

INDIAN FOREIGN MINISTER'S VISIT

What should Bangladesh expect?

BOTTOM LINE



BARRISTER HARUN UR RASHID

WE shall heartily welcome India's Minister for External Affairs Ms. Sushma Swaraj to Dhaka on June 25, when she comes for a two-day visit. Ms. Swaraj is not unknown to the people of Bangladesh, who recall the

supportive role she played even when she was young during our Liberation War in 1971.

She has been elected seven times as a Member of Parliament and three times as a Member of the Legislative Assembly. At the age of 25, she became Haryana's youngest cabinet minister and has also served as chief minister of Delhi.

The visit is important for several reasons. The fact that Ms. Swaraj is visiting Bangladesh as her first foreign trip shows the importance the Modi government attaches to relations with Bangladesh. Secondly, the minister's visit is taking place without preparatory talks at the foreign secretary's level, which implies that the issues with Bangladesh are well-known. Thirdly, Modi chose Bhutan for his first foreign trip on June 15, where he also spoke about improving relations with all of India's neighbours, and the foreign minister's visit to Bangladesh is in line with this policy.

Although the last five years saw bilateral relations reach a new productive

trajectory in many sectors, Teesta water-sharing treaty, ratification of the Land Boundary Agreement (LBA) and killing or kidnapping of Bangladeshi nationals are the major unresolved issues. Signing of the Teesta treaty and LBA was held back during the Congress-led government because it was a weak government, and did not have a majority in the Rajya Sabha (Upper House). This time around, with a strong Modi government with overwhelming majority, a resolution of these issues will hopefully be found as they have direct and visible impact on the people of Bangladesh.

The Modi government's agenda appears to be (a) to get transit facility through Bangladesh for various end-points and (b) Bangladesh oil should not be used for training, sanctuary and other operations by domestic or foreign militant and insurgent organisations.

The transit issue has to be examined against the infrastructure capacity in Bangladesh covering all modes of transport -- roads, railways, waterways, river ports and sea.

It is important to recognise that the Bangladesh road network is relatively less developed compared to India's. Local transport experts say that Bangladesh national highways are all 2-lanes (some of them are being turned to 4-lanes) and extensively used. These highways were built based on an axle-load limit of 8.2 tons compared to 10.2 or more tons axle load limit in India. Again, most of the trucks used in India have 2-axes and these are highly loaded, As such, they argue that it will not be desirable to allow these overloaded vehicles to move now along Bangladesh highways. On the

transit issue, local experts argue that railway, river route and sea route could preferably be considered.

Furthermore, India wants transit facility bilaterally with Bangladesh while Bangladesh wants sub-regional transit rights through India to Nepal and Bhutan from and to Bangladesh in accordance with the 2011 Indo-Bangladesh Framework Agreement on Cooperation and Development. There were meetings on this issue but nothing concrete has come out.

In order to make progress in the area of regional cooperation in transport, the governments of India, Nepal and Bhutan individually and jointly may consider adopting bilateral/multilateral road /rail transport agreements for movement of goods to each other's country. Furthermore, all governments may agree to upgrade the access roads to all major land ports and national highways to regional standards, and establish modern facilities for loading and unloading cargo, and to build warehouses for storage. Obviously, this will take time but if all the governments agree now, the process of regional transport cooperation will commence.

Although, since 2009, the Bangladesh government has been determined to root out all militant /extremist organisations from the soil of Bangladesh, BSF of India recently alleged that there are 45 North-East militant camps in Bangladesh. If the allegation is correct, this is disturbing news for Bangladesh and India.

During Modi's election campaign, the issue of "infiltration and illegal immigrants" from Bangladesh came to the fore. The Narendra Modi government reportedly will also complete all pending fencing

work along the northeast border with Bangladesh. There is a lurking suspicion that the Modi government may link the "issue of infiltration and illegal immigrants" from Bangladesh with the ratification of LBA. If it is raised, this will be a totally a new and uncomfortable issue for Bangladesh.

The relationship is not restricted to only between governments but exists between the people of the two countries independently of the policies of the governments because of the ties of history and culture. Therefore, the Modi government may not raise any issue which perturbs Bangladesh people because people to people relations are the foundations of friendship and goodwill to each other.

If the majority of the people of Bangladesh are disappointed or annoyed with the perceived "arrogance" or "high-handedness" of the Modi government, the Bangladesh government may not get support from its people to meet an Indian request for any facility because bilateral relation should be a two-way street, not a one-way street.

Bangladesh-India relations are complex, sensitive and multi-dimensional. Good relations cannot be imposed because they are built on principles of fairness and justice. Mutual respect is created when an issue is resolved with sensitivity to each other's interests. A larger neighbour has certain responsibilities to lead the way for its smaller neighbours. It is hoped the visit of the Indian external affairs minister will generate such regional spirit of cooperation.

The writer is a former Bangladesh Ambassador to the UN, Geneva.

Old order is dying in Thailand

NAUMAN ASGHAR

THE old order is dying in Thailand, and the new order is refusing to be born. For six long decades, non-democratic political arrangements of distribution of power remained in place in Thailand. State apparatus was taken over by the influential military and civil bureaucracy to the exclusion of common people. Society presented a semblance of relative order and stability because of the presence of the monarch, who is widely considered as a non-partisan figure. But conflicts in such societies are bound to surface, as there is no outlet for deep-running legitimate grievances of the excluded groups.

Thailand, the land of smiles, has since 1932 witnessed more than a dozen military coups, interspersed with short bouts of civilian rule. The most recent coup on May 20, after a protracted political impasse, is much different from the previous interventions as it takes place against the backdrop of a transformative social change, which is the outcome of socio-economic empowerment of rural Thais.

The previous decade of Prime Minister Thaksin's pro-poor reforms resulted in division of Thai society between the urban middle class in favour of the old order and the vast majority of rural poor, who seek to challenge the stale socio-political order. Until 2001, when Thaksin Shinawatra came to power, the lop-sided economic policies of non-inclusive institutions of Thailand had widened the income inequality to a staggering degree and the miseries of the poor were compounded by the Asian financial crisis of 1997. During his five-year tenure in 2001-06, poverty numbers fell by 10% with a steady decline in economic inequality. His 30-baht healthcare scheme helped increase the accessibility of healthcare services and the health expenditures of rural households also went down. Various loan programmes were initiated to facilitate the entry of students from low-income population into universities.

These schemes made Thaksin popular with the poor people and alienated the entrenched elite of Bangkok, who viewed the rising poor as a threat to their hold on power. Thaksin's government also came in for a lot of flak as the PM allegedly used his position of power to further his corporate interests. But corruption by the elected representatives should not serve as an excuse to derail the train of democracy, and strengthening accountability through the political process is the viable solution. The 2006 military intervention only intensified the fissures between the two sides and the political crisis deepened in later years with frequent riots and protests. The judiciary in Thailand has often handed down controversial judgments and even the recent tensions ratcheted up with the Court's verdict removing Prime Minister Yingluck Shinawatra from power. Earlier in February this year, the Constitutional Court gave the decision that legitimised the delay of elections.

The future of Thailand will depend on how the powers-that-be choose to manage the present crisis. The King of Thailand is a ceremonial but revered figure in politics of the country. Historically, King Bhumibol stepped in to save the country from civil war in 1992 and civilian rule was restored after the resignation of military dictator General Suchinda Kraprayoon. But, today, the frail 86-year old king does not appear to be in such a position because of ill health, and he has also made no public appearance to make the traditional endorsement of the military coup. Another worrying sign is that both groups -- yellow shirts and red shirts -- have been making efforts to court members of the royal family to their respective sides, which could compromise the impartial position of the institution of monarchy.

Things on the ground do not look good because the military junta seems to have read the whole situation wrong. Scores of activists, who are suspected to be Thaksin's supporters, have been deployed to instill the fear of army crackdown and discourage the protestors from taking to the streets. The leader of the National Council for peace and order, General Prayuth Chan-ocha, has announced that the interim government shall be installed by August and elections will be possible only after electoral reforms. The measures taken so far indicate that, in their opinion, the repression of dissent could restore political order in the country.

The denial of acknowledgment of deep-rooted social change will not avert the inevitable, i.e. the abolition of the old order to accommodate the representative interests of the newly emerging bourgeoisie. If the power brokers of Thailand attempt to stall the path to change, it could pit both groups against each other, leading to more violence in society. The long-term political instability will also make the country unattractive for foreign investment and tourists, thus hurting the economy. To hold early elections in a transparent manner is the only way to help a smooth transition of the country into a new age.

The best way to ensure use of internal auditors in a productive and fruitful way will be to keep them away from the day-to-day functional activities carried out through various processes in the organisation, thereby helping them to remain neutral and free from any sort of obligation.

WALIUL HUQ KHANDKER

SIMPLY stated, internal audit is audit done independently by an organisation's own people while external audit is done by people coming from outside organisations like Directorates under the Office of the Comptroller and Auditor General of Bangladesh for government organisations and offices, or chartered accountant firms in case of companies and other private organisations. Pl delete

In Bangladesh, internal audit has neither taken a firm root yet nor is it flourishing. In most organisations it does not exist at all, and where it exists, in reality its presence is mainly ornamental -- its activities are very much controlled and curtailed. It is not allowed to perform the way it should perform.

The philosophy behind having internal audit was that it would detect deficiency in governance, irregularities in financial management and lapses in functional activities of the organisation by authorised people working in the organisation itself, and bring those directly and immediately to the notice of the chief executive for improvement and remedial action. Its aim is also to ensure accountability at all stages of hierarchy, transparency in all transactions and effectiveness in delivering services or outputs of the organisation, thereby achieving its goals and objectives better. But in practice it is not happening in our country now for various reasons.

One difficulty faced by statutory audit teams coming from Audit Directorates under the Office of the Comptroller and Auditor General is that due to shortage of manpower, compared to the large number of organisations/office to be audited, they cannot give the time required for proper audits, which adversely affects their performance. On the other hand, chartered accountant firms have the disadvantage that they are hired and paid by the organisation concerned and as such have some inherent difficulties in doing their jobs perfectly. Sometimes they have to make undesired compromises to safeguard continuation of business with the client. These affect quality of audit reports of both groups mentioned above.

Internal audit does not have to face these problems. Since the auditors belong to the organisation, they have all the time required at

their disposal and have a thorough knowledge of the activities of the organisation also. They also know the delinquent persons who are prone to getting involved in irregular activities. These are definite advantages. But internal audit has to face one great challenge -- in practice it does not enjoy independence in real terms. It is always subjected to undue influence and is afraid of retaliation from those reported upon -- senior as well as junior colleagues.

The aim of this article is to examine and find out the best way of doing internal audits under the circumstances prevailing in our country.

Let the procedure followed for making payment for supplies and services received by an organisation be taken as a test case to study the situation. After delivery of goods the suppliers submit bills. These bills are examined by the finance department or the accounts section of the organisation to see whether they are in order as per financial rules and regulations. If the result of the scrutiny is satisfactory, payment is made to the supplier. Internal audit can be involved in this process through two different procedures: (i) during processing of the bill and issuance of cheques, or (ii) after these activities are over. Merits and demerits of both are mentioned below.

If internal audit is involved at the stage of scrutiny of bills and issuance of cheques, double check regarding correctness of claim can be ensured before making actual payment. But it has one great disadvantage -- it allows the people working in the finance department/accounts section to be less careful in their scrutiny on the feeling that internal audit will do it during their turn. Similarly, internal audit will be less careful thinking that finance/accounts section people have already done it properly. This allows shifting of responsibility and is not a good situation because everybody's responsibility is nobody's responsibility; it should be fixed.

Another disadvantage is that since internal audit is involved at the bill passing stage, morally it cannot raise any objections afterwards. This negates its watch-dog role and dilutes the inherent threat it possesses, i.e. detecting irregularities, which acts as a deterrent against irregularities being committed. This also affects the check and balance system of the organisation. Here, both payment and internal audit activities

are carried out under one umbrella and supervised by the same person, which is self-defeating and counter-productive in nature. Unfortunately, this is the process being followed and is the real situation in most of the organisations where internal audit is functioning now.

On the other hand, if internal audit is involved after payment is made, it can examine the whole process and relevant vouchers better and the finance/ accounts section people will remain alert to see that no mistake is committed by them which will be detected by internal audit afterwards. In short, this will help to develop expertise and create a sense of accountability among the finance/ accounts section people. Through this process internal auditors will also remain free from any obligation and will be able to discharge their responsibilities effectively because independence can be better ensured since payment and internal audit activities are under different umbrellas here.

An added advantage is that a sense of accountability will be there among the internal auditors also as they will remain alert against failure of audit. They know that if irregularities are detected by external audit subsequently in cases examined by them, they will be held responsible for failure in detecting irregularity and will have to pay the price. Here, the check and balance system of the organisation is strengthened rather than diluted.

So, the best way to ensure use of internal auditors in a productive and fruitful way will be to keep them away from the day-to-day functional activities carried out through various processes in the organisation, thereby helping them to remain neutral and free from any sort of obligation. Further, to maintain independence, internal audit must be supervised by somebody not supervising the financial and administrative activities. Payment and internal audit should work under separate umbrellas. The supervisor of internal audit will be completely independent in carrying out his responsibilities and should report directly to the chief executive of the organisation. Only then internal audit will flourish and the desired result will be obtained.

The writer is Retd. Deputy Comptroller and Auditor General (Senior), Office of the Comptroller and Auditor General of

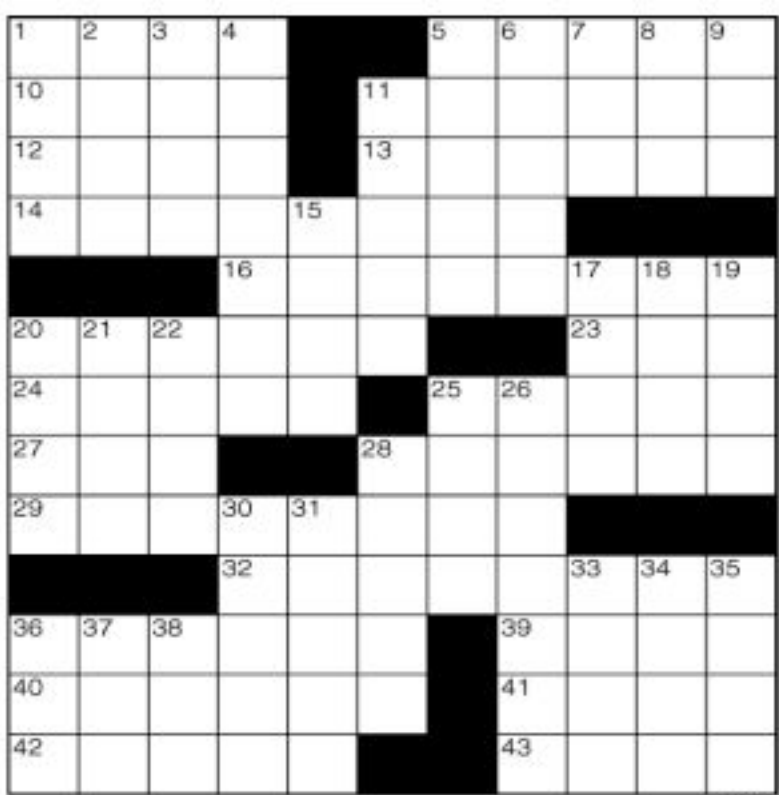
CROSSWORD by Thomas Joseph

ACROSS

- 1 Some babies
- 5 Alacrity
- 10 Touch on
- 11 Put away
- 12 Robin Cook book
- 13 Undermine
- 14 "I agree whole-heartedly!"
- 16 "That's so not true!"
- 20 Gallery star
- 23 Future embryos
- 24 Is sulky
- 25 Caesar's language
- 27 Flow out
- 28 Find a new star
- 29 "Oh my!"
- 32 "Alright, I get it!"
- 36 Worm down
- 39 Entice
- 40 Router connections
- 41 Turkey neighbor
- 42 Strata
- 43 Ear centers

DOWN

- 1 Brandenburg Concertos composer
- 2 Clarinet cousin
- 3 Arizona city
- 4 Like clear nights
- 5 Cut off
- 6 Strand nit
- 7 Yellowstone grazer
- 8 Cain's mother
- 9 Bear's lair
- 11 Work-by-product
- 15 Radiator sound
- 17 Greek vowel
- 18 Rara --
- 19 Tirade
- 20 Made fun of
- 21 Lounge attire
- 22 Sousaphone's kin
- 25 Remini of TV
- 26 Type of paint
- 28 Peruses
- 30 Winona of films
- 31 Considers
- 33 Franc's replacement
- 34 Swift horse
- 35 Coop group
- 36 PR expert
- 37 King, in France
- 38 Shelley work



CRYPTOQUOTE

OZZ SCI JDNZY HK VHNSCYOB AOGI, KD SOGI O RHIAI, VXSTD SDD QXAC.

-- FIDNFI CONNHKDT

Saturday's Cryptoquote: THERE ARE ONLY TWO THINGS A CHILD WILL SHARE WILLINGLY; COMMUNICABLE DISEASES AND ITS MOTHER'S AGE.

-- BENJAMIN SPOCK

Yesterday's answer



A XYDLBAAXR is LONGFELLOW

One letter stands for another. In this sample, A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

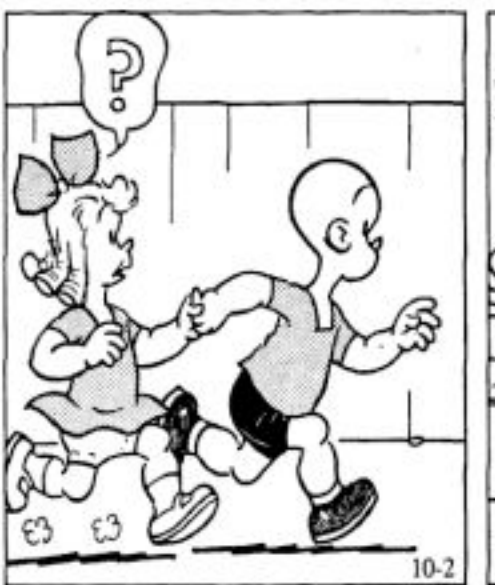
BEETLE BAILEY

by Mort Walker



HENRY

by Don Trachte



QUOTABLE Quote



"The smallest minority on earth is the individual. Those who deny individual rights cannot claim to be defenders of minorities."



Ayn Rand