

President's JS speech

Indemnity ordinance clouded credibility

PRESIDENT Iajuddin Ahmed's speech at the first session of the Jatiya Sangsad in the New Year, incidentally his maiden address to the parliament as the head of state, was as ritualistic as the boycott of the main opposition Awami League regrettable. Drafted and approved by the cabinet, the presidential speech, as in the previous years, was long in recognition of the incumbent government's successes and exhortations but short in engaging words to help us ride out of the rough political sea. Fresh from promulgating the controversial Joint Drive Indemnity Ordinance, 2003, which has given immunity to acts of death and torture in custody during the 87-day Operation Clean Heart, the president's good points on human rights, democratic values and role of the legislators were albeit somewhat diluted. If he had thought twice before assenting to the ordinance or returned it to the government for a reconsideration, his benign words would have carried a tremendous appeal to the audience because of the conviction these would have carried. The issue is constitutionality of which he is the paramount custodian.

Still, the main opposition should have been in the House at the first day's proceedings of the sixth session of the parliament. Its boycott was an affront not only to the highest office of the republic but also the Jatiya Sangsad itself. The Awami League could have easily registered its disapproval of the president's role in promulgating the ordinance without boycotting the proceedings. Unfortunately, the opposition has not yet learned to appreciate the role expected of it in a pluralistic system of governance. Encouragingly, however, the Awami League will join the session when it resumes on February 2 to "strongly oppose the black law." One can only hope it will stay in the parliament through the discussion on presidential speech and, more importantly, the deliberation on the indemnity ordinance. In the end, the Bangladesh Nationalist Party-led treasury bench may have it ratified but the Awami League should nonetheless make its opposition felt. It is always a better option than taking to the streets for agitation, which more often than not harm people and their properties.

Going back to the presidential speech, Mr Iajuddin may have said all the right things in the world; however, they have counted for little in the end for obvious reasons. Granted, the president in the parliamentary system of governance has little leverage, especially when it comes to enactment or promulgation of a new law but regrettably, he decided not to make use of that even. If he had, he might not have succeeded in blocking promulgation of the indemnity ordinance but would definitely have earned the respect that a head of state deserves.

Threat to DMC teacher

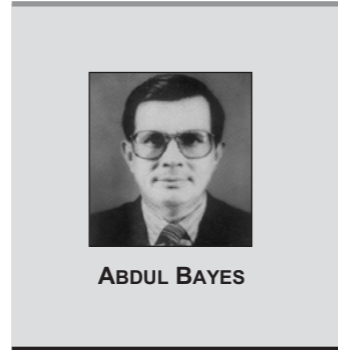
Let the wayward be reined in

WE witnessed another instance of ruling party syndrome at the country's premier teaching hospital, Dhaka Medical College when an allegedly BNP loyalist of a doctor, threatened a teacher 'to quit within 24 hours or face dire consequences.' We have no words to express our outrage at the audacious behaviour of the student leader and his cronies. And this is a leader who had an arrest warrant against him after he had allegedly led a group of students in vandalising the offices of the Principal and other doctors last month. According to reports, he returned to the campus after getting bail a few days ago and allegedly threatened a teacher for intentionally implicating him in the case.

Whether he was implicated or not, it was in no way an acceptable behaviour on the part of a student leader to threaten a teacher with an ouster. How does someone who has a case pending can be so dare-devil? This sort of tyranny can't be allowed to hold the hospital and its patients hostage in the future. We had earlier thanked the hospital authority for promptly taking action to dissolve the students union, but we had also expressed our suspicion whether any punitive action would be taken against those responsible for the rampage.

Though the membership of the student leader was suspended by Bangladesh Medical Association after the December incident, the report of a six-member probe body, formed by the association to investigate the incident is yet to see the light of the day. We wonder whether any progress has been made at all in this regard. We demand the report to be made public and whoever is found guilty of any wrongdoing should be punished. The incident has underlined a greater need for the government to tighten its grip on wayward elements within its student groups across the board.

Green revolution: Dialectics, old debates and new data



ABDUL BAYES

I have finished reading a book recently, titled: *Impact of Rice Research* (edited by Prabhu L. Pingali and Mahabub Hossain 1998). It is a joint publication of the Thailand Development Research Institute (TDRI) and the International Rice Research Institute (IRRI). The 429-page book embraces about 20 research articles of eminent scholars and covers wide areas and quite expectedly, relating to rice only. For example, varietal improvements, water and irrigation policy, women in agriculture, impacts of training programmes and other socio-economic impacts that rice researchers have resulted in so far. But the paper for which I took to the pen is by Dr. S.R. Osmani -- an eminent economist of Bangladesh now teaching economics in a university in Ireland (Belfast, I suppose). It appeared to me that his writing is timely -- both in title and in content -- and quite in tune with the question that most radicals in Bangladesh would, perhaps, relish to raise: "Did green revolution hurt the poor? A reexamination of the early critique".

It is, perhaps, not out of context to remind the readers that from the very beginning of green revolution the critics -- at home and abroad -- have seriously suspected about its probable positive impacts on the poor and the small farmers. The argument mainly rested on what Amartya Sen termed "exchange entitlements". There could be increase in supply of foodgrains, but at the same breadth, it could also bypass the small and marginal farms through various channels. Few of the channels are, for example, land alienation, misery of the peasantry, eviction and pauperisation of the tenant farmers, depressing labour market and so on and so forth. After about three decades of grappling with green revolution, the pertinent questions that one could pose are: Were the critiques right? Did green revolution deliver exchange entitlements along with increased supply of food?

Diffused debate

At the very outset, Osmani attempted to diffuse the debate hov-

ering around increased supply of food vs. a decrease in exchange entitlements. "...But the concern with entitlement was not the motivating force behind the green revolution, at least directly. The international research on rice and wheat that led to the emergence of the green revolution was motivated by the classic Malthusian concern that population growth was running alarmingly ahead of food production in the poor countries." Thus the issue of entitlement -- and for that matter distributional consequences -- lay at the back seat of the early sci-

entists. Of course, in subsequent submissions, the author argued that green revolution not only increased supply of food but also enhanced exchange entitlements for whom early critiques showed concerns.

The author systematically and succinctly summarized his arguments for the consumption of the critiques of green revolution. And allow me to pick up some of those points -- albeit paraphrased occasionally -- for the readers of this column.

Misery and polarisation?
Pin pointedly, the argument goes to imply a failure of the existing agrarian system to provide equal access to all. The unequal ownership of land and the inequitable social structure that it entails in rural areas, tend to preclude poor peasants in the domain of modern technology. In consequence, polarisation among peasantry develops. It is a much older concern focused on the "agrarian question" which engaged Marxist thinkers in earlier times especially Lenin and Kautsky. They believed that development of agrarian capitalism would unleash forces of differentiation among the peasantry in much the same way as industrial capitalism was seen by Marx to lead inexorably toward concentration. Differentiation would result from capitalism bestowing scale economies on the emerging capitalists (henceforth, "the large") on the one hand and bruising small farmers (henceforth, "the small") capacity to contest in the market, on the other. And eventually the small would be forced to leave the competitive struggle at the market place, hurt and hyped. Osmani rejected the "scale economies" argument on

the plea that the new technology in agriculture is essentially divisible and therefore scale-neutral. So, the potential of polarisation, if there was any, had to be found elsewhere and in something other than technical scale economies.

The argument for polarisation rested on related hypotheses. First, modern inputs are highly expensive. They are within the reach of the "rich" but beyond the petty budget of the poor. The differential adoption of modern technology thus forced upon by the existing social structure would invariably

early critics also invoked "manipulation of market" argument where the rich, by using social power and prestige tend to turn the market in their favour by inducing imperfections. At the initial stage of adoption, this view had a good deal of support from empirics. Until about 1970s, researchers almost invariably found that within South Asia, as well as outside the region, adoption of MVs was mostly confined to large and medium farms. But subsequently, even in Bangladesh, the lag in adoption disappeared. This is borne out by a lot of researches done both

over the same period. The credit constraint is also softened due to growing interactions between formal and informal credit channels. A large-scale survey conducted few years back found that nearly two-thirds of the formal channel's credit finds its way quickly to the informal credit market in Bangladesh. In Indian Punjab, some large-scale farmers took to lending money -- in the wake of green revolution -- after discovering that borrowing from banks at lower rates of interest and lending to small farmers at a premium is more profitable business

than investing in agriculture. Thus the small, initially hesitant though, hurriedly stole a march the large.

Parting with parcels?
The differential adoption was supposed to lead to land alienation. Lured by large profits, the large would buy more land from the non-adopter, the small. Osmani found no evidence of that trend and even if it had happened at all, it no longer happens. The reason is simple. As the small learnt to adopt and thus raised absolute income level, they (little bothered about relative income level) find no reason to sell land unless, of course, driven by distress. If green revolution is highly profitable, then the land prices should remain high. If land prices remain high, then the person(s) in distress could part with less land for more cash need. On the other hand, the modern technology by ensuring stability in yield and output, reduced the risk of being in distress and thus the scale of sales. In Bangladesh, the land market is very thin accounting for only 2-3 per cent of land. The thinness is more prominent in the case of the small.

Food and mouth disease!

There can only one question come from the critics like M. Lipton and R. Longhurst: Why poverty is so pervasive if technology had done a tremendous job? En passant, they also agreed that at decomposition, the outcome is certain, but at aggregate level the picture is pretty small and uncertain. The ace economists of the world dubbed the phenomenon as "MV-poverty mystery" and possibly still trying to get answer. Osmani provides both endogenous and exogenous explanation of the apparent dilemma. I have no and space time to go in details. But suffice it to say, the population growth rate is one of the influential factor. Production of food must be ahead of population growth by a wide margin to impact upon pervasive poverty. In a lighter vein, allow me to call it a 'food and mouth disease' that may suppress the success of green revolution. We shall discuss other factors in another installment.

Abdul Bayes is professor of economics, Jahangirnagar University

BENEATH THE SURFACE

The linkages created by the agricultural growth -- both forward and backward --, higher labour demand from new varieties and the steep fall in rice prices went a long way in reducing poverty and propelling growth. "The overall picture, therefore, is that new technology has a potentially beneficial effect on sections of the poor -- that is marginal owner farmers, small tenant farmers, agricultural wage labourers, the non-farm population of technologically advanced areas and also the poor of the less advanced and urban areas".

make the large, the leaders and the poor, the laggards. This is called the **hypothesis of differential adoption**. And second, following from the first, differential adoption would not only accentuate existing income inequalities but would lead to the absolute impoverishment of non-adopting small. Impoverished as they are, they would be forced to sell lands for survival and to those large land owning groups lusting for increased wealth by acquiring more land. This is called the **hypothesis of land alienation**.

Laggards turned leaders
The hypothesis of differential adoption is mainly based on the existence of market imperfection, especially of insurance and credit. The risk of adoption, even if equally distributed among both the large and the small, would certainly affect the latter more than the former. Because, in the absence of a well-functioning insurance market, the loss from the risk could comfortably be absorbed by the large due to an initial edge over the small in endowment of resources. At the same time, formal credit market tends to remain friendly to the large due to their greater creditworthiness as well as social power. The small, on the other hand, lack these two important instruments for accessing credit and thus fail to avail of the windows of opportunities created by modern technology. Thus the large tends to lead and the small lie behind due to these two factors and, ipso facto, modern technology appears as "pro-rich" and "anti-poor". Of course, this is the technical matter of market imperfection. The

inside and outside Bangladesh. From the most recent data set surrounding the adoption of IRRI -- that I am working on now at IRRI -- it could also be gleaned that both in terms of proportion in the whole set of sample and intensity in use, the large farmers emerged as laggards while the small farmers as leaders. This is a comparison between 1987-88 and 1999-2000 about a decade or so. Any way, but how could that happen?

Well, a good deal has changed in respect of both risk and credit. The subjective risk inherent in initial experiment with modern technology has come down as the small observed that his rich neighbor is reaping home rich harvests. As for the objective risk, it too declined over the years due to less yearly fluctuations in output and yield -- thanks to irrigation water. In the credit market, supply situation improved and the constraint was softened, in many cases, by input subsidies. In Bangladesh, for example, total disbursement increased manifold. The IRRI data on 62 villages show that credit from informal sources came down to 16 per cent in 1987 to 36 per cent in 2000. Landless, and marginal farms reduced reliance on informal market by three times. The loans of the large from banks remained almost constant. In between, NGOs stepped in. Further, the cost of credit (only average rate of interest) came down from 65 per cent in 1987 to 41 per cent in 2000. The share of money lenders, traders and landowners (excluding relatives accounting for a third of total) came down from 37 per cent to 16 per cent

than investing in agriculture. Thus the small, initially hesitant though, hurriedly stole a march the large.

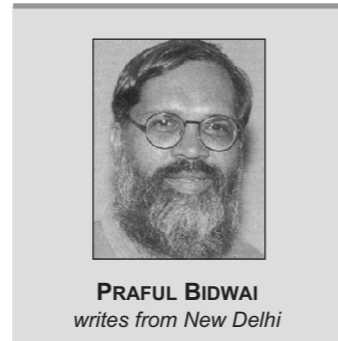
By applauding a butcher of Indian citizens, the CII has shown what kind of "contribution" it makes to "democratisation". The progressive, "modernist" pretensions of

ists backed extreme-Right forces-- because these alone could crush the Left which threatened the bourgeois order. But once the Left was vanquished, the fascists turned on business. War, economic collapse and mass misery followed.

The CII can't argue that it's not legitimising Mr Modi, the Politician; it is only "engaging" Mr Modi, the Chief Minister. It was as *Gujarat's Chief Minister* that Mr Modi organised the pogrom. The CII is extending its unsolicited support to him.

This is part of a larger malady.

India's lumpen capitalism: Business kowtows to Moditva



PRAFUL BIDWAI
writes from New Delhi

DURING the Emergency, it was famously said, Indian businessmen were so servile towards Indira Gandhi's regime that when asked to bend, they crawled. A quarter-century on, one would expect them to have politically matured somewhat. The post-1991 neoliberal policy was to have freed them from dependence on the government.

One thus expected them to criticise the politicians responsible for yet another vicious assault on Indian democracy--the Gujarat pogrom, in which 2,000 innocent citizens were butchered.

Such expectations stand rudely belied. No more than three industry leaders--HDFC's Deepak Parekh, Thermax's Anu Agha and Air-freight's Cyrus Guzder--have spoken out on the Gujarat carnage and Mr Narendra Modi's role in it.

No Gujarat-based businessmen gathered the courage to publicly support them. Not a single third-generation business family participated in relief activities--barring Ms

Mallika Sarabhai's. That was shameful enough. But what happened in Mumbai on January 18 takes the cake. The Confederation of Indian Industry organised "Gujarat Unlimited", a huge felicitation for Mr Modi. This was an occasion to kowtow to and glorify Mr Modi for his "dynamism" and "vision"--without even a remote hint that anything went wrong in Godhra and later.

The CII's Tarun Das, considered a "liberal", set the ball rolling by celebrating business's "love affair"

ward-looking" Gujarat, where profitlines get fatter, but citizens are burned to death? How can anyone talk about "progress" in "Gujarat Unlimited" without mentioning Independent India's worst state-sponsored carnage?

Not even one business baron present asked about the rule of law in Gujarat. Some, like Mr A.M. Naik of Larsen & Toubro, cravenly apologised for Mr Modi, by saying that the Gujaratis, butchery was only "a storm in a teacup". The list of tycoons present reads like a Who's

The CII is supposed to represent India's most "modern", "globalised", "extrovert" companies, many allied to multinationals. Unlike the "protectionist" FICCI, it advocates "free" competition. It is also the chosen instrument of the United States' Agency for International Development and conservative NGOs to promote "democracy" in India.

By applauding a butcher of Indian citizens, the CII has shown what kind of "contribution" it makes to "democratisation". The progressive, "modernist" pretensions of

Indian business: "crony capitalism", prevalence of tax evasion and money-laundering, and rapacious labour practices.

The latest business scandal is the robbery of Rs 110,000 crores of bank loans by well-known houses like Lafatal, JK, Usha-Ispat, Mardia, Modern Group, Mesco and Parasrampara. Among the defaulters is FICCI president A.C. Muthiah!

Even Finance Minister Jaswant Singh says this is "loot". The money is an astounding 15 percent of the banking sector's assets. It is imperative to recover this. But there is vociferous opposition from business lobbies. This was voiced at a meeting of the Prime Minister's Economic Advisory Council by a magnate who is himself a big defaulter!

India's *lumpen* capitalism is semi-criminalised. It is largely risk-averse and without much genuine entrepreneurship. It continues to be highly dependent on influence in the government--witness the ongoing telecom chaos and scramble for India's super-profitable public oil companies.

Associated with this lumpen capitalism is a lumpen bourgeoisie, lacking a commitment to developing the home market.

This is not a forward-looking class or agency for democratic change. It is a bulwark of privilege and deep conservatism. The business elite must reform itself if it wants to be part of democratising, liberal change.

Praful Bidwai is an eminent Indian columnist.

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with Gujarat. Then, leader after industry leader, including Mr Jamshyd Godrej, extolled Mr Modi's virtues.

That is when Jairus Banaji, an Oxford-based historian and activist of the recently formed "Insaaniyat" coalition, intervened. He didn't heckle Mr Modi, but patiently waited his turn to ask: "How can you talk of a better economy when there is no justice for the thousands who were killed? ... You have blood on your hands, Mr Modi!"

Mr Banaji spoke for millions of Indians who too are asking: What is the worth of the promise of a "for-

ward-looking" Gujarat, where profitlines get fatter, but citizens are burned to death? How can anyone talk about "progress" in "Gujarat Unlimited" without mentioning Independent India's worst state-sponsored carnage?

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globalising capital sound hollow. Big Business has no particular attachment to democracy; indeed, it doesn't even care much about the rule of law--so long as its own narrow demands are met.

India's Big Business takes a desperately myopic view of things. In the long run, capitalism needs the rule of law, Constitutional rights, and inclusive democracy. Without these, it cannot acquire social legitimacy. People like Mr Modi undermine that legitimacy--just as Hitler and Mussolini did.

In Germany and Italy, industrial-

Indian business has never taken a socially responsible view of itself nor shown much commitment to liberal values. It is usually driven by extremely short-term interests.

Liberalisation post-1991 hasn't encouraged business to reform and modernise itself. Industry hasn't invested significantly in technology, or built a strong, indigenous, base for itself. Rather, it has become a passive partner of MNCs. Its political clout has increased, not its social responsiveness or democratic commitment.

There is a seamy, sleazy side to

TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR TO THE EDITOR

Letters will only be considered if they carry the writer's full name, address and telephone number (if any). The identity of the writers will be protected. Letters must be limited to 300 words. All letters will be subject to editing.

Kahn's dream



PWD's claim that Kahn had envisaged the placing of two residential buildings in and around the open spaces of the National Assembly building is incorrect. Not only did the architect not want any structures, he wanted the surrounding spaces to have only grass as a setting.

I quote below extracts from an interview with the world famous architect in the book titled, "Conversation with Architects", by John

Cook (JC) and Heinrich Kluth published by Prager Publishers New York, 1973. The book comprises of eight interviews with architects who are the greatest names of the twentieth century.

The interview with Louis Kahn (LK) starts as follows:

JC: You have just returned from Dacca, where you are building the Second Capital of Pakistan (now Bangladesh), begun in 1962. Are you satisfied with those buildings now being built?

LK: I saw the buildings recently. I think they are wonderful, and now I recognise that my idea of landscaping is completely different from what I first thought. I want nothing but grass as a setting, a great carpet in front of a strong geometry.

JC: You've just decided that?

LK: Yes, now. Before, I thought I needed everything. But I don't need the picturesque.

JC: But people who will live there might want trees.

LK: If they want trees, then that's their concern. I must make it so strong that they don't.

From the above interview it is clear that Loius Kahn did not want any structures around the world famous Building.

We urge PWD to stop this controversy and retain the public spaces in its open state and not deface this great piece of architecture and its setting as it is continually doing for the past years. This complex is one of our rare urban treasures and it is for us -NOW- to preserve it for the present and future generation of Bangladesh and for the whole world.

Zarina Hossain
Forum for Planned Chittagong
BGMEA power play

You write that Mr. Fazlul Azim is related to someone in the PMO who is in turn related to the PM. But you don't mention any names ("BGMEA polls in BNP power play, January 27). I would think that the PMO being staffed by the PM's relatives is a story on its own.

Who is this nameless official? How many relatives of the PM's have jobs in the PMO?

I am sure your readers would appreciate a more investigative approach.

Azad Dhaka

"I can't believe it's not condensed milk!"

Last week BSTI lab test showed there's no milk in the condensed milk produced by Starship, Danish, Goalini and Fresh brand!

most people have margarine with bread. Margarine, made of vegetable oils churned with ripened skim milk, is less fattening and tastes almost like butter. One of the popular brands of margarine in the US is "I can't believe it's not butter"! Americans are the fattest people in the world and in order to slim down they prefer "bhejal" food like margarine over the pure. Food advertisements here emphasise on how little fat it contains. Fat free cheese, mayonnaise, etc., are outright "bhejal."

However, condensed milk is still full of milk fat here. I was wondering if Bangladesh condensed milk producer would think of exporting their milk-fat free product to the US and name it "I can't believe it's not condensed milk". Our butter producer may also want to join the margarine market. I miss Milkvita and Comilla butter. Those taste a lot better than American margarine and must be healthier cause I heard they

use banana as one of the (main) ingredients! What a unique technology being used in our country.

PirSaheb NY, USA

"Bangladesh cricket"

I wholly agree with Mahtab ul Malik (January 27) when he asks for the ICC to rescind our farcical Test status. We do not deserve to be a Test playing country. The wisest course would be to voluntarily remove ourselves from this arena until we are strong enough to stand our ground against Namibia at least.

I also agree that this is all turning out to be a colossal waste of money. We would be better off concentrating on football instead.

Kishore Pasha Dhaka

Whither

I am very curious about a word that keeps popping up in your Letters

Page and almost no where else. I speak of the word "whither". It seems that this is a very popular word with letter writers and refuses to die out as it has in any other usage.

According to the Webster's dictionary, "Whither properly implies motion to place, and where rest in a place. Whither is now, however, to a great extent, obsolete, except in poetry, or in compositions of a grave and serious character and in language where precision is required."

I think it's about time we rid our prose of archaic words and started writing in a manner more attuned to international usage. Especially when the writer is a professor at Jahangirnagar University.

Kim Dhaka