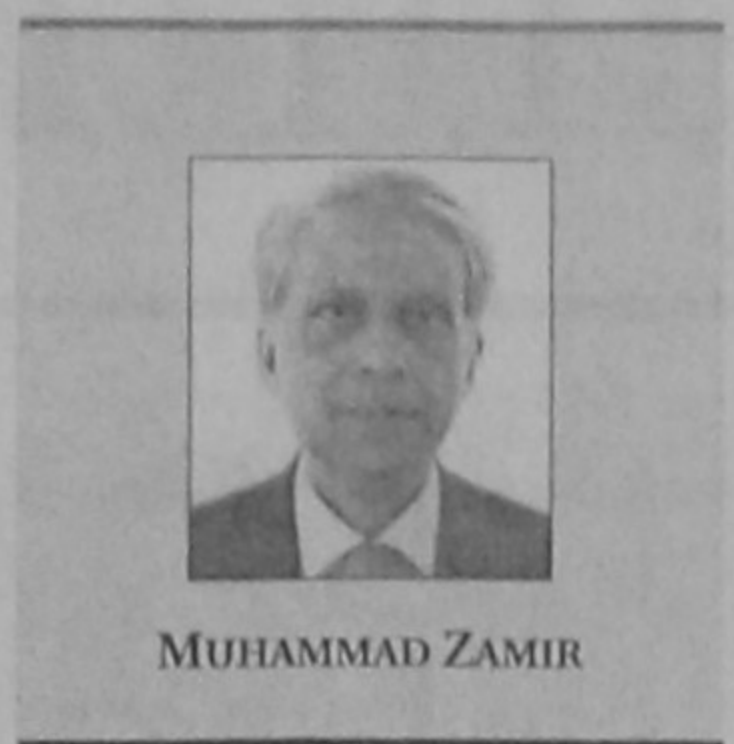


## Becoming an Asian tiger



MUHAMMAD ZAMIR

QUITE often we refer to certain countries in Southeast Asia as 'emerging tigers'. Their economies and their progressive economic development are analysed and extolled for their performance. Such an approach also draws our attention not only to the manner in which such countries identified the weaknesses within their development paradigm but also how such measures to overcome challenges subsequently facilitated foreign direct investment.

In the recent past, we have watched such enthusiasm also about Bangladesh. Despite a generally negative image of the country, resulting out of natural calamities, corruption, poor governance, extremism and lack of a participatory political process, efforts have been undertaken by several external institutions to point out the latent possibilities of Bangladesh. 'Investor Chronicle' from United Kingdom has identified the country as a 'hot emerging market'. JP Morgan and Goldman Sachs, two United States financial institutions have acknowledged existing deterring factors but have also suggested that Bangladesh could be included among a handful of countries whose economy has potential for absorption of future investment. Such views are particularly welcome given the fact that the country was recently being written off by so-called experts as having no future during the post-MFA era.

The other interesting feature has been the recent acquisition of a licence for investment banking by Citigroup. This step has been interpreted as a sign of potential for other multinationals (Shell, BP, Mobil, HSBC, Citibank, Samsung, Toshiba, Cemex, Singtel and Orascom) also entering the local market despite its perceived limitations.

Many non-resident Bangladeshis who have been associated with financial institutions abroad and watched the possibilities unfold within Bangladesh have followed these developments with great interest. During the recently concluded NRB Conference and also through separate interventions in the media, they have expressed their desire to actively participate in the future potential economic development process within Bangladesh.

One such example of constructive engagement has been that of Asian Tiger Capital Partners, a group of young expatriate Bangladeshi entrepreneurs experienced in consulting, banking and investment abroad. Mostly of British origin, the stakeholders of the company, in the presence of the British High Commissioner in Dhaka, recently presented their plans to launch a US dollar 100 million private equity fund to be invested in Bangladesh. Media reports indicated that this group seriously believes that foreign direct investment in the country could increase tenfold from the current figure of around US dollar 700 million to US dollar 7 billion by 2015. In this context, the group also unveiled its first research report on the Bangladesh economy, entitled

'Bangladesh: Growth, Investment, Opportunity', focusing primarily on 14 investment sectors ranging from agriculture to power and pharmaceuticals. It has been suggested that the initial steps pertaining to this equity fund would probably be in place by September this year. It will be aimed at 'general investment' and will be followed by a 'separate stock market equity fund and an infrastructure fund'. The group is hoping to raise money from global investment institutions and non-resident

business community, but one hopes that this will pass under an elected government. I am optimistic about our economic future when I see groups like Asian Tiger Capital coming forward to participate in the regeneration of this country's future economic development.

I agree with the need to predicate our success on the basis of an economic vision. We need to believe in ourselves and also in our ability to seize opportunities in different fields and find solutions to problems. What we require is a change in our mindset. That is the real catalyst for economic recovery. It has already been demonstrated in India, Thailand, Malaysia, Vietnam and South Korea. We might not right now have cutting edge technology, but we have cheaper alternatives.

What we require is a sustainable economic strategy that will automatically provide us with investment opportunities. The World Bank in its July 2007 Report on Bangladesh has remarked on the need to shift from agriculture to industry and services, to intensify integration with global markets and to evolve diverse dynamic urban centres. They have also noted that FDI will improve if there is better macroeconomic governance, continued macroeconomic stability and a commercially viable energy sector. To this one can add the need to have in place better infrastructure, larger pool of skilled manpower required for management, information technology and the services sectors, the spirit of innovation and the existence of due

process of law. These factors are all inter-related. It is the juxtaposition of all these elements that will spur development and possibly take Bangladesh to the status of a Middle Income country by 2015.

We have to understand that we have a difficult task ahead in this globalized, competitive world. We have to not only project Bangladesh as a creative economy but also market it as a brand that will not be scoffed at. In this regard, both our Bangladeshi diplomatic Missions as well as our Diaspora have to play key

roles. They can help in the creation of an enabling environment. At the same time, to ensure rapid growth, serious measures have to be taken, in a coordinated manner, to streamline the regulatory principles and to develop the financial system, both in capital markets and banking. Asian Tiger Capital and other similar institutions in Bangladesh should be given assistance and access by the responsible authorities in Bangladesh so that their efforts can succeed. We need their presence, connectivity and outreach contacts in areas like Energy, Non-Energy Infrastructure and alternative energy sources, Cold Storage facilities, Textiles (weaving mills and dyeing-finishing mills), Outsourcing, Pharmaceuticals (plants with certification for developed markets), Healthcare, Biotechnology, Light and Heavy Engineering, Tourism and Hospitality sectors and Education (both in information technology as well as vocational training).

The report prepared by Asian Tiger Capital has noted that currently

several very large FDI proposals (total worth US dollar 9.7 billion) are pending for decision by the government. These include investment proposals made by the Indian conglomerate Tata, the Abu Dhabi Group from UAE, Global Oil and Energy Ltd from UK, Azimat Corporation from Malaysia and Contech Ltd. There have also been other offers by the steel group Mittal. The significant aspect pertaining to this scenario is the absence of decision making for many years. One can only hope that necessary action will be taken in this regard soon after the next elected government is in place based on transparency and national interest. We have to remember that for a developing country like Bangladesh, increasing the level of FDI is likely to have a direct bearing and 'significant positive impact' on export growth, foreign exchange reserves and the balance of payments. It will also facilitate the transfer of knowledge and technology.

Bangladesh needs to grow a 'can-do' attitude and work ethic. It also needs to upgrade its corporate culture and improve its 'bureaucratic processes'. We need to learn and replicate the experience of South Korea, China and Vietnam. We must also open our mental windows and be more focused in our strategic approach.

The AT Capital Report, in my opinion is a 'must-read'. One hopes that this group will make sufficient copies available to our Ministry of Foreign Affairs so that it can be distributed among all our Diplomatic Missions abroad for their information and comments.

Muhammad Zamir is a former Secretary and Ambassador who can be reached at mzamir@dhaka.net.

## A positive draft

Likely to eliminate black money and muscle power

WE welcome the draft electoral law of the Election Commission (EC) for the very reason that it has incorporated many of the hitherto unfulfilled aspirations of the people of the country. The EC made it clear in the draft that if any candidate attempts to hide or give false information about personal records or election expenditure, his/her election results will be cancelled and the seat will be declared vacant. There will be provision for holding re-election for that seat at a later date. The other pertinent point is that political parties will also face cancellation of registration for failing to submit an authentic election expenditure record of the party and individual candidates. Here we find the provision of outright cancellation a bit severe, and feel a system of issuing a first warning and then suspension for a specific period could be introduced. If a party failed for the third time to come up with the accounts, EC will then take the final decision regarding cancellation of registration. Nevertheless, we strongly hold the view that these are some of the basic tenets without which no credible election can be held.

To be candid, if one goes through the salient points of the draft electoral law, one would find it echoing what the common people, civil society members, lawyer groups, professional groups, media and even the big political parties have been deliberating on for last many years. But unfortunately, through blatant manipulation, powerful quarters in the past kept the EC inactive to go for the required electoral reforms to allow democracy flourish in a free environment. This time around, with the setting of the electoral law in order, the opportunity for the people to elect honest and able candidates to power is around the bend.

The draft law is the tangible result of the dialogue the EC has been holding with the political parties for weeks now. There is no denying that the cooperation of the political parties and senior level leaders has made finalisation of the draft possible, hence they deserve appreciation from all quarters who want to see transition to the democratic process within the stipulated time. The electoral law reforms have come in the wake of the election roadmap and we are confident these will help ensure credibility, transparency and acceptability in the forthcoming general elections. Therefore, we strongly believe from here on elections will not be the same as in the past when candidates of questionable antecedents blatantly used black money and muscle power to get elected.

Understandably, the draft will need to be calibrated more to leave no pores for the unscrupulous to take advantage of. We are sure the competent team at the EC is doing its best at the moment. We want to see it made into a law without further ado.

## Facing a global food crisis

Concerted action need of the hour

THE call by UN Secretary General Ban Ki-moon for a top-level task force to address the issue of the spiralling cost of food worldwide is precisely the kind of co-ordinated global action that is necessary at this precarious moment in history, and could not have come at a better time.

The secretary general's other suggestions, that the World Food Programme needs to be fully funded, that key producer nations should not ban exports, and that bio-fuels need to be reconsidered in light of the current crisis, are also all well taken.

Most urgent is the extra \$755 million needed by the WFP due to the sharp jump in global food prices to stave off hunger in dozens of impoverished countries around the world. The WFP feeds the poorest of the poor, who face starvation otherwise, and the fact that it has in hand only \$18 million of the extra \$755 million necessary is a disgrace that Ban did well to call attention to.

In addition, his statement, which echoes, among others, those of Oxfam and the UN Special Rapporteur on Right to Food, on the disastrous consequences of bio-fuel, especially bio-fuel subsidies, on the food supply, are salutary, and heartening. A much-needed rethink on the balance between bio-fuels and food is underway.

The UN chief's call on food-exporting nations was also a welcome one. Current bans or limitations on exports have led only to hoarding and speculation, not lower domestic prices in those countries, with the ultimate result that food has not been reaching those most in need of it.

This is indeed a global problem, and it is good that UN and similar organisations are both aware of the magnitude of the crisis, as well as the need to look at tough solutions and, in Ban's words, the "urgent necessity to address structural and policy issues that have contributed to the crisis."

For, make no mistake about it, it is a crisis and the crisis is global, and, as such, the solution can only be global. There is much that individual countries must do and are doing for themselves, but the fact that it is understood that this is a global crisis, requiring global solutions, is a good thing.

## Police reforms and criminal justice

ABDUR RAQIB KHANDAKER

THE philosophy behind penology consists of the following elements: deterrence, retribution and reform. We may refer to the Holy Quran's Surah Al-Bakara - A178/179 wherein Allah ordains 'Keses', which 'ensures security to life'. If one would fathom the depth of its deeper meaning one will realize that it essentially points towards 'deterrence through retribution' which is likely to reduce the recurrence of crime, particularly, the heinous ones and ensure security to life.

Thus prevention of crime and treatment of offenders are the two primary goals of criminal justice administration. This in turn has four organs: the codes, the constables, the courts and the corrections. A coordinated functioning of the four is essential. Any failure or laxity of one or the other will surely affect the short and long term goals of law enforcement. In Bangladesh, we are lagging quite egregiously, in the quality of all the four. Taking up the police in isolation and by way of reform, putting them under the control of local councils, specially in their present state of existence, does not appear to be a sane move in the prevailing circumstances of our country. It will be like putting the horse before the cart.

Limiting our present dissertation to police alone, we may analyse the day to day problems, the general public may come across with the police, wherein they may desire some immediate reforms:

a) Arrest without a warrant: This is done by the police under Section 54 of the CrPc. The section has nine clauses. All the clauses are essential for the maintenance of statehood. But the problem lies in the flagrant misuse of this provision by subordinate police officers without honouring the aforementioned nine specific clauses. There is very little supervision and therefore hardly any action against the wrong doers. In the process many innocent people face

harassment and have to buy their freedom and face many physical inconveniences. There is enough scope of supervision and control of this function of the police initially by supervising the police officers and to be pursued by the magistrates after every fortnight as required by law. Through such events of arrest without a warrant, and the manner of disposing the matter, police-civilian relationship gets greatly strained.

b) Difficulty in filing an FIR: Many complainant thana officers that complainants who are poor are treated differently from the wealthy. Victims lodging an FIR or a GD at a thana also complain of indifference

of the attending police officer where they expect, and rightfully so, a sympathetic attitude. c) Delays: Victims often lose confidence in the sincerity and initiative of the police because of unusual delays in arriving at the scene of offence. Delays are also frequent in arresting named accused or those who have warrants issued for their arrest. Of course, delays are also caused due to shortage of transport and other required equipment.

d) Torture: Complaints are frequently made of torture by the police. There is no legal sanction for torture. Rather police regulation strictly prohibits torture. Police should be careful to respect the regulation. Some of the common complaints generally made by the members of the public can be easily addressed by frequent and closer supervision. The senior officers need to be more ardent. e) Application of disproportionate force: This is seen often when the police tries to disperse crowds. On quite a few occasions, ugly scenes

engaged to counter women rioters. A desperate situation, in which our women are pitched against each other, should be unequivocally avoided by all. The sooner we forsake this ugly drill, the better it would be for police-civilian relations.

f) Police involvement in crime: Stray incidents of erring police men getting involved in crime or assisting criminals are sometimes reported by the press. Disciplinary actions, including criminal cases, are also taken. But the damage done to the image of police is often permanent. Police involvement in crime often occurs because of irregular recruitment allegedly under influence of political parties. Recruitment from the political cadres in all ranks departmentally or through the PSC, which has also been of late manned by party supporters, made room for recruitment of quite a few undesirables to our police. While this may be difficult to control without a systemic overhaul, we may certainly impart certain forms of intensive

effective transnational crime control. h) Salary and benefits: This is of course, an oft-talked about area of police reform and some improvements have already been made in this regard. What must be borne in mind is that while almost all government servants work 8-hour days, the police are on service practically for 24 hours. Also, there is the question of class and rank according to which salaries are paid to policemen. A constable in Bangladesh is a class 4 officer, on the same rung of the bureaucratic hierarchy as a peon. A constable in England is addressed as an officer. The same should be done here. While paying the constable more than a peon in a different ministry may disrupt the class structure of our bureaucracy, we can think in terms of elevating the rank of constables and their superiors allowing them to receive higher salaries. Finally, the government should also consider compensating the police for investigation-related actual expenses, which will also serve as a deterrent to corruption.

social control is gradually being replaced by formal law enforcement, particularly in the urban areas where social life is fragmenting and community living is de-crystallizing. In this context, we may refer to community policing of which, often, mention is made in discussions on police reform. Community policing is essentially an English concept. In the multicultural society of London city, besides the English, Scottish and Welsh, immigrants from a range of Asian and African countries live in ethnically-defined neighbourhoods. Policing in such neighbourhood without policemen drafted from the same community, is often difficult and may lead to tension between different communities. As per recommendations of Lord Scarman, head of a one man commission, in April 1981, after London rioting during tenure of Prime Minister Thatcher, the London police introduced community policing. It is believed that this facilitated more frequent and effective police-public

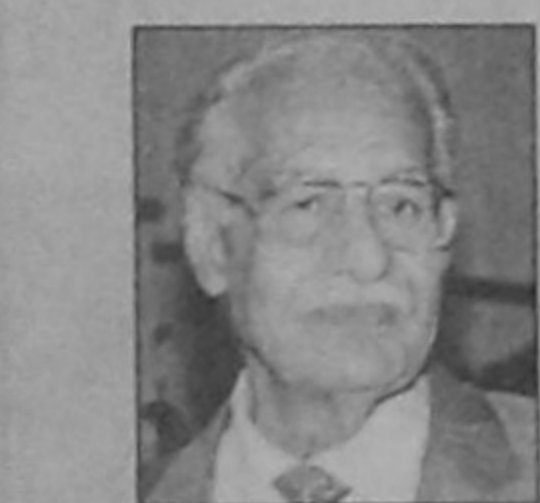
cooperation. However, such a policy of structural change, on account of the homogeneous nature of our society, does not appear to be effective in Bangladesh. Greater police-public cooperation is certainly required for which more initiative need to be taken by thana-level officers. Mere changing some ranks and designation of police officers will achieve nothing more than a cosmetic treatment. What is really needed is a real change of the heart and the spirit of the persons who would be entrusted with the noble job and also of the realisation of their responsibility by the social influential persons. Some legal safe guards need to be provided to forge equilibrium to the desired objective.

No discussion on ways to improve the image of the police and police-civilian relationships can preclude a consideration of the limits of such goals. The civilians certainly need to trust the police. They certainly need to know that they can contact their local station in the incidence of a crime or for fear of it, and the police will deliver appropriately. Trust in the police, of course, is imperative. But in trying to improve police-civilian relations, we need not think in terms of sensitizing our police's image so that civilians see it as only a 'friendly' institution. A 'fear factor' is also essential if policing is to serve as a deterrent to crimes and law enforcement is to be effectively established in the society.

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## Not beyond a point



KULDEEP NAYYAR  
writes from New Delhi

THE escalating violence in the country is frightening. Still more frightening is the shape it is taking. Somewhere it has turned communal, somewhere regional and somewhere ideological. Whatever the direction, it indicates a trend where the rule of law is lessening and where the use of force is gaining legitimacy.

So wide is the compass of violence -- from Kashmir to Kerala, Gujarat to Kolkata, Guwahati to Imphal -- apart from individual killings that the tainted security forces cannot provide an answer. In fact, a thana is no more a police station. It represents a centre of

## BETWEEN THE LINES

The spirit of tolerance or the sense of accommodation providing glue to our integration is drying up. Such parties which are trying to deny or defeat the ethos of secularism are harming the country's unity and catholicity. They have their own agenda and want to pursue it even at the expense of nation's togetherness.

excesses. Can ordinary person go there and expect even a fair treatment, much less a fair trial? Still Home Minister Shivraj Patil announced the raising of more battalions as if force can solve all problems.

It is obvious that certain issues have been awaiting serious tackling for a long time. By letting them fester is not going to help. The nation is a witness to this for years. Some basic decisions have to be taken to sort them out. This is not peculiar to India. The entire region suffers from this malady. Problems are allowed to pile up. Then comes the time when the governments -- and people -- begin to live with them because touching the status quo is considered disturbing the hornet's nest. Yet another layer of

delay is laid over the problem. India has a National Integration Council, drawing members from political parties, including the regional ones, the chief ministers and some intellectuals. Jawaharlal Nehru created it. I imagined Prime Minister Manmohan Singh would have convened its meeting, particularly when it has not met for years. It could have discussed eruptions or mini-mutinies going on here and there, with a view to adopting some ground rules in the spirit of consensus.

Parties should not at least stoke the fires if they cannot douse them. Instead, I find some parties arming their cadre for jumping into the fray to make space for themselves. The naxalites, however misdirected, are at least open and say that they do not

believe in the ballot box. Their trail is marked by blood and it is visible.

But what is disconcerting is that others who avow faith in the parliamentary system are equally violent when it comes to their own interest. They may well sing the song of democracy, but they are behind none in resorting to the worst type of methods to achieve their ends. Take UP, Maharashtra, Rajasthan, Madhya Pradesh or even West Bengal: little do they realise the harm they are causing to India's parliamentary system, the very strength of the country.

Had they been carrying out their exercise in some hideouts, they would not have harmed the society. Their doings are having ominous fallout. The public is beginning to equate violence with the

democratic system. The confidence in order is turning into cynicism. Indeed, the machinery to enforce law has become an instrument of tyranny in the hands of rulers. The opponents know it to their cost. The worse is that the security forces stage false encounters to eliminate the opponents and trump up cases to justify the killings. Whether it is a single party government or a coalition, the methods are no different.

The most contaminated lot is that of civil servants. The Economist, an influential weekly from London, recently ran a cover-page story to point out that the 100-million-strong civil servants in India are the biggest barrier in the way of faster growth and equitable distribution. The ethical consider-

ations which once guided public servants have been generally dim and in many cases beyond their mental grasp. The desire for self-preservation has become the sole motivation for their actions and behaviour.

Manmohan Singh's pep talks to them to work hard and honestly is of no avail. They have lost the awareness of what is right and do not realise what is wrong. On the other hand, people are finding the dividing line between right and wrong, moral and immoral, sinking in the sands of opportunism and oppression. They are confused. No wonder, they are taken in by promises of a demagogue, or the gun shown by the so-called deliverer.

Political parties still do not realise that an appeal to violence is dangerous because of its inherent disruptive character. We have too many fissiparous tendencies to risk the use of force. Violence, even otherwise, produces an atmosphere of conflict and disruption. It is absurd to imagine that out of the conflict the socially progressive forces will win, as the Left in India tends to believe. In Germany, both the Communist Party and the Social Democratic Party were

swept away by Hitler. India may face this danger because of its diversities. The consensus, the corner stone of democracy, has become so difficult that even simple proposition cannot get parliament's unanimous approval.

Yet, there is inherent unity which marvels foreigners and even Indians. I recall that when I was India's High Commissioner at London, the Soviet Union was tottering. Margaret Thatcher, then the British prime minister, told me about the advice she had tendered to Moscow: Learn from the example of India which had stayed together for hundreds of years despite people professing different religions, following different castes and speaking different languages. She asked me what I attributed it to. It took me some time to explain to her that we in India did not divide things into black and white. We believed there was a grey area which we have been expanding for decades. That represented India's pluralism.

Seventeen years later I feel what I told Mrs Thatcher is changing perceptibly. The spirit of tolerance or the sense of accommodation providing glue to our integration is drying up. Such parties which

are trying to deny or defeat the ethos of secularism are harming the country's unity and catholicity. They have their own agenda and want to pursue it even at the expense of nation's togetherness. India can disintegrate like the Soviet Union if the nation does not awaken to the dangers of conflict and clash. Political parties should not only eschew violence but also the language of violence which instills division and hatred. The situation is too disconcerting to be left alone.

Take Gujarat. There is still no repentance in the state. Madhya Pradesh government takes back cases of violence against the RSS men. However, the respect for the Supreme Court of India goes up when it sets up a committee headed by the retired, respected police officials to look into the cases in Gujarat where there was no adequate probe to identify the guilty. I wish that political parties like the BJP would appreciate India's ethos of pluralism because law courts cannot go beyond a point.

Kuldeep Nayyar is an eminent Indian columnist.