

Business leaders' legitimate concerns

These need to be paid heed to

THE business community leaders have voiced their concern over empowering the Anti-Corruption Commission (ACC) to arrest suspects and freeze their assets without any court order under a non-bailable section. This envisages the annulment of section 21 of the ACC Act whereby officials needed the court's permission to arrest a person suspected of holding movable property that is not compatible with their declared sources of income.

In a free and fair exchange of opinion with the Chief Adviser to the caretaker government on Tuesday the leaders of International Chamber of Commerce-Bangladesh (ICCB) expressed their apprehension that the proposed new provision of law can be used as a tool of harassment. Since an amendment to ACC act is in the offing, the Executive Committee members of ICCB suggested that if within an emergency period such a provision cannot be dispensed with then its implementation should be at least made contingent upon approval of all the commissioners of the ACC. We endorse their seeking this kind of a safeguard against any possibility of an abuse of law.

Tax evasion has taken a serious proportion. It is revealed through an investigation of the National Board of Revenue (NBR) that 55 graft suspects have at least 40 times more money in their bank accounts than the amounts declared in their tax statements.

As for the business leaders' suggestion that a time bound 'exit route' be given to businesses that have evaded taxes, to settle their offences by paying back taxes at penal rates, we have to say that unscrupulous businessmen who, as associates of politicians, had indulged in large-scale corruption and amassing of wealth should not be spared.

The bottomline is that the government's tough measures should be focused on persons having specific charges against them. These better not be conducted in any sweeping manner so as to even unwittingly send any tremor across the business circles. Honest and genuine businessmen know it too well that it makes good business sense in the long run to have a cleaner business environment.

Power management

Stem the systems loss first

THE shortfall in power generation has already forced the energy ministry to take some drastic measures to keep the situation under control. Now it has decided to keep mills and factories closed for a day every week in each industrial zone by turn in Dhaka and Chittagong. The industrial areas will be divided into seven zones before the decision is implemented.

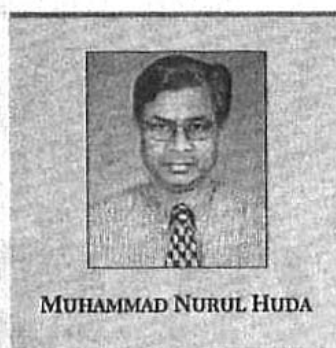
The government move amply reflects the grim reality that the shortage in power supply has become acute and will worsen further in the summer. The decision to keep shops and markets closed after 7:00pm and now suspension of power supply to the industrial units in Dhaka and Chittagong once a week have the same objective: creating less dislocation for the general consumers. Obviously, the situation in the power sector calls for urgent measures that will reduce the suffering of people as the gap between demand and supply of electricity is too big to be bridged quickly.

Nevertheless, the decision-makers can ill afford to ignore the negative impact on trade and commerce due to power supply suspension to markets after 7:00pm. A similar deceleration will take place in industrial production when the mills and factories lose a day every week. Such loss will be hard to absorb as the national economy is yet to recover from months of political agitation that dealt a severe blow to industrial production.

So, the policy-makers will have to think beyond emergency management to ensure that economic activities are not hampered for long by power shortage. The problem has certainly been compounded by the immediate past government's abysmal failure to keep the supply situation steady by adding anything to power generation. Significantly, the power sector has to overcome systems loss beyond permissible limits through introducing modern technology alongside stopping pilferage in various forms.

The government is planning to import electricity from neighbouring countries to meet the ever-increasing domestic demand. At the same time, it is imperative that the local production capacity is increased through setting up new plants -- a job that was grossly neglected in the last five years.

The needful at Public Service Commission



MUHAMMAD NURUL HUDA

STRAIGHT LINE

The integrity of the public service commission is under frontal attack. In such a situation the quality of civil service is bound to be affected. The reversal of this scenario may require a surgical operation as has been the case with other constitutional bodies. What prevents us from us from embarking on that course? It is not conducive for a strong and mature political government to have a bureaucracy about whose quality everybody entertains doubt.

RECENT newspaper reports including editorials on the sordid state of affairs at the Public Service Commission make distressing reading when seen against the background of a TIB survey report, also labeled as, a diagnostic report by the watchdog body.

If one were to go by the report one will have to admit that a constitutionally mandated body charged with multiple onerous responsibilities about the services of the republic is in a mess. The situation demands urgent attention as the confidence of the body politic in this august body is at its lowest ebb.

It should be mentioned at the outset that the working of the Public Service Commission and some aspects of civil service management can not be seen in isolation. The responsibility for civil service management rests on the government but the Public Service Commission has statutory responsibilities vested in it by the constitution, the laws and various rules. They are partners in the process of management of the civil service. It has to include their process of interaction.

Many facets of the interactive process have not attracted the desired public or media attention. The unfortunate part is that the

annual reports of PSC have not been studied in right earnest in the corridors of decision-making. The political quarters did not react to the emerging reality. No wonder, therefore, we find ourselves in a mess regarding the state of public service.

Under the existing constitutional arrangement, the appointment of chairman and members are made by the president but on the advice of the prime minister. This provides a scope for a political bias in selection. Given our experience and the scope for political selection, the reform measures in this regard should take matters beyond the presidential discretion. The president remains a partisan appointee.

The annual report of PSC is just laid before the parliament by the responsible minister but is never debated or discussed. Those parts of the report that refer to deviations made by the executive organ of the government can be discussed and necessary directives given to the concerned executive. A special bi-partisan committee headed by the leader of the opposition can discuss the main features of the commission report and submit its views to the parliament.

The parliament can also act as a watchdog on executive actions in respect of the commission and hold

the government accountable for breach either of the constitution or of the laws. Through this process the parliament can make the commission accountable.

In Bangladesh context the responsibility should be placed clearly on the prime minister as the head of the government holding the portfolio of the ministry of establishment to mention instances where it has not acted upon the advice of the commission.

Each case of departure from the advice given by the commission and cases of non-consultations should be explained by the prime minister. To add strength and respect to the system the commission should be required to provide a separate statement to be sent to the leader of the opposition in the parliament.

To increase parliamentary oversight, there should be an association of parliament in matters relating to the changes in the recruitment rules. These rules being of the nature of subordinate legislation, the executive branch is authorized to bring required changes. However, there are very sensitive matters like the quota system, which cannot be left to the absolute discretion of the executive government.

There is a need of preparing an annual or bi-annual program for

recruitment with a view to shortening the time in recruiting officers. The way out is to make both the ministries and relevant departments more accountable in this respect.

For instance, a five-year recruitment program can easily be made on the basis of prospective retirees and creation of posts. There must be a time frame to inform the commission about the vacancies. Similar time frame should be fixed for the recruiting process.

There is a pressing need to raise the educational standard and quality at the eligibility level and this would require amendments to be made to create qualifications for new positions. In the existing system of decision-making both the commission and the government display an attitude of working in isolated compartments.

The commission must move away from its present aloofness, formal correspondence and high status driven stiffness and resort to informal dialogue and initiative. It should also be made clear that the relative ranking in the warrant of precedence shall not be an obstacle in the day-to-day business of the government.

For finalizing recruitment rules and the needed amendments, an

inter-ministerial committee may do the job by appropriately associating the PSC in it. The requiring ministry will convene the meeting while the ministry of establishment and finance can give the necessary guidelines.

The annual reports of PSC do not place sharp focus on the real problems faced and indicate no solutions in substantive matters. The basic format of the report should not display variations as that creates difficulties in deriving meaningful conclusions. The uniformity of formats, consistency of data and professional analysis require attention for improvement.

Surveys and research work need to be done by the commission so that a time series data is available that can be utilized as a tool for improvement in recruitment method, syllabus and associated matters.

The structure and functions of public service commission have to be kept under close and constant review and appropriate changes as deemed necessary have to be brought about as has been the case in liberal democracies of the west. Bangladesh experience indicates that the political leadership during the last three decades has largely opted for the status-quo.

There is, unfortunately, a clear lack of vision for the future. We cannot be oblivious of the reality that the reference to the civil service system, which includes the reform of the PSC is very crucial because public sector still remains a major actor in the nation-building process.

That brings us to the imperative of merit-based selection process in the civil service. The legislators and the civil society in addition to the government and the commission have to take the initiative.

It is time to start building a new set of ethical standards and work culture and putting the same in place. Unless we do that the present generation of civil servants will be ill-equipped to face the current and future challenges.

Breach of discipline on the part of candidates in the course of competitive examinations should be met by draconian measures. Such potential delinquents should be barred from public employment permanently and the fact should receive widest possible publicity.

In cases involving threat to life to the investigators, the candidates should be permanently barred from entering public service, in addition to criminal prosecution. Necessary amendment should be made in the recruitment rules.

The present mess in the public service commission can be traced, at least partially, to the lack of attention on the part of the government to an institution-building concept and to the leadership and vision of the commission itself.

The integrity of the public service commission is under frontal attack. In such a situation the quality of civil service is bound to be affected. The reversal of this scenario may require a surgical operation as has been the case with other constitutional bodies. What prevents us from us from embarking on that course?

It is not conducive for a strong and mature political government to have a bureaucracy about whose quality everybody entertains doubt. Prolongation of the present state of affairs is likely to lead to a stateless society where constitutional government will be displaced by the unscrupulous. Let us not tinker with the crisis while there is still time to act.

Muhammad Nurul Huda is a columnist of The Daily Star.

Following in Mahathir's footsteps

A focused and directed undertaking such as the Doel-1 project is most appropriate for agriculture-dominated Bangladesh because increased productivity in agriculture to a level realized in advanced countries can be initiated and sustained only by progress in industrial sector. The Doel-1 project and its technological spin-offs are expected to induce true agricultural revolution in the country, a healthy migration of workers from agriculture to industrial sector.

DR. ASHRAF ALI, D.Sc., MBA

WE have written books and analyses on how to get the "real development of Bangladesh" started, but these haven't amounted to a set of "workable" action plans. In the meantime, an average Bangladesh produces a miserable one dollar a day income and thus lives a sub-standard sub-human life.

If we let this Bangladeshi stand face to face with an average citizen of an advanced country having a rate of productivity equivalent to one hundred or more US dollars a day, the former will look much smaller in all senses of the word compared to the latter.

In the past, we advocated a fair and just tax structure and a favourable production environment as a key to starting the much-needed economic development. But, as it appears, we do not have time to fool around with such an important issue -- the lives of 140 million people are at stake. So, we now recommend Bangladeshis to follow in

earnest the footsteps of Mahathir Mohammad of Malaysia. The steps are as follows:

- Pick an automobile like Toyota Corolla or Ford Escort or an equivalent and give it the name "Doel-1."
 - Install a 300% import tax on automobiles imported to Bangladesh.
 - Design and build the automobile successfully within the next ten or so years.
 - Sell them in domestic market ("demand" viability question to be addressed in a future article).
- In industrially advanced countries, each citizen on the average owns more than one automobile. If we assume a demand of one automobile per Bangladeshi, then it represents a domestic demand pool of 130 million automobiles. Suppose Toyota Corolla or its equivalent normally costs 15,000 US dollars. At 300% import tax, the price of Toyota Corolla (or its equivalent) will rise to 60,000 US dollars, a level that will be beyond the reach of most Bangladeshis.

Let us assume a fraction of 130 million Bangladeshis, let us say 30 million, will still be willing to pay 60,000 US dollars to purchase imported automobile over a locally produced automobile, probably priced at about 8,000 US dollars. That leaves us with an assumed local demand of 100 million automobiles.

If we want to fulfill one round of such a magnitude of demand, let us say within a ten year time period, it will require a production rate of 10 million automobiles per year or about 28,000 automobiles per day. It is an 800 billion US dollar or 56 trillion taka (at the rate of 70 taka = 1 US dollar) business proposition over a ten year time period. Then there will be linkage effects on the entire economy, especially on the agriculture sector, which will see a proportional rise in productivity via automation.

A focused and directed undertaking such as the Doel-1 project is most appropriate for agriculture-dominated Bangladesh because increased productivity in agricul-

ture to a level realized in advanced countries can be initiated and sustained only by progress in industrial sector. The Doel-1 project and its technological spin-offs are expected to induce true agricultural revolution in the country, coupled with a Lewisian Turn, a healthy migration of workers from agriculture to industrial sector.

We have determined above that we need to produce about 28,000 automobiles a day in order to satisfy a single round of demand of one automobile per Bangladeshi. If we assume a single factory can produce one automobile per hour and operates a complete 24-hour round the clock in several shifts, then we will need to establish about 1,200 such factories scattered throughout Bangladesh. It means we need to establish about 18 such factories in each district of Bangladesh, a sizeable undertaking.

The country will surely head towards where Malaysia is today if we are successful in executing the undertaking. Other socio-economic indices, such as, education and illiteracy, population control, poverty, women's issues, corruption, and so on, which have drawn so much discussion and debate, will also get proportionally alleviated.

Thus, the undertaking may actually be called a national-level solution. Furthermore, the project will not destroy environment. On the contrary, to quote Abu Abdullah,

technological capabilities created through this undertaking and spin-offs thereof will help solve environmental problems.

An undertaking of this magnitude will call for consensus on a national level. It means all prominent political parties will have to agree to detach this undertaking from the current political process. This would constitute a test of patriotism on the part of the leaders of all political parties who will have to see beyond the current political conflict that only centers around gaining access to so many thousand crore taka worth of annual fund generated from commission, licensing and various rent-seeking activities. Country's current electoral process only allows mere change of hand in securing access right to this parasitical fund that has seldom anything to do with national development.

The dominant political parties, temporarily setting aside their differences, will have to appoint an automobile tsar along with a cell reporting to the tsar. The "auto cell," as it may be designated, must be given highest national priority and should be supported and protected by all branches of law enforcement, including armed forces.

The automobile cell must be given a free hand and free access to any resource needed to make the "Doel-1 project" a success. The auto cell may consider Malaysia and Japan as mentor countries and can seek technical assistance, if needed,

from these countries.

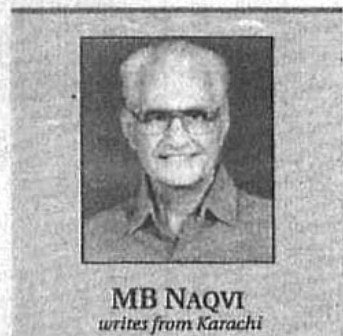
Mahathir Mohammad adopted a so-called "Look East" policy, which meant to seek guidance and assistance, mainly from Japan. The Bangladesh auto cell may similarly adopt a "Look to Malaysia" policy and may plan to purchase all heavy machineries and automating capital goods, needed to make Doel-1 successful, from Malaysia and Japan.

The alignment with Malaysia and Japan will invoke opposition from European Union and North America, which can be tackled only if Doel-1 project has complete and unequivocal endorsement from the leaders of all prominent political parties. On the question of appointing the right individual as the auto tsar, we need to recruit someone who has the passion, capability and relevant know-how to get the job done.

If an individual of right calibre, and depth and experience is not available inside Bangladesh, a seasoned and motivated Bangladeshi expatriate can be recruited from England or North America. If necessary, the identity of the auto tsar may be kept hidden from public eye. We should remember this is not a matter of cheap sentiment. It requires no sacrifice from anyone. The sole aim is to make Doel-1 come to reality.

Dr. Ashraf Ali, D.Sc., MBA is at Bangladesh Development Initiative, Seattle, Washington, US.

The Afghanistan challenge



MB NAQVI
writes from Karachi

RECENT South Waziristan fighting between tribesmen and foreign militants is a token of the clutch of grave issues that confront Pakistan. These were complicated by policies it has pursued vis-à-vis both Tribal Areas and Afghanistan.

Pakistan's relations with Afghanistan are marked by disagreements. Behind it is the troubled history of bilateral ties. The problem is complicated by two wars that Pakistan fought inside Afghanistan: the first in 1980s, when for no valid reason it joined the US proxy war against the Taraki government. The second is the joint US-Pakistan war against the Taliban regime following 9/11, though in this so-called War on Terror Pakistan was press-ganged against now-real-now-phantom al Qaeda and Taliban. Pakistan is with

PLAIN WORDS

Pakistani attitude toward Afghanistan since 1950s had undertones of imperial ambitions. Later, important Pakistanis talked of Strategic Depth and Confederation. These imperial ambitions are a cross that Pakistanis need not carry. For a poor, indebted and aid-addict Pakistan to entertain imperial dreams is ridiculous.

invaders, despite the fact that this war has no link with Pakistan's national interests.

Before detailing the historical background, today's Afghan situation demands close analysis. Although the Americans could dislodge the Taliban regime in a few weeks, they have, as in Iraq, failed to subdue the Afghans' love for independence often seen as hatred of the foreigner. The Afghans continue resisting American overlordship and rejecting nominees of outsiders as government. Politically, it is a defeat for Americans. The Afghans continue to fight the way they can. It is painful for the sole superpower that has had to bring in its NATO allies.

Nato too has not made a breakthrough, though it continues to kill many Afghans. The latter is however willing to pay the price of resistance. The west finds it hard to swallow. What has happened is that history has moved on and Asian

people now refuse to be enslaved or tolerate imposed governments. That Taliban are not an ideologically lovely force is a fact. But that is relevant to the people of Afghanistan. Theirs can justly be called a war of national liberation. Ugliness of Taliban was no justification for American invasion again after 1980s. It is aggression pure and simple. Yes, it is ugly but it is the ugly Taliban who are resisting a foreign occupation.

The situation's another component is that many Pakistanis, for ideologically bad reasons, admire this Afghan Resistance and more intrepid among them go and fight alongside Taliban. This is obviously a fact, no matter if it embarrasses Islamabad. Taliban's ideology is only nominally Islamic; it is a particular reading of Islam, mixed with Pushtoonwali, the ancient code of Pushtoon chivalry. However, Afghan Pushtoons and the people in Federally Administered Tribal

Areas, NWFP and Balochistan's Pushtoons follow the same Islamic interpretation and subscribe to the same Pushtoonwali, in addition to their many affinities and common historical memories. This Islam is distinct from the rest of South Asia.

This particular Islam, grounded no doubt in the orthodox Sunni sect -- in the Deobandi tradition -- has the additional characteristic of being sectarian and had also sustained the Kashmir Jihad. Now, Pakistan eschews that Kashmir Jihad; it now embarrasses it. If allowed to spread, sectarianism will undo the warp and woof of the whole of Pakistan. This particular extremism cannot be acceptable to any Muslim society that is inescapably plural; Muslim societies require tolerance to remain multi-faith society.

After all, there are so many sects of Islam, each claiming to be, exclusively, the true Islam and tolerating no other sect as correct Islam. In

this situation, no sect, no matter howsoever numerous, can be trusted with total power. Safety and security of all smaller sects demands a secular democracy that refuses to identify with any sect or religion. It should tolerate all and give equal rights to all citizens irrespective of what faith he professes.

Fortunately many thinkers accept that, irrespective of the orthodoxies, who hold that Pakistan, like all Muslim societies, needs tolerance and accept Islam's many interpretations as a given. Medieval debates on finer points of theology, if not abjured, will unravel Muslim societies and can start unimaginable contention and conflict. For surviving and making progress, Muslim societies must have a politics that accepts dissent and pluralism in all cultural, intellectual, economic and political matters. For, Pakistan contains innumerable religions, sects and groups; they are all equal Pakistanis.

Given that Afghans are resisting unacceptable foreign invasion, Taliban's lead role in the Resistance does not exempt them from criticism for being backward and being fanatical who have mistreated minority sects, women, even cultural artifacts of other religions. Given another chance, they would

do the same. They are not an acceptable role model. Taliban need to be educated out of it or to be isolated, not through suppression but by flooding the societies in both Pakistan and Afghanistan with democratic politics, forcing all politicians to present their many ideas and plans and engage in full-blooded politicking. That will push Taliban into mainstream politics. The process may be somewhat longer but is historically the only effective way.

Idea of using guns against them is fundamentally unsound; except in self-defence or for maintenance of law and order, there is no use for them. Also coercion, suppression and violence would be pointless and would only strengthen their fanaticism. They should certainly be forced to live in a society that is pulsating with new ideas and where there is plenty of dissenting voices and plenty of explanations that concern their lives concerning poverty, illiteracy and ill health. Providing that milieu is the way to isolate Taliban.

Pakistan has to atone for its aggression of 1980s. Earlier, Pakistanis had one complaint: Afghanistan was the sole vote against Pakistan's UN entry and, sotto voce, it does not recognize us as the Big Brother. Instead of discovering why did the Afghans so

voted, Pakistanis showed anger and condemnation. Actually they had a juristic basis. They had never recognized Pakistan's western boundary. Afghans and also many Pakistanis do not recognize the Durand Line. This is a line drawn arbitrarily by Britain over 100 years ago. They argue against its juridical validity with historical documents.

It is true the Afghans lay claim to many areas of Pakistan -- up to River Indus. This is an irredentist claim on Pakistan territories, though not backed by military threats. Since Pakistan was initially a democracy, the NWFP's Pushtoons had voted for Pakistan. Pakistanis should talk the weaker party out of unrealistic demands by actively helping them; they should let the two sets of Pushtoons become one in constructive action in enriching themselves economically and culturally with all freedoms. Let Pushtoons on both sides be immersed in democratic freedoms to struggle politically and use reason rather than the guns. In time, both sets of Pushtoons will closely cooperate and the boundary will not hinder.

Historically, Durand Line has never separated the Pushtoons. Nobody ever respected it on either side and their intercourse has continued unhindered: a lakh of people cross it everyday. Pakistan need not be truculent about

Afghanistan's theoretical claims. Afghanistan is a poorer and smaller country, even compared with Pakistan. It was never a threat to Pakistan. That irredentist claim could be ignored in day-to-day life.

Pakistani attitude toward Afghanistan since 1950s had undertones of imperial ambitions. Later, important Pakistanis talked of Strategic Depth and Confederation. These imperial ambitions are a cross that Pakistanis need not carry. For a poor, indebted and aid-addict Pakistan to entertain imperial dreams is ridiculous. Military and political elites may feel elated and may even want to acquire more territory to expand their empire. Must Pakistanis always remain unfree under authoritarian governments?

Pakistan should find a different basis of relationship with Afghanistan without any input from a third party. The Afghans and Pakistanis have much in common; they had better be close friends and should cooperate with each other. Imperial dream of making Afghanistan a fifth province needs to be denounced. It is people-to-people friendship that holds the key. Both should refuse to carry the cross of Taliban.

MB Naqvi is a leading Pakistani columnist.