

## Reprieve on black money

### Does it stand to reason?

WITH the budget's passage through parliament only a day away, Finance Minister M Saifur Rahman's occasionally heard ethical murmurs over whitening black money have evaporated into thin air.

Ever since the minister put the proposal for extending amnesty to unearned and undeclared income holders for another year on the table, there has been an avalanche of negative reaction to the move from all quarters. From economic experts and planners through chamber and industry body leaders to his own party men, there raged a relentless stridency across the board. All of this tended to breed an expectation in the public mind that maybe the idea would be dropped, or at least the tax rate at a pampering 7.5 per cent will be raised so as to stop short of a complete sell-out to the deviant.

The very fact that no questions will be asked on the sources of unearned incomes if made public, is itself a huge favour proposed to be done to the corrupt and delinquent money merchants. Those who are genuinely interested in surfacing overland for their own good from the dark underworld would have grabbed the amnesty opportunity with both hands; they wouldn't even link it to concessionary interest rate. The opportunity itself is a bonus.

The point is that those who feel they have a stake in coming out clean would do it anyway, regardless of the rate of interest.

This is a case of reverse discrimination against honest income tax payers who have to pay at a flat 10 per cent rate, to say nothing of corporate taxes ranging from 22-40 per cent for the conscientious and law-abiding business houses. Why should we reward illegal incomes?

The proposed amnesty to black money-holders is an open admission of failure to stem the tide of corruption and an abdication of responsibility on the part of government for maintaining transparency and accountability in economic management. But to top it off with a concessionary rate of interest makes it all the more assailable, untenable, and ultimately self-defeating.

Let us not forget that in the three years preceding January last, Tk 1800 crore worth of black money got whitened as against a conservatively estimated whopping Tk 50, 000 to 60,000 crore which awaits mopping up.

## Industrial pollution backlog

### How do we face the present challenge?

THE revelation by Environment and Forest Minister Tariqul Islam at the parliament on industrial pollution evokes mixed reaction. It is undoubtedly good news that more than 60 percent of the polluting industrial units have complied with the government directives to follow the environmental management action plan. But the flip-side to the news is that the process of appraisal relates to a list of industries prepared as far back as in 1997.

What has happened in the years gone by so as to determine the cumulative magnitude of industrial pollution to-date? What action could the government take against those who failed to comply with its directives in the interregnum? Needless to say, many new industries have come up between 1997 and now. Have they got any effluent treatment plant?

It is highly imperative that we have an updated list of industries causing pollution to environment through their wastes, together with identification of those that are actually following the rules. What's the use having an 'environmental management action plan' if its not implemented contemporaneously? We want its fuller implementation. We understand it involves a huge task, like relocating certain industries away from habitats and compelling other industries in good locations to have effluent treatment plants that are missing. The need for these now is more than ever.

Let's take the opportunity here of expressing our concern over another major source of pollution. The mushrooming private clinics, which have almost taken the shape of an industry, do not have any adequate garbage disposal system, so that they are creating a serious public health hazard.

We want the problem taken up in earnest and resolved as early as possible.

# Indo-Bangladesh confidence building measures?



THE two-day meeting at the Foreign Secretary-level between Bangladesh and India took place in New Delhi on 21-22 June after a gap of two years. It is the right step to sort out pending issues that have put bilateral relations on strains. Such meetings are always welcome and constitute a part of confidence-building measures.

The two-day meeting in New Delhi was held in the backdrop of deterioration of relations between the two countries for sometime. What has been worrying for Bangladesh is the unstable security situation at the border and it has been reported that since 2000, 394 Bangladeshi nationals were killed. This is unacceptable, given the 1974 Mujib-Indira Land Boundary Demarcation Agreement and the 1975 Indo-Bangladesh Border Guidelines.

The outcome of the talks seems to be positive and forward-looking. It has hopefully brought back to enhanced momentum to bilateral ties in almost all fronts. Dhaka and Delhi agreed to cooperate in security, peaceful border management, sharing of waters of common rivers and economic exchange. The statement reported in the media contains 26-agreed plan of action that needs to be implemented. Time will only tell how soon and to what extent proposed actions are put in place on the ground.

### Need for frequent meetings

In inter-state relations, political and economic relations cannot be separated because they are intertwined. Most often good political relations lead to sound economic relations. What to be recognised is that suspicious relations have their own momentum to the detriment of interests of both countries, unless intervened.

Continuing good relations are not taken for granted and need to be sustained constantly. Relations are

compared to nurturing a plant that needs regular attention and if left unattended, it will either not grow or wither away.

It is not understood why a long interval of two years has elapsed before the senior officials met. Whatever the state of relations, good or strained, between neighbouring countries, at least annual, if not six monthly meeting at Foreign Secretary level ought to be routinely held.

casts a long shadow on bilateral relations.

Furthermore, most young people (born after 1975) in Bangladesh have witnessed "big brotherly" attitude from India, whether in the matter of sharing waters of common rivers or in the border areas or in economic matters. They have perceived India, often dictating to Bangladesh what needs to be done and what India wants from Bangladesh. This perception among major-

hood envisage their own security and development in cooperation with India or hostility to India or by seeking to isolate themselves from India against the logic of our geography?"

Although the Foreign Secretary did not name the countries of South Asia, it is not difficult to say that reference to "some states" certainly means Pakistan and may possibly include Bangladesh.

This implies that Bangladesh

threat to its security. Has India done border fencing with Pakistan in the Punjab and Sindh or with lower terrain in Nepal? The insistence of India does not seem to be a friendly gesture towards Bangladesh and is likely to be misunderstood by people of Bangladesh.

Although India expressed satisfaction over the commencement of coordinated patrolling by the border forces of the two countries during the talks, India suspects presence

Nigeria, and the US with their small and economically weak neighbours stand on the same footing.

Furthermore, Bangladesh is surrounded by India on three sides and on the fourth open side to the Bay of Bengal, Bangladesh faces a strong and powerful India navy. It requires any small country in such geographical situation to make efforts in developing stable bilateral relations unless the big neighbour appreciates the reality of situation of small neighbours. Bangladesh perceives that India with its dominant position tends to extract unfair concessions from Bangladesh. Whether the perception is right or wrong, that may be a debatable proposition.

India needs to recognise that reciprocity is not always possible for a small country and as a big neighbour it has certain responsibility towards its smaller neighbours. Power and responsibility go together. It is in the interests of both countries outstanding relations need to be resolved with fairness and justice. Good relations cannot be imposed because they are based on principles of mutual respect and equality.

Former Indian Prime Minister I.K.Gujral appeared to have recognised the sensitivity of small countries when he stated that "First with neighbours like Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka, we do not ask for reciprocity but give what we can in good faith" (He did not mention Pakistan).

### Conclusion

Bangladesh and India are neighbours and they are destined to live as neighbours. No one can change the fundamental reality. If Bangladesh is prosperous, it is good for India as it provides good market for India. Bangladesh has no competition with India but at the same time no country including Bangladesh appreciates being pushed around by a big neighbour.

Another question that looms large is: why security concern should be overblown by India with its sizeable military power when economic cooperation may open a new vista in Indo-Bangladesh relations?. At the dawn of the 21<sup>st</sup> century, the prime consideration for India is to build regional economic blocs within South Asia to enhance their economic gains in the competitive globalised world.

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BOTTOM LINE

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ity of young people regrettably lingers on.

There is also a big picture here. India has certain strategic and security interests in South Asia and wants that all the smaller neighbours should not only appreciate but also share India's perception. The difficulty is that India perceives China's military power as a threat to its security while other smaller neighbours of India do not share the same perception. In fact India's position is so central and dominant in South Asia, some of the neighbouring states perceive China as a counter-weight to India in the region.

India is a rising regional, if not a global power within decades. India thinks that Bangladesh has not been playing a constructive role in maintaining their security interests within South Asia. India holds the view that to maintain cooperative and mutually supportive bilateral relations, Bangladesh needs to be anchored within a broad framework of strategic and security relationship with India.

On 14<sup>th</sup> February of this year, India's current Foreign Secretary was candid about India's security perception while addressing at the India International Centre. He said, in part:

"The countries of South Asia, while occupying the same geographical space, do not have a shared security perception and hence a common security doctrine...In security, at least some of the states perceive security threats as arising from within the region...Do countries in our neighbour-

does not have the same security perception as that of India. Unless the big picture is sorted out, it seems Bangladesh's relations with India are likely to be difficult.

Another factor in bilateral relations appears to be that India wants to link various bilateral issues with one another. This means, for example, that if Bangladesh wants sharing of waters of common rivers, in return Bangladesh should provide transit facilities to northeastern states. This is based on India's doctrine of reciprocity. That implies if Bangladesh wants anything from India, India should receive in return something.

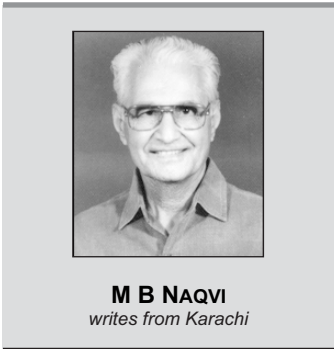
Bangladesh does not perceive in the way India chooses to link bilateral issues. The sharing of waters of common rivers, according to Bangladesh, stands on its own legitimate right not only under rules of international law but also in terms of the 1996 Indo-Bangladesh Ganges Water Treaty (Article 9 of the Treaty). Furthermore Bangladesh perceives linking issues as an unfair and unequal bargain advantage on the part of India.

### Is India's concern justified?

It is not understood why India has insisted during the talks on the requirement for border fencing within and up to 150 yards of the international border of Bangladesh (20% of the 4,000-long kilometer border has already been fenced by India).

Generally border fencing has been erected for illegal infiltration from the other country that poses

# Unavoidable dilemmas we all face



HUMANITY faces a dilemma over nuclear weapons. These weapons are evil. But they exist. Certain establishment types, security wallahs, hold they are necessary for deterrence. Nine countries possess these weapons: the US, Russia, Britain, France, China, Israel, India, Pakistan and now North Korea. What is to be done is the question.

Unless the Americans and Russians begin to disarm, at least their nuclear weapons, further progress is barred. The Americans do not actually care about non-proliferation of atomic weapons; they use it as a lever to pressurize smaller powers for geo-strategic purposes. The way America has connived with Israel over its WMDs and the way US strategists talk about Japanese security exposes their hypocrisy. Given America's nukes, Russia will never give them up because Russians have reasons to suspect American intentions. Britain and France are also unlikely to disarm. Their Bomb is meant actually to deter Germany. Germany of course abjures nationalistic unilateralism and thus the Bomb.

Israel's quest for nuclear capabil-

ity is meant for regional domination. Israel works in concert with the US and its security is a major American priority. No one expects Israel to disarm.

India's and Pakistan's cases are different. Why did India go nuclear? There is confusion over it. India formally held China to be a security threat for which reason it went nuclear. But few believe this. China exploded its nuclear device in 1964. India exploded its first nuclear device in 1974 full 10 years later.

be regime change. President Bush may huff and puff but will not actually start a war. Simply put, the Chinese want let America subdue North Korea and dominate the whole Korean peninsula. Nor would Russia like to see that eventually. The bold and forthright North Korean diplomacy wants at bottom enough security guarantees and aid from the US. That is the price for their nuclear weapons. But Americans do not seem willing to give North a decent way out.

like nukes and will never fabricate them. But few take this at face value. Enmity with Israel and America is forcing them to acquire nuclear capability.

What makes humanity's dilemma painful is because there is very little to do about it. Only powerful states hold the initiative, mainly Americans. They reinforce diplomacy by deploying overwhelming military power, backed by nukes for meeting their economic and political needs. That caused the long chain of prolif-

PLAIN WORDS

**Relentless power politics is said to be inescapable. That means occasions of conflict and proliferation. The only possible countervailing force is world opinion and patches of democracy. To mobilize this force is the moral imperative. All dissident opinions on Iraq, peace and for a better social and economic deal needs to be coordinated and purposefully brought to bear on powerful governments.**

Now, if India could live for 10 years without nuclear weapons, knowing that China had them, the alibi of Chinese threat wobbles. What might be likely is that Mrs. Indira Gandhi, having heard of Pakistan's plans, exploded her PNE in 1974 to scare Pakistan away from this path. However, this is a guess. Pakistan, by its part, makes no bones about its Bomb being India-specific; it is meant to deter invasion. Now that Pakistan has acquired nuclear capability, India is wholly unlikely to disarm and vice versa.

North Korea's case is interesting. There is the history of 1950s War in Korean peninsula. America has learnt its lessons. Nevertheless, America is subjecting North Korea to pressure. The purpose seems to

As for Iran, it regards itself as an emergent power. It wants to play a prominent role in the ME. It is wont to berate Israel because it has occupied holy Al-Quds. As an Islamic state, it has to oppose Israel far more resolutely than do the Arab states. Indeed, most Arab states have made separate peace deals with Israel. Most Arab states have left the Palestinians to their fate. But not so the Iranians. It is Palestinians who do not relish Iranian aid because of its religious overtones, while Palestinians are mostly secular-minded. Geo-politically, both Israel and Iran aim to dominate ME, especially its oil-bearing regions. This rivalry is inherent. Iran's efforts for acquiring nuclear capability is not strange. Iranians say they do not

eration by now to nine states. One has written earlier that Americans want to dominate whole of Asia and control its strategic raw material. They want to be in a position to deny strategic raw material to non-friends. Americans tightly control Middle East already. Most of its regimes are either American protectorates or otherwise dependent on them. Except Iran there is no regime over which the Americans do not have dominating influence. Exceptions used to be Iraq and Syria. Now no more.

Given America's methodology and purpose, viz. creating an imperial system to control resources, what should freedom-loving people do? Europeans are already uncomfortable. Africans and Latin Ameri-

cans can only watch in varying degrees of disfavour and disgust. But the Asians cannot possibly accept this horrid unipolar world. Moreover, there are several flashpoints in Asia, possibly nuclear. There is Taiwan. Koreans still remain a flashpoint, despite the reluctance of America to undertake ground operations in the peninsula. Necons can still succeed in persuading Bush to use aerial bombardment to reduce North to rubble. Americans can conceivably do that,

though given the steadfast neutrality on the side of North Korea by China and Russia, it probably will not.

Then there is the famous flashpoint of Kashmir and other India-Pakistan disputes. There is this Peace Process and various CBMs. Friendship is supposedly round the corner. The hard fact however is that despite a year and a half's efforts, the two governments have not succeeded in resolving even one minor dispute, let alone all. And Pakistan can be heard sotto voce that without the resolution of disputes, friendship with India is unsustainable. This refrain is to be remembered. This means that India-Pakistan relations can revert to animosity and a war and a nuclear

exchange can still take place. In fact many would go to the extent of saying that if ever there is going to be a nuclear exchange it will be between India and Pakistan. There are other obvious flashpoints in Asia like Israel and the Arabs and more particularly Iran. One has noted that if Iran ever goes nuclear it would be because of Israeli capability. This too is a flashpoint.

Relentless power politics is said to be inescapable. That means occasions of conflict and proliferation. The only possible countervailing force is world opinion and patches of democracy. To mobilize this force is the moral imperative. All dissident opinions on Iraq, peace and for a better social and economic deal needs to be coordinated and purposefully brought to bear on powerful governments.

Rest of mankind, especially South Asians, have to see the danger at their doorsteps. They have to do make maximum effort to integrate with the international anti-nuclear and other peace movements. The Indian and Pakistani governments need to be compelled, to stay aloof from the American designs on Asia and to support the international peace movements. Unless a powerful international peace movement is revived, little can be done to prevent their ruling elites from siding with the US. Indeed, it is for Indian and Pakistani peace movements to revitalize the international peace movement. The best way they can do is to work for and succeed in nuclear disarmament among themselves.

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# City government debate

MALLIK AKRAM HOSSAIN

I have gone through the write-up on "City Government need of the day" written by Prof. Mesbah-us-Saleheen which appeared in The Daily Star on 26 June. The debate on City Government first came up during the tenure of former Mayor of Dhaka City Corporation (DCC) Md. Hanif. Like others I also agree with the rationale of City Government (CG) or Metropolitan Government given the current pace of urban growth and demands for urban services. Before moving on to city government, there are a few pressing issues that I think need to be considered.

City Corporations (CC) or municipalities are responsible for providing

urban services to the dwellers. So far what we have seen is that neither CC nor municipalities have been successful in providing adequate services to the citizens. There are many obstacles we can identify which hinder providing services to the city dwellers.

Let's move onto the CG debate. Six of the largest municipalities namely Dhaka, Chittagong, Khulna, Rajshahi, Sylhet and Barisal have been given metropolitan status and are termed as CC. For many years these cities were run and headed by nominated rather than elected Mayor. Metropolitan cities have been experiencing elected Mayor since 1994.

To me CG itself would not solve the problems that Dhaka and other

metropolitan cities are facing. CC has been ineffectual in providing urban services they are responsible for. The main problem facing all these cities is corruption, which has engulfed our society at large. Let's look at some emerging problems.

Solid waste management is one of the responsibilities of CC. In Dhaka city, more than 50 percent of the solid waste remains uncollected and is mostly dumped on the roadside and into drains creating enormous public health hazard. Other cities are no exception. One can argue that CC lacks resources and adequate equipment to dispose of the solid waste. This is absolutely true. But one can also argue that the CC has not been successful in harnessing the resources they have

at their disposal to the full. The answer is no. Involvement of private sector, NGOs and community people in the solid waste management could have yielded better results. Although few private sector groups and NGOs are seen working in a few CCs, unfortunately, the dismal condition of the solid waste in the cities in general and in the poor community in particular have not marked any significant improvement.

Another problem which the city dwellers are facing, has to do with drainage for which CC is responsible. Most of the drains are in dilapidated conditions due to lack of maintenance. During the rainy season, cities are flooded with the sudden downpour and there is

serious water logging in the drainage systems. Most of the drains used as dumping as well defecation places are not cleaned regularly. Thus these drain serve as the ideal place for mosquito breeding. Lack of proper maintenance and shortage of drains have also compounded the drainage problems in cities.

Recently the most discussed issue in the news media has been the public health, which is at stake due to unhygienic food served in the hotels and restaurants. In the CC, there is a department to look at this issue. The most disappointing aspect is that sanitary inspectors who are assigned to look into food hygiene have totally failed to do their job. Recently newspaper reports stated that most of the inspectors

are won over by nice food or bribe from the unscrupulous hotel or restaurant operators. Public health has been compromised with corruption. The punishment for making unhygienic food is also so meager that the perpetrators do not bother about food hygiene.

Let's move on to the taxation system, which is vital for urban economy. Common to most of the CCs is the budget deficit. The ineptness of the CCs in mobilizing local resources has triggered their dependency on the central government and the grants from donor agencies. The existing taxation system in CCs is very old and operated manually, which invites corruption. Only in the recent past Rajshahi City Corporation has overhauled their taxation

systems using computerized database where there is very limited scope for corruption. Other cities could replicate the Rajshahi experience.

Many cities in the world where no CG exists have been successful in meeting the demands of city dwellers by practicing good governance. City governance or urban governance is a system of relationships between different stakeholders to achieve the collective goal be it social, economic, environmental etc. using the city government as the instrument. Urban governance, which is characterized by multi-levels such as national, regional, local and community, goes beyond the urban government.

Before demanding City Government we need to rethink the issues of urban governance. Bad governance, which has blighted our urban life, needs to be replaced with good governance. Along with drastic institutional reforms, practice of good governance might bring tangible results in ensuring sustainable urban development in Bangladesh. Otherwise establishing City Government will not help relieve the dwellers of their sufferings. Once the CCs make remarkable performance in urban governance, then we can think of creating City Government.

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