

Funds unspent and uninvested

Sign of public sector failure

We have got used to thinking of Bangladesh as a poor country, and many assume that it is the lack of public and private resources that is at the root of our underdevelopment. However, the truth is that Bangladesh appears to be in an almost unique situation for a least developed country when it comes to funds available either for development or investment. The problem is not that we lack the financial resources for development, but that we have been unable to fully utilise them.

It is estimated that there is over Tk 10,000 crore of excess liquidity in the country's commercial banking sector, awaiting investment. However, the entrepreneurs are reluctant to set up businesses, due to many factors. We have written many times in the past about the extortion, corruption, and over-regulation, that tie the hands of the business community, and serve as a disincentive to pursuing investment opportunities within the country. Banks are similarly hesitant to commit capital to any enterprise in this unpropitious business climate, and understand that the direct and indirect costs of doing business in Bangladesh are so high that almost any venture would be a risky one.

However, the excess liquidity in the commercial banking sector is nothing compared to the Tk 36,000 crore of foreign aid funds that remain in the pipeline and undistributed. Every year the Annual Development Programme remains unfulfilled and the funds for it underutilised. It is estimated that in the first nine months of this fiscal year, only 45 per cent of the ADP has been implemented.

It is bad enough that the investment climate is so poor that banks are unwilling to risk their ample capital reserves inside the country and that private individuals are likewise reluctant to commit their own capital. But there can be no excuse for the government being unable to fully utilise funds that have been earmarked for development, when so much of the nation's infrastructure lies in a shambles, and there is so much scope for improvement. The problem is clearly the administration's apparent inability to perform even the most basic tasks of governance.

Too vulgar to print

But far too outrageous to withhold comment

WHAT Salauddin Quader Chowdhury, our contestant for the OIC secretary-generalship uttered about opposition leader Sheikh Hasina and AL MP Suranjit Sengupta in a press conference on Friday was unprintable. The Star report of the press conference the following day omitted these profanities. However, to let go of it without a comment would be a failure of responsibility and outright dereliction of duty to our readers.

We are still withholding the exact words he used out of ethical sensibilities but we feel constrained to share our outrage at the most crude and obscene comments spewed out by Salauddin Quader Chowdhury against two Awami League leaders. About Suranjit the obscenity was in the implication of an insinuation against a religion; and on the opposition leader the lewd trash was in the words themselves. This is thoroughly reprehensible.

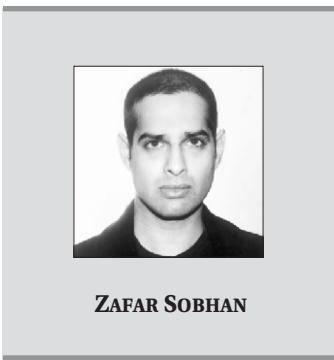
The remarks were in such low taste that they create instant revulsion, and for a public person to have uttered them in the full press glare was abjectly contemptible. It was repugnant to our culture and uncivil even by the worst standards of human behaviour.

That Salauddin Quader Chowdhury could say such things speaks volumes about the quality of his candidacy for the top slot of the OIC secretary-generalship, and the reservations his nomination had generated in the first place would seem justified by hindsight.

The way he has looked at his defeat in the OIC race goes down as a diplomatic blunder featured by fretful rancour that is totally disrespectful of the electoral process resorted to for the first time, otherwise hypocritically dubbed by him as a triumph of democracy. He has termed his defeat a victory of the pro-Israeli plank in the OIC. By one fell stroke of irresponsible remarks, he has staked the country's image negatively, no less perhaps than what his defeat has done. By ascribing his defeat to 'pro-Israeli lobbying' he has not certainly enhanced our goodwill with Turkey, the countries supporting Istanbul's choice, and the OIC as a whole that embraced the process of election. The government will be well-advised to expressly distance itself from Salauddin Quader's remarks about Turkey's victory.

Given his post-poll undiplomatic utterances and the level of vulgarity unleashed on personages at home, one wonders where lies the critical threshold for our Prime Minister's tolerance with such behaviour to get it rectified. It is time she took note of it and acted in an affirmative fashion.

Amateur hour in foreign affairs again



HERE we go again. The recent defeat of Salauddin Quader Chowdhury, the Bangladeshi candidate for the post of OIC Secretary General, has all the hallmarks of yet another foreign policy failure on the part of the current administration. In fact, the defeat of the Bangladeshi candidate is merely the latest in a long line of setbacks that this administration has suffered in international affairs in recent months, which leads one to call the decision-making process in the foreign ministry into serious question.

The government's error in the matter of the OIC nomination was two-fold.

The first error was fielding SQC as a candidate in the first place. Sources who were close to the process and in contact with the foreign policy establishments of other member countries confirm that his controversial past was no secret to the OIC members, and that this was a decisive factor against his candidacy, though the candidate and our government deny this.

Much has already been written about SQC, and I do not propose to go into go into the merits of the allegations against him here. But chapter and verse of these allegations is easily accessible to anyone who cares to look. One merely

needs to go to the internet and google his name.

I have not scrutinised the evidence against him, nor heard his defense, and I proffer no opinion here on the truth or falsehood of the allegations. But whether the allegations are true or false, can one really expect the OIC to make a man with such a controversial history its secretary general?

Let's get serious. Obviously SQC's candidature was a non-starter as soon as people heard the allegations against him. And in

drowned out Mahathir's positive message and mired the OIC in controversy for weeks. Everyone's looking. So, obviously the organisation would be sensitive to controversy, and go out of its way to keep above reproach.

Given these realities, it simply makes no sense to field a candidate with such a controversial history, and thus so small a chance of success. There are many others who would have made more realistic candidates.

Former Prime Minister Sheikh

senior foreign policy advisor Reaz Rahman, and MM Rezaul Karim, all ruling party stalwarts with international reputations, who might have made more suitable candidates. Had one of these three been fielded as a candidate, there is a very good chance that he would have been successful.

So I think it would be fair to class the nomination of SQC as a diplomatic blunder of the highest order. And if nothing else, SQC's intemperate and unrestrained public comments in the wake of his defeat

recently concluded OIC meeting that decided on the secretary general. As it turned out, the Bangladeshi candidate was able in the end to secure only twelve votes. The foreign minister of Saudi Arabia, considered the most crucial supporter of our candidacy, did not even show up, and Turkish diplomats have reportedly claimed that the Saudis ended up supporting their candidate.

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and now this.

The common theme running through these four incidents is the amateurishness of the diplomacy involved. It really seems as though this administration doesn't have a clue when it comes to international diplomacy.

Some in the government have complained that SQC was the victim of a campaign against him here at home to discredit his candidacy. I don't doubt it. All the more reason to nominate someone who is above controversy and not susceptible to such a campaign.

In the US, Democrats have complained bitterly about the naming of John Negroponte, first as US representative to the UN, and now as US Ambassador to Iraq.

Their opposition to Negroponte stems from his tenure as US Ambassador to Honduras in the 1980s, when he was the Reagan administration's point man in Central America, providing cover to the murderous regimes that were allies of the US.

Should opponents of Negroponte just keep their mouths shut as well, lest they further discredit their country?

If it brings a country into disrepute for people to badmouth the country's nominee for a position of international stature, isn't it worse for the country's image to nominate someone with such a controversial background in the first place?

Note to the PM: you have made many speeches in the past year professing concern for the country's image. Nominating someone as controversial as SQC for the position of OIC Secretary General is the kind of thing that does more harm to the image of the country than anything the opposition or the media could possibly say or do.

Zafar Sobhan is an Assistant Editor of The Daily Star.

STRAIGHT TALK

What precisely happened here? The government either did not know that its candidate was in trouble -- which strikes me as a serious diplomatic and intelligence failure -- or it knew full well -- in which case it is guilty of misleading the public. Which is it? Either way, the unfolding OIC fiasco is just the latest in a long line of recent foreign policy debacles that the current government has presided over in the past few months. In recent months we have been treated to the imbroglia over the opening of a Taiwan trade office in Dhaka, the announcement of a Trans Asian Highway road network that bypasses the route most advantageous to us, the belated signing of the BIMSTEC free trade agreement after we had held out unsuccessfully for better terms, and now this.

today's information society, hear of the allegations, they most certainly would, and did.

This is a time of unprecedented threat for Muslims, as Islam is denounced around the world as a religion of war, and Muslims are maligned as terrorists. The public perception in the non-Muslim world of the Muslim faith has never been lower, and the OIC has to be more vigilant than ever to make sure that its image, and the corresponding image of the Muslim world, is not tarnished.

The OIC is clearly under the microscope internationally. It was at the OIC summit last year that Malaysian PM Mahathir Mohamad made headlines with a fiery speech. The ensuing firestorm

Hasina has stated that part of the deal with withdrawing Bangladesh's candidate in 1999 was the understanding that this would pave the way for a successful candidature in 2004. Given the fact that Bangladesh is home to the world's third largest Muslim population and has never held the OIC top spot, it seems reasonable to believe that 2004 might well have been our year.

Hasina added that the AL government had received assurances of future support from many countries, and suggested that had the BNP nominated a different candidate that the nomination would have been assured.

Off the top of my head I can think of Foreign Minister Morshed Khan,

indicate that he lacks the diplomacy and temperament for such a prestigious position.

The government's second error was in being so clueless as to the shifting of the international political winds. The government spent a reported Tk 20 crore and used up untold amounts of diplomatic and political capital in campaigning for the position. Right up to the end we were assured that the secretary generalship was in the bag. The government claimed that it had received assurances of support from thirty member countries, including the key support of Pakistan and Saudi Arabia.

It was in full expectation of success that we sent a high-powered eight-person team to the

trouble -- which strikes me as a serious diplomatic and intelligence failure -- or it knew full well -- in which case it is guilty of misleading the public. Which is it?

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State of governance in Bangladesh

KAZI ANWARUL MASUD

OF late, a number of newspaper articles and editorials have been written on the state of governance in Bangladesh. Some have tried to depict Bangladesh as a failed state while others, taking umbrage at the implicit failure of the Bangladeshi people to arrest the process, have blamed the state of governance as a failed one, and not the state. Perhaps before one gets involved in putting the country into one category or another it would be useful to understand he concept of a failed state.

Roberto Rotberg (in The Washington Quarterly) emphasises the absolute necessity to understand the nation-state failure as they become hospitable to and harbour non-state actors such as warlords and terrorists. Failed states are tense, writes Rotberg, deeply conflicted, and bitterly contested by opposing factions. Insurgencies, varieties of civil and communal unrest, and a plethora of dissent of violent nature directed at the state machineries fill the landscape of a failed state. Added to this cascade of violence, the massive deterioration of the living standard of the people, decay in the infrastructure of their daily life, and the greed and kleptomania of the rulers overwhelming the conscience of the ruled and foreign actors (principally the donors/international agencies) lead the failed state towards an abyss like a train without a driver.

Rotberg reminds us that failed states not only reflect disharmony among communities, but their patrimonial rule depends on patronage based system of extraction from ordinary citizens. Failed states therefore are unable to provide security, among other political goods, to their people, the most central and foremost among the political goods which are the raison d'etre of the existence of a nation. If legislatures exist, these are no more than rubber-stamp machines. Democratic debates are muffled at best or asphyxiated at worst. The bureaucracy has long lost its professionalism and exists to carry out the orders of its political masters who take extreme punitive measures against those

perceived to be even slightly disloyal. The "loyalists" are awarded with prized postings and promotions regardless of complaints of corruption and repression of the people against them. In this award game, the people, in whose name elections are held and sovereignty is exercised, are an irrelevant actor. In failed states, political goods in the form of health, education, infrastructure, and political institutions are abandoned to forces of decrepitude. Unparalleled economic opportunities offered by these states are reserved for the privileged few who are either chil-

Watch continue to criticise human rights violations by state agents in Bangladesh. Recently the US State Department bracketed Bangladesh along with Ecuador, Equatorial Guinea, Guyana, Sierra Leone, and Venezuela for failing to take adequate actions to prevent human trafficking. In the mid-1990s, the Commission on Global Governance felt that "to confine the concept of security exclusively to the protection of states is to ignore the interest of the people who form the citizens of the state and in whose name sovereignty is exercised. It can produce situa-

what Alexis Tocqueville termed as tyranny of the majority. In such situations majorities in any legislature often impose their will on that numerical minority with opposing philosophies which results in minority view points not being effectively represented. In order that the "minority" view is not excessively excluded, resulting in eventual explosion of discontent, US President James Madison advised that in framing a government which was to be administered by men over men, it was necessary not only to enable the government to control the gov-

misgivings in some quarters. For example, the provision on women's representation in parliament has been opposed by the target quarter itself, namely the women, who overwhelmingly want direct elections to the women's seats. Similarly, the provision relating to the retirement age of the judges of the Supreme Court has been alleged to have been done with ulterior political motive by the ruling party. Added to these criticisms leveled at the government are the alarming downsides in the law and order situation in which neither life nor property appear to

amendment to the Bank Company Act on defaulted loan definition and curbing bank trade unionism appear to be welcome moves. Article 70 in our Constitution in its present form restricting the legislators from voting according to their conscience should be suitably amended. Separation of the judiciary from the executive should be done without further delay. The independent anti-corruption body should be allowed to function as soon as possible. Law enforcement agencies, criticised both at home and abroad, should be encouraged to serve the people instead of only the interests of the ruling party. Realistic budget should be presented, not to score political points, but to accelerate economic growth along with distributive justice. The image of Bangladesh as a tolerant Muslim country, tarnished by atrocities let loose upon the minority community with perpetrators still to be called to account, the Banskhal incident, unresolved arms smuggling cases, non-arrest of Bangla Bhai despite order from the top for his arrest, unearthing of militant training camps in the dense forests of Chittagong, etc have to be corrected.

The world community needs to be assured that Bangladesh is not one of those countries facing serious, in the words of William Olson, "internal problems that threaten continued coherence" or "significant internal challenges to their political orders." Just as maladies are endless, so are prescriptions for remedy. What, however, is essential if we are to get ourselves out of the quagmire of political and economic underdevelopment, is the need for sagacious political leadership conversant with, and complemented by, knowledge of national and international currents and undercurrents, committed to the ideals of service to the people, and imbued with a spirit of accommodation of differing views. Only then, perhaps, Bangladesh may have the possibility of arresting her rapid slide into the depths of an abyss.

Kazi Anwarul Masud is a former Secretary and Ambassador.

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.

Bus arson and our politics

On the eve of the last hartal, called by main opposition party AL, another despicable and barbaric act took the lives of some innocent passengers who were on board of that bus. Hartal, perhaps the most frequently used political arms in Bangladesh than any other part of the world. People elect their representatives to speak on behalf of them, but they prefer to say outside the Sangsad.

The duty of the government is to initiate the way through their comprehensive and generous steps. The respect towards public opinion is imperative to lead the

democracy in its most prolific way. It seems both sides of our leaders hardly recommend this point.

Tawhidur Rahman
Nazrul Islam Hall, BUET

Our country's image

Mr. Shadman's observation on 14 June issue drew my attention. The writer expressed that being a Bangladeshi he felt 'ashamed' and 'disgusted' while living abroad due to ongoing situation at home. I would like to start with a verse of our famous poet Kazi Nazrul Islam, "Ever high is my head" which makes us proud time and again that we earned our independence through a series of struggle. Political scenario in most of the developing countries is not any

better than Bangladesh. If one observes the developing countries of South America, Asia, Africa or the Middle East, he would realise that all are captives to the political disorders for understandable reasons. There are many success stories that makes Bangladesh 'a small but emerging' country in the global outfit with enormous potentials -- contribution of our ready made garments in American and European markets as one of the top manufacturers, recognition of micro credit model in the developed nations, the top most contribution of our Armed Forces in the United Nation's peace keeping operation all over the world or even the recognition as a Test playing country are examples that would certainly make any Bangladeshi feel

'elevated' and 'proud' in a foreign soil.

Democracy matures with time and patience; so is the vision and practices of our different political parties. Democracy and politics-friendly situation that we witness in the West is the culmination of hundred year old practices. In my understanding, it is premature to conclude on performance of any single political party, for -- major parties would necessitate several opportunities to exhibit and implement their respective political manifestos. Our nationals in foreign soil are our proud flag-bearers; they have a noble job to elevate 'country's image in their respective capacities. Political turmoil is part of every democratic/political sys-

tem; people of this country have witnessed that no single party could succeed in the face of 'breaking the trust'. Irrespective of country, place or situation, let us be optimistic and work together for the betterment of this country; because it is our soil that rewarded us to be born as a 'Bangladeshi'.

Mahbub Dhaka

Hartal: a destructive play

Hartal was an effective medium of protest against the British colonisation and other aggressive foreign powers. But, in the age of democracy, it comes ineffective. A hartal

means a battle against ourselves which brings irreparable loss of our national property.

But, I do believe that this hartal culture is not only a political tendency or an outcome of social distress. Rather, the root of this culture is deeply connected to our Bengali instinct and social culture. From the days of the British reign, this culture was appreciated by the people of the colonised India. People thought that a man could contribute to his country through "blood shed". A man can contribute by serving his life to increase the level of his social or economical position -- this kind of social exercise was always ignored.

Government has proposed to make an anti-hartal law. It sounds

irrational because a law can never uproot hartal. So, we need the moral correction from the grass root level and effective alternative mediums (such as human chain, hunger strike etc.) to protest.

Rizwan-ul Huq KU

Bangla Bhai

I am really surprised why the government is not being able to catch the now infamous "Bangla Bhai". The government is aware of his illegal activities but is yet to bring this terrorist to book. Yes, Bangla Bhai should be labelled as a "terrorist" because the activities he is conducting simply reflects the activities of one. He and his group

of supporters must be captured for the betterment of the people.

We do not want this kind of brutal people roaming freely in the country. Nowhere in Islam it is said that one has the right to kill a man and hang him from a tree, even of the person is your enemy. If they think that they are following Islam and Quran and Hadith, then they are simply wrong. Only because of these thugs, the westerners think that Islam encourages terrorism and brutality. But this is not what our religion tells us. I strongly hope that the government will do everything possible in its capacity to catch Bangla Bhai. We want to see him behind bars.

Minhaj Ahmed Uttara, Dhaka