

SUNDAY POUCH

Human rights watch report

Dismissive reactions miss the point

IN a typical reaction to criticism on human rights violations, the Ministry of Home Affairs trashed the latest report by Human Rights Watch (HRW), an internationally reputed body, terming it as "totally false, baseless and imaginary." Critical comments on human rights situation evoke another characteristic reaction, which is, that it is part of an 'international conspiracy to create a bad image of Bangladesh.'

The issues of contention revolve around alleged excesses committed by the elite Rapid Action Battalion (RAB) and the government's handling of the BDR mutiny trial that allegedly led to gross violations of human rights.

Summarily binning the report is certainly not the answer. This is tantamount to denying the benefit of perceptions held by an international human rights body of some standing, and in the process missing out on some plausible allegations.

Let us not forget that from time to time our civil society, various rights activists and the media have highlighted the impingements on human rights. Such concerns have not received legitimate attention, far less lead to corrective action.

That said, we take issue with HRW when it states that government should disband the elite law and order agency RAB. No state can be asked by an international body to disband an agency created by law. By the same token, how does HRW demand of the government to stop the ongoing trial process? Clearly, it has gone beyond its remit in these areas.

The report, we believe, should be scanned with due diligence to determine the merit or otherwise of the allegations by HRW and, if need be, take cognisance of the allegations.

Overall, these are serious allegations; allegations that need to be looked into by the State out of our own volition as part of the internal checks-and-balances that any government upholds in a democratic country.

FDI growth trend

Let us build up on it

WE are indeed happy to note that foreign direct investment (FDI) in the country touched the highest mark last year rising by 24.42 per cent to \$1.13 billion despite a host of infrastructural and political adversities. A report by the United Nations Conference on Trade and Development (Unctad) also says that the biggest portion of FDI went to the garment sector while the second and third biggest ones went to the banking, and power and gas sectors respectively. All these are good news which undoubtedly shows the tremendous resilience of our economy as well as our work force.

However, the Unctad report also brought it to our notice that in attracting FDI Bangladesh falls far behind India and even behind Pakistan. Also other countries in Southeast Asia are drawing FDI in a great measure.

As we understand it, serious infrastructural problems and unrelenting political instability have been two major impediments to accelerating FDI growth. Add to these the bureaucratic red tape and the cost of doing business. A stable tax policy is also imperative. Therefore, these issues must be addressed properly to ensure increased flow of foreign investment.

Furthermore, sporadic unrest in the garment industry may be responsible for a lower investment in this sector which is why we urge all parties concerned to arrive at a sustainable agreement to quell the unrest. Finally, domestic investment which currently does not account for more than 25 per cent of the GDP, needs a boost to encourage foreign investors. Where the environment is not deemed fully congenial to private investment, how can foreign investors feel drawn to the country?

Some emerging countries are thinking of relocating their investment in countries like Bangladesh which have abundant and trainable labour force with cheaper overheads. Our policymakers need to exploit such advantages through an incentive policy package. We have the poten-



ASHFAQUR RAHMAN

LIKE a new circus in town, a new tamasha (spectacle) has arrived to entertain all of us in Bangladesh. It

is the curious and sudden cancellation of a \$1.2 billion World Bank (WB) loan for construction of a bridge over the river Padma connecting the capital Dhaka with the south west of the country. The media here is abuzz, so also our Parliament. So what is really happening?

Since our Independence in 1971, three Bretton Woods institutions including the WB have given us \$16.8 billion in fiduciary support for implementing 251 projects. Even today, 35 projects worth \$ 4.9 billion are in various stages of implementation. Yet there is uproar now that the WB has summarily cancelled a loan to construct a bridge.

This bridge would have brought great benefit to 30 million people of this region in terms of employment, trade and investment. The western part of Bangladesh would be linked to the prosperous eastern part of the country by road and rail. It would also have helped to supply gas and electricity to the neglected region.

The project was an election pledge by this Awami League government. Its successful implementation would have boosted the party's credibility and its chances of being reelected in 2014. But the cancellation of the loan by the World Bank quoting "credible evidence, corroborated by a variety of sources, which points to a high level corruption conspiracy among Bangladeshi government officials" has come as a body blow to the Awami League.

However, before cancelling the funding, the WB had given some conditions to the government. They were:

- To form a high powered team to probe allegations of corruption in the bridge project;
- To appoint an independent body

to monitor implementation of the project and make recommendations;

- Not to allow those linked to corruption allegations to be a part of the project implementation;
- To allow co-financiers to be actively included in the procurement process for the bridge;
- To increase the capacity of the Bangladesh Anti Corruption Commission (ACC) in the long run;
- To keep the WB informed of the progress of implementation.

The government however had some reservations. It did not:

1. Want to sign a Memorandum of Understanding (MOU) with the World Bank on corruption. It not only seemed disgraceful but also

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seemed like admission of something which is only alleged;

2. Want to "send on leave officials allegedly involved in corruption." It also did not subscribe to the request of the WB designated panel to be kept informed about the progress of the ACC probe and to take WB advice on the matter.

The government instead informed the WB that it had already set up a separate enquiry cell in the ACC for probing alleged corruption and therefore setting up another panel would be a duplication; also that the WB advice, to give any foreign panel full access to ACC findings, was not in conformity with ACC laws.

But interestingly, the WB, in the meantime, had advised the government, on three separate occasions, to allow a Chinese company called CRCC, which was left out, to be allowed to pre-qualify for the bid. The Evaluation Committee, comprising of eminent experts of the country, could not accept WB rec-

ommendation. It discovered that CRCC had no previous experience in building such large bridges. The government also enquired and found that the CRCC had never applied for reconsideration of its case. It was its Bangladeshi agent, Ventura International Ltd., that had insisted on its inclusion. CRCC itself had no interest in building the bridge.

The WB also sent two officers from its Integrity Department to Dhaka to enquire into corruption allegations. They reportedly met a business group and tried to find out more. In the meantime, the prime minister herself made some changes in the Bridge Division that would implement the project. She termi-

But does Bangladesh deserve this characterisation? In the past, when the now opposition Bangladesh Nationalist Party was in power, the WB had cancelled funding of several projects for alleged corruption in the same communications sector, including the Dhaka-Mymensingh four lane project. But the government ignored the charges and restarted the work with its own funds.

What is curious is that a global institution like the WB had taken such drastic action on the basis of sketchy evidence, which can be challenged in any court of law around the world. Of course, the public is still not privy to all the evidence that the WB may have collected. It is presumed that it must have based its action on more solid evidence. It must now reveal them for the public eye. The people must be able to judge whether it was the right thing for the WB to do. But do not also forget that there have been instances of corruption within the WB. There are past records of its own malfeasance. It could be a case of the kettle calling the pot black.

Bangladesh must not therefore close the file on Padma Bridge project. It will provide the WB with an opportunity and the government also to serve these poor people. Bangladesh must get the WB to reverse its decision. Both sides must sit down and allow good sense and probity to take hold. We would need seasoned diplomats to make this happen. They must work this out. The economists and the technocrats can come in later to give their input. The excellent project must be put back on track. We owe it to our people.

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Let the *tamasha* end and the real work begin again.

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CROSS TALK

Gapping the bridge



MOHAMMAD BADRUL AHSAN

IF a bridge is meant to connect, the Padma Bridge will go down in history for making disconnects even before the

work got started. The World Bank has refused to finance the project. Asian Development Bank followed suit by backing out of its earlier commitment. Japan International Cooperation Agency is likely to do the same thing. We have heard about bridging a gap before. This one time we are talking about gapping a bridge.

It's not so much the question of building the bridge. The bridge doesn't exist and we aren't going to be worse off if it doesn't get built. We will be better off if it gets done, because the flow of traffic could be smoother between two sides of the largest river in the country. People and goods will travel faster, bringing speed and economy to trade and commerce. Money is time and time is money.

Financial analysts have their own reasons to be worried. Commercial funding of the project would be much more expensive, which means the country will be saddled with roughly eight to nine times in interest payment. Besides, it may not be easy to find a commercial investor

who would like to invest in the largest project ever taken up in Bangladesh by the World Bank. Investors from Malaysia, Qatar and China have been hovering around like curious suitors, but none has yet made a conclusive offer. It's likely that they will think twice before they invest in a project already tainted by corruption charges.

Hiding in the thick of issues is a simple question: Is it worth picking a quarrel with foreign donors, sacrificing one of the major infrastructural initiatives that could hugely go to the credit of this government? The World Bank decision has been picked up by the media around the world, and the reputation loss of the country has been no less costly than its financial damage. It doesn't matter how much we blame Robert Zoellick or Jim Yong Kim, the fact remains that our government has failed to convince both of them.

There is an element of Don Quixotic delusion in this whole thing. We are trying to fight the windmills that we imagine to be giants. What are we fighting here, really? If the World Bank has smelled a rat in

the Padma Bridge project, so it did. We needed to turn a new page and move on instead of being so sensitive. We have reacted as if the Bank has put a drop of filth in our proverbial glass of milk.

Frankly, if the World Bank said it had found evidence of corruption, then it should have been all the more reason that we cooperated with an investigation. We shouldn't have gone into an ego hassle over an allegation that's as Bangladeshi as Jamdani. It was not the first time

that the country has been blamed for corruption. Bangladesh had been the world's most corrupt nation for several years in a row.

As a matter of fact, Bangladesh did nothing to allay the concerns of the donors when the corruption

issue was raised. Instead, the prime minister threatened to find private investors to replace them. The Anti-Corruption Commission promptly cleared the project of any foul play. Then the finance minister was as vehement in his denial as he is today. There were telltale signs that the government in its reaction was circumventing the subject. In an exercise of tokenism, the then communication minister was punished

with a new cabinet posting.

It will be an insult to our intelligence to think that the World Bank came up with a false accusation. It not only made the accusation, but also followed it through to the end, a decision that has been defended by its past and present presidents. Other donor agencies are also convinced. ADB would not have gotten along simply because it wanted to jump into the fray.

If anything, the Padma Bridge fiasco has exposed us to the risk of Ostrich Maneuver. It's the state of people burying their heads to avoid any given situation, much like an ostrich covers its head to avoid danger. Who doesn't remember Saddam Hussein's information minister, nicknamed "Comical Ali," who stayed loyal to the last? When it came to the crunch, he ducked out through the back door, with a scarf around his head replacing his famous black beret.

There are "Comical Alis" in the government whose faces are turning blue from defending it. But one has to touch the truth through a membrane. People have been thrown in jail for defaming the prime minister. Yet one of her ministers doesn't get even so much as a rap on the knuckles for defaming the country.

The beleaguered bridge stretches imagination. How far does it go between one frontman and beyond?

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THIS DAY IN HISTORY

July 8

- 1099** First Crusade: 15,000 starving Christian soldiers march in a religious procession around Jerusalem as its Muslim defenders look on.
- 1497** Vasco da Gama sets sail on the first direct European voyage to India.
- 1889** The first issue of the Wall Street Journal is published.
- 1932** The Dow Jones Industrial Average reaches its lowest level of the Great Depression, closing at 41.22.
- 1937** Turkey, Iran, Iraq and Afghanistan sign the Treaty of Saadabad.
- 1960** Francis Gary Powers is charged with espionage resulting from his flight over the Soviet Union.
- 1962** Ne Win besieges and dynamites the Rangoon University Student Union building to crash the Student Movement.
- 1982** Assassination attempt against Iraqi president Saddam Hussein in DuJail.
- 1994** Kim Jong-il begins to assume supreme leadership of North Korea upon the death of his father, Kim Il-sung.