

## Partners for Biman

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NAJMUN NOOR

**T**HE equation in combining for synergy is that  $2+2=5$ , not 4. Yet, there are also downsides in synergistic efforts. And this is true of the airline industry more than any other. Additionally, the trend among airlines in South Asia, and to a great extent in South East Asia, is not to go in for full-scale strategic partnership. But that has nothing to do with geographic regions.

To determine the right approach let's look at things in reverse order. Biman should first try out partnerships of convenience and test its strengths and weaknesses, its ability to muster the necessary resources and tailor its products and services per its limitations in specific markets.

But even before contemplating such "marriages of convenience," Biman may try to focus on developing the markets -- that were either long lost or have seen a dramatic reduction in market share -- as a precursor to considering collaborative growth with other airlines.

Entering into strategic alliances before attaining a firm foothold will be the equivalent of undervaluing its potential and bargaining leverage. By contrast, achievement of robust growth and a return to profitability leading to strategic alliances (instead of the other way around) will enable negotiations for arrangements best suited for its interests. In the process, the expertise of its personnel -- that had fast eroded after a dramatic withdrawal from long haul markets -- can also be expected to re-develop quickly.

Comprehensive and all inclusive strategic alliances in the airline industry, as opposed to market or area specific arrangements, have their own inherent blockage factors. Any or every one of these alliances is fraught with complexities. Some of them relate directly to airlines of developing countries and are always reviewed seriously, consider-

ing the sensitive nature of the issues.

- Sovereignty of air space and national carrier concept: Alliances in the airline industry raise eyebrows and draw more attention than say, a local bank being taken over by a Middle East bank or a pharmaceutical company bought out by a foreign one. The national carrier or flag carrier concept factors in very strongly. If not national pride, the element of national identity pervades the carriers of both large and small countries. And this is not confined to relatively small carriers or less developed nations.
- Risk of smaller carriers being overwhelmed by larger carriers: Unless full potential or near full potential is achieved, the smaller partner can lose out from the deal. The large(r) partner can prevail, and that can be a bane for it (larger partner), too. Every carrier, large or small, has its own niche and area of expertise. While resource constraints may have led it to enter into a partnership, the purpose of such arrangements may be defeated for want of (and not quite an adequacy of) expertise of the prevailing partner.
- Larger carriers compromised by smaller carriers: Larger carriers can feel shortchanged, too. The larger partner may feel they are being taken advantage of by assuming the role of "giving" partner without the expected benefit from the quid pro quo. Larger or prevailing carriers are known to constantly evaluate the tradeoff and the opportunity cost of collaborative efforts and in the process lose sight of the benefits of synergy. What might have been conceived as a strictly business arrangement can trickle down to a "paternalistic" or "patronising" approach.
- Incompatibility of networks, size of markets and market profile: The ideal alliance



Come fly with me.

or partnership is purported to be mutually inclusive and yet complementary to each other's services. The services of one should neither be far removed from nor overlapping the other's. It takes a great deal of accommodation and adjustment to ensure that the other party's niche or money-spinning market is not encroached upon. Once either party agrees to forego or forsake its market, there should not be any qualms or remorse. Additionally, great care needs to be taken to see there is no clash in the profile of its clientele that either partner serves or market base that has a firm foothold on. Service approaches for labour traffic customer of an airline and the IT professional customer of its partner airline will not mesh well. Yet, there are methods to adopt efficient practices to address just that by a single organisation. Biman was one organisation that did just that successfully in the early to mid-eighties. It stands to good reason, therefore, that both partners identify what they want to achieve from the alliance.

- Conflicts of corporate cultures: The methods of operation of each partner airline may also be markedly different. Selling practices, marketing techniques, and even

making or responding to overtures from other aspiring airlines. There must be a reconciliation and total acceptance of the fact that business practices will undergo a dramatic shift before entering into the more difficult terrain of determining who will call the shots, i.e., who will command whom?

The aforementioned are some of the realities that airlines aspiring for strategic partnerships have faced. Not being in the right league is yet another. But that's not the reason why across-the-board full-scale strategic partnerships are no longer in vogue.

The concept outlined its utility before it could take off. An airline that has cut down routes and sent home many skilled personnel in the process of retrenchment, has the more immediate and arduous task of regaining its identity as an airline. Optimum utilisation of leased and new aircraft, while simultaneously lifting service standards, is the herculean task that should precede strategic partnerships.

The sky is the limit when it comes to conceiving options for collaborative growth. It does not have to be a full-dress strategic partnership. There is a myriad of options. But before that, sprucing up and looking good for the occasion is the priority.

Najmun Noor is a freelance contributor to The Daily Star.

## TALKING POLLS AND BEYOND

### 'I'm confident that BNP will not refrain from participating'

**D**r. Shahdeen Malik studied law in Moscow (LLM), Philadelphia (LLM) and London (PhD). He started his career as a lecturer of law at Dhaka University in 1980. He later became involved with NGOs, particularly Bangladesh Legal Aid and Services Trust and then became an advocate in the High Court Division from 2003. He is currently the director of Brac University School of Law. **Shamim Ashraf** took the interview.

Do you see any uncertainty over December 18 election?

There is still doubt about participation of one of the two major parties. It is making certain demands, but most of their major demands have clearly been met and its local level leaders are keen to participate. BNP may think that it's not politically in an advantageous position and maybe has doubts about its success, but I'm absolutely confident, that it will not refrain from participating.

How do you see demand for deferring the election date?

It will be an endless process then. If the EC defers the date for demand of a major political party, there's no guarantee that other major political parties will not make the same demand later.

Couldn't the RPO and code of conduct be better had the authorities moved earlier?

Definitely. Particularly I don't see any reason why the rules for political parties' registration shouldn't have been made public at the beginning of this year or even last year. The provision of requirement for candidate information also could be made public a year ago so that people concerned could better prepare for election.

Many said the government was busy in other things rather than what they needed to...

In a political government, there can be technocrats who can perform better with the help or guidance of the politicians. This is a government in a very political land such as ours exclusively of technocrats, who almost by definition could not have had any political experience. These are the inevitable inefficiencies, like trying to steer a large ship in the ocean with persons who are used to use small boats.

What is the lesson from it?

This was already time for us to realise that the CG was a noble experiment with all the good intentions which failed. What was necessary was to strengthen the EC so that it could deal the whole things on its own. In that scenario, I don't see any need for the CG system to continue beyond this time.

Can we now say the EC is now strong enough for it?

It's never perfect. The EC has over the last few months made big jumps, though maybe there are some lapses.

It's up to the next government to take measures in light of the EC's experience or suggestions. If the EC conducts the parliamentary and upazila elections in a manner that enhances people's confidence, then there is no reason to change the way it is functioning. The EC has passed its test in preparing the voter list and conducting the local elections but the big test remains ahead.

How do you see EC's failure in properly scrutinising candidates for local election?

The EC didn't have the mechanism then. I don't know why the EC would manage scrutinising properly information of 3,000 if not 5,000 candidates on their bank accounts, utility bills, loan status, certificates, income tax, and assets. The EC would at least learn from the process how to address its lapses. We need to evolve a process where the tax office and others concerned would have centralised information database to verify these information.

Businessmen are coming up to contest in the elections in recent years...

We had almost forgotten an RPO provision over the last couple of decades that a big businessman can't be a candidate in election. Anyone who has a business interest or business dealing with the government in his personal capacity or through his partnership firm or through his company is disqualified from election.

After the next elections, I'll file case if I find a big businessman MP-elect whose firm or company is involved with the government.

Can we hope for a cleaner politics soon?

It will not come overnight. But we can have it next five to fifteen years. Process has definitely started very vigorously, and I hope two more election with strong EC will automatically drive out bad elements from politics.

How would the anti-corruption drive impact in cleaning politics?

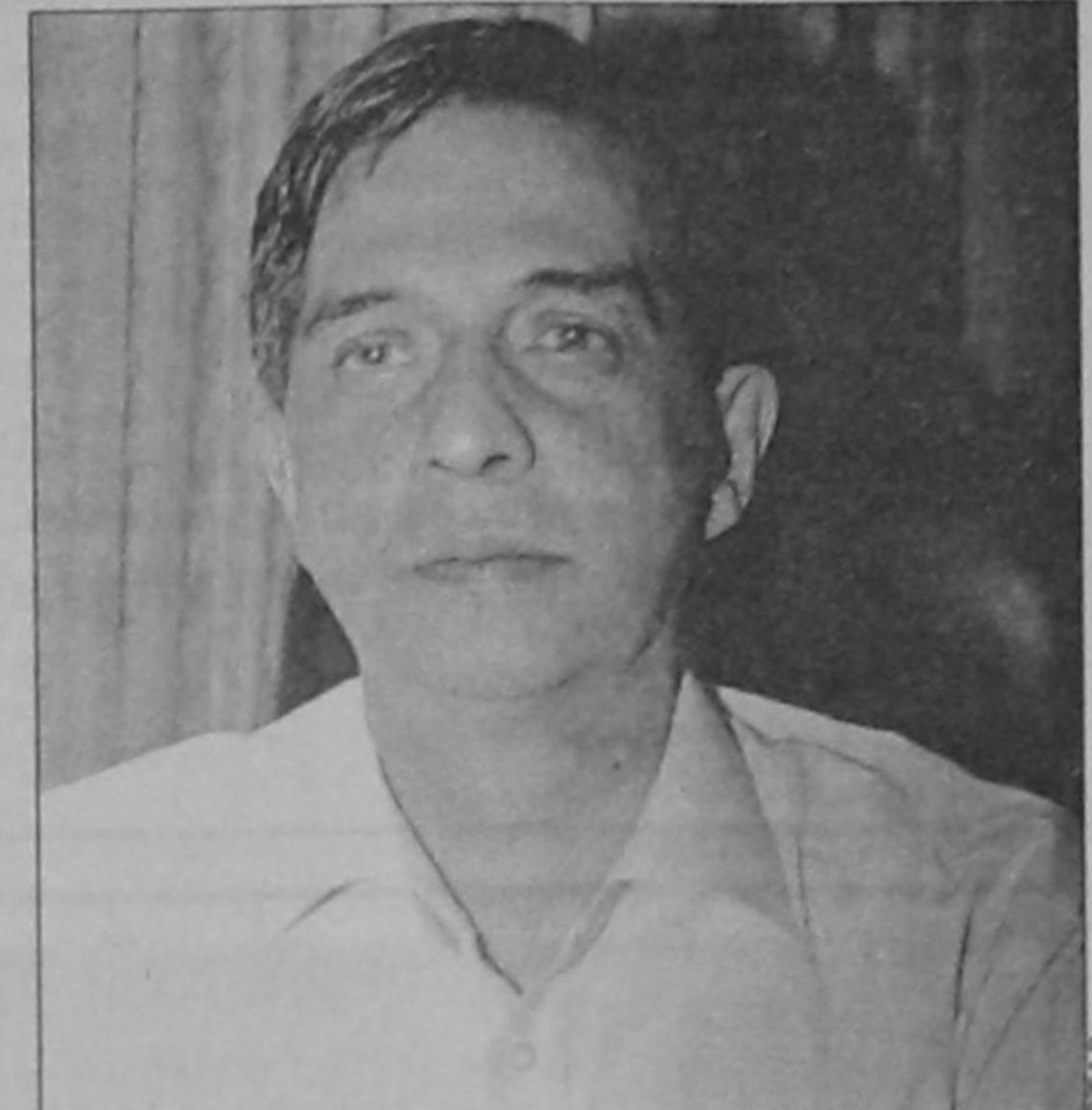
If we have a powerful local government, MPs will not have anything to do with development works. The prospective candidate promises development works in his area without realising that it is not his function. If the law is properly enforced, the corrupt persons will not find interest to contest in the election. A strong local government will go a long way in cleaning up our politics and also the government.

Is confrontational politics going to end soon?

The professional middle-class, which had a fast growth in last 10 years and is still on the rise, will automatically put pressure for rule of law.

How much has been accomplished since 1/11?

Actual accomplishment is negligible but the road to



Dr. Shahdeen Malik

accomplishment has been paved. Formation of search committee for vice chancellor of universities, for appointment of judges in the courts and local government commission has been formed which will soon start delivering. Only the Anti-Corruption Commission will be able to withdraw cases and the commissioners can't be sacked. The systems have been put into place and I don't think it would be possible for the next government to dismantle these. How do you see the anti-corruption drive?

Our expectation was unrealistically high. Under the Anti-Corruption Act of 1947, not even 60 big shots have been prosecuted and convicted in last 60 years.

Expecting someone to implement the law 100 percent efficiently is totally unrealistic. We have only a 150 page booklet on anti-corruption law. We have no practice, no skill, no experience, and no expertise. We don't have a system of tracking illegal property.

People say special laws and court marred the credibility of the anti-corruption drive.

As per Criminal Law Amendment Act 1958, the government shall appoint as many special judges as may be necessary to try and punish offences specified in the anti-corruption law.

Wouldn't it be more credible if tried under regular laws not emergency rules?

The only difference of trying under emergency rules is that the accused are not getting bail. Historically, there are many laws, like those for murder and rape, which are non-bailable. But the courts grant bail after a certain time, as also happened in the cases of emergency rules.

Can those convicted under emergency rules contest in upcoming parliamentary elections if their cases are under appeal?

Some politicians are saying those convicted under emergency would be able to contest in the election. Can anyone show where it is written? If a person files an appeal after conviction, during the appeal, disqualification for becoming a contestant continues.

The popular notion that, on filing an appeal, a person becomes qualified is legally a wrong interpretation.

This issue has not been settled by the Supreme Court. I am sure if the EC rejects a nomination paper of a person who has been convicted and who has filed an appeal and the person goes to the High Court saying that he should be able to contest the election, the High Court will say "no." In only one case, of H.M. Ershad, two judges gave opposite decisions, one saying "yes" and another "no." My guess is that the "no" will prevail if goes to third judge.

How do you see the Minus-2 formula?

Following of a leader is never taken away by external measures. A person always benefits and becomes a bigger leader after any incident of external intervention. This is a historical lesson the government didn't pay attention to. On the other hand, I'm sure after more than 30 years of leadership, people will look for alternative leadership.

Are we going to see any change in their way of leadership?

I don't see any major change in the way they've led their parties. However, the people around them may change.

Parties have accused the government of imposing reforms?

No institution generally brings any reform willingly unless it is on the verge of collapse. Push for reforms always comes from outside. Here the government maybe was not the right one to push.

What lesson did 1/11 leave for people?

No historical example of a society with immorality and corrupt leaders has prospered. Many societies have taken much longer to realise this while some realised it quicker. Hopefully we will become a society which will now realise that we can't prosper with corrupt leaders, not only the political leaders but also business leaders and others in all sectors.

## Stemming the rot

At this critical juncture in our history, the politicians have a key role in saving democracy. They should try to work jointly to make the national election a grand success to strengthen our weak democratic base and brighten image of the country.

A.B.M.S ZAHUR

**W**ITH the passage of time and with a little more transparency we are realising that mere good intentions are not enough to perform good work. It is awfully important to consider carefully whether the good deeds are acceptable to those whom they are meant for.

The vast majority of common people welcomed the setting up of the CTG on

12/1/2007 because they thought they had been saved from the untold sufferings due to misrule of the 4-party alliance. They were not happy with the politicians, particularly politicians of major political parties, because of their failure to stop the country from going down the path of total disaster.

It is unfortunate that the CTG could not deliver the good expected by the people. Also, they could not understand the sensitivities of the people. They failed to realise the

importance of the media.

The role of our civil society in giving guidance for good handling of the political undercurrents in Bangladesh was not enough. However, though late, the CTG has realised that a mere call for reform is not sufficient. Reform must be acceptable to those whom they are meant for.

Strangely enough, the CTG did not have any idea about the minimum time needed for a successful free, fair and credible election in a country where weak democratic institutions could not operate freely.

In this regard, we appreciate the politicians who, despite enormous difficulties, are trying hard to complete the national election successfully.

In the present deteriorating political situation the announcement of schedules by the CEC has been welcomed by the people, who are eagerly and anxiously waiting for a return to democracy under an elected government -- which would allow them to enjoy the benefits of their fundamental rights as ensured by the constitution of the country.

At this critical juncture in our history, the politicians have a key role in saving democracy. They should try to work jointly to make the national election a grand success to strengthen our weak democratic base and brighten image of the country.

For a successful election and smooth transfer of power, the role to be played by the two major political parties (BNP and AL) is most critical. Both of them should try to assist each other to achieve the long awaited goal of holding a free, fair and credible election.

Among the political parties it appears that BNP is in the most difficult situation. Its difficulties may be identified as follows:

- BNP considers that the present political situation is not good for them;
- The rift between Khaleda and the reformist

group has not yet been healed;

- The participation of its prominent leaders in election has become uncertain;
- Due to the prevailing condition BNP has to remain obliged to JI, which is demanding more than 100 seats in the parliament from BNP. Begum Zia is rather worried due to this emphatic and aggressive demand of JI. A group of BNP leaders (close to JI) are in favour of extending more benefits and privileges to JI. Another group is against offering too much benefit to JI. Thus, the high command of BNP appears to be toying with the idea of re-scheduling of the election so that they can settle such issues;
- Due to large number of detained BNP activists on various charges there has been a dearth of competent candidates; and
- BNP hopes that its rejection of election schedules may compel the CTG to concede more privileges to them.

The other major party, i.e. AL, is well advanced in its preparation for participation.

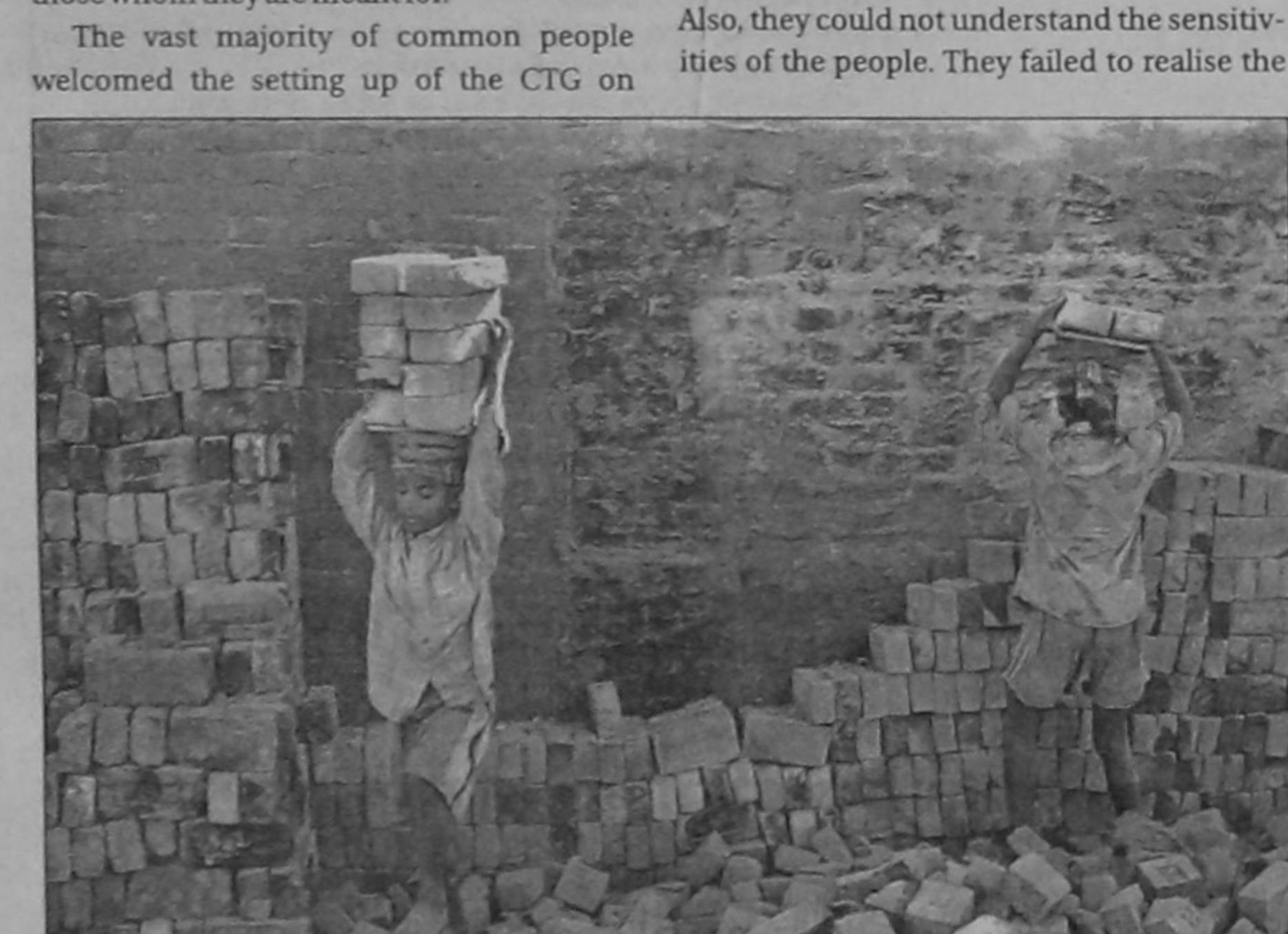
Its approach this time seems to be more systematic and methodical than any other time in the past.

Their senior leaders, under the constant guidance of Sheikh Hasina, are working very hard. It is reported that the party is working for 300 seats in the parliament. Its probable candidates have started approaching the concerned voters.

No report of any problem has been received from the rest of the registered parties. With the return of Sheikh Hasina from abroad the question of formation of Mahajote (grand alliance) will finally be decided. As for the 4-party alliance, we will know the final decision soon.

In conclusion, we may say that we have almost reached the threshold of a free, fair and credible election.

A.B.M.S. Zahur is a former joint secretary.



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**Vittachi**

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They soon discover that becoming a stock market player is one of the Top Four Most Stressful Things That Can Happen to

a Human Being, along with losing the remote, accidentally marrying a re-animated corpse, or being exposed in public as a person with a silly ring tone.

But if you are really, really desperate to lose your money, first consider our useful list of frequently asked questions below.

Q: A financial analyst said on television this morning that the stock market "moved sideways." What does that mean?

A: It means the stock exchange slid off its foundations and moved across the road, most likely into the nearest large body of water.

Q: My investment advisor is desperate to sell me a certain stock. What does this mean?

A: When I asked him to make a forecast, my broker said: "The market will either add value or suffer a correction unless it