

Hearing on Bangabandhu murder case

Let justice be done and let rule of law prevail

THE Supreme Court is today scheduled to hear the review petitions of the men condemned to death in 1998 for the assassination of Bangabandhu Sheikh Mujibur Rahman and the members of his family on August 15, 1975. The hearings can be considered a resumption of the process of justice for the first time in the past six years because of the fact that during the entire period of the BNP-led coalition government the case remained in abeyance. It is still a mystery why the prosecution of the case had to remain suspended all these years, given that the case merited a speedy and judicious resolution in order for the nation to move on. One explanation, and quite a credible one at that, is that the erstwhile authorities tended to politicise a case that clearly ought to have been dealt with in terms of the law.

It remains a matter of considerable shame for the country that the assassins of the country's founding father were protected through a so-called indemnity ordinance for a long period of twenty-one years. Precisely the reverse ought to have happened, in this case a speedy hauling up of the assassins before the law and a swift, judicious disposal of the case. That it took an Awami League government, post-1996, to move to repeal the ordinance and let the rule of law resume its normal course was proof again that earlier governments that could have done the job simply did not and only helped lengthened the agony of the nation. The Awami League government of Sheikh Hasina, to its credit, went for a trial of the accused under the normal law of the land instead of taking recourse to a special tribunal. The job it began, however, came to a full stop once its rivals returned to power at the October 2001 elections. It was at that point that what was before 1996 a clear case of political suppression gave way to judicial embarrassment, with judges unwilling, for reasons they did not quite explain, to preside over the case.

We would like to believe that Bangladesh's higher judiciary is not politically motivated. But when we consider the manner in which the Bangabandhu murder trial was pushed repeatedly aside in the years of the last government and justice was thereby prevented from being done, we cannot but raise quite a few questions about the motives of those who exercised political authority in those times. Hopefully, such a period has now come to an end and we as a nation will have a real chance to see the Bangabandhu murder trial through to the end. Meanwhile, it will be our request to the chief justice of the Supreme Court that in future, whenever judges feel embarrassed about handling cases, they provide the nation with the reasons.. It is not enough for judges to express embarrassment without letting the nation in on the grounds for their embarrassment.

President's remarks to the army

We commend his message to keep above politics

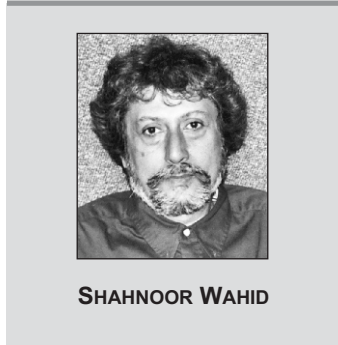
WE wholeheartedly endorse the remarks of President Iajuddin Ahmed which he made while talking to the senior leadership of the army that the command of the force should be reposed on the competent and on those who do not harbour any political ambition, and that the army must remain above politics. That view found resonance in the CAS's comments that the army does not entertain any political ambition and martial law is far from their mind. We are heartened by this.

It is natural to expect that the constitutional government will exercise authority over the army but it should refrain from meddling in its affairs.

There is no denial that at times promotions in the army had been made more out on subjective considerations, with political influence playing the overbearing role. The fault must lie at the door of the politicians to a large extent. If merit and competence are not given due recognition professionalism is bound to suffer and the institution will become an agglomeration of the mediocre whose prime predisposition would remain pandering to their political benefactors. We would like to say most forcefully that matters like promotion in the army must remain the preserve of the army chief and no political pressure should be brought to bear on the institution to promote undeserving favorites to high positions. However, not for a moment would we like to suggest that the political masters will not have their legitimate say in such matters. This would require the political leadership not to treat the institution as just another establishment to be tinkered with.

We also concur with the comment of the president that it was indeed the army, which saved the country from anarchy by its 1/11 role. However, we cannot help but say that the presidency had much to do in taking the country to the path of chaos and disorder. Had not the president arrogated to himself the role of the head of the caretaker government, made questionable appointments in the election commission, and made the caretaker cabinet dysfunctional by his actions we may well have been spared the volatile situation that we found ourselves in. Yes, the country was facing a political crisis, but that was exacerbated by the role of the president.

Ministers don't pay taxes, do they?



IMAGINE the Pirates of the Caribbean going to London, or Paris, or the Hague, to pay taxes after looting the citizens of those countries in the high seas! That would be like demeaning the might and status of the greatest of the pirates of all times! Looting was their profession, and they did it with the skill, courage and pride of true pirates. Paying taxes from their "hard-earned" money was a preposterous thought.

On that note, we take the liberty to say that the citizens of Bangladesh should not expect our mighty ministers to fill up forms and pay taxes like the commoners. Such a thought is tantamount to disgracing them in public. It is preposterous, indeed.

Never be oblivious of the fact

SENSE & INSENSIBILITY

We must reinstall some of the lost traditions, values, and morals to bring cohesion and order in society and, thereby, earn the respect of other nations. A poor, developing country cannot earn the respect of the world community by showing off expensive villas, or cars, or picnic spots, only. Attaining excellence in technical education, social-medical research, inventions and innovation, and socio-economic services, to close the gap between the rich and the poor will be the indicator of a progressive society worth the recognition. Have we heard any politician talking ardently about these in public meetings?

that they are the privileged class of people, a different breed altogether, therefore, the laws of the country that apply for the working class cannot apply for them. As ministers and prime ministers they must come under separate laws, and must not be expected to pay taxes.

And don't forget about their family members and close family friends. They are not supposed to pay taxes either. They are the blessed class of people, and they too must remain above common, mundane activities. You see, if they are to behave like the commoners and do things as they do, like filling up income tax forms, or declaring

sources of wealth, then where is the fun of being the son, or brother, or friend, of a minister or his son?

A day might come when we will see the constitution of Bangladesh being amended to exempt ministers and the prime minister from paying taxes or having to declare their wealth. Who knows, if the present lot of very imprisoned persons (VIPs) and on-the-run former ministers had known what was coming then they might have done so with the majority support in parliament in their heyday!

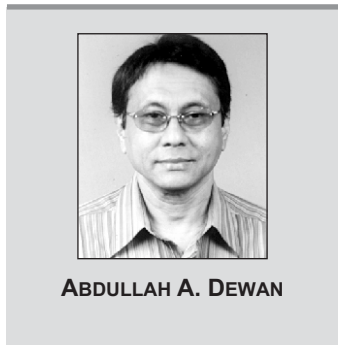
Ministers may not have to pay taxes, but they must enjoy the privilege of sermonising the proletariats, the working class, the plebeians, about the importance of

paying taxes. They will explain in complicated words the deep impact your tax money will have on the GDP (and their own bank balance).

Cynics say that the other day the NBR chairman expressed his deep sorrow when he came to know that some high and mighty ones had not paid taxes in last the five, ten, twenty, years. Did the respected chairman wake up from a sleep after a century, like the "seven sleepers of Ephesus?"

No sir, we are not surprised or sorry. We know how politicians operate in a poor country like Bangladesh, and how they get away and yet come back every five years. They are like the plague.

IMF, ADB vs. policy independence



WHEN it comes to macroeconomic goal-oriented policy prescriptions there's rarely a consensus policy option on which the economists can converge. The ongoing policy difference between CPD and the business leaders on one hand, and IMF and ADB on the other, is not an exception. What's aggravating, though, is that the foreign lenders' deliberate interposing of terms and diktats are often inappropriate to the country's policy priorities. The contentious issues: Are contractionary monetary policy and energy price hikes the ideal prescription for taming inflation while spurring economic growth?

In July 2005, the annual inflation rate for such necessities as rice, wheat, petroleum products, house rent, and transportation costs rose to 7.68% -- an increase of 2.06% from three months earlier. To preempt the inflationary dynamics, the Bangladesh Bank (BB) espoused IMF's contractionary monetary policy in May 2005.

It was a prudent policy if the inflationary pressure was as diagnosed demand propelled, caused by real income (purchasing power) rising faster than inflation rate. Did the policy work?

Empirical studies have long

NO NONSENSE

The monetarists' school led by Milton Friedman argues that increases in the cost of goods and services do not lead to inflation without the central bank increasing the money supply. They argue that if the money supply is held constant, increases in the cost of a good or service will decrease the money available for other goods and services. As a consequence, the price of some of those goods will fall and offset the rise in price of the other goods. Monetarists, therefore, believed that the rise in the cost of oil was not a direct cause of the inflation of the 1970s in the western economies.

established that monetary policy affects the macroeconomy with a long and variable lag (meaning, for example 30% effects of a policy action may be realised in 3 months, 50% in 6 months, with the peak effect realised in about 12 months and the full effects spread over 24 months).

Although BB's tight policy continued, there wasn't any relief from the scourge of inflation in 3 months, or even after 24 months. Inflation rate on a point-to-point basis in June 2007 stood at a 10-year high of 9.20%, and threatens to climb to double-digit being compounded by the catastrophic flood-induced supply-shock.

The IMF and ADB interpret price increases of daily essentials as demand-pull inflation driven by rising income. The essence of this argument, when applied to daily edibles, amounts to a notion that people are spending their income on eating rice, flour, and other edibles not two or three times a day, but rather several times a day.

The IMF and the ADB are being shortsighted in not recognising the staggering shortfall of supplies and rising input costs. Further, there's no evidence that real income is rising faster than inflation, either. Of course, there're always new

consumers emerging as income increases.

The recent chorus of disapproval of business leaders against IMF's diktats has long been overdue. However, the suggestions advanced by former BB governor Dr. M. Farashuddin and former Tariff Commission Chairman Dr. MA Taslim are worth noting.

While Farashuddin favours picking and choosing of appropriate policy recommendations of lending agencies, Taslim stresses the development of self-reliant study and research capabilities for preserving domestic policy independence.

However, in the current context, the possible precursors to the untamed price spiral as diagnosed by Sajjad Zahir of the Economic Research Group appear conceptually contentious.

Sajjad's contention that deployment of law enforcers to regulate the supply has broken down the traditional market chain is weakly premised. The government hasn't yet enforced the market regulation and price monitoring countrywide, so it would be premature to call it off.

Both Sajjad's and ADB's advice to let the markets for necessities function on their own overlooks the

reasons that led to the failure of market discipline.

The microeconomic settings of firms and businesses in Bangladesh do not quite conform with many of the western free market models. Here, the government is involved in producing and providing multifarious goods and services -- a policy contrary to the laissez faire paradigm of a market economy.

As argued in my March 25 piece, "Market failure and price spirals," when everything else, prior to the 1/11emergency, had nearly failed then why would the market function normally? The government's recent selective intervention is simply geared towards restoring some -- not all -- of the missing tenets of a self-regulating market.

Zahir also contends that the ongoing anti-graft drive encouraged ill-gained money to flee abroad through hundi, only to return under the guise of remittance. Such a practice, he argues, could add to inflationary pressure. This scam seems too far-fetched for just buying daily edibles. Besides, where would the ordinary consumers get ill-gotten foreign currencies to pursue this convoluted money laundering sham?

And we also know that the honest officers in the NBR, commercial banks, customs, police, detective branches, and the civil service, fail to rise above fear and favour to stop the illegal deeds of the corrupt MPs, ministers, prime minister, police officials, and civil service officials.

For the fear of their jobs, they allow a small illegal act to grow like cancer in the system, and then see it spread ominously to destroy the very system they work in.

Corruption has been there in this country in the past but never in the magnitude we see now. Never before has corruption been allowed to flourish and take an institutional shape under government protection, as we have seen in recent times.

Never before has the worth of money been trivialised on such a scale as it had been in last the five years. When people of no worth suddenly start transacting money in terms of crores, it clearly says that the country's economy is not going the right direction. It is not a healthy sign of growth.

It has been said by many on many occasions, but we need to say and hear it again and again, at least for quite a while, that corrup-

tion has destroyed many of the institutions beyond repair. Many more are on the verge of collapse, and these need immediate rescue efforts to make our society worthy of our rich heritage and tradition.

We must reinstall some of the lost traditions, values, and morals to bring cohesion and order in society and, thereby, earn the respect of other nations. A poor, developing country cannot earn the respect of the world community by showing off expensive villas, or cars, or picnic spots, only.

Attaining excellence in technical education, social-medical research, inventions and innovation, and socio-economic services, to close the gap between the rich and the poor will be the indicator of a progressive society worth the recognition. Have we heard any politician talking ardently about these in public meetings?

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ADB's resident director argues that foreign remittances are fueling inflationary pressure, since remittances often result in increased consumption -- not always in increased investment. Hua's consumption -- investment dilemma fails to recognise that over 80% of these remittances support the remitters' low-income (or no income) families. Some of the remittances, of course, are invested in the education of the remitters' children plus the repair, or building, of houses.

Hua's other policy statements also suffer from institutive inconsistencies. For example, she espoused BB's contraction policy but in the same breath advised BB to maintain the credit flow to the private sector. Doesn't increased business investment expand employment opportunities? Wouldn't that foster income growth and aggregate demand and add to the inflationary pressures?

I'm of the view that any policy recommendations from lenders must be debated by the country's economists to reach a consensus prior to their implementation.

The IMF's insistence on higher gas and energy prices is another contentious issue. Since gas is a domestically produced input, its price should be raised not to the international level, but by the marginal cost pricing rule ($P = MC$) -- one that is frequently found in public utilities and services in the US and elsewhere. This rule sets the selling price of an additional unit equal to the costs of producing that additional unit. The $P = MC$ rule attains both productive and allocative efficiencies.

The policy debate between IMF and CPD, about raising the prices of energy products seems more

deeply ingrained in the school of economic philosophy each professes.

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Keynesians, by contrast, believe that in a modern industrial economy, many prices are inflexible downward, so that instead of prices falling, a supply shock (increases in gas and energy prices) would cause a recession (rising unemployment and falling output). It is the costs of such a recession that causes central banks to increase the money supply, which in turn fuels inflation.

My guess is there're more Keynesians than monetarists in our macroeconomic discipline -- the IMF, for sure, is a heaven for monetarists, but the realm of macroeconomics is overwhelmingly colonised by hybrids.

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Interrupting a history of tolerance (part two)

A number of Zionist historians including Yehoshua Porath and Neville Mandel empirically show that well before World War I, Palestinians fiercely resisted the ideas of Zionist colonisers, not because the natives thought that Jews were evil, but because most natives do not take kindly to having their territory settled by foreigners. Zionism not only accepted the generic racial concepts of European culture, but also banked on the fact that Palestine was home to a backward people who would not resist dominance.

RIAZ HASSAN

ANTI-SEMITISM was not an entrenched characteristic of Islamic ideology and history until the 20th century. Without doubt, European anti-Semitic writings and their translation into Arabic during the 19th century and German National Socialism in the 20th century were instrumental in instigating anti-Semitism throughout Arab lands.

The Zionist project for a Jewish state was predicated on centuries of Jewish sufferings in Europe. But the establishment of Israel in Palestine was intricately intertwined with the political expediences of European imperialism which paid little attention to the resistance of native

Palestinians to its establishment. The Zionists accepted the European imperialists' negative stereotypes of the natives who were expected passively to accept plans made for their land.

But historical accounts that support such a claim have one serious shortcoming, invariably treating the Arabs as empty vessels, gullible and unreflective subjects devoid of all intellectual abilities to reflect on and analyse the existential conditions of their social, political and economic predicaments. Any serious student of Arab and Islamic history would reject such characterisations.

Arab leaders -- including Mufti el-Husseini, the Islamic Brothers and Imam Izz al Din Al Qassam of Haifa and his followers -- had been in the

forefront of political resistance to increasing Jewish immigration and the British plan to establish a new Jewish state in Palestine.

The failure of their political resistance radicalised them to resort to the armed struggle against Zionists and their supporters. In a number of his books and especially in his book Question of Palestine, the late American Palestinian academic Edward Said describes how Zionism, a European imperialist idea, was imported to Palestine. Native Palestinians paid for that idea and suffer in concrete ways, which is why they protested and rebelled against it.

Zionism, like European imperialism, viewed Palestine as an empty territory, paradoxically filled with ignoble and even despicable

natives. Chaim Weismann, a leading Zionist and the first president of Israel, acknowledged that Zionism allied itself with imperial powers in carrying out the plans to establish a new Jewish state in Palestine, according to Said. Zionism regarded "the natives" negatively, as a people expected to accept passively the plans made for their land.

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Zionism not only accepted the generic racial concepts of European culture, but also banked on the fact that Palestine was home to a backward people who would not resist dominance.

In formulating the concepts of a Jewish nation "reclaiming" its own territory, this implicit assumption of domination led Zionism to ignore the natives. It led Zionism to develop a consciousness of itself, but not of the natives.

As noted by historian and sociologist Maxime Rodinson, Zionist indifference to the Palestinian natives was an indifference linked to European supremacy, which benefited even Europe's proletarians and oppressed minorities.

In fact, if the ancestral homeland had been occupied by one of the well-established industrialised nations that ruled the world at the time, one that had thoroughly settled down in a territory it had infused with powerful national consciousness, then the problem of displacing, for example, German, French or English inhabitants and introducing a new nationally coherent element into the middle of their homeland would have been in the forefront of the consciousness of even the most ignorant and destitute of Zionists.

The constitutive energies of Zionism were premised on the excluded presence, that is, the functional absence of "native people" in Palestine. A popular Zionist slogan was, "A people without land for a land without people."

Several Israeli leaders have denied the existence of Palestinian people. In a statement to the Sunday Times of June 15, 1969, former Israeli Prime Minister Golda

Meir declared: "There is no such thing as Palestinian people ... It is not as if we came and threw them out and took their country. They did not exist."

Israel built institutions, deliberately shutting out the natives; the nation drafted laws, ensuring that natives would remain in their "non-place." The "problem" of Palestinians unites Israelis, and the negation of Palestinians is the most consistent thread running through Zionism. Thus, Palestinians and Arabs tie Zionism to imperialism.

The exclusion of Palestinians from their own land was and is the root cause of their anti-Jewishness and paradoxically led them to embrace the ideology of anti-Semitism. This narrative of exploitation, dispossession and humiliation is also the cause of resentment and anger in other Muslim lands, although understandably the details differ.

Palestine -- and the plight of Palestinians in the Israeli-Palestinian conflict -- is the single most important factor in the incorporation of anti-Semitism in the contemporary Arab Muslim consciousness and, in particular, in the agenda of modern Islamist movements.

ments.

Thus, the genesis and character of Palestinian and Arab anti-Semitism are grounded in existential conditions and not in the impulses of Islamic theology. Islamic values are largely co-opted as a sacred motif for mass appeal and mobilisation.

In short, the growth of anti-Semitism in the Arab Muslim world, an unfamiliar ideology during much of Muslim history, can be traced to a number of causes: the imperialist challenge and the nationalist response; the rise, in a time of violent and painful change, of a new intolerance that exacerbated all hatreds and endangered all minorities; the rise of the Nazi ideology that elevated the extermination of the Jews and anti-Semitism to a national goal of the Nazi state; the Nazi success in exporting propaganda to the Arab Muslim lands, exploiting their resentments; and the Zionist settlement of Palestine, leading to the establishment of Israel and the succession of Arab-Israeli wars.

The Israeli-Arab-Palestinian war, which continues unabated, has highlighted the economic, political and military impotence that gener-

ates an unprecedented sense of

humiliation among the Arabs. The US-led "war on terror," widely viewed in the Muslim world as a "war on Islam," adds to the humiliation.

The causes of anti-Semitism within Islamist movements thus lie largely in the prevailing political, social and economic conditions and the conflicts arising from them. Islamic symbols are co-opted as a sacred motif for the political mobilisation of the resistance efforts.

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