

# Black money, white money

How does one judge whether the money is "black" or "white"? Undeclared income, per se, does not assume the colour black, even though it can lie buried in the vaults of the Swiss banks or hidden in the numerous accounts of many domestic banks.

SYED REZAUL KARIM

HERE is a controversy on the colour of money belonging to our ex-prime minister Begum Khaleda Zia. The money in question is what Begum Zia declared to the income tax department, availing the opportunity under SRO 98 of 2007 issued by the last caretaker government. In income tax parlance, the money was concealed income or, more euphemistically, undeclared income.

The validation of undeclared income would not have merited a controversy had not the acting Secretary General of Awami League, Mr. Mahbubur Rahman Hanif, termed it "black" money. The Secretary General of Bangladesh Nationalist Party, Mr. Khondokar Hussain, countered the charge by stating that it was "white" money that was "whitened."

Where does the income tax depart-

ment stand in its judgement? After all, the transaction took place under the income tax rules. Curiously enough, the tax law does not give any specific definition of "black" or "white" income.

The Income Tax Ordinance of 1984 does not define income. What it says is what is included in income. For example, Section 2 (Article 34) of the Act says: (a) Income includes any income, profits, or gains from whatever source derived, and (b) Any sum deemed to be income, or any income accruing or arising or received or deemed to accrue or arise or be received in Bangladesh under any provision of this ordinance. It seems that the income tax law is colour blind as it does not distinguish between the "blackness" or "whiteness," or any other colour, of money.

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colour black, even though it can lie buried in the vaults of the Swiss banks or hidden in the numerous accounts of many domestic banks.

In economics, we come across the term "hot money" and also suffer sometimes from "money illusion." But there is no light in the economics textbooks as to the colour of money. That is perhaps because any description of money as "black" binds it with ethical strings. The ethical background of the source of money is, therefore, the main determinant of the colour of money.

Here is the crux of the controversy. The emphasis on "blackness" of money questions the ethical roots of income. Begum Zia's lawyer, explained that the undeclared income represents the income from property and pension of Late Ziaur Rahman, therefore it is "white" money.

Leaving aside the controversy, how does one differentiate the ethical sources of income, represented by "white" money from the unethical source represented by "black money"? We may submit that it is the nature and means of attaining wealth that draws the epithet black or white. In our society there are various blatantly unethical and dubious and devious ways to amass wealth and generate income. The methods employed are mostly

socially harmful and repugnant.

Even though the methods are repugnant, it does not mean they are in any way unwelcome to those seeking wealth and income. We may identify here some of the socially -- bribery, extortion, either political or criminal, smuggling, black-marketing, drug dealing etc. Besides, there is widespread use of political and muscle power to grab and gobble-up public and private property, including rivers and forests.

Then, there are financial crimes like usurping bank money, money-laundering, usury etc. There are corporate crimes as well. The adulteration of food and drugs, the cheating on the ingredients that go into making a product, hiding of harmful effects of products from public knowledge can also be categorised as sources of unethical income.

At a higher and more sophisticated level, one can cite "insider information" of corporate bosses to trade in shares and in manipulation of stock prices to their advantage to amass wealth and income. Law makes "insider information" punishable, just as smuggling is.

"Black" money in the society is morally repulsive, socially divisive, and economically iniquitous. It is an insult to the great



What colour is money?

toiling masses who earn an honest living and contribute to the society. It is a disincentive to true entrepreneurship. In short, impetus to illegal activities. And an

"black" money truly lives up to its colour.

Syed Rezaul Karim is an ex-MD of Hoechst Bangladesh Ltd.

# The ingenious beggars of Dhaka

Our own beggars in Dhaka stand out because of their ingenious skills that help them eke out a living without bothering to do any other work.

GOLAM SARWAR CHOWDHURY

BEGGING is an easy way out for earning bread and butter. It existed in ancient Greece, Rome, and India where the ideals of asceticism inspired many an able person to survive only by begging. In the modern world, beggars are a nuisance in poorer countries, although there are many who extend their arms for alms even in the richer countries. Our own beggars in Dhaka stand out because of their ingenious skills that help them eke out a living without bothering to do any other work.

The government recently declared that the Dhaka beggars would be rehabilitated to ensure that the dwellers of the city are spared of the doggedness of the alms-seekers who try out all their tricks to get what they want.

At every road junction of Dhaka you meet them day in and day out. Starting from children to aging men and women, the beggars never lose patience to make you yield to their pleadings. You find

them in rags, you see them as couples invoking the creator's blessings for you, and often you find them wriggling and writhing in groups and chanting for alms.

You meet them, male and female, in every street corner, platter in hand, crying for your help as they heap their blessings on you. If you are in a car, they tap on the window, wait for a minute or two, and then move on to the next car. They are smart; they don't waste time on one vehicle. In a traffic jam, or when cars stop at the red light, they quickly move from one waiting vehicle to the other when they think you are not compassionate enough.

I have met a beggar who claims that his son has completed his O levels, and you need to give him alms for his education. It's an approach that touches your heart and you feel inclined to spare a couple of taka notes. The beggar is not content with what you give; it's too meagre for his son's education.

As you move on, at the next junction, a woman appears with two little babies in



Eking out a living.

her arms. They haven't had food since the morning she says. It's lunchtime now and you are moved by the woman's poverty. A couple of taka doesn't really matter. Many say that the babies are hired for the whole day, and they have to be returned to their owners before it's too late at night.

I have seen another beggar who carries a spade and a basket and claims that he has always been a hard-working farmer, but in these days of hardship he had no other option but to come to this big city only for his survival. You really don't know what to do. It is difficult not to believe him and you dole out the spare money you have.

There are beggars again who hold out laminated medicine prescriptions. They are suffering from deadly diseases they claim, and it is up to you to save their lives. You have to suppress all your emotions if you want to say no. It's again a difficult decision to make as a little amount of money can after all ease the pain of the ailing beggars.

It's impossible for the average person to judge who is a fake beggar and who really needs help. Organised groups roam around the city from dawn till midnight, and even later, trying their very best to convince you in any manner they can.

Those who are not lucky enough to

travel in cars face more trouble. There are beggars smeared in human faeces who will forcefully hug you as you beg them to let go of you. When you are freed, you are forced to give him what he wants.

If you are religious, and on your way to a place of worship, you will be surrounded by beggars tossing their torsos back and forth. It doesn't matter if you pity them or not, you feel like helping them with whatever you can.

You might also have seen a corpse placed on the pavement as the relatives of the dead stop passersby for help, without which the last rites can't be performed. You think of your own fate as you quickly look for your wallet and leave the place in a hurry. These beggars, real or fake, belong to our society and we are collectively bound to help them find a more respectful living. True, they bother us as they wiggle and squirm for help. Nobody can deny that they are a pain in the neck with their persistence, and we are annoyed with what they do. Even then, they are our own people who are engaged in this disrespectful work for a host of reasons. Prime Minister Hasina deserves our congratulations for planning to settle them with self-respect and dignity.

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# Thailand's crisis: Can Indonesia be useful?

It is entirely up to the people of Thailand themselves to consider Indonesia's offer carefully. We can only hope that Thailand will again emerge as a strong democracy. For that, a peaceful resolution to the current crisis is imperative.

RIZAL SUKMA

The Jakarta Post

TENSION on the streets of Bangkok has become a major cause for concern for Southeast Asia. A call for a peaceful resolution to the conflict has been voiced repeatedly by Asean members. UN Secretary-general Ban Ki-moon's latest call for peace reflects the new reality that the political turmoil in Thailand has become a concern for the international community at large.

Such expressions of concern are not without ground. Conflict between the "red shirts" and Thai Prime Minister Abhisit Vejjajiva's government has been ongoing for weeks, killing 30 people and injuring more than 200 people. As the government began to issue more warnings, the red shirt protesters had continued to defy them. There is now a real fear that tension on the streets of Bangkok has escalated.

Some have even begun to discuss fears of a bloody civil war.

It cannot be denied that the political turmoil in Thailand is purely an internal affair for the country. It is up to the Thai people themselves to find a solution to the problem. Thailand, like other countries in the region, has managed to

resolve many of its internal problems independently in the past. We can only hope that the Thais will also be able to find a peaceful resolution to the current political problem.

However, Thailand's friends and neighbours in the region must keep close watch on the situation for several reasons.

First, Thailand is an important member of Asean and helped to establish the association in August 1967. If Thailand is battered by serious internal political turbulence, Asean is bound to be affected.

The protracted instability in Thailand would make it difficult for Asean to accomplish its goal of transforming the association into an economic community in 2015.

Second, the political impasse in Thailand has also been used by some to mock the merits of democracy in Southeast Asia. For many pro-democracy activists in the region, including in Indonesia, Thailand's democratic transition was often a source of inspiration. It is a sad moment for Thailand's democratic friends to see how violence has increasingly dominated Thai politics over the last few days.

Indonesia continues to hope that the opposing parties in Thailand will accept

the primacy of democratic and peaceful means of conflict resolution at the end of the day.

Otherwise, Asean's dream of fostering democracy in Southeast Asia would become more distant than it already is.

Third, the current political turmoil in Thailand has also demonstrated the powerlessness of Asean when a member country faces domestic problems. It is true that Asean was founded in 1967 to manage inter-state problems. The goal was well-suited to the circumstances at the time and it has served Asean well for more than four decades.

However, the region is now more interdependent and intertwined. It is increasingly difficult to argue that what goes on in a state will have no impact beyond its borders.

It is in that context that Indonesia has offered its help to find a solution to the current political crisis.

Indonesia has called upon all sides to exercise maximum restraint. Foreign Affairs Minister Marty Natalegawa said that Indonesia hoped that the problem could be resolved through "dialogue and negotiations, in keeping with democratic principles and rule of law." Marty also said that Indonesia stood ready to render any assistance to promote conditions conducive for such a dialogue to take place.

Seen from Asean's traditional perspective, Indonesia's offer of aid might not be consistent with the strict notion of non-interference. It is uncommon for any Asean member to offer its aid to promote and facilitate dialogue between domestic forces locked in an internal



political struggle, as in now the case in Thailand. Some have even said that Indonesia's offer is a breach of the Asean's long-cherished principle of non-interference.

However, as a friend of Thailand and as a fellow democracy, Indonesia cannot stand idle. As a friend of Thailand, Indonesia does not want to be accused of

indifference to Thailand's delicate problems. As Indonesia's own experience has demonstrated, an impartial third party may provide a useful platform for starting a search for a compromise between the two opposing groups.

It is entirely up to the people of Thailand themselves to consider Indonesia's offer carefully. We can only

hope that Thailand will again emerge as a strong democracy. For that, a peaceful resolution to the current crisis is imperative.

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