

Common Saarc stand at WTO

True regional cooperation the order of the day

It is with considerable enthusiasm that we greet the news that the seven Saarc countries have agreed to take a common stand and pursue a common strategy with respect to WTO negotiations. The next ministerial level conference will be held in Hong Kong next December and given the fiasco of the last such talks in Cancun last year, the fact that the Saarc countries have taken this initiative to consolidate their positions in an effort to increase their bargaining capacity is a smart and farsighted move.

The agreement comes ahead of the 13th Saarc summit which is scheduled to be held here in Dhaka in January 2005, and is an indication that the regional grouping is finally moving towards becoming the kind of united and powerful bloc that can benefit each of the member countries. It is precisely the kind of initiative that the Saarc countries need to be taking in order to advance their mutual interests in a competitive world.

In this day and age there can be no alternative to regional cooperation. No country -- and certainly not Bangladesh -- can afford to go it alone on the international stage. It only makes sense that our natural allies with whom we need to join together should be our neighbours, and thus all of the constituent countries stand to benefit from Saarc becoming a true partnership.

The focus in negotiations thus far has largely been on intra-regional issues such as free trade and transportation links. These remain crucial and there is no doubt that the progress towards completely integrating the South Asian economy will translate into massive benefits for all member countries.

However, just as important is the understanding that by joining together and presenting a collective face to the outside world in forums such as the WTO we can maximise the benefits of being part of a regional association. Agreeing to develop a common plan of action ahead of the next WTO ministerial meeting will allow each member country to leverage its membership in Saarc to full advantage.

Individually it would be hard for us to make an impression at the WTO, but united we are a formidable grouping that demands attention. There is no better way to ensure that our concerns receive a fair hearing.

Market fire fallout

Real victims must get compensation

THE traders affected by Sunday's fire at the New Bangabazar Hawkers' Market are passing their days amid great uncertainty. For them, the situation has been further aggravated by two ominous developments. First, the presence of armed hoodlums -- deployed by some politically influential men at the market -- is a source of endless worry to the bona fide lessees and renters who have collectively lost around Tk 200 crore due to the fire. Obviously, the deployment of musclemen cannot be an innocuous move. Some people with political clout appear to be working to implement their plan of making the most out of the miseries of the fire victims.

Second, there are allegations that the process of listing the victims is being rigged by the market committee to give undue benefits to some favoured men. If true, this could mean that many genuine victims would be left out. This is a matter of life and death to the small traders who have virtually lost everything in the fire. So any deviation from a fair deal could deprive the traders of due compensation. The whole thing smacks of manipulation of the most ruthless kind.

Now, certain questions have arisen as the traders wait for some steps to rehabilitate them. The first thing that can be said about the tragedy is that there was an utter failure to protect the traders from such a disaster. And there is apparently nobody, or no organisation, to shoulder the responsibility for it all. The poor traders can only blame their rotten luck for what has happened to them. The agencies concerned have escaped by terming it an accident. But who doesn't know that the risk factors (of a blaze) were very much present at the market. The issue of safety was subjected to criminal neglect, to say the least.

The tragedy has been multiplied by the fact that some foul game is being played with the fate of the victims. The authorities concerned should step in immediately to set things right. They have to see to it that the real victims are not victimised once more.

Reducing the cycle of debt



MUHAMMAD ZAMIR

of debt servicing still being demanded of heavily indebted poor countries, most of them in sub-Saharan Africa and many of them spending as much or more on debt payments as they do on health and education.

It may be recalled here that Action Aid and Oxfam have calculated that even after debt relief under the HIPC scheme only seven countries have seen their debt burden reduced to levels considered sustainable. For

\$5 billion. It has paid back \$16 billion and still owes about \$30 billion on the same debt.

Today, sub-Saharan Africa pays \$1.30 in debt service for every dollar it gets in aid. In the case of certain countries, it is four times what they spend on health care.

Everyone agrees that this is unjust. There is now an international consensus that these debts should be paid off -- and quickly. However, as has been evidenced a

as South Africa also do not agree with the British idea worried that this would hurt their future gold exports.

Unfortunately, the latest meeting could not agree with Mr. Brown. He also failed to get sufficient support from members of the IMF policy-making committee.

In the recent past, the US presidency has been exhibiting quite a bit of interest in debts and writing them off, particularly for the poorer coun-

2-3 by Kevin Watkins and Ngaire Woods. They have commented that "rich countries are ardent advocates for democracy all around the world, but when it comes to the IMF and the World Bank, government of the many by the few is the preferred option."

It would be worthwhile to point out here that with votes weighted to reflect their financial stakes, rich countries enjoy a built-in majority on the executive boards of the IMF

and competing interests of their several constituencies make it that much more difficult to forge a consensus that will be strong enough to challenge industrialised countries with regard to the central question of attacking poverty at the roots.

The scenario is complex, but the reduction of poverty through the multilateral mechanism can still be accomplished given political will. Some modest reforms could improve the responsiveness and the efficiency of the IMF and the World Bank. The starting point should be an overhaul of the voting structure. Over time, the slice of "basic vote" as conceived in 1944, has been eroded to less than 2 percent of the total i.e. one-fifth of the level in 1970. Reversing this process would give Africa and other developing regions a stronger voice.

The executive management system also needs reform. One formula might be to have more executive directors, each of them representing not more than eight countries.

The last meeting in Washington might not have concluded with full acceptance of agreed principles, but fortunately strands of hope were left in the air. Both Mr. Brown and the US Treasury Secretary John Snow were right to mention that details were not always important. I agree with them. I believe that the post-US presidential election scenario will see movement forward. What is vital is that the world's wealthiest countries continue to work on writing off 100 per cent of the debt belonging to the world's poorest countries. The patience of the poor, specially the extreme poor in many countries, is wearing thin. This has to be understood. It is no longer enough to just convene grand meetings and adopt well-meaning resolutions. If poverty is not reduced, it will continue to be the breeding ground for terrorists and instability.

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Muhammad Zamir is a former Secretary and Ambassador.

POST BREAKFAST

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example, Ghana spends more on repaying debt than it does on health; Zambia devotes more money to its creditors than it does to its education sector.

Such a situation is also present in many other countries in Asia and Latin America. This has been an important reason why very poor countries, in most cases are stuck in a cycle of debt (owed to the IMF, the World Bank, and regional development banks, much of it dating to the 1970s) that has made them unable to increase production. In a manner of speaking, theirs was an exercise that only offered the pre-tection of.

Similarly, on China, their response was also diluted. There was very little real pressure on that country to adopt flexible exchange rates. Their virtual lack of influence on China was further underlined by that country's finance minister Jin Rong who stated that China had "no immediate plans" to join the G7. The real failure of the G7 was however in an area where they do have considerable leverage: debt relief.

Many countries had hoped, and several had been led to believe, that the latest round of meetings in Washington would produce solid plans for action to reduce the levels

few days ago, the international bodies appear to be hamstrung by arguments between the wealthiest and most influential countries over how the debt relief should proceed.

Britain's Gordon Brown has his own complex plans, which involve revaluing the IMF gold reserves at market rates and using the surplus to pay off the debts of only 27 poor countries. Such a view is based on the contention that the IMF owns more than 103 million ounces of gold, a hold-over from the gold standard days that it continues to value at about 10 per cent of the market price. It is argued that the IMF could sell a small part of that gold at market rates or simply revalue it for the purpose of accounting that would in turn finance debt cancellation painlessly.

Mr. Brown's plan is however opposed by many within the IMF, including the US, which has its own plan. Some developing nations such

and World Bank and in its decision making. Membership of the two institutions now totals 184 countries, but the G7 industrial countries account for around 40 per cent of the total votes. Most interestingly, Africa accounts for a quarter of the membership and just over 4 per cent of the vote. Belgium (population 10 million) has more votes than Nigeria, Ethiopia, Zambia, Tanzania, Mozambique, and South Africa combined (total population around 300 million). Africa's voice is further weakened by an unwieldy and profoundly unfair system of executive management. Africa, unlike the larger industrialised countries has just two executive directors to represent 44 countries. This under-representation among the poorer countries is further compounded by political overload.

Developing nations, particularly the poorer bloc, also face other drawbacks. The sheer size, diversity, and世紀的發展 to the world's poorest countries.

recorded by the British in Malaya, but the British succeeded because they treated it as a police problem rather than an army one, and the difference is significant. There was a parallel political process through which the communists in Malaya were marginalised and eliminated from the independent power structure.

Both views, hard and soft, are represented in the mix that constitutes any government, and their influence rises or ebbs with circumstance. Even as he pursues his options with Islamabad, Dr Singh has sent signals to the valley that reason and dialogue can achieve what bullets and guns cannot. The presence of soldiers always creates incidents that embitter people, and little can be more hateful than even an isolated case of brutality.

Change is a slow dance, and nothing is more injurious to a dance than a push, even if it be a well-meaning push in the right direction. A push destabilises the dance, and any choreography between India and Pakistan needs the management of classical experts. As noted earlier, a scene has been set, and the drama has been set in motion. But this is not Kathakali. It is a political version of the Japanese Noh drama, where meaning must be read into absence of movement even as nothing ever stands truly still. Pakistan does not want to be deceived by stagnation, which is a fair worry. India does not want to be rocked by pace, which is equally hazardous to the health of the subcontinent. We need doctors who can find the correct dose for the right moment in an illness we know to be critical, for while medicine heals, an overdose can be fatal.

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The doctor must be patient. And that of course is not the only paradox in the affairs of India and Pakistan.

M.J. Akbar is Chief Editor of the Asian Age.

Noh drama in Kashmir



M.J. AKBAR

ability. So is it just another empty gesture? No, if only because it is a vital signal.

The key difference between a dictatorship and a democracy is that in the former the government is stable but the system is unstable. In the latter governments are unstable, and despite this, the system has the strength to proceed with calm and continuity. There should be no surprise therefore that Dr Singh has shown no hesitation in pursuing the peace process with

bond of trust with the nation.

Cold candour become a weakness? He was candid when he said in Srinagar that he had no mandate to change the geography of his country, implying that the best deal that Pakistan could expect from any negotiations over Kashmir is the status quo defined by the Line of Control. This was construed in Islamabad as a snub because President Pervez Musharraf has said more than once that if the LoC was going to be the solution then it could

be won only when both sides can declare victory.

There is also the thankless task of preparing the minds of people, including those whose minds have been sealed by the rigid glue of hyper-patriotism. This is a fever that Army establishments are particularly prone to. President Musharraf must address both the cantonment and the country outside, heavily populated by jihadis who have created a five-decade vested interest in war with India. Prime Minister

Pakistan initiated in the last phase of his government by Atal Behari Vajpayee. In many ways he has strengthened it, both by his own involvement as well as by proving that this is a bipartisan effort. (Those in the BJP who would have loved to sabotage any peace with Pakistan, and whose ebbing strength must have revived with the gradual marginalisation of Vajpayee, must be feeling trapped. They are welcome to squirm in their self-imposed prisons.)

Sincerity is Dr Singh's strength. He began as a reluctant Prime Minister, which itself is a rarity in the grab-culture of Delhi. No one thought that his reluctance was a sham, as is so often the case with politicians who torture renunciation to death. Over the few months in office, this sincerity has created ripples of goodwill that have reinforced his credibility and built a

Singh has to look over his shoulder for the Modi brigadiers who believe that they can win elections only by demonising Muslims and Pakistan.

The delicacy of their mission makes the need for balance that much more essential. It is well known that you must not let your knees tremble when making a public speech. You cannot allow the knees to jerk either. There was a bit of the latter in President Musharraf's instant reaction to Dr Singh's Kashmir statements. The gloom-and-doom squad is already preparing obituary notices. But a little time should restore the equanimity that they created with their extremely successful meeting in New York.

Dr Singh's problems should not be underestimated. Dealing with Pakistan is difficult enough. He also has to contend with an insurgency in the Kashmir valley that many sound people in Delhi are con-

vinced would not survive without the active support of powerful elements in the Pakistan establishment (all right: that is the polite phrase for ISI and its allies in uniform, the bureaucracy, and political life).

Just in case anyone wanted reminding, insurgents welcomed Dr Singh in a gun battle in an area that was supposed to have been sanitised in advance of the Prime Minister's visit. Its failure does not diminish the audacity of the attempt, or the explosive impact of

even marginal success. There was a strong last-minute attempt in Delhi to abort the trip, which the Prime Minister over-ruled. The temptation to harden the line under the stress of provocation is almost irresistible in government. Dr Singh did not shift his line. The decision to reduce troops was unaltered.

There has always been a debate in Delhi on how to deal with an insurgency between the "crush-and-lobby" and "talk tough but also talk" approach. International experience with insurgency suggests that the first rarely wins. The French tried it in Indo-China between 1945 and 1954; the Americans between the mid-Sixties and 1973. The French failed in Algeria as well as did the Soviet Union in Afghanistan. Any attempt by Israel to declare victory in Palestine sounds what it is, hollow. The one great success in a problem of similar magnitude was

the British in Malaya, but the British succeeded because they treated it as a police problem rather than an army one, and the difference is significant. There was a parallel political process through which the communists in Malaya were marginalised and eliminated from the independent power structure.

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TO THE EDITOR TO THE EDITOR TO THE EDITOR

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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.

Why not the godfathers?

The Rapid Action Battalion (RAB) is chasing the most notorious criminals. Why can't do the same to the godfathers?

The real culprits escape unharmed.

Mozir

Dhaka

Immunity of international monetary agencies

I have come to know for the first time that the Asian Development Bank (ADB) is enjoying immunity to our national rules and regulations as regards its operations in Bangladesh. I don't know if this continental development bank enjoys such non-accountability status in other countries also. If this bank has this undue privilege, then it has every scope of exploiting us the 'lesser nations' and we don't have any tongue to

move inside or outside our oral cavity to utter anything against any injustice done to us. Bravo! Now we should realise how transparent international 'transparency' is.

Other international monetary agencies like the World Bank (WB) and International Monetary Fund (IMF) are also expecting such non-accountability status in our 'Independent Bangladesh'. Our parliament is to discuss the matter if we should bow down to such 'international transparency' again or not. Our elected MPs can decide on the matter using their intelligence, wisdom, conscience and free thinking in this 'free country'.

If these general people are asked for comments then they will, certainly, utter 'right is right' and stop there! Though I am a member of that group I have some more words to speak since I am not directly under any pressure from these 'mighty' agencies.

If these agencies work for the benefit of the recipient people then

why are they afraid of being accountable? Are the people concerned so foolish that they don't understand their well-being? So they may raise some undue questions that may hamper the agencies' 'humanitarian works' and for that reason these agencies want immunity to the unjust and rather 'barbaric' rules and regulations of these 'lesser nations'?

I think the case is otherwise. Actually, these agencies are unjust. If they are just they need not enjoy immunity to national and international rules. Rather, they would happily be accountable to every law formulated for the well-being of the humans.

MAS Molla
BAAS, Dhaka

Whose transparency are we talking about?