

## Implementing the budget will be the real test

*How good are the modifications?*

THE passage of the national budget for FY 2009-10 through the parliament and its eventual adoption with certain modifications have had an unmistakable ritualistic ring. For, the budget has been adopted in record quick-time amid the absence of the opposition with its numerous cut-motions having been guillotined.

Of course, there was simply no question of any of the budget proposals to be outvoted given the modest strength of the opposition in Jatiya Sangsads. Even so, by boycotting the parliament, BNP and its allies have unfortunately denied themselves the opportunity of taking issue with the government on its budgetary policy and speaking for their own constituents who sent them to parliament in the first place entrusted with the responsibility of looking after their weal and woe.

Coming to the amended aspects of the budget, we see the finance minister AMA Muhith going a mixed way in responding to demands from various circles for alteration of certain proposals of the original budget. In other words, the modifications contain some positive features but basically retain the original character of the budgetary thrusts. Overall though, the amendments have been, by and large, responsive to public, expert and business opinions.

On the controversial issue of whitening black money, the government has proved particularly amenable to criticism. It has limited the amnesty to one year and made it conditional upon a declaration of sources, submission of specific investment plans including purchase of one flat or real estate property in a lifetime and the two-year lock-in of the investment. The honest taxpayers may still feel discriminated against, because of the nominal tax rate applicable to the black money owners.

As for lock-in with the possibility of money getting stuck up for two years, the supply side of securities will have to be strengthened through an off-loading of government stakes as more private sector companies listed with the bourses.

The reduction in the corporate tax rate should go down well with the banks and leasing and finance companies, but not with the life insurance companies. The rate cut will help increase net profit of banks and financing houses which should enable them to pass on some of the benefit to the clients. Lending rates should come down. The insurance companies have a point when they say that tax on life insurance companies in neighbouring India is half of what is levied here.

The import levy on newsprint has been reduced from 5 to 3 percent providing very little relief to the newspaper industry whose running and production costs have vastly increased over time. The mobile industry has got some tax relief but the SIM tax remains unchanged. This, we think, is a very short-sighted measure.

Finally, tax reduction on computer and for local industry is a positive step.

## Parking chaos getting severer

*Space constraints can be addressed*

A cursory look at Motijheel and Dilkusha commercial areas makes one wonder at the city administration's turning a blind eye to the maddening traffic congestion and harrowing experience of the commuters. Getting in or out of the commercial hub has become a nightmarish ordeal, as hundreds of vehicles remain parked erratically on two sides of the four-lane roads. The resulting narrowing down of roads make it difficult to accommodate the rush of vehicles from early morning till late evening. On two sides of the roads, some of the multi-storyed buildings have allotted parking space but there are many others who do not have such a facility.

The worst part of the story is that Dhaka City Corporation (DCC), instead of taking steps to create more parking space is exploiting the situation to collect fees from the parked vehicles. It beats all logic why despite an existing multi-storyed parking facility at Sadharan Bima Corporation, DCC has assigned a company to collect fees from the parked vehicles in Motijheel and Dilkusha area. The parking facility at Sadharan Bima Corporation at Dilkusha can accommodate 575 vehicles but only about 200 vehicles are parked there on an average every day. Reportedly, parking fee there is more than what is charged on the roads. Even so, if the law enforcers had taken action against illegal parking, vehicle owners would have had no option but to park in allotted spaces. This sounds like an organised racket that is going on right before the eyes of the city administration. Actually, by collecting fees from parked cars on the roads DCC is sanctifying an illegal practice.

Dhaka is a sprawling metropolis with mounting pressure of traffic, but the car owners seem to live in the past and hang on to their old habit of car parking just about anywhere. They have to change their attitude and adapt to the new laws and regulations that will have to be imposed from time to time to make the city livable. The relevant authorities should also make it mandatory for the owners of multi-storyed buildings to ensure parking space inside the premises.

To give Dhaka the profile of a modern city, traffic management has to be given number one priority.

# EDITORIAL

The Daily Star

## High-rise hopes for the commoners

Housing for all should have been brought under the social safety net to be extended with much enhanced allocation. Otherwise, the expectation of the low income section for a house will turn into frustration -- to the trepidation of the policy makers.

MD. SHAIKUL MASHREQUE

P LANDED urbanisation with a proper scheme of housing and settlement for the low and medium income group is woefully missing. Dhaka is dotted with small settlements at the fringe of each residential locus. Even some posh enclaves like Dhanmondi, Gulshan and Banani are changing in a negative direction, losing much of the characteristic of an ideal residential area. The original residential pattern, full of well-planned accommodations built around open spaces, is gradually fading.

Along with high-rise buildings there are numerous dilapidated huts and tin houses, built mostly by the poor people. The changing face of Dhaka, once called a green city, is characterised by apartment blocks sprouting like mushrooms. It has, thus, become an "urban jungle." Nowadays, houses with gardens and orchards are hardly available in Dhaka.

Multi-storyed flats are close to each other with a little space in between -- no

park, no playground. Whereas Kolkata, once identified as the most congested Asian city, now looks impressive with numerous open spaces, fields and parks near the residential locus. An open city like Chittagong, endowed with rich natural infrastructure, has also been affected by unplanned urbanisation.

The poor, mostly consisting of factory labourers, rickshaw pullers, vendors and maid servants, live in slum areas in squatter settlements. In Chittagong, risk-prone slums are situated along hillsides or on hilltops frequently visited by natural hazards.

The government is planning to develop 22,800 plots and build 26,000 apartments in the next three years, according to budget disclosure. Housing for all is contained in Vision 2021. The government will provide accommodations with modern facilities to rural residents through rural housing schemes around the growth centers in each union and upazila.

The budget 2009-10 speech makes it clear that steps have been taken to revise

the National Housing Policy 1999 and reform the Bangladesh National Building Code 1993 to make "housing and construction activities safer, sustainable and streamlined."

The government's plan to provide residential accommodation to all also includes insolvent freedom fighters. An initiative has been taken to build shelter homes for the floating population in the urban areas for creating employment opportunities.

Possession of an apartment in the metropolitan urban areas has become a pretty tough. It is like a golden deer. For the poor and fixed income group possessing an apartment is a distant dream.

The 2009-2010 budget provides scope for the black money makers to purchase apartments by paying tax. We are morally constrained from allowing them to do so as they earn a lot from illegal activities like embezzlement, kickbacks, bribery and fraud, smuggling, hoarding and black marketing, tax evasion and outright tax fraud.

In the case of apartment purchase by whitening black money the tax rates have been fixed at Tk.400, Tk.600, Tk.800, Tk.1000 and Tk.1500 per square meter for different sizes and locations. Once ill-gotten money finds an outlet to come into play the outcome will be disastrous for the commoners. Their hopes of a flat or apart-

ment are sure to be dashed, because black money as bad money will drive legally earned good money out of circulation so far as real estate is concerned. The destinies of the low and middle income groups aspiring for strategic possession like apartment will be enveloped in the darkness of despair and despondency.

Rehab's scheme of housing for the economically disadvantaged section in the metropolitan cities will be difficult to implement once the criminal syndicate takes the upper hand, increasing market prices of cement, iron and other construction materials far beyond the affordability of the commoners. The recent houseboom in Dhaka is a boon to the economically affluent and bane to the commoners.

Admittedly, the housing problem is now an awfully stupendous one all over the country, but the government has a plan to provide houses for all, including the rural citizens. The disadvantaged people, who are supposed to benefit from a social safety net, need residential accommodation. For this reason, housing for all should have been brought under the social safety net to be extended with much enhanced allocation. Otherwise, the expectation of the low income section for a house will turn into frustration -- to the trepidation of the policy makers.

Dr Md. Shahul Mashreque is Professor, Department of Public Administration, Chittagong University.

## Recruitment to government service

Planning of personnel development should emphasise growth of an individual's skills. Modern technology needs more flexible organisational patterns. To exploit modern technology a developing country like Bangladesh may opt for flexible arrangements.

A.B.M.S. ZAHUR

R ECruitment for government service should aim at maximising mobilisation of skills and talents. The civil service is a key state institution, and is vital for building a strong sense of legitimacy. Economic development and building of power and legitimacy are intimately interrelated, and the civil service contributes to both.

Bangladesh has very little actual evidence as to what troubles governments the most and what the consequences of various policies and practices are. The following propositions are discussed for a clearer understanding of recruitment policy:

- It constitute a basic political power. When the power holders agree to allow "technical" considerations to govern recruitment policies they are confident that the results will be consistent with their continued command of power.
- It is discriminatory. Selectivity by favouring some elements and preventing others from obtaining an even greater portion of representation and power.

Recruitment policy need not reflect abstract standards of justice. In a parliamentary democracy like Bangladesh it may be considered just and legitimate that officials identified with the previous administration be removed from office in favour of new appointees.

If the pattern of favouritism is consistent with accepted rules of the political game of the society such practices can strengthen the legitimacy of a regime. By favouring certain skills and types of people over others recruitment policies suggest what are the most desirable and appropriate talents for officials.

Recruitment policies reflect political relationships, which are vital for career advancement in the public sector. Societies tend towards generalised politicisation when a ruling class is concerned with the danger of fundamentally divisive splits within itself or when a single political group dominates the society.

Basic values associated with rationale of power consist of loyalty, dedication, precision, obedience, commitment to procedures and discipline.

Recruitment based on merit may relieve political pressures without ensuring mobilisation of knowledge. This does not mean that it cannot be politically advantageous.

A merit system capable of eliminating political influences does not mean that it is capable of identifying desirable talents. If Bangladesh adopts the system it must have the capacity to select appropriate talents.

Administrative specialist is an elusive concept. The knowledge that leads to effectiveness must consist of broad understanding and capacity to command specialised matters. One of the strongest points of the merit system is that it can tell all potential candidates that they must have common traits, values and skills before they apply. In developing countries it has been easier to ensure the necessary minimum common outlook than to identify potentially creative individuals.

Bureaucracies tend to reflect the educational system of the society. If general humanistic education is stressed government officials are likely to value the qualities associated with the gentlemen scholars. If education is highly selective it is easier for recruitment policies to accept the academic criterion of relative ability as an appropriate guideline for selection from among competing candidates. The higher the general educational level the more the

recruitment policies can be designed for possibilities of post appointment training.

Modern recruitment policies need emphasis on career development. If there are large reservoirs of skills policies may focus on matching available skills. If not, emphasis may be placed on planning careers for those selected.

Planning of personnel development should emphasise growth of an individual's skills. Modern technology needs more flexible organisational patterns. To exploit modern technology a developing country like Bangladesh may opt for flexible arrangements.

Expertise in certain skills is desirable. Professionalism is elitist in orientation. The pragmatism of technocrats tends to challenge ideological doctrines. A policy for recruitment can reduce such conflicts.

Recruitment policies must recognise that power considerations are critical even among specialists. Though government departments need protection from political rulers, conflicts among technicians need to be resolved politically.

The new government is striving hard to achieve vision 2021. This needs improvement in the skill of the civil service, which requires personnel who are loyal, dedicated, disciplined, precise, obedient and committed to procedures. This is possible through adoption of a proper recruitment policy.

A.B.M.S. Zahur is a former Joint Secretary.

## Sovereignty Day in Iraq

By the time the Americans pulled out Tuesday, many Iraqis were dissing their erstwhile rescuers, some asking what took them so long and dancing in the streets on a holiday President Nuri al-Maliki quickly dubbed it National Sovereignty Day.

LENNOX SAMUELS

ONE thing Iraq's leaders have clearly picked up from the U.S.; the value of political theater. For weeks, officials have been ratcheting up the assertive rhetoric, some even calling today's withdrawal of American combat troops to positions outside Iraq's cities "liberation." At a recent press conference, three Iraqi ministers took turns making it clear no delay would be countenanced. "All American troops will be gone no later than the June 30," stressed government spokesman Ali al-Dabbagh.

By the time the Americans pulled out Tuesday, many Iraqis were dissing their erstwhile rescuers, some asking what took them so long and dancing in the streets on a holiday President Nuri al-Maliki quickly dubbed it National Sovereignty Day. "I hope this will be a first step toward them leaving our country. That would be a great day," said retired school teacher Fatima Ali. "Americans are outsiders and occupiers. They destroy the country and cause its people lots of harm."

Iraq could be exposed to security risks if such sentiments harden within the political class. Under the agreement signed last November between the United States and Iraq, U.S. combat troops have withdrawn to non-urban areas and a belt around major cities like Baghdad, Basra and Mosul.

The agreement provides for the Americans to step back into the cities and

towns when asked by Iraqi authorities -- presumably if they perceive a threat they can't handle alone. Gen. Ray Odierno, the top U.S. commander in Iraq, says the Americans will be close enough to respond quickly. In the meantime, his troops will continue to conduct "full-spectrum" operations outside cities and towns.

The question is whether emboldened Iraqis will ask for help when the time comes. Especially in the short term, meaning in the period between now and parliamentary elections scheduled for the end of January 2010. Jockeying has already begun in the current Parliament, and, like Maliki, who is trying to leverage his image as a tough wartime leader to win a second term next year, some Iraqi leaders may be eager to demonstrate their independence by insisting that Iraqi security forces handle even existential threats.

"I'd say they'd have to be in a pretty hard place before they asked for any ground troops," a Western contractor working with the government told Newsweek. "There are some who will want to withhold any visible request for help and try to see it through on their own and hope for the best," added the contractor, who would not be quoted discussing sensitive internal politics.

Odierno says Iraq's army and national police, which number more than 600,000, are greatly improved, and, he believes, are ready to take the lead in defending their countrymen. "From a combat operational perspective, a large majority of the Iraqi security forces are capable," he said in an interview near the once-embattled city of Fallujah. "The issue is sustainability ... and we will continue to assist their ability to sustain, as well as develop some of the capacity they need."

Al-Awadi says critical comments about his force are residue from an earlier time. "There has been a bond developing between the civilians and Iraqi security forces that will help defeat terrorists," he said. His comments appeared to be borne out during a patrol through Saediyah, a

south Baghdad district devastated by sectarian cleansing in 2006-2007. Blue-and-white national police Humvees festooned with colourful plastic flowers drove slowly through the dusty streets as residents waved and smiled.

Such reconciliation featured prominently in Maliki's National Sovereignty Day speech, in which he declared the U.S. withdrawal a "joint achievement of all Iraqis, worthy of their history and their great civilisation and their sacrifices." He did not mention American sacrifices. So far, 4,323 U.S. servicemen and women have died in Iraq, including four yesterday.

American troops have now settled into quarters away from the bases and camps they've long occupied. They leave behind small contingents to train and advise the newly ascendant Iraqi security forces. Odierno calls the new supporting role "a change in mindset" that commanders and rank and file are adapting to. This pullout is to be followed by the removal of all combat forces next August and complete withdrawal of U.S. forces by the end of 2011.

Odierno says he is confident this is the right time to make the switch in cities. He also says he expects the attacks of the last two weeks, which he attributes to Al Qaeda in Iraq and Shia militias, to continue. As if on cue, terrorists exploded a car bomb Tuesday in the northern disputed city of Kirkuk, killing 30 people. The attack came just hours after the Americans withdrew. The hope now is that such attacks don't multiply and intensify to the point where Iraq has to call back the cavalry after all.

© Newsweek International. All rights reserved. Reprinted by arrangement.