

National convention

Dissent is the soul of democracy

THE national convention of politicians, lawyers and civil society leaders passed off peacefully on the back of the noisy disturbances that the launching of an alternative political force had witnessed last Thursday. It is a matter of relief to all peace-loving citizens.

Violence should be kept out of politics. The convention of citizens with different backgrounds has initiated a trend that has a right to grow in the interest of democratic pluralism. The way Oikya Prochesta got off the ground basically meant that the principle of expression of dissent was upheld. This is highly desirable in a democratic dispensation. The ruling alliance should not view political dissent as inimical; rather it should be accepted by them as a natural and logical extension of pluralism in politics.

The speakers at the convention covered a wide range of issues. At least three points made at the meeting should be seen as having unequivocal support of people, regardless of their political affiliations. First, politics of muscle power and black money should be replaced by a merit-based system having an intellectual and visionary content. Secondly, conditions must be created for introducing a political culture of tolerance that will benefit all the parties committed to democracy. Obviously, parliament should be the centre of all political activities. Overall, politics must return to a sound track rather than being a game of attrition and self-destruction.

The leaders of the convention deserve a round of applause for having not taken recourse to politics of hartal and ultimatum, which, needless to say, turns confrontational and tends to be counterproductive.

The points raised at the convention are concerns that have been oft-repeated. However, the value of the initiative lies in the fact that the issues have been articulated from a common platform. Civil society members have also entered the scene to plead the case for ridding politics of criminalisation. There is reason to believe that they have decided to speak out because political activities these days have assumed a marked belligerence that can cause incalculable damage to democratic norms and practices, upheld in theory so vociferously by the politicians but not lived up to.

Punishing verdict in Spain

Election result repudiation of Iraq war

IN a stunning turn-around, the Spanish electorate voted Prime Minister Jose Maria Aznar's Conservative party out of power and replaced them with the opposition Socialists in Sunday's general election. The election was held under the shadow of last week's terrorist strikes in Madrid that killed over 200 and it was the terrorist strikes that ultimately played the decisive role in determining the result.

Prior to the strikes, the conservatives had been enjoying a slim but healthy lead in the polls, but the blasts changed everything. In the first place, the conservatives were hurt by accusations that they had misled the public as to who was behind the strikes in an attempt to minimize any voter backlash against the government.

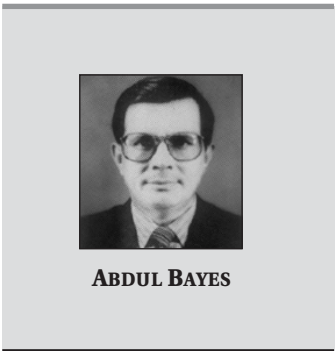
More importantly, though, the Spanish voters were quick to perceive a connection between the Iraq war and the terror strikes in Madrid. More than 90 per cent of the population opposed the invasion of Iraq and popular sentiment in Spain suggests that the voters felt that they were paying for its government's support of an unjust war. The election result was a direct repudiation of Aznar's support for the Iraq war.

US President Bush famously told the world that we were either with him or with the terrorists. The Spanish have demonstrated clearly that it is possible to be neither. Millions of Spaniards marched last week in united opposition to terrorism. They are not with the terrorists. But as they showed on Sunday, they are not with Bush and his ally Aznar either. The Spanish voters have demonstrated that to be against terrorism does not mean that you need to support the Iraq war or Bush's foreign policy.

What we are witnessing is the forging of a new consensus both on the question of Iraq and on the wider war against terror in countries that supported the Iraq war. The invasion and occupation of Iraq by the US-led alliance was wrong and unjustified. Not only was it immoral, it also had the effect of making the world a radically more dangerous place than before. This consensus has now taken hold in Spain. The US and the UK may be next -- who knows?

The lesson from Spain is that the people will no longer be bullied into a false choice between al-Qaeda terror on one hand and US-led neo-liberal imperialism on the other. There is another path -- and Spain has shown us what it is.

Quota abolition: Does it constrict or contribute?



ABDUL BAYES

A seminar was held recently at the World Bank office on the implications for Bangladesh of abolishing textiles and clothing export quotas. Presided over by Dr Zaidi Sattar and attended by a cross section of concerned quarters, the presentation was spearheaded by Will Martin, a leading economist of the World Bank. Admittedly, the topic is of immense interest to Bangladesh in the wake of the upcoming withdrawal of the Multi Fibre Arrangements (MFA) in textiles and clothing and the concomitant concerns looming large, rank and file. Would quota abolition constrict Bangladesh exports or contribute to its expansion? What could be the policy responses given the upcoming realities on the ground?

Will Martin, to start with, argues that MFA violated the most fundamental principles of

the GATT: Article 1 on nondiscrimination and Article XI on abolition of Non-Tariff Barriers (NTBs). And the discrimination was destined for developing countries. Some LDCs were exempted, but only in some markets. We tend to agree with Martin with a foot note that not only in the case of textiles and clothing, but also in the case of agriculture (and for the sake of the US in particular) GATT prin-

emments and then to exporting firms. Not cited by the author, quotas also breed bureaucratic interceptions in allocations, thus again giving ways to rent seeking. Quotas also depress market prices and lead to misallocation of resources. The most important implication is that inefficient processing reduces the demand for textiles and fabrics.

Quota effects could be

China, it is 36 per cent. This is surprising given that exports to Europe are unrestricted and that export quotas to the USA have grown rapidly than any other country's -- 168 per cent since 1994.

In the face of fading out of MFA, textiles and clothing exports would be curtailed by 4 per cent each and the total negative real income effects would be

The bottom line is that productivity must rise to take advantage of opportunities and deal with threats. Martin is of the view that large productivity gains are not out of reach. In Pakistan, investment climate surveys claim 63 per cent gain from getting productivity to China's level and 110 per cent gain in output prices from moving to China's product quality levels.

shabby as before. (The cost of clearance of commodities in Chittagong port is one of the highest in this part of the world). Investments in modern equipment and training is essential in a globalised regime.

Our exporters need rapid access to world input and output markets. Therefore, rapid clearance and turnaround are vital. Also vital are free trade or comprehensive duty exemptions for exports. Mind that these facilities need to be available across the board, not just for textiles and clothing. There are many new opportunities for labour intensive manufactures.

The important point that seemingly lay under the carpet of Martin's presentation is the need for a good governance. Not only economic but also political and social. Investment is not only a function of few reforms here and there. Nor it comes through lucrative incentive packages. Investments require securities, sensible and credible policies, improved law and order situation, appropriate judicial system, openness -- all that current Bangladesh allegedly is lacking. Globalisation might hurt or not hurt us, but let us not hurt ourselves. It is now time to chase the chiming challenge.

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BENEATH THE SURFACE

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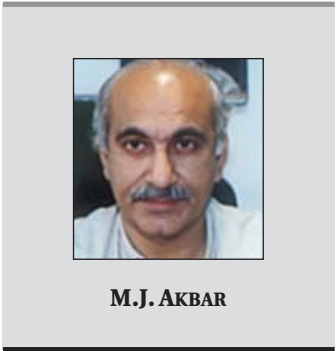
Next on board was the theoretic arguments against quota restrictions. Quotas, any time and anywhere, reduce the quantity and raise the price in the restricting markets. Be it textiles in the US or sugar in Bangladesh, the impact of quota is sure to raise price in the consuming country. In trade text books, tariffs are always shown to be preferable to quotas as far as welfare is concerned. Second, quotas tend to generate quota rents -- given to exporting gov-

assessed from two angles. There is the opportunity cost to exporting firms then allocated with quotas and there is also the direct cost if the firms have to buy quotas. By and large, quotas are like an export tax, except that quota prices vary a great deal. There is another problem. When one or some commodities face quotas, resources are likely to be shifted towards them away from others deemed to be efficient in a dynamic sense. Will Martin shows that Bangladesh's clothing export to the US is equivalent to 13 per cent of export tax. For

worth US\$347 million. Seemingly not a big figure given the big-bangs around the abolition. But a part of the losses could be compensated through rise in exports of other products. For example, exports of processed food could rise by 9 per cent, leather by 18 per cent and services by 7 per cent. Therefore, a gain looms large despite a loss of quota rents in the USA. It could create opportunities for other products in Bangladesh provided the opportunities could be seized upon through persuasion of pragmatic policies.

Bangladesh does not need to mourn over the abolition of quotas, rather she should march on non-traditional paths of promoting her domestic industries and increasing exports. The tariff levels are said to be lower here but only as far as customs duties are concerned. If you add all other taxes that tend to protect domestic industries, the tariff level runs very high. High tariffs are good neither for efficiency of industries nor for raising revenues. There is also a dire need for streamlining regulations. Customs clearance process is as

Virtuous recycle



M.J. AKBAR

A wag pointed out that Saturday March 13 might be the first time in the history of cricket that 14 Muslims would be on the same field. He got it slightly wrong. There were only 13 Muslims among the 24 cricketers in the two teams (don't forget the 12th man). Yousef Youhana, the Pakistan wicketkeeper-batsman, is a Christian. It could as easily have been only 12, if Pakistan had included their spinner, Danish Kaneria, who is a Hindu. The most devout Muslim in this baker's dozen is an Indian, not a Pakistani: Irfan Pathan, son of a maulvi in a small town in Gujarat, a remarkable young man whose great joy remains helping his father sweep the local mohalla mosque. You can see the welcome side of the story, of course. Every player, on either side, is there on merit alone. Faith, family, region, bias, the traditional vices of the subcontinent, surrendered to the happy law of ability. The reason is obvious. The financial stakes in cricket are too high for communalism. It is, to quote a famous line, a triumph of rational economics over prejudice.

The players produced a game on Saturday choreographed in dreams. But there was something much bigger in the air. The true revelation was the city of Karachi. The audience in the stadium gave a phenomenal vote for peace, for goodwill, for normalcy, for a future without hate and bitterness and war. It was not just the standing ovation at the end. It

was the eloquent behaviour through the match. They were partisan, of course; they had every right to cheer their country as much as I prayed and wished victory for mine. But it was the passion of competition, not the fire of hatred that one has witnessed so often in the past in both countries. India has changed as well. Fifteen years ago, a politician pilloried Azharuddin because he dropped a catch in Pakistan. Such divisive politics

got as feverish as an editor's vocabulary, no game can be greater than a 19th century hang-over. Lost amid the cricket-hype was a story that would normally have got better play. Speaking at the India Today Conclave on Friday, Prime Minister Atal Behari Vajpayee suggested that the time had come for "innovative" answers to the long crisis in Indo-Pak relations. He gave one hint of what they might be when he proposed a South Asian Eco-

national paranoia and border disputes was the same Europe that colonised most of Africa and Asia. Nothing could match the horrors of the Second World War, and when Europe's leaders pondered over the future they realised that only by surrendering some elements of their 'sovereign space' could they make the fullest use of resources, manpower and economies of scale that would ensure a common prosperity. And only in common prosperity

BYLINE

The first necessity is that all parties must rise above their past positions, and there are indications that they are ready to do so. There is conflict over a line, the line of control. We need to draw a larger line beside it, one that connects the distance between regional honour and common prosperity. We think of solutions in terms of pieces of paper. A solution can also be liquid: you can melt a problem.

pays no dividends now. I doubt if I will see another catch quite as fantastic as Mohammad Kaif's catch in the crucial last phase when Pakistan was looking at victory. It was not just a feat of acrobatics; it was a definition of commitment.

A year ago, when Prime Minister Atal Behari Vajpayee resurrected every kind of cynic with his "last" call for peace between India and Pakistan, Saturday the 13th of March was unthinkable. Hand it to him: he sensed the power of peace even when the forces of hostility were enjoying their high noon. It required vision and conviction. He could not have done it alone. I recall a statement made by President Pervez Musharraf while talking to a group of us in Islamabad. He chided us for thinking that there were wild cheers when he returned to Pakistan after the failure of the Agra summit. Indians had no idea how disappointed Pakistanis were that an opportunity had been lost.

On the morning of the match, Delhi's newspapers were awash with the predictable flood of cricket puns: no pitch can ever

nomic Union. But it was also a suggestion to start thinking.

The best place to begin is at the beginning. India was the first country to win freedom from European colonialism. India and Pakistan became therefore the first modern post-colonial nations. It was entirely logical that nationalism would be the most powerful impetus of peoples who had rediscovered their freedom after generations of servility. This nationalism was identified with borders: frontiers became inclusive precisely because they were exclusive. One of the unresolved mysteries of 1947 is why the British left in August that year when they could have easily waited for another six months to resolve the disputes that were inevitable in as difficult an exercise as partition. Their most grievous error was to rush out leaving the status of the border province of Jammu and Kashmir undefined. What would have been a terrible mistake anywhere else became a terrible tragedy because it straddled the border.

Ironically, the region that had suffered the worst calamities in human history because of

lay common peace. From this perception arose the European Union.

Imitation is the best form of flattery. In the last five decades, in stages, the rest of the world has made the European Union its model for the reorganisation of the world into rational entities. Supranational coalitions like ASEAN, Mercusor, NAFTA and the African Union are the new continents of the modern age, held together by joint will and common purpose. (The Arab League should have been on the list, but, alas, as the old joke goes, there are too many Arabs in the Arab League). Why has the urge for peace descended upon South Asia, a region synonymous with conflict? The difference between a regenerate and degenerate phase of history is often nothing more than the arrival of common sense. Common sense enables one to see a common enemy.

America and Britain forged their bonds in the heat of three wars across a hundred years: against German militarism, Nazi fascism, and Soviet totalitarianism. India and Pakistan are at last beginning to see that their worst

some other corner is a bus route through the deserts of Rajasthan and Sind, or the mountains of the two Kashmirs. At a third point the armies of India and Pakistan celebrate Id al Adha by encouraging Kashmiris on the two sides of the Neelum river to reach out to one another, sheltered by a ceasefire.

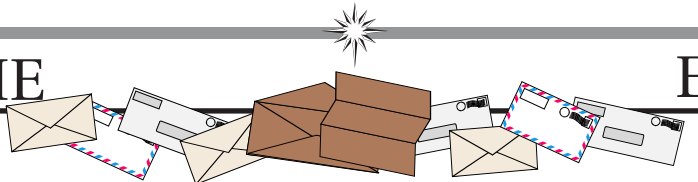
Vajpayee's party can hardly believe what it is doing now -- turning peace with Pakistan into an election-winner. Since the time of Mrs Indira Gandhi, the Congress and the BJP have sought to measure their nationalism through a politics of suspicion against Pakistan -- ably helped by those in Pakistan who thought that their only contact with India should be through a permanent 'jihad'. The status of Jammu and Kashmir would have reached the discussion table in 1947, for the simple reason that independence was not an option offered to any princely state by the terms of the transfer of power. War sabotaged that possibility, but five decades later it is still the discussion table that will find an answer, not the battlefield. This is where 'innovation' is most in

demand.

The first necessity is that all parties must rise above their past positions, and there are indications that they are ready to do so. There is conflict over a line, the line of control. We need to draw a larger line beside it, one that connects the distance between regional honour and common prosperity. We think of solutions in terms of pieces of paper. A solution can also be liquid: you can melt a problem. The generation that created the problem is dead; the generation that sustained it, is on its last legs. Virtually every fact at Karachi stadium confirmed that we are now a young subcontinent. The young have the energy, education and imagination to recreate this region into an economic powerhouse, on par or even ahead of China. As the United States seeks to refashion the world according to its strategic and economic needs, there are challenges and opportunities that are common. This is not a call for a permanent confrontation with the United States; that is foolishness. But it is an assertion that it is possible to deal with problems, including of instability and terrorism, without interference from foreign armies. A free market in South Asia by 1 January 2006 may still seem like a miracle, but if that first miracle happens then it will beget even more miraculous offspring. An economic union is best guaranteed by a common strategic vision for South Asia. After all, who is the better guarantor of peace in Afghanistan? A German contingent in NATO uniform, or a Rapid Action Indo-Pak Force? Impossible? That match in Karachi was also impossible a year ago. Optimism is a much-derided sentiment. But when you have just watched a cricket match which neither side deserved to lose, but which -- thank God! -- we won, then I may be forgiven my optimism.

MJ Akbar is Chief Editor of the Asian Age.

TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR



Letters will only be considered if they carry the writer's full name, address and telephone number (if any). The identity of the writers will be protected. Letters must be limited to 300 words. All letters will be subject to editing.

Choosing options in life

Global politics is stuck up in choosing the right options for self, and for others. There are no exceptions, even for the US President, and the two major political parties in Dhaka. There is only one consensus to agree to disagree. The veto-clipped UN system has now been made redundant. Individualism (single, or group) is at its peak today. Goodwill for all, and no shortage of malice. It is more than the bogey of collective insecurity. Stark materialism rule the rich, and control the poor.

One group's choice is a trap for others. The so-called Greenhouse Effect is a yellow signal now turned red. Too many diversionary tactics are being imposed by the West/North on the South, "environment" issues have become multipurpose tools to tame the wagging tails of hanumans pos-

ing as humans, or so it seems to the natives of the Third World. Take a stand or go on a sit-down hartal.

Some local examples, however tiny: political activists are already in action even before the feasibility report is out on the site selection of the proposed Ganges/Padma bridge. Earlier, the Jamuna bridge project was postponed several times in two decades, as the scientific site selected did not suit the political monarchs in power. After the new bridge was opened, the original foundation stone was removed to change the name of the bridge. Hanging famous names by the roadside is a national pastime. Frailty, thy name is Homo sapiens.

The small pleasures of life should be made available to all citizens by the ruling regimes (politics or otherwise), regardless of the standard of living, as the big

pleasures of life are like rare flash-comets. Make some options available to the economically handicapped, individuals, communities or nations. Politics is for what else?

Local politics is oriented to mere adversaries. Opposition terms are hate-rest periods, and regimes come back to power with a vengeance terrible to behold. Modern politics has no in-built healing mechanism in the debased system. The dragging effect and backlash are worse than witnessed after natural cyclones, as the latter are neutral, and the memory banks are not dirty.

So, what's your next move? Depends on the options available! See, but do not wait as the later philosophy is taboo.

Abdali
Dhaka

Whither Israel?

Comprised of modern Israel (792 sq. miles), occupied Gaza Strip (370 sq. miles) and occupied West Bank (5607 sq. miles), Palestine is situated in the heart of the Arab world far, far away from the United States of America.

Palestine is a dear and holy land equally to Muslims, Christians and Jews.

It is said that in ancient days a Hebrew kingdom was established in Palestine (1000 BC) but after some time the kingdom broke into two-- Judah and Israel. Later on the Assyrians, Babylonians, Persians, Greeks and Romans in turn conquered the whole of Palestine. The Hebrew kingdom was totally destroyed and thousands of Jews were either taken prisoners or abdicated. Many Jews left Palestine for good at their own will for far distant countries.

It was a miracle in history that

with the advent of Islam the Roman Christian rulers handed over the reign of Palestine to the Arab Muslim Caliph Hazrat Umar peacefully without waging any war. At that time only a few Jews lived in Palestine.

There were fierce battles between the Arab Muslims and the European Christians over the possession of Palestine for over 150 years i.e. the first crusade took place in 1097, second crusade in 1147, third crusade in 1189, fourth crusade in 1203, fifth crusade in 1229 and sixth crusade in 1244. But, surprisingly, the Jews kept themselves away from the Arab Muslims- European Christians war for their (Jews) own interest and benefit.

It was more astonishing and treacherous that when the British invaded and occupied Palestine during the World War II, some UK leaders in league with US leaders came out with the sinister idea of

establishing a Jewish homeland in Muslim Arab Palestine.

After the League of Nations approved the British mandate of Palestine in 1922, large numbers of Jews started immigrating to Palestine despite strong opposition from the Arabs. In 1947, the United Nations divided Palestine, then under British mandate, into Jewish and Arab states. The Jews started carrying out large scale terrorist activities in Palestine, killing a UN mediator, a Swedish diplomat, Count Folke Bernadotte and in defiance of international laws unilaterally declared the creation of the State of Israel on 14th May, 1948. The US and the UK immediately accorded recognition to Israel.

We are puzzled and we fail to understand why the Jews, who had left their homeland more than 2,500 years ago, were hiding and sleeping for centuries together? Why have they created

and established forcefully and illegally the State of Israel in the Arab world instead of doing so in the USA or Europe where they had settled in large numbers.

What is most unusual and shocking is that in spite of untold sufferings, pains and pangs for thousands of years under the Assyrians, Babylonians, Persians, Greeks, Romans and in the 20th century under the Nazi Germans and having established their own State of Israel, right or wrong but accepted by the Arab World including the Palestinians, why the Israelis have become arch enemies of the Arab Muslims, especially of the Palestinians? Why have they invaded and occupied more Palestinian territories in the West Bank and Gaza Strip and are unleashing a reign of terror on the Palestinians, killing hundreds of men, women and children without any compassion? Why is not Israel withdraw-

ing from occupied West Bank and Gaza Strip, despite UN resolutions and world wide demand of billions of peace-loving people?

Now Israel is building boundary walls all along the West Bank and Gaza Strip forcing the Palestinians to live in enclaves of captivity. Israel says this would stop the suicide bomb attacks of the Palestinians on the Israelis.

We, however, strongly feel and believe that no wall or any power on earth can save the Israelis and ensure the safety and security of their lives and property and bring comprehensive peace to the Middle East unless and until Israel withdraws from occupied territories and Palestine emerges as an independent and sovereign state with Jerusalem as its capital.

OH Kabir
Dhaka-1203