

## Upbeat on revenue collection

*NBR success laudable but vast potential still untapped*

THE National Board of Revenue has reasons to revel in substantial growth in tax revenue but no cause to celebrate. Not as yet, because less than one-third of the total tax payer base of two million submitted their tax returns. And taking into account the fact that there may be several millions without TIN number whose incomes are taxable and yet who have not filed their returns, the extent of tax evasion makes us sit up and take note.

Let's give the credit where it is due. NBR has received Tk 7.39 billion from individual tax payers in 2007-08 assessment year, up by Tk 4.87 billion from the level of previous year. Quite a big leap in collection. There has been a 20 percent increase in the number of tax payers: from 5,35,994 a year ago to 6,45,617 in 2007-08.

What has made the difference this year? NBR chairman Muhammad Abdul Mazid put it down to awareness building and tax-payer-friendly environment to encourage payment coupled with introduction of universal self-assessment method easing thereby the procedure for filing tax return. That the NBR formed a three member committee to analyse and clarify all Statutory Regulatory Orders (SROs) on a designated website proved useful reminders to all concerned for compliance.

Nevertheless, we believe there is room for plenty of improvement in the tax-payer-friendly atmosphere and simplification of forms and procedures of filling these out.

The NBR chairman is reportedly keen on probing the reasons why there has been less-than-expected submission of returns, particularly in view of the vigorous awareness campaigns and the on-going anti-corruption drive. To our mind, after all that has happened by way of increasing public antipathy to corruption and vulgar acquisition of wealth the potential tax base of millions more could be tapped if the tax collection system is primarily based on voluntary compliance.

## Recovering siphoned off money

*A foolproof mechanism must be put in place*

THE worries of the chairman of the Anti-Corruption Commission are also ours. If indeed bureaucratic tangles have come in the way of a recovery of money siphoned off abroad by corrupt elements in Bangladesh, then the crusade against corruption remains incomplete. Hasan Mashhud Chowdhury informs us that owing to an absence of official arrangements with other countries vis-à-vis investigating corruption, it has not been possible so far for the money stashed away to be brought back to Bangladesh. Besides, an inadequacy of authentic information regarding the money smuggled out abroad has also impeded a prosecution of those responsible for such unlawful conduct.

Now, the clear position is that countries are willing to assist Bangladesh in spotting and recovering the siphoned off money provided the mechanism for an inquiry into the whole process is in place. And, of course, an important aspect of such a mechanism consists in Bangladesh going for such arrangements as will help the law enforcing agencies of these and other countries in identifying the smuggled out money and the banks or other places where they have been stashed away. Scotland Yard, which has unofficially been assisting the ACC in its drive to get back ill-gotten wealth, would certainly be able to make a more substantial contribution here if its work were based on concrete information provided by the Bangladesh authorities. Which is when the need arises for authentic information to be gathered by Dhaka on precisely what has happened to the siphoned off money.

We have so long heard of efforts being made towards recovering such money through the cooperation of foreign governments, especially through a working out of official arrangements. Unfortunately, the results yielded so far have not been satisfactory at all and at this point, one might well suggest that huge chunks of the money smuggled out by corrupt elements still remain unspotted and so untouched. What now must be done is for the Bangladesh government to recover such money on the basis of internationally accepted practices. For such a job to be done, it is imperative that the civil administration at home and Bangladesh's missions abroad be put to maximum use. Their job, at the end of the day, is to put in place a foolproof mechanism for bringing back home all the money that has been looted, that belongs to the public here. It must be remembered that the success of the drive against corruption depends on how soon we can get back the resources that men of sinister motives have looted during their days in power and in influence-peddling.

## Importance of local government

Local politics is very important for the political development of Bangladesh, particularly to strengthen its base for democracy. By making people politically conscious, it enables the people to establish a democratic society and administrative system. Local politics is different from national politics. In Bangladesh politics, the influence of political opportunists is prominent because the national level politicians are benefited by local level leaders who are usually elected on the strength of their wealth and muscle power, and not for their love and respect for the people.

A.B.M.S. ZAHUR

THE concept of local government is not new to Bangladesh. The British attempted to introduce it as early as 1787. The permanent settlement of 1793 resulted in emergence of a system of landlords who became the local agents of the British government. In 1842, municipalities were established in some provinces of India. In 1870, the Chowkidar Panchayat Act was enacted.

In 1885, the Self-Government Act was passed. In 1907, the Royal Commission on Decentralization was constituted. Village Self-Government Act was enacted in 1919. This resulted in creation of district boards and union boards,

which were strengthened in 1935. In 1956, the number of members a union boards was raised from 8 to 11 to strengthen them. The structure of local administration was demolished with the introduction of Basic Democracy by the then dictator Gen. Ayub Khan in 1958. The Union board was renamed as Thana Council. It was again renamed as Thana Development Committee on April 28, 1972. Ziaur Rahman introduced Gram Sarkar for improving the economic condition of the common people.

Ershad, who issued an Administrative Reorganisation Committee Ordinance on April 28, 1982, abolished the Thana Development Committee in 1982. Under this ordinance, thanas were upgraded and made the center of

administration. Later on, another ordinance, named Upazilla and Upazilla Administrative Reorganisation (3rd amendment) Ordinance 1983, to upgrade certain thanas to Upazillas, and a Upazilla Parishad was set up for each upazilla. In June 1989, the Pali Parishad Act was passed for every village.

During 1991-2006 we heard political statements from time to time for strengthening local government. In reality, no progress could be seen due to opposition of the party/parties in power, because law makers do not like to give up power to the local government as they feel that thereby they may lose their influence on the people of their constituencies. Thus, we are not hopeful of strengthening local

government under an elected government.

Our only hope is the CTG, which has successfully separated the judiciary from the grip of the executive. The statement of the CA for strengthening local government to take its services to people's doorsteps and bringing transparency and accountability in all sectors is encouraging and inspiring.

The preliminary work to take up the task of strengthening local government has already been done by a high-powered committee headed by Dr. Shaukat Ali. It recommended, inter alia, a three-tier local government system, and outlined qualifications for aspirants to local government bodies. It also suggested setting up of an independent commission for effective decentralisation and removal of bureaucratic tangles.

The local political systems are usually more important than the national, insofar as they enable the citizens to have a feeling of contact with the government, and act as a training ground for future statesmen and politicians. Experience of administration on local level can teach someone about political

action, which helps him to better understand the needs of the wider community. In this way, local politics affords invaluable opportunities, and gives an insight into wider political activity and political justice. Local political venues are important arenas for political education in general.

Our future statesmen and politicians, on becoming familiar with the world of politics and political affairs, can stand up to pressure and the tides of national fortune. They develop a political reliance, which is a critical national asset. This, in turn, helps the smooth political development of the country. Within the smallest political unit, the people get a better chance to know the art of politics, which ultimately brightens the prospect of their political leadership at the national level. Thereby, the cause of democracy is also served.

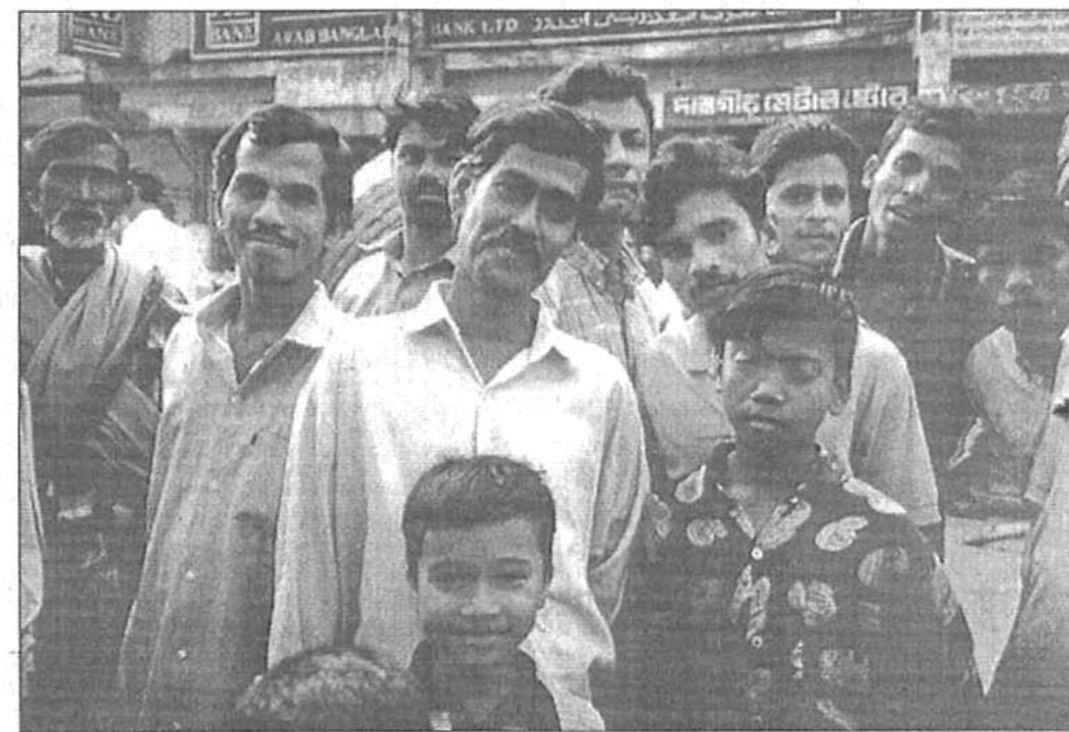
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Local government makes people politically conscious

## Behind the militancy in Pakistan



MUHAMMAD NURUL HUDA

THERE have been efforts to brand Pakistan as a terrorist state where, according to some quarters, the so-called Islamic militancy is actually uncontrollable. Such quarters are of the view that the Muslim mind, particularly in Pakistan, is predisposed to becoming the wellspring of terrorism. Proponents of this view strongly feel that the Muslim mindset needs to be somehow suitably molded and rounded up to accommodate and live with modernity.

A considered view is that one needs to focus on the specific political context that has produced the so-called phenomenon of Islamic militancy in Pakistan. This is pertinent to understand its organisational potential and future direction. The Pakistan context has been characterised and shaped by the ongoing crisis of civil-military relations, which had helped to bring Islamic parties and groups onto the political stage as a counterweight to the constitutional sources of legitimacy.

There is no doubt that Pakistan had emerged out of partition as a constitutional state. It had a long

history of transplantation of institutional and constitutional arrangements. The legal system in Pakistan is based essentially on British common law. In Pakistan, state organs display a secular character in structural and operational contexts, although Islamic ideology has progressively dominated the self-image of general population. Thus, while public policy remained secular, the national profile became increasingly Islamic.

Immediately after the 1971 war, when Z.A. Bhutto dominated the ruling dispensation in Islamabad, he became the grand symbol of people's power. At that time, the vested interests of the army, bureaucracy and the business community in general took recourse to Islamic ideology as a counterweight to the apparently leftist ideology of Bhutto's PPP.

The Pakistan army provided the power base of the anti-Bhutto camp overtly, and later covertly in the post-Zia-ul-Haq ruling set-up. The Islamic parties provided the ideological platform to anti-Bhutto forces in both electoral and non-

electoral terms. The alleged "military-mullah" nexus was further cemented in the backdrop of the decade-long Afghanistan war in the 1980s.

When Nawaz Sharif held the reins of power he continued the legacy of Islamisation of laws, education, morals and manners against what was generally considered and condemned as the Bhutto legacy based on populist as well as progressive causes underscored by a relatively diffuse class dynamics.

The so-called Islamic parties in Pakistan were used by the vested interests to counter the appeal of the traditional mainstream parties at the national level as well as the ethnic level. At the same time, the Perviz Musharraf government did not find it politically wise, even after 9/11, to opt for cracking down on the Islamic extremist elements due to fear of alienating one chunk of the political community. Terrorist attack on the Indian Parliament and massive deployment of the Indian army on Pakistan's border indicated that unbridled militant activities could endanger national security.

The Perviz Musharraf government deliberately adopted politics that undermined the potentials of constitutional parties while opening considerable space for the so-called Islamists. As a result, Islamists succeeded in forming a government in NWFP and became a coalition partner in Balochistan. The political fall-out from their acquisition of power in sensitive spots has not been helpful to the fight against terror.

The point to note is that the establishment support of extremist views both in the wake of Afghan war against Soviets and later brought about crucial changes in the institutional balance within the power structure of Pakistan. Extra-constitutional sources became prominent in the affairs of the state. The debates about democracy, economy, education, culture, women's issues, human rights issues, as well as the functioning of basic regulatory organs of the state, started drawing heavily on the divine sources of morality, authenticity and accountability.

The more the Pakistan establishment provided space for politics of

Islam due to its own strategic compulsions in both foreign policy and domestic contexts, the more the disparate Islamic elements sought to shape the country's ideological discourse according to their own priorities and preference.

Various Islamic sectarian groups carried out terrorist activities against each other in the 1980s and 1990s. At the same time, they continued to take a clear and unequivocal stand on issues where they found themselves on the opposite side of what was understood to be the secular and pro-western elite.

The above parties and groups and other institutions started operating collectively as an Islamic establishment. On the one hand, the state sought to define religion according to its own vision of the destiny of Pakistan and the Muslim world at large. On the other hand, religious groups sought to define the state through street agitation, lobbying, networking and vote politics.

The establishment continued to address the issue of madrassa-based militancy from the perspective of modernising them and, thus, bringing them into the mainstream educational system. However, various intellectual and political circles showed skepticism as to the efficacy of these measures.

In fact, it was argued that this approach would further strengthen these madrassas, whereby their agenda would be followed even more efficiently and effectively by their students through the computer, internet, fax, video technology and other implements of electronic

media. A predominant part of the Pakistani world view is that the military power of the west is the key to its perceived arrogance, its aggression against Muslim societies, its connivance with Israel for occupation of the West Bank and Gaza and its complacency about Russia's oppressive policies towards Chechnya.

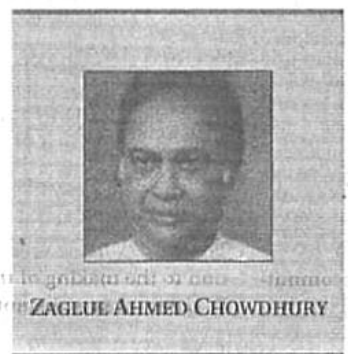
The radical opinion holders argue that if power is the way in for the West, power is the way out for Muslims. The focus is on the use of power in pursuit of policy. Different sections of the general public have been converted to this approach in varying degrees. By default, the liberal current of opinion has been de-legitimised in the process.

The "modernist" military elite of Pakistan sought to activate the divine sources of legitimacy during the Afghanistan war in partnership with the American military might and financial muscle. In the process, Islamabad and Washington ended up strengthening the Islamic establishment beyond all proportion. During the current war against terrorism, the agenda for democracy in Pakistan again lost momentum.

At the heart of the problem lie the unresolved conflicts and the increasing cynicism about a just solution of the conflicts, and not the body of Islamic faith itself. What is needed is a policy on conflict, not a policy on Islam. Sadly, the latter has emerged as a major occupation of the intelligentsia and policy makers.

Muhammad Nurul Huda is a columnist of The Daily Star.

## Sri Lanka sliding back to all out war?



THE south Asian island state of Sri Lanka seems to be inexorably moving towards resumption of the full blown war following a number of developments that clearly indicate the hardening of the stance of both -- the government and the Tamil militants.

The peace process has been in tatters for long, but mediators hope it can still be revived if the warring sides respond to their calls for reversing the current trend of hostilities. Contrary to this expectation, the belligerence is on the increase, and there appears little doubt that Sri Lanka is heading towards pre-truce violence with full intensity.

The Sri Lanka monitoring mission (SLMM), put in place by peace-broker Norway to supervise the 2002 ceasefire agreement, now says it is "alarmed" by the developing situation. Others in and outside the country feel the same, and are concerned about the shape of things to come in the days ahead -- which may be more bloodshed and

## MATTERS AROUND US

Sri Lanka needs prudent policies under the circumstances and, obviously, the onus largely lies with the government, while the militants are expected to demonstrate flexibility and a rationale attitude should both want the peace process to be resumed with the ultimate objective of a settlement of the civil war through talks. If the nation reverts to full-scale warfare, the bloodshed may assume unthinkable proportion. This will cost both sides heavily and, consequently, take the war-torn but otherwise very prospective country on a further downslide. Wisdom and sagacity are the need of the hour for the key players in the Lankan drama.

destruction.

The peace talks have been stalemated for long and took a beating following the exit from power of former prime minister Ranil Wickramasinghe, whose government had initiated the dialogue with the rebels but was dismissed by President Chandrika, evidently for being "soft" toward the Tamil militants. The elections that followed brought Chandrika's supporters to power under new Prime Minister Mahinda Rajapakse, and the chances of a settlement of the more than two-decade old civil war through discussions have become more remote.

President Mahinda Rajapakse, who succeeded Chandrika, followed the same hard-line with the rebels, and no progress has been made towards a negotiated settlement of the civil war. Rather, new complexities have been introduced in the vexed problem, even though both sides are claiming that they

are for peace in the country.

Six rounds of talks between the Colombo government and the Tamil Tigers during Ranil's time raised hopes for a negotiated settlement of the contentious civil war in Sri Lanka, which was virtually bleeding white because of the long drawn conflict centering the minority Tamil's armed struggle for a separate homeland in the north of the country.

There was no decisive outcome of the civil war as the success in the battlefield swung from one side to the other, and occasional cease-fires produced no tangible results, and hostilities resumed in quick time. However, the situation marked a qualitative change when the government of Prime Minister Ranil Wickramasinghe took an active pro-peace policy with the rebels, which facilitated a dialogue that went for several rounds in different venues abroad, making some progress in the vexed problem.

While it was the height of folly to expect an easy resolution of the Sri Lankan imbroglio, given the complexities involved, the dialogue gave hope since both sides made significant concessions. The government conceded to some demands of the Tigers while the latter abandoned their main position -- an independent state for the Tamils -- and agreed to autonomy.

The road to peace through negotiations was undoubtedly bumpy, but what was remarkably encouraging was the marked willingness to find common ground towards a permanent settlement of the problem. Notwithstanding differences on some key areas, both sides demonstrated commendable attitude in carrying forward the parleys.

Admittedly, the talks occasionally ran into rough weather, and had even been suspended indefinitely at one stage, but neither side spoke of resumed hostilities. But

this scenario began changing, and it is totally different now.

During the last few weeks, several incidents, including the killing of S.P. Tamilselvan who was the political adviser of the militants, contributed to the worsening of the situation. Clearly, this came as a big setback for the rebels, who vowed to avenge this killing, and an attempt on a minister, George Devanand, certainly further queered the pitch of government-militant relations. At the same time, violence and skirmishes increased to the extent that there was an impression that the Lankan war was coming back with full fury.

Earlier, rebel supremo Vellupillai Prabhakaran had set a deadline for the government to give an acceptable guideline for the settlement of the civil war or risk resumption of the hostilities. Expectedly, the government rejected the deadline, but insisted that talks could take place. In the meantime, signs of deteriorating conditions were evident as stray incidents of violence took the lives of 18 soldiers along with the lives of some rebel supporters. This was clearly disturbing, raising fears of resumption of the bloodshed. However, peace efforts have not been fully abandoned.

The war, that has cost more than 70,000 lives so far, is claiming lives almost everyday, including those of civilians. In four days, from November 25 to November 28, 49 civilians have been killed with many more being injured, while

both the government and the rebels suffered casualties. The latest government vow to kill rebel leader Prabhakaran has further infuriated the militants. The government, evidently, is showing no mercy, as the air raids have become a daily affair and the rebel-soldier encounters on both land and sea have also increased.

The latest developments have frustrated the mediators, who pin hopes of resumption of the dialogue despite yawning differences in the positions of the two sides. Norway and several other nations, including Japan, are keen to see that the belligerence is at least minimised. But they are getting increasingly disillusioned over the turn of events.

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If the nation reverts to full scale warfare, the bloodshed may assume unthinkable proportion. This will cost both sides heavily and, consequently, take the war-torn but otherwise very prospective country on a further downslide. Wisdom and sagacity are the need of the hour for the key players in the Lankan drama.

Zafar Ahmed Chowdhury is the Chief Editor of the BSS news agency.