LATE S. M. ALI

DHAKA SATURDAY APRIL 24, 2004

Investment scenario

Good governance is the key to success

HE Japanese Ambassador in Dhaka, Matsushiro Horiguchi, has unhesitatingly pointed his finger at governance as the number one 'obstacle' to wooing foreign investment. It is not hard to guess what his observation boils down to-- the country is reeling under corruption, lawlessness and lack of infrastructural facilities that can only dampen the enthusiasm of prospective investors and can also negate the highly positive policies that have been adopted here to facilitate foreign investment. The issue of governance also refers to the volatile political situation which tends to upset the calculations of investors. We have heard once more what should have been grasped by the political leaders long ago and a remedy found in our collective interest.

The ambassador has attached great importance to Bangladesh's position in the regional perspective and said that the country has the potential to become the 'strategic base' in South Asia. However, everything will depend on improving the investment clime to the level acceptable to the foreign investors.

He also sounded a note of warning by saying that in this age of globalisation investors can shift to new destinations if they face any obstacles in particular place. The observation has great practical implications since the competition for attracting foreign investment has become very intense these days. And only the best hosts are likely to retain the investors' interest.

The observations made by the ambassador are actually reverberations of what the economists, chamber bodies, business and NGO leaders and civil society members have been saying for long. Governance ,which cannot attain its goal unless a minimum degree of political stability is achieved, has been badly affected by the major political parties' inability to reach a broad understanding even on core issues like attracting foreign investment. The message that has come from a neutral observer should get across the political spectrum. The two major parties must realise how poor governance is affecting national progress in almost every conceivable way.

Nepalese imbroglio

Political approach needed

HE Himalayan kingdom is in a state of flux. Not only is the political situation a cause for concern for the Nepalese, the Maoist insurgency, having control of over more than 40 percent of the country, poses a serious law and order problem.

The Maoists resorted to insurgency following their election defeat in 1996, in which they won only nine of the 205 parliamentary seats. The death toll since then has touched almost a thousand, of which fifty percent occurred after the Nepalese army initiated anti-Maoists

The use of force by both the government and the rebels has drawn the concern of the human rights groups who have urged upon both parties to show restraint and regard for human rights.

Since the breakdown of talks between the Nepalese government and the Maoist rebels in August last year, the Maoists have intensified their attacks on government forces. In the two recent attacks, one on 20-21 March which was reportedly the biggest since the Maoists took to the jungles in 1996 and another, on 13 March this year, the rebels displayed renewed vigour and change of strategy in taking the Nepalese security forces head on. In the first case, as many as five thousand Maoists participated in attacking a district headquarters, resulting in the death of five hundred rebels, while in the second case, as many as fifteen hundred rebels were involved, according to the claims of the Royal Nepalese Army.

Tourism, one of the largest contributor to Nepalese economy, as well as the NGOs, the most important adjunct of development mechanism in Nepal, have been made the targets of the rebels. This has had a severe impact on her economy.

There appears to be no solution in the foreseeable future to the Nepalese government-Maoists differences. The Nepalese government would not consider anything put forward by the Maoists that goes against the constitutional provisions, while abolition of the monarchy is the central issue for the Maoists.

The sooner the democratic process in Nepal is restored, the easier it would be for the democratic government to tackle insurgency. Cynics suggest that the present impasse suits the current king very well. Meanwhile the people continue to suffer.

EU's grim political determination



HE outcome of the recent Summit meeting of the European Council in Brussels (25-26 March) can only be described as revealing. If there is one word which best sums up the atmosphere of the Summit, it might be "seriousness." One might even stretch it a bit and state -- a

arim, determined seriousness. The important outcomes of the

Governmental Conference (IGC) on a Constitutional Treaty;

Europe's collective means of combating terrorism:

- a new focus on implementing existing commitments by Member States to reform set out in the

Everything now depends on whether this changed political climate really produces a new 'political will' at EU level to achieve results in practice. The absence of this critical ingredient in recent years has directly contributed to the stagnation and even disarray evident in so many important areas

It is probably too soon to judge whether the constitutional negotiations are now "doomed to succeed." However, the negotiations led by the Irish Presidency should fairly quickly reveal if there really will be a signed and sealed agreement by the new deadline of the last Summit under the Irish Presidency (to be held on 16-17

It might also take longer to

be recalled that these were designed to make the EU the most competitive, knowledge based, socially cohesive and environmentally sustainable economy in the

The original, prime purpose of the spring European Council was a major review of the problems facing Lisbon Process and the urgent steps needed to give it renewed vigour and focus. The practical conclusions of the meeting contain little that is really new. This may encourage critics to dismiss the

entire exercise. This would be a

mistake. There is now an unmistak-

able acceptance that success or

failure in meeting the Lisbon goals

will have far-reaching implications,

not only for Europe's capacity to

challenging new competitors in Asia

and elsewhere, but for the very

survival of Europe's sense of what a

civilized economic and social model

Nevertheless, there are many

factors which have still not been

addressed in their entirety. The

more urgent ones among them will

be the conversion of the detailed

commitments by EU Member States

with regard to the coordinating of

their legal, judicial and intelligence

services, together with Europol and

Eurojust and the forging of a

coherent and fully integrated

It appears that the horror of the

Madrid atrocity has played a

decisive role in injecting a new mood of determination. There was

also evidence of growing accep-

tance that an increasingly

situation imposes new responsibili-

ties and a pressure to "show results"

in the field of foreign, security and

defence policy. This new mood was

definitely reflected in the strikingly

critical tone of the Summit

conclusions on the crisis in the

Middle East -- following the Israeli

assassination of the Hamas leader

dangerous and unstable world

strategy against terrorism.

maintain decent living standards in

global market which includes

Sheikh Ahmed Yasin -- and in the leaders' worried conclusions about the deteriorating security situation in the Balkans

Quite understandingly, much attention has been focused during the Summit on the decision to reopen the IGC with a view to agreeing to a new Treaty by mid-June. In this context, the change in political mood was truly dramatic. The decisive rejection in recent elections, of the outgoing Spanish conservative government, led by Jose Maria Aznar, has resulted in an

accepts that EU decisions should in future be made on the "double majority" principle: that is a majority both of states and of the peoples of the enlarged Union. There is no final agreement yet on the equation. However, many believe that this should be balanced by 55 percent for population (notably Germany), while others are talking about figures of 60 percent or more for population. Some also want an explicit formula for what would comprise a blocking minority (in terms of both states and population)

POST BREAKFAST

It's less clear whether this emerging consensus would translate into agreement on the precise mandate the UN should

be given in Iraq in any new Security Council resolution. The appalling security situation on the ground is now being

recognised as a major obstacle, and like many others, the EU governments also seem uncertain about how the future

role as elected representatives most seriously and it is anticipated that in the April session of the European Parliament -- the President, Pat Cox, may be invested with powers to negotiate with EU governments even after the outgoing Parliament has held its last olenary session

The fact that some 20 pages of the Summit's conclusions were devoted to combating terrorism came as no surprise. The leaders have in effect adopted a revised European Action Plan against

terrorism and expressed agreement

on the goal of a Solidarity Clause in

the new Constitutional Treaty which

will oblige all Member States to

come to the aid of one of their

number subject to terrorist attacks.

The Summit has prioritised the

practical (if highly problematic)

steps needed to be taken to ensure

maximum cooperation by Members

States at many different levels

(police, legal, financial, intelligence)

confront this new global threat

Work on strengthening border

controls will be stepped up with

proposals for the exchange of

nformation on DNA, fingerprints

and visa data brought forward to the

June European Council. The former

for Justice, Gijs de Vries has been

Terrorism Coordinator." His will be a

difficult task, given the complex

system of cooperation and

information exchange that will be

required between the national

authorities. An area of difficulty will

be the provisions of the European

Common Arrest Warrant which have

not as yet been agreed to by five

Germany, Italy, Greece, Austria and

foot-dragging EU governments

appointed to the post of "Counter-

Dutch MEP and Secretary of State

conclusions that "the economic recovery that started in the second half of 2003 is gathering pace." This does not seem immediately consistent either with the latest disappointing economic data from Germany -- the EU's largest economy -- nor the renewed pressure on the European Central Bank to cut interest rates to head off a possible reversal of the recovery.

The extensive Summit time devoted to world crises also reflected the ambitions of the European Union to be a serious global player. This European Council provided further evidence of the EU's intent to define increasingly detailed policies not only in its own "neighbourhood" but more widely The condemnation of "the extra judicial killing of Hamas leader Sheikh Ahmed Yasin, and the demand that Israel reverse its policies both on settlements on occupied land and over "the construction of the so-called security fence on Palestinian land" were important decisions that have reflected maturity. In a way, this view reiterated that without a peace settlement between Israel and the Palestinians, the wider fight against terrorism and global terrorism could be fatally weakened. The United States should take cognisance of

Another heartening feature was the unanimous agreement that the EU should assist in Iraq's transition to ful democracy, while the UN should oversee the transfer of sovereignty the preparation of elections and the reconstruction of the country.

What was less clear however was whether this emerging consensus would translate into agreement on the precise mandate the UN should be given in Irag in any new Security Council resolution The appalling security situation on the ground is now being recognised as a major obstacle, and like many others, the EU governments also seem uncertain about how the future responsibility for tackling security should be organised after the transfer of power to the Governing Council in June

In a further sign of EU Member States' willingness to shoulder formidable international responsibilities, its commitments to security and reconstruction in Afghanistan was also underlined.

The Summit has been a step

Muhammad Zamir is a former Secretary and



MUHAMMAD ZAMIR

meeting included: - the reopening of the Inter-

- the commitment to strengthen

- a sharper definition of the Union's stance on key global issues -- notably the Middle East; and

"Lisbon Process" objectives.

of European Union policy.

ascertain whether the new determination to convert commitments by Member State governments at EU level into practice on the ground will break the log jam which threatens to paralyse progress in achieving the 2010 goals in the "Lisbon Process." It may

responsibility for tackling security should be organised after the transfer of power to the Governing Council in June. unmistakable realignment of Spain closer to "old Europe" on most if not all the key constitutional and strategic issues. The consequential impetus for Poland to fundamentally reassess the hitherto dogmatic defence of its voting rights entitlement under the largely discredited Nice Treaty was given added drama at the end of the Summit when the Prime Minister, Leszek Miller, announced his forthcoming resignation. This followed a political revolt within his own party by political leaders who

want a more pro-European

orientation in Warsaw

The note struck by the Irish Prime Minister, Bertie Ahern, the President of the European Council, at the end of the meeting was positive, while avoiding any trace of triumphalism. 'We have a changed atmosphere and a new willingness to compromise," he declared. Mr Ahern and many other EU leaders -- including the President of the Commission Romano Prodi, and European Parliamentarians -- are apparently insisting that the Treaty should be agreed to before the 340 million EU citizens in the expanded 25 Member States are asked to vote in the European Parliament (EP) election in June. The EU leadership is finally accepting the view that the longe the agreement on the constitution remains unfinished, the harder it will be to settle

The important breakthrough in the process is that everyone now

Ministers at the beginning of May. Some other highly sensitive questions about the possible extension of majority voting in the field of Justice and Home Affairs must also be agreed. There are some indications that the British government may accept some qualified majority voting in this area not only for matters affecting cross border fraud but possibly also in the fight against terrorism. This will probably be on the understanding that Member States will retain the national veto over defence, tax and

in the text as well. There is also an

unresolved issue of when exactly

the new system would come into

force with dates ranging from 2007

to 2014. Unresolved details will

probably be worked out during the

planned meeting of EU Foreign

Two other questions also remain unresolved. The first relates to the promised reduction in the size of the number of Commissioners as enlargement continues and how to rotate among Member States their right to a Commissioner in a future, smaller college. The earliest such a reform would come in would be 2014 when the EU might consist of more than 30 Member States. The other serious issue is about efforts to reduce the role of the European Parliament as a budget negotiating partner with the Council of Ministers. The Members of the European Parliament (MEPs) are taking this attempt to reduce their

social security.

the Netherlands. The European Council Summit has left no doubt that the immediate priority is without question "better implementation of commitments already made." Some eyebrows will however be raised at the relatively upbeat assessment in the Summit

> commission. A reasonable period of time should be allowed for response. The feedback will certainly be helpful to the Commerce Ministry and at the same time

the civil society as a whole and the

Consumers Association of

Bangladesh in particular as well as

the media may be involved in this

important decision making process.

Not only in the developed ountries, but even in our neighbouring countries like India, Sri Lanka and Nepal there are laws as well as courts to protect the rights of the consumers. Those laws may be carefully studied to see whether some of their provisions could be applied to our circumstances. There is nothing wrong in it. It is known that the United States of America, the Commonwealth and some other countries follow the pattern of

the British food laws. Once the proposal for the establishment of the consumer commission gets the clearance of the Cabinet it will go to the Parliament for enactment as law The processes suggested above are also expected to help our lawmakers in the passage of the legislation. Finally, it is expected that the new Commerce Minister will pursue the case to its successful materialisation.

M Abdul Latif Mondal is a former Secretary

Protecting consumers' rights

M ABDUL LATIF MONDAL

BOUT a month ago (on 23 March, 2004) the then Commerce Minister Amir Khosu Mahmud Chowdhury disclosed to The Daily Star that the government had almost finalised the process of constituting the Consumer Commission. Although on that day the Minister gave no details about the structure, responsibilities and authority of the proposed commission, vet he gave hints that the commission would be a regulatory body and work with the mandate to inspect any business concern anytime to detect anomaly and prosecute anybody found guilty It would thus act as a deterrent to price manipulation and any form of business malpractice.

Price hike of essential commodities has been a matter of constant concern for the people of Bangladesh in general and the poor and the fixed wage earners in particular. But the situation has worsened during the last six months or so. The steep rise in the prices of most essentials in October- November last brought untold sufferings to the poor consumers. After a short break, the people of the country are once more under the grip of spiraling prices of essentials.

It has become a usual practice in Bangladesh that whenever there is a price spiral of essential commodities the retailers hold the wholesalers responsible, the latter shift the

blame onto extortionists on interdistrict transport routes in the case of domestic products and the importers in the case of foreign goods and commodities. mporters shift the blame on the increase in prices in international markets, high tariff etc. During October- November price spiral one " If we closely analvst wrote: examine the ways retail and wholesale business works it is clear that they simply don't have much control of the market. It is only the

year against the government target of 4. 5 percent. One analyst has very recently written: "Some Bangladesh-watchers have openly expressed their curiosity about the odd phenomenon that under the previous government money supply was loose but inflation was unde control, but under the present finance minister money supply is healthily restrained but inflation is out of control. This is a paradox. One has also to wonder whether restraints in the monetised

the markets unadulterated. The developed countries have been able to check food adulteration through strict application of their food laws. In Bangladesh, we have got The Pure Food Ordinance, 1959. The Pure Food Rules, 1967 The Special Powers Act. 1974. The Cantonments Pure Food Act. 1966 The Cantonments Pure Food Rules, 1967. The Animals Slaughter (Restriction) And Meat Control Act,1957, Bangladesh Standards

pulses, fats and oils, is available in

seven basic principles to protect consumers' rights were adopted by the UN General Assembly in a resolution, and these are: (i) right to safety; (ii) right to information or knowledge; (iii) right to complain and make representations; (iv) right to purchase commodities at a fair price according to one's choice: (v) right to get compensation; (vi) right to learning on the part of the buver: and (vii) right to a healthy environment. The UN directed all member

accepted principle. On 16 April 1985

Since protection of rights and interests of the consumers against manipulation of the market by the unscrupulous businessmen as well as ensuring access to safe food are matters encompassing every strata of the society i.e. from the rich to the ultra poor, the structure, responsibilities, powers etc. of the proposed consumer commission have to be very carefully worked out.

importers who have the means and scope to manipulate the market. Because it is the importers who set the price in the first place." For the price hikes, the government has been skilfully shifting the onus on the free market economy.

The Daily Ittefaq of 8 March, 2004 reported that according to a survey report, in 2003 the cost of living increased by 10. 48 per cent. According to another press report, the International Monetary Fund mission that visited Bangladesh recently expressed dissatisfaction over rising inflation rate which has already crossed 6. 5 per cent this

economy without commensurate measures to bring to book the black money have resulted in black money supply and usury assuming the power of principal players in the freedom of the domestic market. Some magnates of undeclared and untaxed wealth stashed at home and abroad have made their ways into the corridors of power...

Besides occasional price spiral of essential commodities, the people of Bangladesh have been facing the serious problem of food adulteration. Hardly any category of food, whether cereal, vegetables, fish or meat, milk or milk products, fruits,

and Testing Institute (BSTI) Ordinance, 1885 to ensure supply of pure food to the people. But the existing provisions of these laws have become inadequate to cope with the rapid deterioration in the moral standards of our society. So, there is an urgent need for updating these laws.

In such a situation the disclosure of 23 March by the then Commerce Minister for the establishment of consumer commission to protect rights of the consumers is indeed a heartening news.

The protection of the rights of the consumers is an internationally

countries to implement these principles Since protection of rights and

interests of the consumers against manipulation of the market by the unscrupulous businessmen as well as ensuring access to safe food are matters encompassing every strata of the society i.e. from the rich to the ultra poor, the structure, responsibilities, powers etc. of the proposed consumer commission have to be very carefully worked out. The Ministry of Commerce may therefore solicit public opinion by disclosing to the print media the salient features of the proposed

TO THE EDITOR TO THE EDITOR TO THE

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. My letter is about the roadmap. The **Brutal assassinations** roadmap proposed by the USA is Israel has assassinated front line turning into a failure. And by Hamas leader Abdel Aziz Rantissi, as assassinating the Hamas leaders. a part of its so-called 66 targeted Israel has proved that it doesn't killings." Obviously, killing of Rantissi want peace. It will simply force the

Palestinians to retaliate. Md. Ariful Islam Electrical engg. Rajshahi University of Engineering

Poor publicity

The BTV documentary of the activities of the Forest Research Institute (April 6) was interesting. There are other government departments whose public services remain in the background, and these do not get the publicity they deserve compared to the activities of the offices whose performances

Throughout the year, the activities of each department may be publicised from five to fifteen minutes through illustrated articles in the press and electronic documentaries, co-ordinated by PID. Out of sight is out of mind. There are performance awards for

mind are Thanas (Police, law and order), Coast Guard, Customs and Immigration, Civil Aviation, BTTB. BRTC. Fisheries, the autonomous and semi-autonomous corps, broadcasting, EPZ, BOI, SOEs, the Bangladesh Bank, NRBs (banks) Cottage industries, BCSIR, Agri institutions, the Board of Revenue, Primary Education, Women and FF affairs, the Stock Exchange and associated agencies, and handling of human resources.

There is too much unwanted focus on art, culture, and the wrong type of history. Cut down on political injections in the various scripts too

The Bangladesh Year Book may be made available in CD and the prices of the publications (in Bangla and English) may be subsidised. Our websites on the Internet are poor, while local expertise is available. The point is: get out of the routine mode and show touches of entrepreneurship in government

step-motherly treatment!

Mr. A. S. Khan's article on the subject (DS: 19th April) is a factual summery of the weakness and lack of transparency in governance.

The Hon. Minister's statement that BTTB has its own way of addressing such issues when referring to claim of alleged forgery of the Chinese offer is ample evidence of lack of transparency. He also stated that he did not receive the cabinet bodies' decision number 23 of meeting held on January 24. This was a transparent case of lack of governance and its efficiency. Even BTTB's finance member's note of dissent was not referred to.

Hopefully the PM's Secretariat

Poor pro bono publico he is left between the "devil and the deep fact amidst all the fiction. **SAMansoor**

Gulshan, Dhaka

T and T mobile phone

The general people are happy to

distribution is an issue of commitment of the government. Since the supply of the T and T mobile is a burning issue against high demand its proper distribution is really challenging.

desperate to restore its public image then there is on opportunity. The following issues must be taken into consideration:

Ministry concerned should avoid to maintain any quotas, the interest group's intervention and influences and after all the unethical intervention of T and T administration. Government can avoid those hassles if they adopt the lottery system among the applicants like the ongoing different lottery systems for distribution. In this way. the government can avoid the hassles and of free from any controversial acts that ultimately

If the government feel then they can reserve a few number of mobiles for their high officials but

each. In this case, this reserved group must be out of lottery system and the government have to distribute all the rest of declared number (0.25 Million) of mobiles. This will help limit the scope of earning extra money by the notorious groups through creating artificial demand since it is almost impossible for the general people to

that would be not more than one for

EDITOR TO THE EDITOR TO THE EDITOR

know the exact number of mobile phones those lying for sale. The price of the mobile set as well the poverty reducing or income increasing effective instrument to money of the respective T and T

The present government has done different promising works to strengthen and to ease both the

communication system -- the transport as well as web based technologies -- but due to few inefficiencies or lack of professionalism the popularity couldn't be increased enormously or in some extent faces a declining trend. In market, the limited number of companies have created unwritten cartel through unfair means or bribing the respective officials. meddle men and leaders -- this is largely discussed among people. That is why, people expect that the government should be more cautious about fair price as well as fair distribution. We hope to see at least certain level of commitment and positive thinking from the government in future on this issue as well as all other issues. M. Zakir Hossain Khan

Department of Economics.

North South University

The roadmap I took the one less travelled by,

Dept. of law, Dhaka University

Two roads diverged in a wood and And that has made all the

will have a negative impact on the

leaders, one after another, only open

up the avenues for bloody-clashes

between the Palestinians and the

Israelis. A few days back, Israel had

also killed Sheikh Ahmed Yassin, the

spiritual leader blamed for suicidal

violation of all international laws and

norms. Israel should not forget that no

nation could ever be bludgeoned into

The rule cannot be changed when it

What Sharon is doing is a clear

Assassination of Palestinian

roadmap for peace.

bomb attacks in Israel

comes to Palestine

Md. AlAmin Sagar

and Technology

can be directly observed by the

public service. Why? Some sectors which come to

Extension Service, various R&D

much personality cult creeps in through biased and indoctrinated writers and policy makers. This is a sign of inferiority complex.

offices. Alas, the political masters believe in

BTTB cell-phone

will visualise the case in an objective manner and may be the Hon. Prime Minister will stop this chain of nonevents. Or is it a case of "quid pro quo", given the firm statement of Chinese Ambassador who categorically dismissed the FBCCI chief's comment about the Taiwanese office in Dhaka (DS: 19th April)?

blue sea" trying to find the shred of

know that the decision to distribute the T and T Mobile is becoming a reality, which might end several ongoing ambiguities. If the government can really distribute the much-expected T and T mobile efficiently then, undoubtedly, that will be a nice job; after all the fair

If the government is really

T and T department as well as the

affects the popularity of the government.

as the call charge would be competitive or fair so that the price can be within reach of the low income group so that they can use this mobile set to their benefit. After all now a days, as a service provider business the Fax and Telephone business is growing rapidly. That is why, this T and T mobile set might be

mobile lottery winners.