

Murder in the mosque

Pakistan's fragility worries South Asia as a whole

THE bombing of a mosque in Pakistan's frontier town of Jamrud on Friday is a reminder once again of the increasing fragility of society and the state authority in that unfortunate country. The suicide killing left at least fifty people dead, with scores injured. There is every likelihood that the casualty figures will rise, adding to the grim nature of the tragedy. It is certainly not the first time that a mosque has been made the target of a violent attack in Pakistan. It is an ominous sign of how much radicalised religious fanatics have become in Pakistan of late. They are now ready and willing to transfer the ferocity of their internecine sectarian conflict to the interior of places of worship.

The tragedy in Jamrud comes at a particularly difficult time for Pakistan. On the one hand, its people have been struggling for a democratic order to be put in place. On the other, the proliferating activities of the Taliban and al-Qaida along its frontier with Afghanistan have eroded much of the authority of the state in the area. There is too the helplessness of the Pakistan authorities where ceding control of Swat valley to religious radicals is concerned. Swat is now being run on the basis of Sharia law, in clear contravention of the constitutionally stipulated laws of the country. To what extent such developments have compromised Pakistan's sovereignty as a state is today open to question. And matters are not helped at all by the recent attacks on Pakistani villages by US drone aircraft in what has been given out as operations against the Taliban and al-Qaida. The situation in Pakistan acquires a new level of complexity because of an absence of strong political leadership in the country. Weak politics has been causing a haemorrhaging of the state power and effectiveness. The gravity of the situation has been exemplified yet again, this time by the emphasis US President Obama has placed on Pakistan in his Afghanistan policy over the next few years.

There is a clear need for Pakistan's government to get a grip on conditions. If that does not happen, there is a patent danger that the country's decline as a state might in time entangle other nations in South Asia. That, in turn, can only widen the sphere of conflict, to the detriment of all of us.

Our worries about Pakistan's future are only natural, as events there are likely to affect the whole region. Which is why we hope that the country will go for a strengthening of democratic institutions as a vital first step in its struggle for survival.

Campus disorder

AL is yet to rein in its students' wing

WHAT has been demonstrated by the Chhatra League, through its muscle flexing and efforts to bring under control various halls of residence, was nothing short of being disruptive for the major educational institutions of the country. The matter has been further compounded by the clashes between various factions of the Chhatra League (BCL) for control of the turf.

It is matter of great concern to see the universities turned into battlefields, and halls of residence becoming sanctuaries for stockpiling lethal weapons for use against rivals. And this phenomenon has increased in intensity with the AL assuming the reins of power in January 2009.

In the latest incident, police had to be called in to tackle a potentially volatile situation in Mohsin Hall, stemming from rivalry between supporters of the president and the general secretary respectively, of the Chhatra League unit of Dhaka University, over the control of the Hall. And the underlying reason for the clash was securing by force tender of development work of the Hall.

On more than one occasion we had highlighted the deleterious consequences of allowing student activities that had nothing to do with the interest of the general students as such, go unchecked. We have been pained to hear comments from certain quarters to the effect that the BCL had been at the receiving end during the regime of the 4-party alliance and it is only fair that they be allowed to give back what they got.

That is the most preposterous argument and indeed a dangerous position to take because it will not only vitiate the atmosphere in the universities, it will also help BCL perpetuate its activities. Needless to say, it also goes against the very spirit of change that the AL so volubly articulated in its election pledge.

We are constrained to say that the AL leadership is too soft on its student wing. Except for the warning pronounced by the Prime Minister recently, no tangible action has been noticeable so far against the unruly and disruptive elements of the BCL. Evidently the PM's warning is having no effect on the student wing of her party.

The AL need not be reminded that one of the reasons for the heavy defeat of the BNP was the misuse of power of, and corruption by, its various factions. It is time that the AL realised that the rampant unruly conduct of the BCL will gain for it no political dividends at all. It is not too late either to take stern action against these elements.

EDITORIAL

Facing global meltdown

Western developed countries are using public funds to save the private businesses from collapsing. But Bangladesh does not have such capacity to give cash and cash incentives for export as bailout package.

A.N.M. NURUL HAQUE

THE global economic meltdown is unraveling before Bangladesh faster than the prediction made by economists just a few months back. The IMF director for Asia and Pacific Anoop Singh said on February 13 that Bangladesh's economy has been able to resist some of the effects of the global economic recession as it has benefited from the fall in food, fuel, and other commodity prices.

Though the country was less affected from the first round impact of the global economic recession, it has already started facing the consequences of the global meltdown. Bangladesh is now facing the knock-on effects of the global recession on the external front because of a freefall in export earnings, remittances, and foreign direct investment.

Both prices and export orders of our major exportable items are slipping towards the bottom, dropping export earnings by more than 10%. Economic forecasts of our major export destinations are grim as they have faced significant impacts of the global meltdown.

Bangladesh knitwear industry with a highly laudable performance is now trying to keep its business afloat against the backdrop of an unprecedented fall of export orders. Statistics revealed that US imports of knitwear and woven garments from Bangladesh were more than \$558 million and \$1.21 billion respectively during July-December of the last fiscal while it decreased by 1.56% for the knitwear and by 3.72% for woven garments during the corresponding period of this fiscal year.

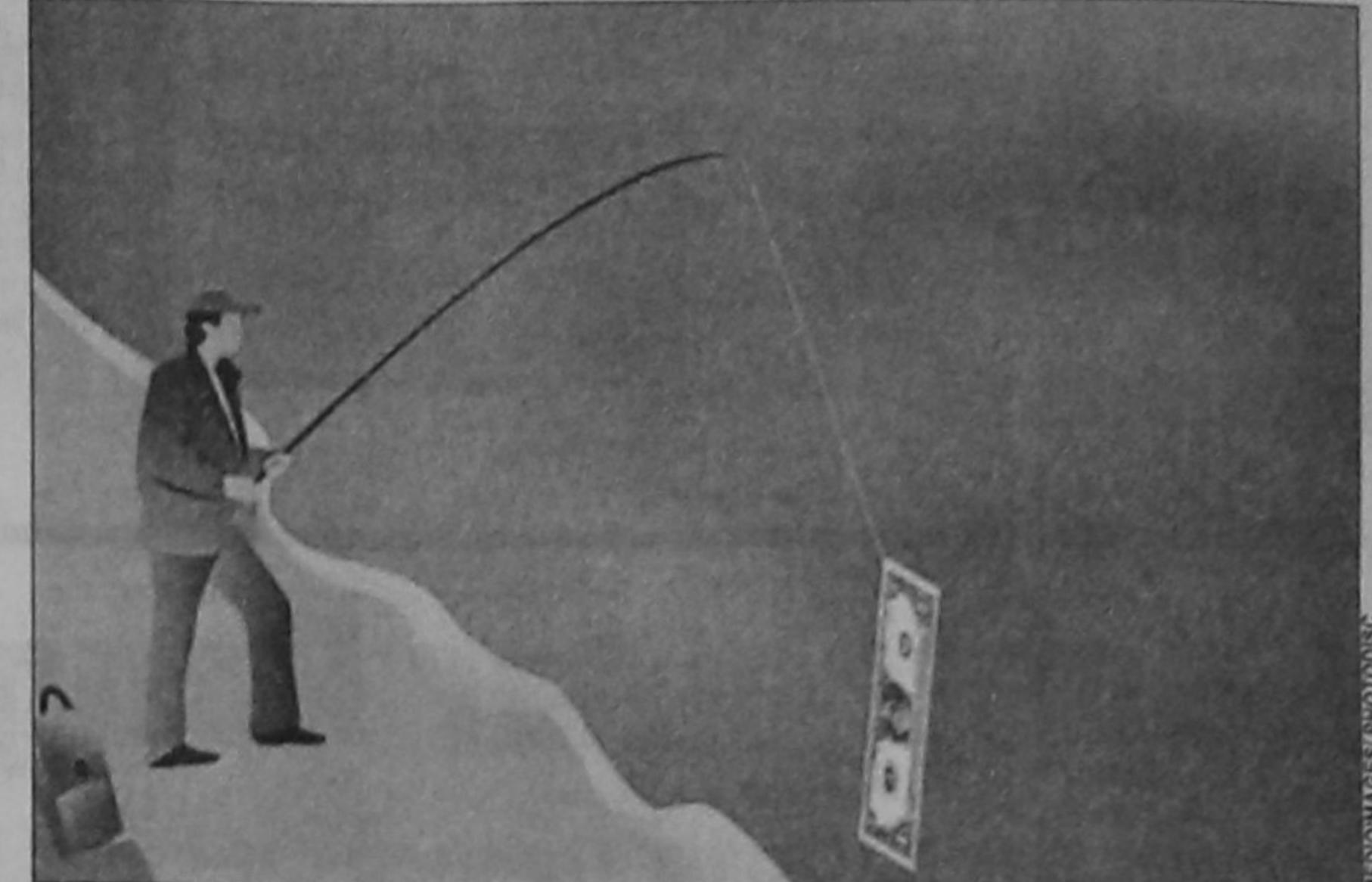
Remittance inflows are also feared to face a slowdown in the coming months as expatriate workers are losing jobs at an alarming rate. According to Bureau of Manpower Employment and Training, more than 8,000 expatriate workers have returned home in February from the Gulf region. This number is almost double the figure in January. The number of outbound Bangladeshi workers has also gone down with some countries like Malaysia canceling work visas.

According to Bangladesh Bank, foreign remittance grew by 29.36% to \$5.3 billion in July-January period of this fiscal from \$4.15 billion in the same period a year back. But it fell by around 9% to \$784.47 million in February. FDI inflows have also shrunk further, hurt by global economic recession.

The government has formed a 27-member task force to identify the transmission channels of the global meltdown and analyse its fallout and impacts on Bangladesh in addition to reviewing the overall economic situation.

The task force, headed by the finance minister, at its first meeting held on March 24, decided to take quick steps in six major sectors and prepare a holistic package to protect various domestic sectors from the negative effects of the global meltdown. The experts in the taskforce have opined that the fallout of the global meltdown would not be economical only but might also turn into a serious social crisis.

The six steps that will be taken on an urgent basis for facing the global meltdown are release of cash incentives for exporters, reduction of



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fees for captive power plants, special care for export of frozen foods, relaxing provisions for rescheduling defaulted bank loans, strengthening the Bangladesh Standards and Testing Institute for improving certification, and reviewing the value added tax for the export sectors.

A delegation of the FBCCI has recently met the prime minister and claimed a Tk 6,000 crore bailout package for the meltdown.

On the other hand, MCCI has recommended a supportive monetary policy and conducive tariff regime rather than direct cash incentive to exporters as stimulus package, as part of the government's efforts to face global meltdown.

Western developed countries are using public funds to save the private businesses from collapsing. But Bangladesh does not have such capacity to give cash and cash incentives for export as bailout package.

Bangladesh's economy has already started to feel the pains of global economic meltdown. So, the government needs to immediately start providing various fiscal-financial incentives and assistance to the affected sectors to tackle the fallout.

Bank loan at reduced interest rate, exemption of duties and tax rebates and cash compensation schemes should include in the aforesaid stimulus program among others.

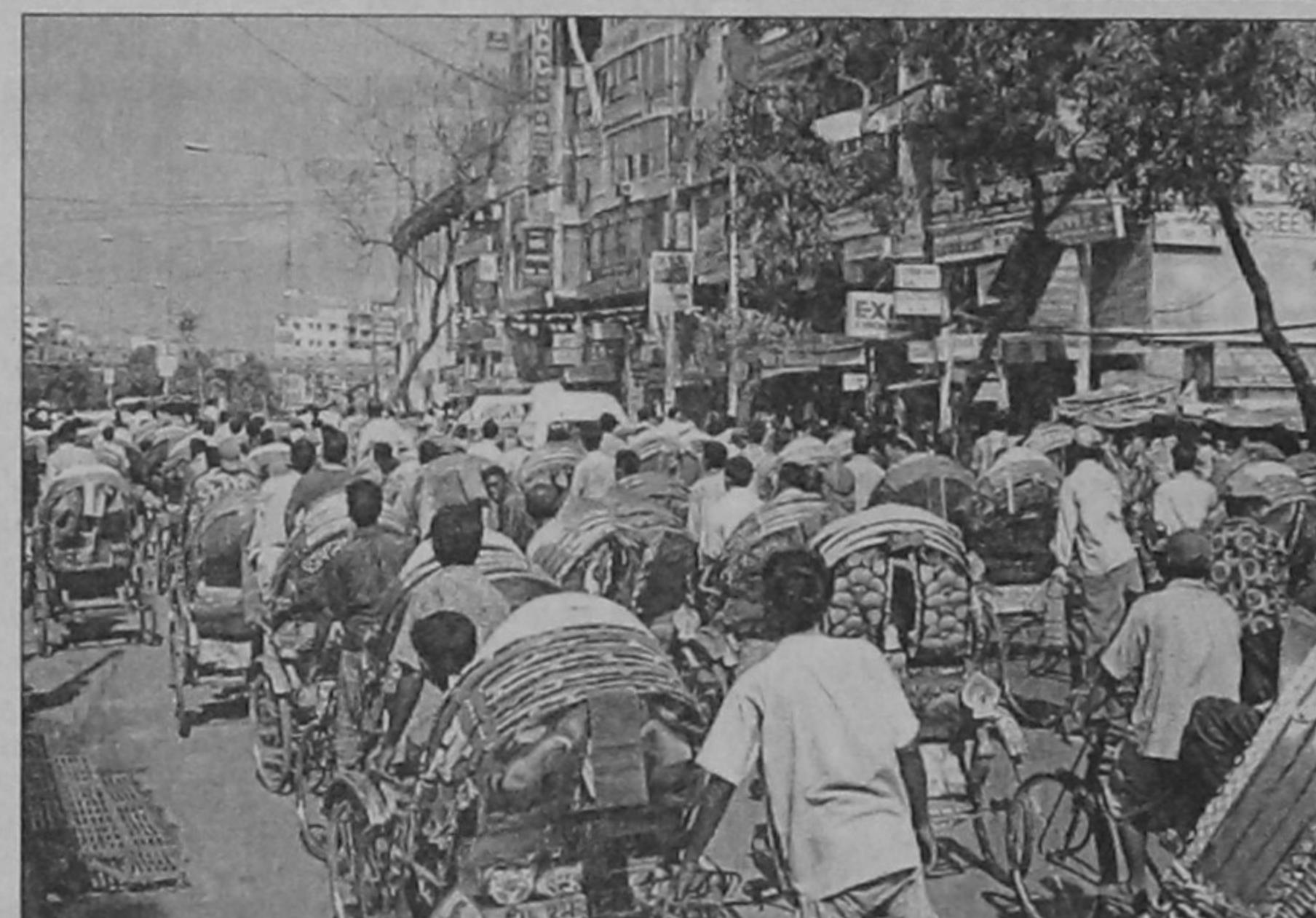
I am not against the Tk 6,000 crore bailout package, as demanded by the FBCCI leaders. But the pertinent question that one can ask is, to what extent will this package be able to meet the challenges of the global economic meltdown?

The capital markets all across the world are still in decline despite of injecting trillions of dollars into the affected sectors. This is one side of the coin. The other side is that it would create a big public liability, as the government has no alternative but to raise this huge fund through issuing bonds.

A.N.M. Nurul Haque is a columnist of The Daily Star.

Gridlocked

As a result, another estimated 35-40,000 reconditioned cars will add to the already over-burdened transport fleet in the capital city by the end of the current fiscal year, and, as a result, movement on city roads will turn into total deadlock, both in the morning and afternoon hours.



KARAR MAHMUDUL HASAN

DIFFERENT agencies of the government had a number of hectic meetings during the last months of 2008 on traffic issues, and several decisions were taken which country people came to know through print and electronic media.

A news-item published in different daily newspapers stated that in a bid to ease traffic congestion and ensure smooth traffic management in the capital, the government had asked all educational institutions to start classes at 7.30 am and ordered to comply with

the directive regardless of their single or double shifts.

The Education Ministry formed 12 vigilance teams with 36 officials led by 12 deputy secretaries and the teams would make separate visits to the educational institutions and submit their reports to the ministry immediately. This was a limitless folly.

In a meeting held last September, under the chairmanship of the former home adviser, it was stated that the authorities had introduced 40 bus-routes in the capital and its outskirts after rearranging previous 138 routes to bring discipline in the traffic system and ease vehicular movement.

On the same issue (rearrangements of bus routes) another meeting under chairmanship of the DMP commissioner was held on September 16 last year and same overlapping decisions were taken, suggesting non-coordination in the same ministry.

In last one decade and a half, dozens of seminars, workshops, round tables, TV talk shows, and many other costly discussions, took place on traffic issues and tons of resolutions, recommendations, suggestions, advice, etc were poured in towards addressing the ever-increasing gridlock.

Unfortunately non-pragmatic, and at times wrong, diagnosis of the root causes of the traffic complications, were loudly taken by the police and other concerned administrations like DMP, DCC, BRTA, etc which could not minimise the traffic congestion to a tolerable level.

The result is the present horrendous traffic congestion in all parts of Dhaka city, be it posh area like Gulshan, Banani, or Dhammardi, or business areas like Motijheel, Kawran Bazar, Mouchak-Rampura, New Market or Dilkusha.

Surprisingly, during the tenure of past non-political caretaker government, decisions facilitating import of upto six-year old reconditioned cars (revising the previous order of 4 year-old cars) mainly from Japan was taken vide gazette notification dated July 30, 2008.

This particular decision of facilitating import of 6-year-old reconditioned cars/jeeps upto 1649cc, has started aggravating the existing acute traffic doldrums in the city of Dhaka in particular. As a result, another estimated 35-40,000 reconditioned cars will add to the already over-burdened transport fleet in the capital city by the end of the current fiscal year, and, as a result, movement on city roads will turn into total deadlock, both in the morning and afternoon hours.

To get rid of this apprehended nightmare, I want to propose the following immediately implementable measures:

- Facilitate import of at least 3-4,000 new 52-seat CNG buses through private sector to operate on Dhaka city roads under the total ownership and supervision of not more than ten operators. The government needs to assist the proposed operators in getting necessary fund/loans from banks at tolerable interest rates to purchase the buses.
- The SRO allowing import of up to 6-year old reconditioned cars and facility of tax-free vehicles for MPs to be cancelled immediately.

After the import of the buses, the DCC may impose Tk 5,000 as tax for making each new rickshaw, to be borne by the owner of the rickshawmaking factory.

Rickshaws from all roads except lanes and by-lanes to be withdrawn through issuance of short notice by the DCC/DMP.

Taxes, duties, etc on smaller motorised vehicles including CNG auto-rickshaws may be tripled, if not more, after 50 percent of above-proposed buses are put to operation.

The number of traffic police personnel at different levels may be increased to at least three times the existing strength and the health/environment hazards allowance for the traffic police personnel should be introduced, which should be equal to their basic salary.

The BRTA, DOE, DCC (Engineering & Traffic Section) and DTB's manpower, resources and logistics are to be increased at least three times than what they are today.

Initially, the above seven prescriptions if implemented, of which the last six may be implemented within two to twelve weeks, and if these are done, the traffic congestion of the capital city will be resolved at least by 50 percent within six months. The government may start implementing the above suggestions without any further loss of even a single day.

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Big ideas equal bags of cash

As you watch the drama unfold, think of the Obama budget as Iraq in reverse. Neocons in the Bush administration used the attack of 9/11 to push us into Mesopotamia; progressives see economic crisis as an opportunity as well.

HOWARD FINEMAN

ON another day in another time, the White House chief of staff might have been on Air Force One, flying to the metropolis of Los Angeles, where his brother is a famous Hollywood agent and the president was doing "Jay Leno." But Rahm Emanuel stayed in Washington last week, hunkered down behind closed doors in the US Capitol, plotting ways to push his boss's colossal, ambitious \$3.6 trillion budget through a Congress that increasingly looks like it might blanch at the price tag.

Even as he met with Speaker Nancy Pelosi and other House Democrats -- longtime allies from his days as a Chicago congressman -- officials elsewhere on the Hill were issuing grim new predictions about federal

deficits five years hence.

To which Emanuel, I am told by a source in the leadership, had a characteristically scatological response, involving an anatomically impossible sex act. Rahm denied the remark, but not the sentiment. "Now is not the time to pull back," he said to me. "Those long-term predictions are meaningless -- and usually wrong."

While the Beltway is getting its populist freak on over AIG, a bigger, more fateful drama is underway in the Speaker's office. It's about nothing less than whether the Obama administration can reverse a generation's worth of skepticism about the role of government in our lives.

The federal budget is the Rosetta stone of American public philosophy, and Obama

and Emanuel want to re-chisel it in expensive new ways: quality health care for all; better, more innovative public education; a rewritten IRS code that taxes the wealthy more heavily to channel benefits to lower-income Americans; and a new global effort to slow climate change.

As you watch the drama unfold, think of the Obama budget as Iraq in reverse. Neocons in the Bush administration used the attack of 9/11 to push us into Mesopotamia; progressives see economic crisis as an opportunity as well. "We believe in the affirmative role of government," Emanuel says. "Not 'active' for its own sake, but affirmative in the sense of being a force for good in everyday lives -- education, health, a lessening of economic and social schisms in society."

The problem is that affirmation is expensive. The budget projects a deficit next year of at least \$1.7 trillion -- piled atop the trillions already spent or loaned to try to dig us out of a global recession. "It is totally unsustainable," says Democratic Sen. Kent Conrad, a Stanford MBA who chairs the Budget Committee.

Even if Obama is correct in claiming that he can cut the deficit in half in the next few years, the burdens on future generations will continue to grow. Motivated by such concerns, 15 Senate Democrats last week formed a "moderate" bloc. A creature of the House, Emanuel -- and Obama -- will have to win them over. "As long as they're not just posturing, I can work with them," he told me.

But he's not taking any chances. While his battle plan isn't final, it probably will involve tinkering with the Senate's rules to allow health-care, tax and education bills to pass with only 51 votes -- not the filibuster-proof 60 that has become the norm in the Senate.

But even getting 51 votes won't be easy. There is already talk of dropping Obama's environmental plan from the 51-vote bill -- a concession to moderates such as Evan Bayh of Indiana. Emanuel denied there was such a deal. But the deal-making has just begun, and the theatrics will be worthy of Hollywood by the time the credits roll.

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