

An anatomy of lawmakers' salary increases

ABDULLAH A DEWAN AND GHULAM RAHMAN

FOR the second time in two years, on September 18 and 19, the powerful elites voted themselves a lavish and generous increase in perks and privileges retrospective from January 1. To spare themselves from public censure and rebuke (as if they care) the Jatiya Sangsad rejected a proposal for sending the bills for eliciting public opinion.

Economic rationale underscores four reasons for salary increases:

- λ Cost of living adjustment to keep pace with inflation rate (preferably at the rate of productivity growth);
- λ "Bracket creep" applicable to a graduated income tax structure, which causes upper income group falling too close or even behind lower income group;
- λ Suddenly the country becomes overly rich from discoveries of oil reserves, and other minerals and the government is running sustained budget surpluses;
- λ "Do as we please" attitude of exercising selfish power.

Since independence, government employees' salaries have been raised six times. The PM has seen seven increases and the ministers nine. Salary is only a drop in the bucket of the perquisites these elected people enjoy. Who are they kidding if they want us to believe that they make a living on government salaries alone? It is the future stream of perquisites, not the salary, not the exalted glamour of lawmaking, for which

they get elected by hook or by crook.

Did these politicians really become MPs for lawmaking and if so, why their lack of quorum became so endemic that the PM had to threaten them with forfeiture of their right to nomination in the 2007 election? Might the reason why the ruling party MPs find parliamentary deliberations of little interest because of the provisions of the article 70(1) of the constitution, which reads,

"A person elected as a Member of Parliament at an election at which he was nominated as a candidate by a political party shall vacate his seat if he resigns from that party or votes in Parliament against that party."

These government MPs, however, never missed sessions when called for to enact self-serving laws to overpack their pockets and wallets. They import tax-free vehicles (now a second one) depriving the already beleaguered exchequer of the much needed revenue. They live in rent-free and furnished apartments constructed for the guests of 2002 Non-Aligned Movement (NAM) conference. Soon after coming to power, the alliance government converted this guest house into one for the MPs. Luxurious accommodations were already built for them attached to the parliament building.

The politicians are elected to serve the interests of the people, but it seems they have developed a taste for oiling their own machines and exercising the right of precedence over those of common citizens and public servants in every distribution of benefits by the government. They

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Official Elites	Existing salary (Tk)	Revised salary (Tk)	Salary increase (%)
President	23,000.00	33,400.00	45.22
Prime Minister	22,000.00	32,000.00	45.45
Speaker	21,500.00	31,200.00	45.12
Deputy Speaker	20,000.00	29,000.00	45.00
Minister	20,000.00	29,000.00	45.00
State Minister	18,000.00	26,100.00	45.00

Minister	House Rents (Tk)	Optional Funds (Tk)	Daily Allowance (Tk)	House Furnishings (Tk)	Insurance (Tk)
PM	50,000	5 million	1000	150,000	1.4 million
Cabinet	25,000	300,000	750	Unknown	U
State	20,000	200,000	600	(U)	U

are relishing grandiose lifestyles only heard of being accorded to Russian communists before the emergence of glasnost and perestroika. Table 2 displays the official perks and privileges of ministers.

The PM and the cabinet enjoy other privileges which include a block fund equivalent to the real expenditure, free government vehicles, telephone usage, travel, etc. PM Khaleda Zia lives in a house donated by the state after the

assassination of President Zia as living quarters for his family free, and the PM now receives Tk. 50,000.00 as rent per month for that very house. She was also donated the ownership of a mansion in Gulshan for rental income for maintenance of her family at that time. There is also an official residence of the PM, in addition to her big office compound on the old airport road and another in the Secretariat. Why would the PM of a poor country need so many

exquisite facilities with expensive state of the art security apparatus encircling them all?

In his much acclaimed "habit theory" dealing with consumption, economist James Duesenberry in 1952 developed the hypothesis which showed that once consumption habits are formed, it is not that easy to give it up. He explained the formation of two habits: 'Internal habits' which are formed by influences of past choices on our current consumption behavior, while 'external habits' are developed out of consumption choices of one's social environment.

Although the habit hypothesis was developed to explain people's consumption behaviour, nonetheless the theory's basic tenets are more in conformity with our MPs, and ministers' consumption profiles and social behaviour than most common citizens. The external habit of our lawmakers is formed by the influences of their types, and internal habit is already ingrained from upbringing and family pressures. These two habits make them so stogy that they do things without being circumspect.

The duties of MPs are law making and holding the torch of the rule of law. Unfortunately, at every opportunity, they poke their nose in

local government affairs of their constituencies in search of milk and honey. The previous AL government enacted a law to make the institution of Upazila government vibrant and participatory, but the BNP government did nothing to implement it. Other preoccupations of many MPs include influence peddling and lobbying for the award of lucrative public procurement projects, contacts, and licenses. Governance has descended to "dividing the cake and grabbing as many pieces as you can" for these lawmakers. They give the perception that they are the untouchables and have license and latitude to evade the law.

The members of the cabinet and the lawmakers often act openly contrary to public interest. A glaring example is the Communication Minister's allocations of a prime railway land in the heart of Dhaka city for a nominal charge to an organisation headed by his wife. Influence peddling by their offspring and family members in securing contacts and licenses, awarding gas fields and power projects to inexperienced and higher bidding firms have become the norms rather than exceptions. Could these happen without the tacit acquiescence of the powerful elites?

When militancy and madrasas go hand in hand

ANM NURUL HAQUE

THE rise of religious militancy in Bangladesh has become a matter of grave concern for the nation. More worryingly, some madrasas are often being used as the breeding ground of the religious militants and some mosques are being used for their training. Some NGOs get donations from the Middle East for construction of mosques, madrasas, and orphanages, but spend the major portion of money to fulfill their hidden mission.

Qawmi madrasas, with their number now over 10,000, mainly depend on money coming in from the Middle East. A good portion of the funds collected for the Qawmi madrasas is allegedly used for training of the Islamic militants.

The Islamist militants have once again hit the courts, further stoking the fear that has already engulfed the nation. Five serial bomb blasts at the courts in Chandpur, Laxmipur and Chittagong occurred on October 3, leaving two people dead and 38 others, including a district judge and a policeman, injured. Two perpetrators held from the Chandpur blast site and one from Laxmipur said Jamaatul Mujahideen Bangladesh (JMB), which is blamed for the August 17 serial bomb blasts, assigned them to carry out the attacks. Two of the three perpetrators caught in the Chittagong

court premises admitted to being members of Shaheed Nasrullah Al Arafat Brigade (SNAB), the newly formed military wing of the JMB and JMB mostly with madrasa students.

Having patronage from the powerful, both inside and outside the country, a new breed of religious militancy has gradually emerged in Bangladesh. The militants are intolerant of any view other than their own. In order to establish their religious dogma they would not hesitate to use force. But the government long denied their existence in the country. Such denial by the government has made their existence strong enough to pose threat to state security. Jamaatul Mujahedin Bangladesh (JMB) believes in capturing state power through armed revolution and running the country by establishing Islamic rule. JMB has developed a strong network across the country and Jagrata Muslim Janata Bangladesh (JMJB) was formed as its militant front to carry on the arms operation. Most of the members of the JMJB are the young students of madrasas.

The madrasas in Pakistan have also been accused of being breeding grounds for Islamist militants and came under the spotlight after it emerged that at least two of the London bombers may have visited a madrasa in Pakistan before the July 7 bombing. President Pervez

It is the issue of Islamic militancy and extremism that has soiled our national image abroad. Growing of any sort of extremism is not necessarily confined within one's territory, but has international ramifications. The country is already under foreign pressure to check the rise of Islamic militancy in the country. If the government was prompt in taking appropriate measures without denying the reality, the subversive activities of the militants could have been nipped in the bud.

Musharraf announced a crackdown on madrasas in which hundreds of people were rounded up, including clerics and suspected militants, while madrasas were asked to expel all foreign students and register by December 31 or be shut down. President Musharraf said, even though most of the religious schools provided shelter and education to children from rural areas, some were fanning hatred and militancy. Musharraf invited the seminaries for talks earlier about his order to the country's 14,000 madrasas to register by December 31, 2005 or face closure. Hardliners had opposed the measures but changed their mind during a meeting between Pakistani Prime Minister Shaoukat Aziz and a delegation from the Federation of Madrasas Organization and agreed to register with the government by the end of this year.

The government of Bangladesh has decided to launch a counter-motivation program for the students

of madrasas to prevent them from being wrongly motivated and misguided by the Islamist outfits and used for so-called jihad. The decision was taken at the Dhaka division law and order meeting held on October 4 at the home ministry, with Lutfuzzaman Babar, the state minister for home, in the chair, against the backdrop of failure to prevent fresh bombing after August 17. "There was a threat of subsequent bombing and we have to adopt alternative plans as the threat has come true," said Babar. "They are motivating the ignorant and discontented youths to become field-level workers" he added. The meeting observed that police alone cannot resist bombing or ensure security in all corners of the country and emphasized the need for involving the cross-section of people in the counter-motivation program. The state minister directed the Deputy Commissioners and Police Superintendents to involve imams, madrasa teachers, journalists and

others in the counter-motivation program

The counter-motivation program has little possibility of becoming successful as the government is going to adopt a wrong strategy for the purpose. As it appears from the media reports, most of the madrasa teachers, particularly of the Qawmi madrasas are already motivated by the Islamist outfits to establish Islamic rule in the country through jihad. The government should also not rely on the imams, as some of the mosques are now being used as militants training camps. The Islamic militants will not pay any heed to the advice of the journalists, whom they consider as their number one enemy. The government will have to go a long way to bring these religious fanatics to heel.

The government should adopt some short-term as well as some long-term measures to combat the religious militancy. There is no short-cut way for motivation. It is a long term

process. The government may follow Pakistan as an immediate measure to register all the Qawmi madrasas and bring them under watch which has been accused of being breeding grounds for the militants. Apart from 9,000 government registered madrasas these are about 15,000 other institutions across the country offering religious education without registration.

As a long-term measure, the government should also take drastic step to modernise the madrasa education system. The curriculum of madrasa is much weaker than the school curriculum. Due to this disparity in the education standard, the madrasa students, who mostly belong to poor families from rural areas, fail to secure any job after passing Fazil of Kamil examinations. In fact madrasas have negligible contributions in creating skilled human resources. The Islamist outfits are taking this as an advantage for them in motivating the ignorant and discontented youths to

The recent steps to arrests the Chief Whip's two sons, is just one gaudy example of how nightmarish the conditions have turned out for real estate developers, shopping mall owners, opening new businesses and running the old ones.

Another issue of public discourse is why the MPs who are supported by the tax payers are treated differentially from any other government employees. For example, public servants who remain absent from work without prior approval face disciplinary action and for prolonged absence may potentially be succumbed to dismissal.

Since 1996 opposition MPs made it a tradition to boycott parliament sessions (in genuine protest or on flimsy pretexts) but draw all benefits including pay and allowances as usual. The AL-led opposition MPs have been boycotting the parliament on the ground for being shut out from parliamentary deliberations and debate. Their absence, however, paved the hocus-pocus manner of conducting parliamentary affairs by the ruling MPs in making and breaking laws at whim. Exploiting a loophole in the House rule, the absentee MPs attend parliament sessions once in every 90 days to save their JS membership and hence their salaries and perks.

This act of boycotting the parliament is incompatible with the burden of responsibilities they pledged to shoulder before being elected. If they are obstructed to participate in the parliamentary

affairs they should still attend the sessions, perhaps with their lips sealed with black tape to show their predicament. They should resort to boycotting the parliament only when the situation becomes totally humiliating and then seek the guidance of the people who elected them in the first place. At that point, they should give up all their perks and privileges on the principle of "no work, no pay."

In our current parliament a vast number of members are businessmen; most of them have little or no prior political training and lawmaking background. So what kind of legislation can one expect from them? How can these already rich lawmakers vote themselves salary raises twice in three years when beggars are crawling on all fours on the city streets and rural markets and when our development partners are pouring in aid for poverty alleviation which is progressing only at a miserable annual rate of 0.52 percent?

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understand why the madrasa education has received such a state favour in the last four years.

As the militancy issue is now hanging like the sword of Damocles over the head of the government, the failure to dig out the root of militancy may put the state under severe threat. The state minister for home has virtually no reason to feel happy with the nabbing of a few perpetrators, as the militants have already proved their capabilities of destabilising the country at one go. It is now quite clear to everybody that these Islamist militants are fighting violently to overthrow the entire democratic system of government, which they termed as evil and against Islam. It is the issue of Islamic militancy and extremism that has soiled our national image abroad. Growing of any sort of extremism is not necessarily confined within one's territory, but has international ramifications. The country is already under foreign pressure to check the rise of Islamic militancy in the country. If the government was prompt in taking appropriate measures without denying the reality, the subversive activities of the militants could have been nipped in the bud.

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The problem with neo-liberalism

AJM SHAFIUL ALAM BHUIYAN

IT is sad enough that Bangladesh is ranked one of the worst countries in terms of achieving the Millennium Development Goals (MDGs) set by the UN in 2000 to eradicate poverty, hunger, illiteracy, gender inequality, child and maternal mortality, and to enhance environmental quality. But it is dreadful to see how the country further drifts away from the goals, adhering to the neo-liberal policies recommended by the International Monetary Fund (IMF) and the World Bank (WB).

Neo-liberal policies include privatisation (selling off of public properties to private interests), liberalisation (opening up domestic markets to allow additional local and foreign companies to do business), and withdrawing government subsidies from agriculture and other social services such as healthcare and education. The IMF and WB began to prescribe these policies to developing countries like Bangladesh in the 1970s as preconditions for receiving loans from them. They either coax or coerce poor countries into adopting such policies. They suggest that the implementation of such policies would help the countries attracting foreign direct investment (FDI)

which in turn would create jobs and bring economic prosperity.

In recent years Bangladesh has become an ideal place for international money lenders such as the IMF and WB. The government has taken many initiatives to appease them rather than looking after the interests of its citizens. Under their prescription, the country has privatised, dismantled or shut down many public industries. Among all the industries, the closure of Adamjee Jute Mill, one of the biggest of its kind, was a big blow to a lot of people. The mill was closed because it became a losing concern. Under the influence of our development partners such as the WB, our government did a heroic job by shooting the so-called white elephant. The myopia of our policymakers or their solicitedness to the IMF and WB did not allow them to foresee the long term effects of doing so.

Adamjee became a losing concern because every government in the last few decades harboured corrupt elements there to strengthen its political base, failed to upgrade the machineries, and allowed it to get sick. Finally the BNP government dismantled it by saying that the state does not have money to upgrade it. It cut off the head because the head-

Following the IMF and WB, developing countries compete with each other in offering tax holidays to foreign companies to attract FDI. But they never assess the fruitfulness of the FDI centred model of development. A 2004 report by global consulting firm McKinsey demonstrates how ineffective this model is. Conducting research on FDI flows to Brazil, China, India, and Mexico, it concludes that while FDI brings significant benefits such as employment and technology to recipient countries, it takes away much more from the countries.

ache removers seemed too expensive!

We have already paid a price for doing this and will continue to do so. Adamjee provided bread and butter to around 30,000 workers and their families. Roughly around 200,000 people were dependent on it. The government dismantled it, driving these people into the ranks of the unemployed, underemployed, and hungry. The government became environmentally conscious by banning the use of plastic bags, but shut down the biggest source of the alternative -- jute bags.

Very recently the government has increased the oil price, leading to price hikes of other essentials following the suggestions of the donors (read money lenders, because nobody donates money. Everyone -- a country or institution -- provides money to receive something in

return.). Examples are rife in showing how our economy has been becoming more and more dependent on the IMF and WB.

Christian Aid disclosed a study report prepared by a global network of economists -- Tax Justice Network -- at the review meeting of MDGs at the UN in the second week of this month. The report titled "Tax Us If You Can" explains how neo-liberal policies promoted by the IMF and WB strip poor people in Third World countries of their clothes and fleece them with taxes. Some participants from poor countries said it was not a report but an atom bomb which rocked the UN.

According to Christian Aid, multinational corporations dodge development countries to the tune of \$500 billion in tax every year which is "more than six times the current global aid budget." It happens

because the IMF and WB have forced developing countries to lower corporate taxes to attract FDI and eliminate import taxes to liberalise trade. After losing revenues from these two vital sources, governments in poor countries tax people by imposing value added tax (VAT) and seek foreign aid as well as debt relief for survival. Increases in the amount and areas of VAT in developing countries in recent years echo this.

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significant benefits such as employment and technology to recipient countries, it takes away much more from the countries. This becomes clear when the incentives such as tax holidays and free or subsidised land or other benefits given to foreign companies are measured.

Even a June 2005 IMF working paper reveals that poor countries cannot recover the money they lose in trade taxes because of trade liberalisation. It estimates that poor countries can hardly recover 30 cents through other forms of taxation for every dollar they lose by liberalising trade tariffs.

The poverty of neo-liberal policies has been sorely exposed in Latin America. Look at Bolivia. Bolivia is one of the poorest countries of the world in spite of having huge reserves of oil and gas. Under US and IMF pressure, Bolivian government

began to privatise everything from drinking water to oil and gas companies in the 1990s. Bolivia privatised its gas sector in 1996 with a view to attracting foreign investment in the sector. Many multinational gas and oil companies came to Bolivia and gas and oil production increased tremendously. Multinational corporations like British Gas and British Petroleum enjoyed hefty profits from the Bolivian gas sector, but Bolivia's source of non-renewable energy depleted dramatically and oil as well as gas went beyond the reach of common Bolivians.

Recently Bolivians have woken up. They woke up to take their government and the IMF to task. In May and June this year, a loose coalition of miners, farmers, urban political activists, and indigenous women seized the capital, demanding the nationalisation of all privatised industries. They overthrew the government of President Mesa and declared Bolivia closed to both IMF and WB.

Bolivians are not alone. In the last few years many similar uprisings took place across Latin America. Latin Americans started moving leftward since the late 1990s, rejecting US hegemony and the suggestions of the IMF and WB. Left-leaning

political leaders got elected in Argentina, Uruguay, Brazil, Chile, Peru, and Venezuela, promising alternatives to the tyranny of neo-liberal policies.

While Latin Americans have started discarding the policies of privatisation and liberalisation, our government has started adopting them. Our government has vowed to do everything to create a free market in Bangladesh the way the IMF and WB want. It has privatised many public industries and is in the process of doing more. It hesitates to provide enough subsidies to our farmers and sufficient financial support to public education and healthcare. It offers tax holidays to foreign companies but attempts to bring common people under the purview of a VAT regime.

If the government continues to adhere to IMF and WB recommended policies, is the vision of a mass of hungry and poor people seizing the capital like Bolivians for food, education, shelter, and healthcare in the near future out of the question?

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