

Keeping inflation in check

Letting market forces work normally is key

We are pretty close to double-digit inflation already with the rate notching 9.20 percent for the first time in a decade. The flood-affected supply side compounded by higher demands in the market during Ramadan are set to fuel further inflation. According to TCB estimates in the last one year wholesale and retail prices have soared by 15 to 23 percent and in the last one month alone these rose by 4 to 11 percent. The income level of people has not increased vis-a-vis the erosion in money value so that the purchasing power has effectively dropped.

The government has taken a raft of measures to hold the price line but in reality the prices have continued to rise. One has to find the root cause for it. Nobody is questioning the sincerity of the government to get the prices down nor is one oblivious of the element of imported inflation coming into a bit of play as a result of rising global prices of food, fuel and other commodities that we have to import. But what certainly is open to question is the government's understanding and appreciation of how the conventional market forces have worked in our country. The impression has gained ground that private sector's confidence in investment has markedly declined due to the market insensitive drives of the authorities. The traditional market chain seems to have broken down. The ripple effect of hawker eviction drive and demolition of local hats and bazars still lingers.

The BDR has opened some 200 sale outlets and five wholesale centres and their prices are lower than in the open market obviously because the commodities are not changing hands from the growers' level. While they have shown the way, the pertinent question is: how can such an ad hoc measure cater to the demands of a wider population. So the answer lies in rehabilitating the displaced traders and facilitating the legitimate functioning of the business community. Law enforcers have currently been deployed for market monitoring. The middlemen should be on the retreat now. But is it happening?

To quote from the ADB quarterly update on Bangladesh: "Letting markets for necessities function normally without administrative actions that cause disruptions to the supply chain will... be important."

The contractionary monetary policy aimed at regulating money supply should not lead to constriction of credit flow to the private sector in the interest of steady import of essentials as well as domestic productivity.

Ruptured roads

Urgent repair needed

Most of the city roads have developed potholes and cracks or even deep furrows, posing a threat to both pedestrians and vehicles. The problem is multiplied by water-logging during heavy rain.

It is a problem that contributes to worsening of traffic jam and greatly enhances the risk of accidents. Above all, it considerably slows down the pace of life in the city, which is not fast enough even at normal times.

The most unfortunate part of the story is that the DCC and the public sector utility organisations have not yet found a solution to the roads becoming burrowed and rutted during this season. It is difficult to say precisely how many times the agencies concerned have been requested to show a better sense of timing when it comes to digging the roads for installing utility service lines, or repairing the existing ones. All the appeals and exhortations have been ignored with typical nonchalance. For some inexplicable reasons, the badly mutilated roads are never put back to their original positions with any sense of urgency. We don't know what the DCC and other agencies concerned have to say about this chronic lapse, repeated over and over again.

Then there is the question of corruption which invariably leads to use of substandard materials and lowering of the standard of work. The heavy load of traffic and incessant rain do the rest in making the roads fragile.

As we have pointed out many times in the past while dealing with such issues, lack of coordination among the agencies concerned is a major handicap that has to be addressed before we can have better road conditions during the rains. There should be a designated coordinating agency for the purpose. Obviously, fixing responsibilities for lapses and ensuring accountability would be part and parcel of that agency's work.

Terrorists and their abettors

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STRATEGICALLY SPEAKING

The report of the one-man commission of enquiry is a secret, but the nation must be let in on the important findings of the commission. Both these cases have serious implications insofar as our security is concerned. We need to also know what sort of measures the government has taken to prevent such acts being committed in future. After all, the matter of security is also a matter of public concern, about which they must be kept fully informed.

follow the path of Islam which considers killing of even one innocent person as killing of the entire humanity.

Many would be inclined to consider the guilty, at least those who were politically linked with the BNP led alliance government and wielded tremendous clout, as sponsors of the extremists, for not only providing them support but also using undue influence to keep the state apparatus from getting at the extremists.

While several leaders of these two militant organisations have already met their fate for wreaking death on innocent civilians, the law was yet to get its hands on those who had helped them to get organised, survive, and grow.

However, all but three of the sentenced are absconding. They had the chance to prove their innocence, but did not take it. Let the jurists opine whether that constitutes admission of guilt. But in the eyes of the law the instigators and aiders are as culpable as the perpetrators of the crime.

The court, in its preliminary remarks prior to delivering the judgment, termed the accused as accomplices of these despicable creatures passing off as human beings, because no human being can take innocent lives, at least not one who professes to

after the leftists, found a receptive chord with the locals who were in any case unhappy with the activities of the members of the leftist underground. They exploited the link fully and, having been given the time and the space, organised themselves enough to emerge as a force to challenge the authority of the state.

Their leaders had all been in Afghanistan and had trained there. But their little minds could not fathom the difference between a country like Afghanistan fighting the Soviets, and Bangladesh where the Muslims are deeply religious but generally shun the path of extremism and violence.

It was interesting to see the then state minister for home eating his own words by acknowledging the fact that Siddiqui Islam (head of JMJB) was neither an amorphous substance nor a phantom created by the media, something that the alliance leaders were at pains to get the people to digest.

Siddiqui Islam's rise to a level strong enough to threaten the structure of the state, the history of the growth of the two radical groups, and, of course, the record of his activities, leave us with no

other conclusion but that the two proscribed militant groups enjoyed the backing and encouragement of some members of the then ruling coalition of 4-party alliance.

They were helped also in part by the administration's unwillingness to acknowledge the possibility that such radical elements did indeed exist in Bangladesh. The court verdict validates that premise.

In fact, press reports linking the Islamic militants with the 4-party alliance had been appearing in the press off and on since 2004, which have been established through the statements of the arrested militant cadres, including that of Mufti Hannan during his initial interrogation.

This was a landmark judgment for several reasons. While not a single case of acts of terrorism has been adequately resolved, and one is talking of all the bomb and grenade attacks including one on the British High Commissioner, at least we know not of a single enquiry whose report has been made public and the perpetrators definitely identified, we have a case where abetment of the crimes of the

religious extremists by the accused has been proved.

There are several others facing the same charge awaiting trial, and these were the very persons that the media, particularly the print media, had exposed as having links with the Islamic terrorists.

The country has suffered in many ways as a result of the militants' acts, and also by the way the cases have been handled. It gave those who were eager to depict Bangladesh as a potential Taliban state the grounds to justify their "prediction."

We suffered most because of the state of denial that the alliance government went into, with the result that proper investigation of these cases was frustrated because of political interference, as has been confirmed at the trial.

One is happy to note that the police have given the charge-sheet in the case of the grenade attack on Mr. Anwar Choudhury. This, one hopes, is only the beginning. There are other incidents of bombings that are to be fully investigated, and there are other personalities whose names have come to light that includes ranking members of the erstwhile alliance government, who must be properly investigated either to confirm or preclude their complicity in the militant activities.

While the convicted persons have been found guilty of aiding and abetting the militants at the local level, there are those who have done the same at the national level. Reportedly, one senior bureaucrat during the erstwhile regime is alleged to have backed the JMB and JMJB, having been himself a sympa-

thiser of their cause and supporter of their activities.

There are reports of political links with other elements of the erstwhile alliance government that must not be taken lightly. If we are to succeed in our anti-terrorist efforts we must identify the sponsors of the militants. There needs to be a thorough investigation, because one suspects that there may be militant sympathisers within the establishment who act as sleeper cells and provide support to them in various ways.

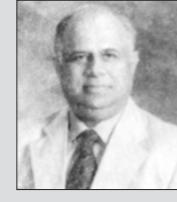
There are two other cases that need to be resolved to the satisfaction of the people. The investigation of the arms haul in Chittagong has gone nowhere, although we have a few accused under trial.

The issue is grave, since it demonstrates collusion of people in irresponsible positions, without whose complicity and guarantee of safe passage such a sensitive operation could never have been undertaken. The other is the 24 Aug 2004 grenade attack on the AL meeting.

The report of the one-man commission of enquiry is a secret, but the nation must be let in on the important findings of the commission. Both these cases have serious implications insofar as our security is concerned. We need to also know what sort of measures the government has taken to prevent such acts being committed in future. After all, the matter of security is also a matter of public concern, about which they must be kept fully informed.

The author is Editor, Defence & Strategic Affairs, The Daily Star.

The twilight zone

IKRAM SEHGAL
writes from Karachi

AS I SEE IT

Despite the temptation in both the Musharraf and Benazir camps to sideline Mian Nawaz Sharif (and others) as irrelevant in the present political process, as the mistress of the game she should reach out and bring Nawaz Sharif in from the cold. The electoral process will have credibility only if all the major political parties take part with confidence in its neutrality and transparency.

neutral and effective caretaker PM will seemingly be made by Musharraf and Ms Benazir, the opposition must be kept in the loop. Given the electoral stakes, there is no way that the PPP is going to accept anyone with pro-government leanings, and political elements allied with Musharraf will never accept a pro-PPP choice. The same goes for having a genuinely neutral chief election commissioner (CEC).

According to credible legal opinion, the president cannot keep his uniform beyond Nov 15. Qazi Hussain Ahmed is making a pre-emptive strike in the form of a legal challenge in the Supreme Court (SC) to the president's uniform, a monkey wrench in the unfolding political process.

The president's camp has been holding out for presidential elections by the present assemblies while Musharraf is still in uniform. Astute enough to realize that this is politically a non-starter, one would be really surprised if Ms Benazir accepts it.

With the Chairman of the JCSC, and the VCOAS retiring in the early part of October, the president could well appoint a full time COAS and shed his uniform to fulfill the PPP

conditions. After mid-December it is difficult logically to hold general elections in many of the northern areas of Pakistan.

It is more likely that a full-time COAS will be appointed by mid-September so that a Musharraf in civvies can stand for elections by the present assemblies. Thereafter, the assemblies will be dissolved for elections between mid-November and mid-December.

The expected turmoil within PML (Q) and PPP ranks in negotiating with Ms Benazir and Musharraf respectively was to be expected. Many within the PML (Q) have a genuine grievance with free and fair elections, they can never get elected.

As things stand today, PPP will have an outright majority in Sindh, with MQM coming in second. In Punjab, PPP will have the maximum seats, with both PML (Q) and PML (N) close behind, and in that order. In the NWFP, MMA will lose ground in the plains but will still hold the mountains, having the most seats but nowhere near an outright majority.

ANP, PML(Q) and PPP will almost equally share the seats. PPP could lead/support a coalition govt. in NWFP. The present mixed-bag composition will hardly change in Balochistan. PPP will choose

PML(Q) as a partner for coalition in

leader negotiating with Musharraf. For nearly eight years, most genuine representatives of the people had been left out in the cold, while the fake ones enjoyed themselves on the gravy train that comes with incumbency.

Except for a few die-hard idealists that the PPP has always had (and historically always sidelined), the majority of PPP workers are ecstatic about getting back into power. Free and fair elections may not give them outright majority, but PPP will have seats in all the provinces, crucial for the Federation, particularly now.

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the centre because of their pact with Musharraf.

Without an outright majority in the Punjab, the quid-pro-quo could be (maybe) a PML(Q)-led coalition government. PPP will form the government in Sindh, with or without the MQM. Maulana Fazlur Rahman's JUI(F) may well bolt from the MMA to become part of the government in both Balochistan and the NWFP.

Nawaz Sharif remains popular enough in the Punjab to win a significant number of seats, but not enough to be a major factor in government making. Except for candidates winning seats on their own, the PML(N) has no significance politically in Sindh, but could provide a handful of seats in NWFP and Balochistan for a coalition.

Despite the temptation in both the Musharraf and Benazir camps to sideline Mian Nawaz Sharif (and others) as irrelevant in the present political process, as the mistress of the game she should reach out and bring Nawaz Sharif in from the cold. The electoral process will have credibility only if all the major political parties take part with confidence in its neutrality and transparency.

In the cold light of day, the individual agendas of both Musharraf and Benazir surpass the national interest. Musharraf wants to retain the presidency at all cost to do that he compromised his potent legacy, the accountability process, five years ago. Now he has to drop all corruption charges against Ms Benazir (and her spouse?). That is Ms Benazir's supreme interest, fortunately it coincides with the national interest.

In a twilight zone as a nation, a dynamic political process is required to combat the menace of militancy proliferating nationwide into homegrown terrorism. To break out of this limbo in the twilight zone, pragmatism dictates that compromises be made. For the sake of a beleaguered nation such as ours could have adopted, not only for the sake of the nation but, being inexorably linked with the reforms he has enacted, for his own continuity."

What has changed 5 years later, except the state of the federation?

The electoral process will have credibility only if all the major political parties take part with confidence in its neutrality and transparency. Musharraf and Ms Benazir have a historic opportunity to ensure the advent of genuine democracy in Pakistan, a graceful exit for the military regime, and a pragmatic power-sharing arrangement.

To quote my article "Idealism versus Pragmatism" of Oct 5, 2002:

"In matters of state, objective idealism always gives way to rank pragmatism. Gen Pervez Musharraf articulated his seven-point agenda

within days of taking power, the

ment of the ambit and specifics surrounding the intentions and operations of a CTG -- one that was gleefully welcomed by the people, including the now imprisoned AL Chief Sheikh Hasina. Shouldn't the CTG act to dismiss all such perceptions with unblemished transparency of its actions?

Those who read my February 12 article, "The magnificent eleven," will certainly remember my effusive enthusiasm about the eleven advisers to the caretaker government, and their reform initiatives. I'm still a fervent supporter of this government.

Although I share some of the views and skepticism of Gaffar Chowdhury and other popular columnists, I still haven't lost hope for delivery of some good from this government. But when I am convinced that all these columnists' perceptions are true reflections of the realities in the making, I will have nothing to clap for and no one to write against -- my column will tiptoe into oblivion without prior notice.

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Perceptions of partisanship and patronisation

NO NONSENSE

Those who read my February 12 article, "The magnificent eleven," will certainly remember my effusive enthusiasm about the eleven advisers to the caretaker government, and their reform initiatives. I'm still a fervent supporter of this government. Although I share some of the views and skepticism of Gaffar Chowdhury and other popular columnists, I still haven't lost hope for delivery of some good from this government.

PERCEPTION about an issue, an incident, or a process, in the absence of all available information, begins with posing of a few simple questions: Why has something occurred? Why is it still occurring? What may occur in the future?

Perceptions about any issue, formed by hearsay, can lead to drastic social and political outcomes, just as in economics misinformation about future economic outlooks such as inflation and business confidence can cause a stock market crash and economic downturn.

Partisanship is characterised as an inclination to favour one group, or view, or opinion, over alternatives. A partisan is an adherent or supporter of

a person, group, party, or cause, to promote personal agenda. Partisanship can be -- and often is -- driven by emotional allegiance.

Patronisation in its positive nuance is an act of promoting, supporting or sponsoring an individual, a party or an institution.

The reason for presenting these definitions is to make the correct nexus between misperception about the operations of the caretaker government (CTG) and some of its recent actions that may appear to favour some political parties or corrupt individuals to the exclusion of others.

Ever since Bangladesh was liberated, the politicians-cum-bandits have been plunging themselves into an extravaganza of greed and thievery,

wealth, and the prospect of returning to the exalted position of power to loot again.

The overwhelming perception at home and abroad, even among the partisan BNP leaders and activists, is that the scale of Khaleda's operations -- corruption and extortion, along with her party's bald patronisation of criminal wrongdoers -- is such that Hasina's indiscretions, by comparison, seem like little more than childish pranks.

The CTG must quell the growing perception that some power, not necessarily divine, is protecting Khaleda and her family members, including her brother Syed Iskander who's roaming freely outside Bangladesh. The perception is that "justice delayed -- justice denied."

Baseless or well-founded, another damaging perception gaining momentum is that some powerful clique wants to demolish Bangabandhu's surviving children and split Awami League into fractious groups, while promoting the reformists faction of BNP led by Mannan Bhuiyan -- former minister of LGRD, Transparency International's 2005 top ranked corrupt ministry.

The game plan, as some perception goes, is to let Khaleda and Bhuiyan fight it out and split BNP, and once the dust settles down they will have their ride in the prison van. On the other hand, Hasina is too strong to be confronted by the reformists, who cannot dent the party unity, so let the legal process cripple her political destiny.

In his July 25 piece in Janakantha, Abdul Gaffar Chowdhury argued that the 1/11 promulgation of the state of emergency was a gambit, not to save the country but to protect the BNP-Jamaat alliance government against the secular, liberal forces of the 14-party alliance.