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### **Costly elections**

Legislate new electoral laws

OME of the comments made at a recent international workshop on 'Infrastructure Financing in Bangladesh' bring into focus the need for reforming our electoral laws to make elections transparent and fool proof. There was a correlation that was drawn up by the World Bank representative, between the high cost of getting elected in Bangladesh and its eventual impact on the country's infrastructure development, investment climate, and ultimately the development process.

While opinions may differ on the extent of the linkage the fact remains that connection between ill-gotten money and election has a profoundly deleterious impact on politics as well as on all sectors of our economy.

We reiterate our earlier calls for urgent reform in our electoral laws in a manner that would end the power of money as the only factor that can get people elected as member of parliament. There has unfortunately been a harmful nexus in our country between money and elections, where, in most cases, ill-gotten money is utilised to seek the highest elected office, only to accumulate more of the same.

The fact has also been recognised by the judiciary, which has directed the EC to elicit information regarding the candidates' income, assets and liabilities. This is where we feel the EC can play a very crucial and significant role in decoupling money and politics. Although the High Court directive provides enough clout to the EC to gather information, it must do more than this, in that the EC must also ascertain the veracity of the given statements of the candidates. The candidate, as also the party, must be made to go through a straining process before he or she can qualify as one. All relevant information on the candidate must also be made public for the benefit of the voters.

We feel that the matter of party registration and funding as well as election expenditure must also be brought under the purview of the EC. This necessitates new and appropriate legislation as a part of electoral reform in Bangladesh that must be put in place immediately.

For all too long money has dominated politics in Bangladesh, and the electorate have been given a raw deal. This must be ended through necessary reform in our electoral process, sooner rather than later

### Living with danger

Another kind, Bangladeshi-style

HIS has the smack of a horror movie relived in actual life in those rows of buildings upraised dangerously close to the undersides of aircrafts whizzing in and out of Zia International Airport. The perfect Hitchcock-type visual of eye-ball sprouting, stretched out, scary stares from the inmates at the descending or ascending widebodied aeroplanes on to and from the runways of ZIA.

It can hardly be contested that the buildings which were erected in defiance of height restrictions near the airport need to be lowered down to the safety of prescribed ceilings.

The Civil Aviation Authority, Bangladesh (CAA,B) and Rajdhani Unnayan Kartripakkha (Rajuk) after having identified 111 buildings as 'risky' took out a court order to demolish the upper stories of some such constructions. Sixty-six of them have been spotted in the most 'vulnerable category; of which, 17 have already lost the unauthorised height.

# Why did Israel dismantle the Gaza settlements?

HARUN UR RASHID

SRAELI Prime Minister Ariel Sharon (76), is an old war-horse but he made history by dismantling settlements and relocating 8,000 Israeli settlers from the Gaza earlier this week. He is the first Israeli leader who has withdrawn settlers on lands illegally seized and occupied for the last 38 years after the 1967 war

Sharon has always taken a risky strategy, whether in Lebanon in 1982 or in the Gaza withdrawal today. His Likud party is on the verge of collapse because of disunity on the question of withdrawal of Israeli settlers, and the hawkish US-educated Netanyahu, his political rival and former Prime Minister, resigned from the cabinet

According to an Israeli historian, Uzi Benziman, never in Israel's history has there been a man such as Sharon (his parents, Samuel and Vera, migrated to large territory, living with Arabs, Israel from Russia in 1922). He is unique in his personality and his perception of the world, his

a Jewish state with a (b) small territory.

primarily two reasons for taking

very high cost, in human, political,

and military terms, in protecting

the small number of Israeli settlers

in the Gaza. There is no military

solution to a political problem

concerning the rights of Palestin-

First is he is well aware of the

such a decision.

ians.

(a)

approach to peace and war is often difficult to understand. His ability to survive politically has Israel been spectacular. He is commonly known in Israel an "Israeli Caesar."

#### The question is why

It is not because of the recognition that Israel has illegally occupied Jewish. the Palestinian lands after the 1967 Arab-Israeli war. Political observers believe that there are

"Might is Right" remains the doctrine of Israel in the 21st century.

Jewish character of

Sharon rejected the idea of a binational state. Israel wishes to remain a Jewish state. This means that the overwhelming

two key decisions: (i) the construction of a wall between Israel

phy will become the main guideline. Topography or more land for Israel has taken a back seat.

Since Arab population is increasing faster than Jewish population within Israel, attention has been turned to Arab areas within Israel where the Palestinian population is increasing by leaps and bounds.

One of the areas is reported to be

Swap of land

power with the assistance and support of the US (since the removal of Saddam Hussein.

only Iran is considered to pose a threat, and that is why both US and Israel do not want a nuclear programme in Iran, while Israel has nuclear warheads). Their new danger of losing Jewish identity emanates from increasing Arab population within Israel. Avigdor Lieberman, the leader of the extreme right political

that a state cannot simply divorce its citizens for convenience

The "population swap" is not a new idea. It was first formulated in 1994 by a researcher who was seeking a quid pro quo for the settlement blocks in the West Bank. Over the years, politicians from mainstream political parties -- Sharon's Likud and Peres' Labour -- have expressed some support. But only Lieberman has made it a campaign platform of his National Union Party.

The underlying reason for the Wadi Area plan is demography. In the land, between the Jordan River and the Mediterranean Sea, Israeli Jews will soon become a minority. Ceding the occupied territories to the Palestinians is indispensable to improving the Jewish population balance.

#### Conclusion

party, has already started slo-The Gaza Strip is only 5 per cent gans about disengagement (withdrawal) from Wadi Area and Umm-el-Fahm. Lieberman advocates a "populated land swap." This means Israel will give Ummel-Fahm and the adjacent Arabpopulated area west of the "Green line" to a future Palestinian state, in return for depopulated lands in the West Bank This is called "soft transfer."

The residents of Ummel-Fahm reject firmly the idea and they called it "racist and unacceptable." The Arabs want to remain Israeli citizens. The left-wing Israeli political parties also oppose the idea on the ground

of Palestinian occupied lands. The Gaza pull-out alone will not bring peace unless Israel dismantles illegal settlements in the occupied West Bank and agrees to the rightful demands of transfer of East Jerusalem to them. Sharon is determined to annex the settlements in the West Bank and retain East Jerusalem. "Might is Right" remains

the doctrine of Israel in the 21st century.

Barrister Harun ur Rashid is a former Bangladesh Ambassador to the UN, Geneva.

## Mounting trade deficit and trade diplomacy

#### ANM NURUL HAQUE

HE mounting trade deficit with the major trading partners of Bangladesh, widened further and crossed 4.008 billion US dollars in the fiscal year (FY) 2004-05. The trade deficit -which was 3.207 billion US dollars in the FY 2003-04 -- shot up by 25

percent in the FY 2004-05. According to the Export Promotion Bureau (EPB), trade deficit increased due to sharp rise in the import volume of petroleum products, consumer goods, and capital machinery. As the dollar maintained a steady rise in rate against the taka and the taka depreciated by 8 percent during the last fiscal, the cost of all import items went up to a great extent. The country's export policy, which is led more by political consideration than by commercial and economic ones. has also contributed in widening the trade deficit. According to the official statistics, the country's

products recorded 62 percent increase while the consumer goods import recorded 44.73 percent rise in FY 2004-05.

According to the statistics available with the Export Promotion Bureau (EPB), the country's export volume rose to 8.655 billion US dollars while the import value increased to 12.663 billion, creating the ever highest trade deficit of 4.008 billion US dollars in FY 2004-05. Exports grew only by 14 percent while imports increased by 25 percent during the period. The growing trade deficit has already crated pressure on the exchange rate and the

### average.

According to available information, Bangladesh imported goods worth US dollar 101.06 crore from India during the FY 2001-02 as against its export to India goods for US dollar 5.02 crore, and thus suffered a bilateral deficit of US dollars 96.03 crore. Trade deficit now stands at US dollars 166.00 crore favouring India which is a 72.86 percent increase in three years. Trade deficit with China was only US dollars 9.24 crore in the FY 1990-91 when Bangladesh exported goods worth US dollars 3.32 crore to China. The bilateral

trade deficit now stands at US

lenge to the exportable items of Bangladesh in the competitive global market. World Bank Country Director Christine Wallich emphasised export attractive trade policy for Bangladesh to achieve 6-7 percent growth, as the domestic market of the country is too small for attaining such growth. She believes that merely access to market is not the whole story for developing countries like Bangladesh.

On the other hand, the final version of the poverty reduction strategy paper (PRSP) has revised the export growth projection upward for the next three

item attained the export target set for the period. The country's total export earnings in the FY 2002-03 was 6.54 billion US dollars which was nearly 10 percent higher than the previous year. Though the export earnings from knitwear and frozen food increased during the period, earnings from other major export items like leather, textile fabrics, raw jute, and footwear, declined significantly. Export target for FY 2003-04 was set at 7.49 billion US dollars, but the real export earnings during the period was 3 percent less than the target fixed. To reduce trade deficit, improving quality of export items

These officials of the commercia wings hardly make any effort in promoting trade and investment except distribution of some stereotype booklets. Most of the commercial counselors in Bangladesh missions abroad have been found reluctant in lobbying with the influential business people abroad to buy goods from Bangladesh. For strengthening trade diplomacy in the pursuit of a more aggressive and result generative trade outcome, the country would require among other things, a world wide network of honorary trade consuls.

At present Bangladesh runs 34 consular, labour, trade, economic, and press wings in its 58 missions abroad. The main task of these wings is to provide importers and investors with the details of the country's trade incentives and other facilities and also to project its image. According to the Export Promotion Bureau, 24 out 46 missions abroad missed their

export target in the first nine

The commerce ministry has proposed to set up consular offices or appoint honorary consuls in 46 territories across the world to safeguard the country's trade interests in a complex global trade scenario. But setting up of consuls and appointment of trade officials will help the country to promote trade and investment abroad, only when these consular offices are manned with competent and dynamic people. In this era of trade diplomacy, the exporters of Bangladesh need to develop trade links with their foreign counterparts.

#### Second is to maintain the Jewish immigration from US, demographic majority of Jewish France, and the former Soviet population within Israel. There Union. are two options for Israel: Implications a bi-national state in a ders.

and West Bank, grabbing many

areas of the West Bank where

Jewish population have settled

there since 1967, and (ii) the pull

out of Jewish settlements from

the Gaza Strip. Both these deci-

sions are designed to address

Israel's birth rate is dwindling.

That is why Israel wants more

the demographic imbalance.

The Gaza withdrawal is accelerating the debate over Israel's future identity with narrower borders. In this debate, demogra-

the Wadi Area within Israel. Israel grabbed it from Jordan in 1949, threatening Jordan that unless it ceded the area, it would be taken by force. Jordan gave in when the Arabs lost the war in 1949.

Now a lot of Israelis want to swap the Wadi Area including Umm el-Fahm in return for the large Jewish settlement "blocks" east of the "Green Line" on the West Bank. Umm el-Fahm is the second-largest Palestinian town inside Israeli's pre-1967 bor-

To Israel, neighbouring Arab countries do not pose any threat whatsoever because Israel has become the strongest military

Israeli Prime Minister Ariel

BOTTOM LINE

The Gaza Strip is only 5 per cent of Palestinian occupied lands. The Gaza pull-out alone will not bring peace unless

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Jerusalem to them. Sharon is determined to annex the settlements in the West Bank and retain East Jerusalem.

majority of population must be That is why Sharon has made

The Daily Star

Several questions arise out of this absurd situation. The CAA, B and Rajuk are working in tandem now to enforce the building rules out of grave aviation and ground safety concerns, but couldn't they have acted in a coordinated fashion beforehand so as to avert the costly demolition exercise in the first place? Waste of public and private resources is involved in no small measure here.

Principally, whose fault is it? How could the buildings be raised in the dangerous funnel to a height that would expose aircrafts to lethal brushes and the inmates of those houses to mortal dangers? Were the building owners served with timely notices to refrain from the unauthorised vertical construction? A suspicion arises in the public mind as to whether silence of some officials was bought off; otherwise, how is one to explain the buildings coming to height without anybody in authority noticing it or taking a corrective action?

We would like the issue to be addressed by instituting a probe and making the public aware of the outcome of it, so that the people owning land in the area together with the designated oversight bodies are fully sensitised about their respective duties.

ade deficit has trip pled during the last 10 years.

Product-wise import figures during the FY 2004-05, released by Bangladesh

Bank, reveals that petroleum products worth Tk 9,665.81 crore were imported, which was higher by Tk 3,699.42 crore than FY 2003-04. Consumer goods worth Tk 7,839.66 crore were imported as against Tk 5,416.62 crore in FY 2003-04. Foodstuff worth Tk 3,530.11 crore was imported as against Tk 2.363.80 crore in FY 2003-04. Industrial raw materials worth Tk 29,661.72 crore were imported, while it was Tk 28,546.12 crore in FY 2003-04. The import of capital machinery increased at Tk 6,673.55 crore as against Tk 4,688.10 crore in the last fiscal. The import of edible oil, which was Tk 3.243.44 crore in FY 2003-04, alone decreased by Tk 229.79 crore. Import of petroleum

taka has been devaluated by 8 percent against the volatile dollar. The country's foreign currency reserve also reduced to 2.85 billion US dollars which is equivalent to import bill for three months. Prof. Muzaffar Ahmed, an eminent economist of the country, has ascribed the situation to the speedy trade liberalisation policy adopted by the government.

The country's trade deficit with 20 major countries in FY 2002-03 was over Tk 30,449 crore. Commerce Minister Air Vice Marshal (retd) Altaf Hossain Chowdhury disclosed it in Parliament in June last year. Of the total, deficit with India only was Tk 7,358.53 crore followed by Singapore at Tk 5,006.59 crore, and China at Tk 4.408.28 crore. Over the last few vears, in fact, Bangladesh has been recording a 20 to 25 percent increase in trade deficit on the

dollars 115.47 crore favouring China, which is an increase by 1,150 percent in the last 12 years. Bandladesh export policy has suffered from misplaced priorities for long. It is guided by an unrealistic emphasis on sectors where things are growing more competitive and benefits are diminishing. There are also traditional bottlenecks that affect rather negatively on the competitiveness of our exporters and these are in the areas of finance, cost of energy and utilities, infrastructure, and government incentives. Exporters have been bearing up with the situation and certainly are in need

exports. A World Bank study also found an anti-export bias in Bangladesh policy. The study observed that transaction costs, rent seeking, and corruption are throwing chal-

## **OPINION**

fiscal years, as recent export performance has made the policymarkers optimistic. The final version of the PRSP also acknowledged the fact that the export sector performed much better than anticipated and a 14 percent growth was registered because of higher growth of knitwear exports to the European Union. The PRSP projection of export earning in the ongoing fiscal year is 9.9 billion US dollars while the real export earning was 8.65 billion US dollars in the FY 2004-05. The export growth rate will decline to 13 percent in FY 2006-07 and 12 percent in FY 2007-08, according to the PRSP of helpful policies to boost up

proiections The hard reality is that the country's export earnings, on a continued lackluster performance, fell short by Tk 3,362 crore in FY 2001-02. No single

and controlling import of unnecessary and luxury goods is a must. The mounting trade deficit. which is a consequence of unplanned trade liberalisation policy adopted in the early nineties, has become a concern for the country. Now the country needs to do the needful to increase its export volume to cope with the growing trade deficit. Pursuing trade diplomacy with right earnest, the country can go a long way to recovering its export market in the gloomy scenario of global trade. But the performance of Bangladesh's missions abroad remains disappointing, as the commercial

wings of the embassies do not

function properly because the

officials who are posted there for

promoting trade and investment

are mostly appointed on political

consideration, ignoring their

incompetence and inefficiency.

months of FY 2004-05. The commerce ministry has proposed to set up consular offices or appoint honorary consuls in 46 territories across the world to safeguard the country's trade interests in a complex global trade scenario. But setting up of consuls and

appointment of trade officials will help the country to promote trade and investment abroad, only when these consular offices are manned with competent and dynamic people. In this era of trade diplomacy, the exporters of Bangladesh need to develop trade links with their foreign counterparts.

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## Which government will smite the religious militants?

#### **A R SHAMSUL ISLAM**

HE finance and planning minister Saifur Rahman may have tried to trifle away the degree of menace of massive bomb blasts of 8/17 across the country, covering 63 districts all at a time --500 in a spate of 30 minutes -- by arguing that now-a-days bomb explosions are a regular phenomenon of the world, no country is spared from this danger, India has experienced it in its parliament complex a kind which we are exempted from. But the people of Bangladesh are no longer that fool to be comforted by such wilv contentions of the minister. Indeed the present day world is smeared by 9/11, 7/7 and compared to their scale of devastations 8/17 is really insignificant. But in terms of coordination, precision and breadth of network it has carried a weight and message unseen and unheard of. What the minister has probably

the world the government is so blamed for any incident of bomb blasts. But in Bangladesh the recent bomb attacks are alleged to be due to government indifference and laxity.

failed to acknowledge is that there

is a very basic difference between meaningfully against terrorism in the bomb occurrences in other Bangladesh

parts of the world and those in It is highly improbable that the Bangladesh on 8/17. Nowhere in present government combine will fight out Islamic terrorism that has spread its tentacles all over the country over the recent years. The causes are not far to seek. Firstly, the government has on

Meanwhile volumes of exercises, physical, mental, intellectual, by the government, opposition, civil society, business communities etc. bearing trademarks of blame game, smear campaign, thrashing of intelligence agencies, analysing the causes and highlighting the effects -- destroying democracy, secularism, progress -- have come to top focus crowding the print and electronic media. It is

no use repeating on them. Better be on the track to try to weigh if the present government or any other government of a different combine if succeeding the existing one can hold out a hope of fighting truly and political philosophy. Perturbed only when it militates against BNP suzerainty Thirdly, the BNP is mostly a

motley assembly of self-centred elements. They have come under its banner only to hunt interests. A good number of seasonal birds,

appears quite acceptable to its restraint within safe bounds. But exploiting cabinet position they infiltrated into and extended within the core of the government hierar-

chy. Taking cue the Islamist fundamentalists outside paced up their activities so as to steadily gain confidence that they can go their way alone offering the government

wrath of the government? If overawed by a likely situation coming into reality it would be difficult for the BNP to rise to the occasion to

hardly probable that the BNP would go much beyond eye wash exercises to chastise the culprits. If a government of different colours come to succeed the present combine, will that government grapple tooth and nail with the Islamist terrorists? Let us dispassionately find out a probable answer to this question.

If the present government of the BNP-led combine leave out in future, the first priority of replacement may come to the Awami League and its allies as may be formed in days to come.

The hard reality is that the Awami League, if coming to power, may soften its stance to go all out to extirpate the religious extremists from Bangladesh. The Awami League is a party no less addicted to capturing power. If having it, its first concern may be enjoying authority and amassing personal fortunes through means fair or foul. In the process it may lose much of its credibility and people's confidence reducing it to an outfit stooping to meek compromise and conciliation. It may avoid to undertake any tough job that may involve it into turmoil and risk its stay in power. The promises and pledges to beat out the religious extremists may get diluted providing space for the militants to maintain their status undamaged in the society.

The only redeeming feature is that probably no single party can be voted to power and if the Awami League is pushed to power its alliance partners may have contained personalities who will pressurise the government to refrain from hobnobbing with the religious extremists and acting against the interests of the masses

Another strong safeguard will be the EU, donor countries, used to warning the government time and again against fraternising with the religious terrorists.

A R Shamsul Islam is retd. Principal, Govt. Mohila College, Pabna.

It is highly improbable that the present government combine will fight out Islamic terrorism that has spread its tentacles all over the country over the recent years. If a government of different colour comes to succeed the present combine, will that government grapple tooth and nail with the Islamist terrorists?

its council of ministers powerful religious fundamentalists who cherish the ideal of ruling the country by sharia laws as are also the goals of the perpetrators of 8/17 bomb operations.

Secondly, the BNP is not a party that has tried to learn that state and religion are different entities. One is to be totally divorced from being identified with the other. Infiltration of religion into governance

political turncoats have donned the BNP colours. Any risky political manoeuvring to avoid repeat of 8/17 bomb blasts may not be supported by the party hirelings. Fourthly, the BNP seems terribly

perturbed to see that it has solved its own political equations wrong. When asked why it took two antiliberation dons on cabinet it replied gratifyingly that drawing them into lap would help keep them under

a wise option to team up with them. Fifthly, could the BNP gauge properly that after the fall of the Taliban rule in Afghanistan and President Musharraf of Pakistan playing into Bush's hand the fugitive Islamists from those two countries have been in frantic search of a shelter elsewhere and discovered Bangladesh as a safe haven for the Islamist hordes that the

western journalists alleged to the

ership wooed the religious fundamentalists believing the entente would wipe out the Awami top brass. It is near impossible that the BNP would break up this circle. Though hard pressed by the donor countries and the general mass of the country to catch and punish the perpetrators of 8/17 scourge it is

offset the terrorists. Sixthly, drunk with a political culture of mutual exterminations the ruling. BNP's all strategies were aimed at containing the main

opposition Awami League. Apart from an inclination towards the Islamist extremists the BNP lead-