

Why the world wants Senator Kerry to beat President Bush



HARUN UR RASHID

overwhelming majority would have given adverse response with respect to the policies of the Bush administration.

The question is why the majority of people across the globe show hostility towards the Bush administration. Some of the reasons deserve mention:

First, the Bush administration has been considered by many the most ideological administration to ever occupy the White House in its history. It has put the world upside down for every one. No one can travel safely without fear or insecurity. Suspicion

UN building, obviously not to listen to President Bush. This is a litmus test of the souring of relations between the US and major European powers.

Third, virtually every reason President Bush gave for going to war in Iraq has been discredited. Senator Kennedy in April of this year said: "Truth is the first casualty of war. But this administration's dubious and devious behaviour is not limited to questions of war and peace. It is a part of a pattern that has been demonstrated again and again in the President's handling of policy, at home as well as abroad. Saying

this provided an opportunity for the authorities in the Middle East countries to curb civil liberties of their citizens in the name of war on terrorism.

Amnesty International in 2003 published a report accusing the world's wealthiest countries of arming some of the worst abusers of human rights, despite their assurances to the contrary. The US alone accounted for 28 per cent of the global arms transfer. Critics point out while the Bush administration advocate loudly freedom and democracy across the world, it supplies lethal and sophisticated weapons to many of the undemocratic regimes to suppress and oppress their own citizens to perpetuate their iron-fist rule.

Finally, the only way to reduce terrorism is to reduce global poverty and inequality. World Bank President James Wolfensohn has linked terrorism to poverty and has explicitly said that rich countries do not understand the danger posed by the dramatic increase of poor. He argues that the world spends \$50 billion a year on aid, \$300 billion a year on subsidies and tariff protection for farmers in rich countries, and \$1,000 billion a year on military expenditure. Only 5 per cent of the global military expenditure will be enough to halve the proportion of people who live less than a dollar a day, halve the proportion of people who are hungry, and achieve universal primary education by 2015.

Furthermore, the war on terrorism is not a conventional war. It is an ideological war and that is why it is difficult to win. Fighting terrorism with war is like fighting fire with petrol. War is the fuel for terrorism, not a deterrent. Many say that to win this war, one has to win the hearts and minds of people. Understanding of root causes of terrorism and eradication of poverty are some of the most anti-terror weapons.

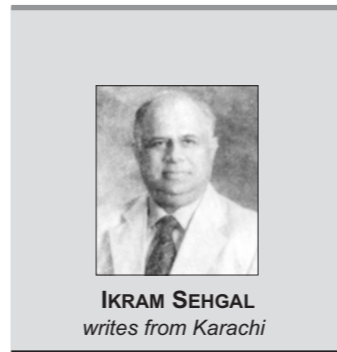
Conclusion

Jean-Paul Sartre once said: "When the rich wage war, it is the poor who die." He might have added thousands become refugees. Thousands of Iraqis have left the country to escape the onslaught unleashed by the Bush administration.

Senior Senator Robert Byrd of Virginia (Democrat) said in the US Senate: "Today I weep for my country. No more is the image of America one of strong, yet benevolent peacemaker ... Around the globe, our friends mistrust us, our world is disputed, our intentions are questioned. We flaunt our superpower status with arrogance." The poll shows that the overwhelming people across the world perceive the same and agree with the views of the oldest voice in the US Congress.

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The first fifty days



IKRAM SEHGAL writes from Karachi

AFTER a relatively smooth transition, Shaukat Aziz completed his first 50 days in office on 15 October, time enough to assess the trend of his governance mode and analyse what we can expect (of him and the country) in the future. In an eloquent recent article, he has spelled out his vision of Pakistan for the future and where all he intends to focus concentrated attention not only to alleviate the many prevailing miseries of the people but provide meaningful economic emancipation on the way to becoming "Pakistan Inc."

I, for one, was not very comfortable with Shaukat Aziz becoming PM when he did and it has nothing to do with his capabilities and/or competence, he is inherently qualified to be a PM of Pakistan or any country. And as far as name recognition among the world's elite goes, only Ms Benazir and Pervez Musharraf have greater potency. Shaukat's ambitions of becoming PM have always been in line with his abilities to be PM. My worries were viz: (1) whether he could contend with the abnormal circumstances prevailing politically without the cover of military rule, and (2) concern for his personal security. A Deputy PM can function as the effective head of the government without having to pander to political compromises, a period of six months to a year with someone running political cover for him would have been ideal. As it is, during the technical nuance of waiting to be elected as an MNA, my worst fears almost came true, he narrowly missed coming to grief at the hands of a suicide bomber. Like every human being the President may have some weaknesses, indecisiveness is certainly not one of them. Instead of "creeping change" he decided to go the whole hog. Pervez Musharraf kept the choice close to his chest but it did not surprise me one bit when he installed Shaukat as the PM-heir apparent, it was always on the cards since October 12, 1999.

While in theory I was right about there being a "gestation period," in practice, I was out of sync with realpolitik in Pakistan. The President had it right, Shaukat Aziz had to sit physically in the PM's chair to be credible about his authority, not become a lame-duck even before

he was sworn in, as was my friend Zafarullah Khan Jamali. The President's personality and psyche will not allow him to share his authority with anyone, least of a politician. On the other hand, Pervez Musharraf tends to delegate command to those he trusts implicitly. Would any minister now dare cross Shaukat Aziz the way they thumbed their noses at Jamali? While the President can be approached on issues that he feels need his direct input, the PM will not be frozen out. A technocrat of his own choice, hav-

"quorum issue," Ch Shujaat has taken steps to correct the lack thereof, including sacrificing Nasrullah Dreshak as Chief Whip and putting for the unguided missile Sher Afgan in place.

In keeping with the underlying theme of Shaukat's recent article, there is an attempt to instill objective-orientation in the ministries, each having given definite targets and expected performance levels thereof. The endless huge rambling cabinet meetings may not be a thing of the past but they will be lesser in

AS I SEE IT

God knows we need a sincere and honest attempt at alleviating our problems, paraphrasing the saying in the Pakistan Military Academy (PMA)'s Ingall Hall, "while what is achieved does matter, it matters far more as to how much honest effort has been put in to achieve the objectives" in place of "what happens to you does not matter, what matters is how you behave while it is happening." While 50 days is too early to make a judgement, at this stage Shaukat is certainly trying to make his rhetoric match his deeds, we will keep watching over his shoulder to see whether he will keep to it.

ing impeccable foreign corporate training and proven loyalty, Pervez Musharraf has clearly given Shaukat Aziz more and more slack in day-to-day governance. That is as it should be if the PM has to successfully govern a country that badly needs good governance.

Shaukat Aziz's performance has been above par for the past 50 days, that is no revelation. An affable personality with tremendous personal PR, this consummate corporate being has five years of extraordinary On-the-Job Training (OJT) under his belt as the Finance Minister of Pakistan in an environment of authoritarian rule where he was accountable to nobody but the military ruler. He is relatively politically inexperienced, but he couldn't have got to where he has without having a politician's basic traits (including the instinct of survival). As his own Finance Minister, he has full control over the plums to be disbursed to keep parliamentarians waiting on their hind legs in anticipation. There are political hiccups to contend with as the quorum problem has shown. A little more than half of the treasury benches are disaffected being out of office of sorts. While Ch Shujaat Hussain was magnanimous in acting as the PM "in-between," the withdrawal symptoms after he left the PM's office will have made Ch Shahib acutely aware that maybe he should have been less generous. Professing benign ignorance about the

number and more focused on the agenda. The PM's power-meetings include never more than 7-8 persons (including 2-3 members of the PM's staff), the meetings are far more objective and work-oriented. While nothing new for a corporate environment, the attempt to transfer corporate standards successfully into the bureaucratic world of civil administration so early in his tenure is commendable. Whether the ministries can be reformed and energise this sense of urgency and focus into the departments under them will be the acid test. Bureaucrats are notorious for shelving all they can, for as long as they can they will have to be kept under constant monitoring. Shaukat Aziz will have to shed his "Mr Nice Guy" mantle to enforce the accountability he has promised for individual and collective performance. Another 50 days is not that far away to find out whether he is ready to be unpopular.

Independently rich before he came to the Finance Ministry, Shaukat Aziz has shown no inclination of adding to his wealth in his five years as Finance Minister, in a corruption-ridden third world country like Pakistan that is a huge plus. One can have reservations for some of the appointments in the banking world but generally merit has taken precedence over favouritism. If he can really contain nepotism (no one can really end it), Pakistan will be well on its way to

economic and political emancipation. However he must watch out for some of his friends who may use his name, and connections thereof with bribery, nepotism, etc. scandals are now merging (e.g. PIA's purchase of Dash-8 instead of the SAAB 2000) and will certainly be investigated by future governments. So will the lucrative "consultancies" that some known lobbyists acquired fairly recently after he took office. The habits of those used to bribing their way into lucrative contracts die hard, viz: (1) they never change their spots, (2) their modus operandi, and (3) they always flock together. In this country such things cannot remain a secret for long, Shaukat Aziz cannot afford to be seen condoning any weakness among those he has regular contact with.

In Shaukat's 5000 word article, less than 200 words are devoted to foreign policy, probably convenient. The PM is smart enough to know that discretion is the better part of survival. With Shaukat concentrating on the domestic economic agenda, the President has external relations sector firmly in his grasp. On controversial issues about water-sharing and proposed dams, Shaukat is again on the periphery of matters, as in defence matters and homeland security, even though for face-saving, lip-service may be the order of the day. There is no way I can imagine a hands-on Pervez Musharraf retiring himself from such issues while he is in the chair, whether or not he takes off his uniform. Shaukat Aziz must also watch out for those he cuts off from living off the lard of the land, how long before the disaffected run to the President to whisper how the PM's performance is eroding his popularity within the country and his stature abroad?

While it would not be fair to hold the PM to every word of the promises made in his recent article, one should be honest about analysing his performance against the objectives articulated therein. Even if most of the targets are not achieved, a decent enough try at achieving them must get the support of all those who love Pakistan. God knows we need a sincere and honest attempt at alleviating our problems, paraphrasing the saying in the Pakistan Military Academy (PMA)'s Ingall Hall, "while what is achieved does matter, it matters far more as to how much honest effort has been put in to achieve the objectives" in place of "what happens to you does not matter, what matters is how you behave while it is happening." While 50 days is too early to make a judgement, at this stage Shaukat is certainly trying to make his rhetoric match his deeds, we will keep watching over his shoulder to see whether he will keep to it.

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Power crisis--now and ahead

MIR RAZIUDDIN HAROON

ENERGY is a pre-requisite for economic growth and technological progress. About 90 percent of electricity generation of our country is based on natural gas. At present gas supply shortage is also one of the major reasons for the lower available generation. It happened in the past also. Gas supply started decreasing in 1994-95 and became acute in 1996-97. As a result Ghorashal, Ashuganj, Haripur, Raojan and Shikabaha power stations could not run in full capacity at that time. Unless energy sector (gas and power plant) grows in a planned way, economic development of our country is bound to hamper. Besides, normal life and living of the domestic customers are disrupted as they are used to electricity use.

Unless the policy planners can identify the problems, then even with their best will people's suffering is bound to increase. If one industry remains closed for some reasons, a section of the people associated with the production and sales of the products are affected. But if a power plant remains closed for some reasons or power plants are not taken up for timely addition to meet the rapidly growing demand, the whole gamut of industrial and commercial activities are affected.

For a long period, development of power sector was dependent on multilateral and bilateral donors, who supported public sector enterprises until 1990. Since early 90's development of power sector was in a period of transition. The concept of private power (IPPs) in the form of BOO and BOT in early 90's was in a process of learning stage in Bangladesh. Due to this changed circumstances, no new investment from the development partners came through for power generation.

Due to high dependency on foreign loan for the development of power sector followed by high system loss and poor management, power supply situation continued to deteriorate. Some age old power plants were in the process of rehabilitation in order to regain the lost capacity and to avoid complete shut down. Due to the unilateral decision of the donors, the age old power plants could not be rehabilitated and new projects could not be taken up to meet the growing demand of the system. Power sector of Bangladesh in fact was passing through a period of difficulties. In this situation with an assurance that donors' suspension will be withdrawn on a condition that Dhaka Electric

Supply will be separated. Consequently, Dhaka Electric Supply Authority (DESA) was created without looking into the consequences and without taking any preparation for running DESA effectively and efficiently. This was a wrong prescription on the part of the donors and major failure on the part of the recipients. DESA from the very beginning became the biggest defaulter in respect of payment of electricity bills to BPDB. Eventually, BPDB became financially more sick than before. DESA which serves the capital city and the adjoining areas plunged into severe crisis due to inefficiency and corruption. But the policy makers did not take any effective steps to put the new separated utility on right track for performance improvement and better customer service.

Creation of DESA was part of reform programme. About the reform, the World Bank in its development report once has written "... international assistance for state reform must go beyond one-size-fits all approach, or one based on donors' preferences rather than recipients' need. It must be based on clear diagnosis of the case at hand and of how reforms would fit into broader political and social changes going on in each country."

In reality, they do exactly opposite. Virtually, there was very little addition of generation capacity during the tenures of the democratic governments elected to run the country after the fall of Ershad regime.

As the power crisis was gripping the country, a good step was thought to make a breakthrough to minimise the power crisis through import of power through cross border power trade. Eastern part of India had surplus generation capacity, on the other hand, western side of Bangladesh had serious shortfall. Asian Development Bank was also interested to finance the cross border transmission system development without any precondition. A committee was formed with the directive of the Ministry to study about the import of power from eastern part of neighbouring India. There were exchange of visits between India and Bangladesh. However, after 1995 the study could not proceed further due to political disturbance in Bangladesh.

Meanwhile, the power supply situation deteriorated further and when the new government came to power, it was keen to take up the cross border trade issue in order to minimise the power crisis. The advantage was that, construction of short transmission line does not take much time. External finance was also

available. This project was a great need of the hour for the benefit of the people. In fact, this was the best option as the rehabilitation works of the old power plants were in the process of implementation after withdrawal of suspension of loan by the donors. In this situation also, the power trade issue with India did not proceed further.

After approval of the National Energy Policy (NEP) and subsequently private power policy by the government in 1996, the door of the private power development was opened in Bangladesh. Eventually, three barge mounted power plants were installed on a first tack basis. This was followed by two large power plants; one Haripur 360 MW, and the other 450 MW. In the history of IPP development world wide, tariff of Haripur and Meghnaghat was one of the lowest in the world. These were unquestionably a great achievement in respect of addition of generation capacity in the power system of Bangladesh.

Without Khulna Power Company, the power supply situation of Khulna zone would have been much worse and far beyond our thinking. But we could not add any more power plants after this. South western zone could not develop due to the historical power crisis for decades. Industrial production hampered besides sufferings of commercial and domestic customers, sometimes without electricity and sometimes low quality electricity. This situation prevails more or less in the entire western zone of the country, but without any substantial progress in respect of addition of generation capacity.

Now gas is already in the west zone through BJMB and converted the Baghabari 71 MW from oil fired to gas fired one. This conversion has substantial impact toward minimising the operating cost of BPDB as well minimising the oil import of the country.

Now this is the proper time for the stakeholders of the western zone, civil society, professionals and the chambers to discuss gas utilisation in the western zone and extension of gas pipeline network to convert the oil fired power plants into gas fired ones. Our main objective would be maximum utilisation of gas resource

and minimise dependency on oil import. Crude oil price is already about US\$ 50/barrel in international market. It is likely that volatile situation will prevail in the Middle East in the foreseeable future. Any adverse situation will always affect our economy and we need to think about the energy security of our country when there are options to think.

If we depend on multinational donors, the conditional loan will have more adverse effect on our economy than providing benefit. Instead of that, we should try to develop some critically important projects from our own resources. This will bring confidence, as we have observed during the development of Shahjibajar 2x30MW gas turbine power plant and construction of 132 KV single circuit transmission line from Bara Aulia to Comilla.

Expansion of gas pipeline network in the western zone extending up to Khulna can be taken up as a national priority project. Some years back, steps were taken to utilise Shahbazpur gas field for power generation at Bhola, extension of gas pipeline to Barisal and Khulna. However this was not materialised. This project can be thought to be taken up as a private sector project and can be developed through solicited bidding. The gas pipeline extension up to Khulna can bring immense benefit to the entire people of the region, particularly the Khulna industrial zone; enhance power generation capacity in Khulna and Barisal besides the conversion of the existing oil fired power plants into gas fired ones.

The addition of generation capacity to meet the summer peak of the year 2005 is expected to be Shiddhirganj 210 MW, Tongi 80 MW and the private power, West Mount (Baghabari) 90 MW GT. Total 380 MW. On the other hand one unit of Ashuganj 150 MW unit has to be overhauled. So the net addition in the system will be 230 MW. At present normally 3400 MW can be supplied during peak hours without any forced outage and with adequate gas supply. The maximum demand served so far was little over 3600 MW. As there is no adequate reserve margin in the system, so it is not possible to maintain the peak

Adequate power supply naturally improves confidence of customers, particularly the industrial customers. It is necessary to follow the generation addition plan very closely. As the power system is always in crisis in meeting the peak demand, the slippage of planned generation capacity by one year can create a situation which may be difficult to regain even if finance is available.

demand served once. Tongi 80 MW plant in fact will assist in improvement of voltage in Dhaka area. So in summer 2005, we cannot expect more than 3600 MW power at the generation level. On the other hand peak demand of the system will be about 4600 MW at the generation end. So, we clearly see a shortfall of 900 MW to 1000 MW during the entire summer peak. The system will naturally remain unstable with low voltage problem and widespread load shedding.

We don't see the addition of a single unit to meet the summer peak in the year 2006. Only the West Mount CC (Private) 40 MW is expected to be added to the system in the month of June, 2006. The demand of the system at generation level will be about 4960 MW with supply position of about 3700 MW at generation end. Though Ashuganj 4th unit will be back into the system, but the 5th unit has to go for overhaul. So, there will be a clear shortfall of generation capacity of 1200 to 1300 MW in the summer of 2006. The system will be more unstable, with chronic low voltage and widespread load shedding.

In the year 2007, the expected new addition of generation capacity to meet the summer peak is Barapukuria 250 MW coal fired power plant, Sylhet 100 MW GT and Fenchuganj 2x30 MW GT with a total addition of 410 MW. If effective steps are taken with clear financing plan and timely approval, then Chandpur 100 MW GT could be added to the system. Chandpur has a developed site with transmission facilities for evacuation of power. In an optimistic assumption, a total new generation addition of 510 MW can be achieved. However one 210 MW unit of Ghorashal has to go for overhaul resulting a net generation addition of 300 MW. On the other hand, summer peak of the system will be about 5370 MW at generation end against supply of 3900 to 4000 MW with a clear shortfall of 1300 MW to 1400 MW in the system. Unless larger unit size (450 MW CC) are immediately taken up for implementation, the situation will deteriorate further after 2007.

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immediate steps are taken for installation of larger unit like 450 MW CC with in public and private sector then only the situation may improve after 2007, not before. To improve the situation in the immediate future, some steps have to be taken as crash programme now as follows:

Installation of simple cycle, heavy duty gas turbine plants to meet the peak demand of the system: The units are to be installed in identified developed site and the unit size should not be less than 150 MW. Re-tendering process has to be avoided and evaluation, government approval, signing of contract, down payment etc. to be completed following a bar diagram strictly. The plants are to be developed with cash foreign exchange to same time.

Installation of capacitor bank in 132 KV substations to be taken up through proper study: This will minimise losses in the system and will allow more power to flow through the existing system and also improve the system reliability. Less time and resource is necessary for implementation of this kind of projects with multiple benefits.

A small good step of the government can bring immense benefit to the people. Similarly, for a wrong step people may suffer for years.

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