hideki Tojo are honoured with due solemnity, the prime minister's statement might sound something like praying for world peace at a monument erected to pay tribute to Adolf Hitler. Hence there is the talk of some kind of monkey business at the very beginning of the Year of the Monkey.

Japan follows the ancient Chinese concept of dividing time and direction into twelve blocks, each given a name of an animal. The twelve-year time cycle with different animal symbolising each year is followed in Japan where each animal symbolises character and destiny of those who are born in that year. The year 2004 is thus marked as the Year of the Monkey.

This was Koizumi's fourth visit to the shrine since he took office in April 2001 and the first on New Year's Day. Since Yasukuni Shrine is the only place in Japan where country's war-

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Rage and anger both China and South Korea have expressed over Koizumi's New Year Day visit to Yasukuni can be interpreted precisely from that historical perspective. But despite such diplomatic fury over the issue, the greatest danger for Koizumi might come not from neighbouring countries but from within Japan if the mission in Iraq suddenly goes badly wrong. Majority in Japan are against sending troops to Iraq, whatever the character of the mission is.

time leadership is remembered with respect and dignity along with 2.46 million souls who died 'in defence of the country' since the start of the Meiji era in 1868, it also serves as the hotbed of nationalist fervour and is seen by Tokyo's Asian neighbours as a symbol of Japan's military aggression. Moreover, as the actions of the people on the very first day of the year largely symbolise the course they are going to follow throughout the year, it was no wonder that Koizumi faced the strongest reactions yet to a visit to Yasukuni Shrine.

Chinese officials didn't waste time to indicate they do not want Koizumi in their country, while the South Korean government was blunt in suggesting that Koizumi should refrain from visiting the shrine and consider the relations between the two countries and the feelings of the Korean people. Even at the home front the prime minister was under attack not only from his traditional rivals belonging to

the opposition camp, but from his ruling coalition partner as well. The New Komei Party didn't hesitate to express dismay over the visit. But Koizumi reiterated that his Yasukuni trip on the first day of the year had nothing to do with annoying or pleasing any particular group and he was simply following a Japanese tradition to visit shrines on New Year's Day.

But critics are not convinced, as it appeared to him only this year that he had to follow the specific tradition. None of his previous three visits to Yasukuni as head of the Japanese government took place anytime near the first day of the year, nearest being on January 14 last year. Moreover, he also didn't sound convincing as to why he had to choose a controversial place for keeping up with the ritual that people in Japan follow. Such a visit also goes against the principle of the separation of state and religion, the point that New Komei Party stressed on while criticising the prime minister. As a result, there are numerous assumptions as what was the main motive behind taking a step that has the potential of having serious diplomatic implications. Majority of such assumptions, however, point not at Japan's Asian diplomacy, but the internal political situation of Japan and the vulnerability the prime minister is facing.

No doubt Koizumi's confidence had been badly shaken by the outcome of the general election in November. While he barely managed to hold on to power, the largest opposition, Democratic Party of Japan, made significant gain. Moreover, the government was under strong pressure from its closest ally, the United States, to join the occupation of Iraq by sending Japanese troops to help sorting out the mess that has been created in the region. For Koizumi sending troops to Iraq would mean taking a calculative risk that might complicate further his own position should there be casualties among Japanese soldiers. Japan has already started counting bodies in Iraq when in late November two of its diplomats were gunned down near Tikrit. But the incident

somehow came as a blessing for Koizumi as the killing of unarmed diplomats paved the way for the government to portray them as victims of a situation that needs to be addressed through meaningful international cooperation, vis-à-vis the US request to join the coalition force.

Japan is now ready to dispatch soldiers of country's self proclaimed 'self defence forces' to defend the US occupation in Iraq. An advanced team of air force personnel is already in Kuwait where it is engaged in the construction of lodging facilities for the main contingent, as well as securing food and other supplies. The main contingent of 440 ground force troops, to be dispatched in batches from January 14, will spend first four days in Kuwait to get used to the desert conditions before moving over to their main duty station in southern Iraq. Once all Japanese troops are assembled in Iraq in late March and have become accustomed to the climate and terrain, they will begin their main task that Japanese Defence Agency mentions as of hauling water supplies and providing medical care.

For Koizumi the New Year, as a result, turned out to be a crucial time, as he needs to convince young Japanese soldiers poised to be sent overseas for the first time in country's post World War II history in a military mission not approved by the United Nations that in case of casualties their sacrifice will not go in vain as they can be sure of the blessings of Yasukuni. Some see in this gesture of the Japanese prime minister an act that glorifies dying in wars for the nation, no less than what the politicians in 1930s and early 1940s did when troops were dispatched to sort out matters in other countries in the name of 'Great East Asian Co-prosperity Sphere'.

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An irreversible journey to catastrophe?

MOZAMMEL H. KHAN

BUT what should I write about? Our government leaders are very much right when they accuse the opposition that they have no specific issue for which they should agitate against the government. In fact, when the whole affairs of the state are so despicable, what particular issue one should talk about any way?

There is no single institution, which has remained untouched by the systematic deterioration. Legislative, Executive and Judiciary have all fallen prey to the lack of impartiality and down to earth politicization that has resulted in the sliding of the state into a land of jungle's rule.

The legislative assembly, which is the cornerstone of any Westminster democracy, has remained ineffective most of the time during the last 12 years of 'democratic' rule. The bulk of the responsibility for making the legislative branch of the state effective lies with the Speaker. Unfortunately, none of the Speakers was able to come out of the partisan string to run the parliament in the past. The incumbent is probably the worst of the lot, whose manner and style is no

less than a ruling alliance loyalist. The Speaker may be elected from a political party, but after his election, he should be as impartial as the Chief Justice of the highest court of the land.

The whole administration has been politicised and semblance of impartiality has been eradicated. Hundreds, perhaps thousands of criminal cases have been withdrawn through executive orders, as admitted by the Home Minister himself, under the pretext that those were lodged with political motivation. Law was not given the opportunity to take its own course, as our government leaders very often preach. This abuse of authority has provided numerous accused criminals the clean bail of health that consequently rendered them a boost in terms of continuing their crimes unabated.

Persecution of political opponents and religious minorities took a new dimension since the election victory of the ruling alliance even when the caretaker administration was at the helm of the state. BNP leaders and workers completely forgot the benevolence of their political opponents who, in general, did not indulge themselves to settling the old political score

when the BNP rule came to an end due to a mass upsurge on April 30, 1996. The similar tolerance was reflected following the BNP's electoral defeat in the general election of June 12, 1996. In my last visit to some rural areas of Bangladesh, where rules of the BNP cadres have replaced the rule of law, the type of resolve

present ruling alliance, especially the BNP, used the report to its fullest advantage during the election campaign accusing the AL for tarnishing the image of the country. The author of this article wrote a piece in the Daily Star refuting the statistical validity of the data and the analysis, which prompted an equally invalid

According to our honourable minister, the corruption in Bangladesh is peanut as compared to the extent the western society is engulfed in corruption. Many of us have lived in the western society more than half of our lives and are very much conversant with the accountability and transparency of the system. Let me

activities of the government rather than that of the opposition. The PM's credibility in this case plays an important role in bringing confidence of the people. Ironically the PM's statement in most cases relating to opposition invokes ridicules rather than trust. The PM's frequent assertion that "the opposition party is hin-

part to the totality of darkness that has engulfed the nation. The judiciary, especially the higher one, has not remained unscathed by the executive organ, albeit some of the landmark judgments in recent times. Independence does not imply impartiality, albeit the former is the prerequisite to sustain the latter. Neutrality of the higher judiciary is the beacon of hope of citizens to uphold their constitutional rights and the honourable judges are accountable to their own conscience in dispensing justice whoever seeks it. In discharging justice in the gruesome Bangbandhu murder case, one after another, nine of our honourable judges have felt embarrassed to disburse the final judgment of a case that is considered a 'moral tune of our time'. Does the failure of this magnitude of our higher judiciary not create a stumbling block in our effort to join the global civil society?

The only ray of light at the end of the tunnel is emanating from our fourth estate. A number of this print media are diligently upholding the people's right to know the truth at a very tremendous price of their reporters and newsmen.

Unfortunately, the government leaders forget that the people are focused on the activities of the government rather than that of the opposition...Every organ of the state has been made to contribute a part to the totality of darkness that has engulfed the nation...The only ray of light at the end of the tunnel is emanating from our fourth estate...The only policy of the news media in a free society should be to uphold the people's right to know the truth...

I have witnessed among the opposition workers terrified me and I am afraid, this time around, the BNP workers may not have a very easy ride when their rules end.

BNP has always been a fortunate political party. This good luck of BNP also prevailed when the Transparency International (TI), in its report, ranked Bangladesh as the most corrupt country in the world, three times in a row. It was during the fag end of the last AL administration when the laurel was bestowed on the country and it happened just prior to the last general election. The

technical response (in DS) from the TI headquarter in Berlin. When the TI came up with its second report during the alliance administration, BNP promptly blamed it to the spill over effect of the past administration. However, when it happened for the third time (BNP was lucky since it could not get any worse any way), the honourable Finance Minister of the ruling alliance, who criticises almost every one but himself, came out heavily not only on the TI as an institution, but on the degree of corruption in the western society as a whole.

assure our honourable minister that any semblance of an unethical act of such nature and dimension in a western democracy would not only seal the fate of the concerned minister but will also take the political party (he belongs to) to its eternal grave. Let me cite a recent example where a federal minister of Canada lost his job (he will not be allowed to run as an MP in the next election) only because he awarded a \$50,000 contract to his personal friend without an open tender bid.

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dering the development of the country" is not substantiated by the mere fact they are not, in most cases, even allowed to exercise their minimum constitutional right to assemble and march through the street. This denial of democratic right has been extended to any groups, however apolitical they may be. The recent violent treatment of nurses and teachers processions testifies and reminds the brutality inflicted on the female students of the Shamsunnahar Hall only a year ago.

Every organ of the state has been made to contribute a

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