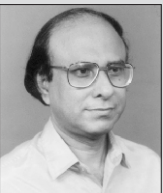


Ruling neo-liberalism, stumbling poverty reduction: II



QAZI KHOLIQUZZAMAN AHMAD

It has been seen in Part-I (DS October 10) of this article that the interests of the developed countries and their corporate sectors and the needs of the developing countries are divergent and that the Washington Consensus-based reforms and globalisation have mostly been serving the interests of the former while the needs of the latter remain poorly addressed and, in many cases, their prospects are jeopardised. Also, the rich-poor dichotomy within countries has generally widened and deepened. But, for the international community, accelerated poverty reduction is now a priority goal.

This part, i.e. Part-II, of the article examines the conceptualisation of poverty and the focus, in practice, of poverty reduction activities underlying the international poverty reduction efforts. It, then, goes on to examine the prospect of poverty reduction within the framework of the ruling paradigm characterised by market fundamentalism and globalisation.

Indeed, several dimensions of poverty and human development are taken into account by the international community in the measurement of progress in human development or in the formulation of poverty reduction and human development related goals to be pursued. Let us first consider UNDP's *Human Development Index (HDI)*. The Index is designed to measure human progress in relation to the included dimensions, not towards set targets. It implies that higher the HDI value, the higher is the average achievement in respect of those dimensions of human development. The HDI of a country is estimated on the basis of average achievements in that country in relation to a long and healthy life, as measured by life expectancy at birth; knowledge, as measured by adult literacy rate and gross enrolment ratio; and a decent standard of living, as measured by per capita GDP (PPP US\$). Obviously, the Index takes into account two other important dimensions besides income. Also, for a longer healthy life and improved knowledge, the fulfilment of certain pre-conditions is necessary. Clearly, therefore, the Index provides a fairly broad base for measuring human progress, and income is one of the included dimensions.

Let us now turn to the so-called Millennium Development Goals (MDGs). The goals are, in the order listed: eradication of extreme poverty and hunger; achievement of universal primary education; promotion of gender equality and empowerment of women; reduction of child mortality; improvement of maternal health; combating HIV/AIDS, malaria and other diseases; ensuring environmental sustainability; and development of a global partnership for development.

Targets of halving or meeting to the extent of three quarters or in full the gaps in respect of key aspects of seven out of the eight MDGs (1st to 7th) by 2015 in relation to 1990 have been set. Also, substantial progress is anticipated in respect of the 8th goal.

Just as in the case of the HDI, the MDGs relate to income poverty (poverty is defined with reference to a cut-off income of US\$1 per person/day), health (reduction of child mortality, improvement of maternal

MDG, consists of people who survive on less than US\$1 per capita/day. Currently, 1.2 billion -- one in every 5 on Earth -- belong to this category, down by only 123 million compared to 1990. In terms of number, the progress has been so miniscule largely because of the growing world population. In terms of proportion of world population, though, the decline was in the order of 7 percentage points -- down from 30 per cent to 23 per cent -- during the 1990s. The target now is to

other 125 countries experienced reduction in average incomes. The prognosis for the next 10-15 years is not any brighter either. The prospects of growth being pro-poor remain severely constrained under the unequal free market-based functioning of the economies.

Also, not only that those people who will remain on less than US\$1 a day in 2015, but also millions with incomes higher than that would surely suffer from illbeing in terms of various other intrinsic poverty dimen-

creation, support for sustainable agriculture, and promotion of small and medium enterprises).

Within the developing countries also, the services are often not properly funded or managed. Even when policies and institutions are in place and necessary funds are available, the policies and programmes are often not implemented properly. Hence, delivery of services in relation to water and sanitation, health, transportation, energy, or education remains

the utilisation of resources for service delivery to the poor, the poor people must be put at the centre of the stage in the resource management processes for delivery of services. It has also been pointed out that the rich countries have pledged to increase aid to enable the developing countries to mount proper and effective programming for poverty reduction. But, as noted earlier (Part I), past commitments made in this regard by the developed countries have remained mostly unfulfilled. For instance, they committed to provide 0.7 per cent of GDP as ODA, but it is now less than 0.22 per cent; and there has been little progress in relation to transfer of increased resources and technology committed in Monterrey and other world conferences such as Rio Earth Summit and Johannesburg WSSD.

With respect to putting the poor people at the centre stage in respect of delivery of services in the developing countries, there is very little chance of that happening as long as neo-liberal politics and economics hold sway. For that to happen, a paradigm shift to participatory democracy and sustainable development shaped by participation, equity, growth, and environmental sustainability is called for.

How relevant are the globally determined universal goals for individual countries? What are the realities in terms of past achievements and prevailing circumstances and what sorts of future prospects are there for poverty reduction (in relation to income-poverty, human poverty, and human indignity) in Bangladesh? Part III will address these and related questions.

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health, and combating killer diseases), and education (achievement of universal primary education). But, the MDGs also take on board additional dimensions, which are: promotion of gender equality and empowerment of women, environmental sustainability, and global partnership development. However, neither the HDI nor the MDGs include participation of people in governance, rule of law, freedom of speech and of association, freedom of movement, cultural advancement, security of life and property, and so on? But, these dimensions are inalienable concomitants of human development and human dignity.

Clearly, therefore, the international system is concerned with income-poverty as well as a set of services. The services considered do not include those listed earlier which also are essential elements of human dignity. Since the MDGs include a major set of services, one may concentrate on the MDGs for assessing the efforts of the international system. All the MDGs, except the 8th, can be broadly divided into two categories: income-poverty reduction (1st MDG) and improved access to services (2nd to 7th MDGs). The 8th is intended to be an international coalition building process for facilitating poverty reduction. It may, however, be pointed out that the way the MDGs have been formulated, the concern about poverty reduction directly relates only to income-poverty. The goals relating to the various services are not necessarily conceived as poverty reducing measures, although improved access to these services will improve the living conditions of the poor. It would, therefore, appear that the conceptualisation of poverty primarily focuses on income-poverty. Be it by the World Bank, the IMF, the ADB or the UNDP, when poverty reduction is talked about, the usual approach is mainly to consider what has been happening to income-poverty. The old habit, in this case the old thinking relating to the measurement of development in terms of GDP/GNP alone, dies hard. However, a narrowly defined human poverty is also considered now.

It would be useful, therefore, to review briefly what has been happening to income-poverty reduction globally. The core poverty group, the proportion of which in the world population is to be halved by 2015 in relation to 1990 as per the relevant

reduce the proportion from 30 per cent in 1990 to 15 per cent in 2015, which means that the requirement is a reduction of 8 percentage points over the next 12 years. Hence, even if the same rate of decline in proportional terms achieved during the 1990s can be maintained, the target should be fulfilled. But the reduction in the number of poor people also depends on population growth, particularly the growth rate among the poor.

Given that the projected population growth during 2001-15 is 1.1 per cent for the world as a whole, 1.4 per cent for the developing world, and 2.3 per cent for the least developed countries, the reduction in the number of poor people may not be significant during the period to 2015, even if the goal in proportional terms were achieved. In fact, the projected world population in 2015 being 7.2 billion, the number of poor people in that year will be 1.08 billion provided the poverty ratio is down to 15 per cent. The countries of Sub-Saharan Africa and many of those in transition may not even achieve the proportional goal, but the number of poor people in each of them, indeed total population in each, are relatively rather small. In terms of numbers, therefore, major thrust is necessary in countries with large populations if the number of poor people is to be reduced globally to a significant extent over the specified period. These countries include China, India, and Bangladesh, which together currently account for about half (0.6 billion) of those (1.2 billion) in the below US\$1 poverty group -- made up, in 2001, as follows: China 196 million (16 per cent of 1.235 billion); India 362 million (35 per cent of 1.033 billion); and Bangladesh 49 million (36 per cent of 135 million). (Source of data quoted in this paragraph is 2003 UNDP *Human Development Report*).

Even for achieving the proportional poverty reduction goal, economic growth alone will not do the trick. Much will depend on whether or not, or if yes how far, that growth is pro-poor in terms of its pattern, structural aspects of the economy, and public policies in place.

Furthermore, income growth was sluggish around the developing world during the 1990s. Only 30 out of 155 developing and transition countries for which data are available achieved per capita income growth of more than 3 per cent a year and, as noted earlier, 54 of the

sions including those the MDGs cover, other human dignity related dimensions listed earlier, and country-specific peculiar ones that may exist in particular countries.

Regarding services, the MDG targets may be unattainable for a large number of countries as a result of constraints including: domestic resource constraint, limited international transfer of resources to them in terms of ODA or direct foreign investment or grants and concessional loans from multilateral agencies, little progress on transfer of technologies, developed countries continuing to provide huge subsidies to their agricultural production and exports, limited progress relating to debt reduction for the highly indebted poor countries (LIDCs), continued refusal of the developed countries to provide market access to non-agricultural exports from developing countries, and the World Bank and the IMF continuing to focus particularly on macro stability and not providing much support to economic growth and pro-poor development strategies (which may include: focus on employment

grossly inadequate around the developing world in terms of both quantity and quality. Often the functionaries do not perform their responsibilities properly, not infrequently choosing to stay away. There is also absence of proper supervision. The whole system is, therefore, inefficient and ineffective, as might be expected in a top-down framework. *The World Development Report 2004: Making Services Work for Poor People* has given examples of 'poverty' of service delivery systems from developing countries around the world. It has been cited that in Bangladesh, for example, absenteeism among doctors, as found through a survey of primary healthcare clinics, is 74 per cent. While there is paucity of resources available from both domestic and foreign sources, the utilisation of the available resources is extremely poor. In fact, a large part of the available resources is misused, misappropriated, or wasted.

It has been suggested in the above mentioned World Development Report that in order to improve

Mass rapid transit for Dhaka Prospects and challenges

DR. MIR M. ALI

A principal reason for the accelerated growth of Dhaka's population is that the population of Bangladesh has increased substantially since its earlier days. This is because the growth and progress of Dhaka as the country's capital remains unmatched by the relatively slow development and progress of the other cities, towns, and villages. Improved road communication has also made it easy for rural people to migrate to Dhaka in search of livelihood. Although the future prosperity of other cities, towns and villages will reduce the extent of migration to Dhaka, its population is still expected to grow at a very high rate. There exist innumerable examples of other large cities (both developed and developing) where the population has swelled tremendously because people are constantly moving from rural areas to these cities to prove this point. According to one reliable projection, by the year 2025, the population of Dhaka will jump to 25 million from its present 12 million.

Dhaka is known as the rickshaw capital of the world. Although rickshaws do create a major problem by clogging up the traffic in Dhaka's streets, they are not the only problem. Other cities that do not have rickshaws have also to experience severe traffic congestion due to the natural proliferation of vehicular traffic and this is the principal problem in Dhaka. The number of cars, buses and trucks on the road is increasing steadily in Dhaka at a much faster rate than one can imagine, with little or no construction of new roads. The traffic congestion is so bad that even ambulances carrying patients in critical condition needing immediate medical attention are held up. The flyovers that are being built now are only temporary solutions to buy time. In fact the flyovers may create future problems of durability of the concrete in the tropical monsoon climate of Bangladesh. A long-term solution is unquestionably to build a well-planned subway system.

The advantages of underground subways are too many to enumerate. This is why other major cities of Europe, North America and Asia discovered long ago that conquering underground space is the best way to overcome the challenge of mass transportation. Asian cities that have already built or are building subways are Tokyo, Hong Kong, Shanghai, Beijing, Singapore, Taipei, Kolkata, Bangkok and Delhi. China is reportedly considering building subways in 20 of its most crowded cities. Cairo has recently completed a 52-km subway system. A subway has a low life-cycle cost and its maintenance costs are relatively low since the structure is naturally protected by the ground from the onslaughts of climate. The long-term economic benefits are immeasurable. An underground subway will offer sustainable growth and socio-economic development and result in the transfer of technology. If built piously, it can last for centuries. In addition to rendering the transportation of large masses

Maglev is essentially a surface system and is difficult to build and operate in populated areas. There is simply no room for this in older Dhaka which is synonymous with overcrowding. An overhead Maglev system will be prohibitively expensive and hence impractical since the cost of building bridges supporting the guide ways will be an additional premium to be paid together with its other consequences.



of people easy and rapid, it will bring tourists and investment dollars. The list could go on. An underground subway will cost an estimated \$50-100 million per kilometer, depending upon the method of excavation and the severity of problems encountered during construction. Proper design, optimization of route maps and the method of construction will determine the final cost. When one considers the economic loss of more than \$200 million a year due to Dhaka's traffic ills and the low life-cycle cost, this initial cost is not really overwhelming. Financing of a subway project can be done by government funding, BOT, or a combination of the two. Matching funds and the assumption of partial responsibilities of operation of the subway by the Government of Bangladesh will go a long way to induce more private financiers to undertake the mega-project. In addition, an underground subway creates no noise or pollution. The technology of tunnel-building is so well established and advanced that it needs no further elaboration and emphasis. Moreover, underground subways have stood the test of time since 1863 and are still being employed in major world cities.

Of course, to develop and implement a master plan indicating routes, political will and determination are needed first. A so-called Metro Plan was devised in as late as 1995, albeit with no implementation in sight. In 1999, when the author visited Dhaka and met government officials to emphasize the need for building a subway system there, he was told that a mono-rail system in the new areas of Dhaka near the

airport was being actively considered. That plan now seems to have been dropped or postponed.

The Communications Minister stated at a BUET Seminar that there exist several proposals with different options for addressing the city's transportation problems but the government would select the latest technology-based and appropriate solution. He mentioned that every rapid transit option would be considered. He further expressed his government's determination to build a magnetic levitation (Maglev) train system from Dhaka to Laksam. This brings forth important questions in the realm of public transportation. Is Bangladesh ready for such a system? Is it possible to consider this system for Dhaka?

The Maglev technology was conceived in the early 1900s by Emile Bachelet as a magnetic suspension system using repulsive forces generated by alternating currents. However, a great amount of power was needed for the conductors, making the idea impractical. In the 1960s when superconducting magnets became available, Bachelet's idea was revived and the concept of superconducting magnetic levitation drew considerable attention. Recently China has broken ground for the first time with its newly installed Maglev system based on German technology. A 30-km Maglev line has been constructed connecting Shanghai Airport to the city of Shanghai at a cost of \$1.2 billion, or \$40 million per kilometer. Maglev trains float nearly friction-free slightly above their tracks called "guide ways" and can potentially reach a high speed of up

to 400km or more. They are noise-free and need no fuel since they are propelled by electromagnetic force generated by electricity along the guideway. Maglev trains do, however, require constant supply of power. The guide way has winding cables on either side that create alternating magnetic fields which are regulated to control the train's speed.

Although the benefits of a Maglev train system sound attractive at first sight, there are some concerns as well. First, unlike the tunneling technology, this Maglev technology is at its infancy in terms of its application and hence its long-term performance remains to be seen. Second, the high speed of trains will create intense air currents and turbulence that will shake nearby structures. Third, the full effectiveness of magnets is questionable in a hot and humid country like Bangladesh, perhaps demanding a greater amount of power than would normally be required. Fourth, there could be potential negative environmental effect of the strong electro-magnetic fields on health. Fifth, although it is a no-fuel system, it demands an immense amount of power, which is in short supply in Bangladesh. There could also be other unforeseen problems that have not been identified since such technology has not been tested over a long period of time and on a large scale. Given the difficulties of long-term maintenance of such a high-tech system by a country like Bangladesh where the infrastructure for cutting-edge technologies has not yet developed and where needed economic reform is still a

Criminals' ominous presence in politics

WEEKEND NOTES

JAMILUR RAHMAN

THE ruling alliance claims it has run the two-year lap with a lot of vigour and verve, but the opposition sees it limping. The prime minister calls it an unmix blessing to the nation; the leader of the opposition doesn't see anything beyond an unqualified setback. They don't see alike.

Prime Minister Khaleda Zia has admitted that her government's score on the law and order account has not been particularly good. She promises to do more to make a dent in the crime situation and assures us of stern action against corrupt elements responsible for plundering of national assets. The prime minister says what is expected of her.

Law and order has indeed been a sore point in the government's scheme of things. There were special drives and operations, but the overall situation remains more or less unchanged, except for periodic disappearance of listed criminals.

The two major parties are still blaming each other with the same consistency for the slide in law and order. But the question that remains unanswered is what they are doing to deal with the criminals having a political hue. It is no longer a secret that professional goons and killers derive much of their clout from political patronage. That is a truth acknowledged by all and sundry, but the parties concerned have still not done much to clear their houses of the unwanted elements. Call them unwanted or most wanted, the criminals have an ominous presence in politics.

The prime minister could hardly finish making a fresh pledge on combating crime when this newspaper carried a report on two most wanted criminals' rapport with some young leaders of the ruling BNP. The report is not the first of its kind. Politicians have been facing similar charges for many years, if not decades.

That also brings into focus one of the most glaring incongruities of our politics--while there is no dearth of commitment and lip-service to the need for fighting crime, a section of political leaders are thriving on muscle-power. This undercurrent of criminal-politician nexus has had a dampening effect on all anti-crime drives. Speaking a bit more philosophically, it may amount to sowing seeds of self-destruction, though its immediate goal is to destroy opposition.

The opposition is doing as much as it can to unsettle the government. The Awami League celebrated the two years of alliance's rule by publishing a detailed account of the government's failures. Sheikh Hasina again asks the government to step down.

The BNP's reaction to Hasina's tirade has been one of contemptuous disdain. The party expresses its dismay and shock with the way Hasina has rated it, but hastens to add that it is not surprised by the opposition leader's 'filthy' attack.

The leader of the opposition has appealed to all progressive forces and professional bodies to unite against the government 'steeped in abysmal corruption'. She has also promised to learn from past mistakes if her party is voted to power again in future.

That is rhetoric, simple and plain. People may ask themselves whether they have seen many politicians learning from mistakes when given a second chance. They must belong to a fast-vanishing, if not extinct, species.

Commonwealth Secretary General Don McKinnon has left a message for the emerging democracies still struggling to define government-opposition relations often crossing the limits of 'permissible' belligerence. McKinnon gave a realistic interpretation of how the relations get sour and democracy loses its way, despite being "theoretically sound".

He has been straight and clear. The attitudinal problem of the ruling party was the focal point of his deliberation, but he was no less severe on the negative politics of opposition. McKinnon's observations might lead one to wonder whether he was talking only about our political context that shows many of the symptoms of the maladies identified by him.

For example, McKinnon talked about the typical third-world syndrome of winners-take-it-all, or treating election victory as the licence to grab everything, including state institutions. The theories, need we say, will surely test positively if applied to our political reality.

The political parties, regardless of what they are saying or doing, have yet not done anything to prove McKinnon's observations wrong.

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All health information to keep you up to date

Why is 'nutrition' a popular topic these days?

Contemporary medication has put far too little stress on nutritional treatments mainly because of the failure of many professionals to grasp certain basic concepts about Nutrition. But according to researchers nutrition means, 'all the processes involved in the taking in and utilization of food substances by which growth, repair, and maintenance of activities in the body as a whole or in any of its parts are accomplished'. It includes ingestion, digestion, absorption, and metabolism.

And essential nutrients are those substances (proteins or amino acids, carbohydrates, fats or essential fatty acids, vitamins and minerals) necessary for growth, normal functioning, and maintaining life; they must be supplied by foods because the body can't make them. This definition can be extended to include other components that are necessary for human life. These could include oxygen and water. Some nutrients are capable of being stored by the body in various forms and drawn upon when the food intake is not sufficient. An example of a nutrient that is not stored is Vitamin C.

At the present time, nutrition is a key issue for good reason. This topic has also got a significant place in our new health strategy. Within the last decade researchers have been conducting impressive new nutrition studies. These studies go miles beyond our previous understanding of the role nutrition plays in health. Scientists have been exploring many different aspects of nutrition. The benefits and hazards of different kinds of fats, such as saturated fats, fish oils and hydrogenated fats, the role of different types of fibres in reducing cholesterol and cutting the risks of colon and breast cancer, and the reasons behind the fact that people who eat large quantities of fruits and vegetables seem to have reduced risk of many diseases, cannot be denied.

Factors that influence nutritional status are --

- + the quality of the food we eat
- + the quantity of the food we eat
- + biochemical individuality and
- + the efficiency of digestion, absorption and utilisation

Did you know?

Vitamin C is the body's most powerful water-soluble antioxidant. It shields cells in the body from oxidative damage. Although some people strongly believe about the role of vitamin C on colds, an analysis of a dozen studies of vitamin C's effect on cold is not quite clear, but the effect is almost certainly an antioxidant one.

Next: Caring for thyroid

long way off, the timing of undertaking a Maglev train project needs serious consideration. The need for such a system has to be justified in terms of cost/benefit analysis. The cost of the special trains required for the Maglev system is going to be prohibitively expensive. Such a system may be acceptable in the foreseeable future, but right now such a new and sophisticated technology is likely to outpace the developments of the local civic infrastructure and hence will disturb the delicate balance between the transportation industry and the society's preparedness to accept rapid and drastic changes.

Maglev is essentially a surface system and is difficult to build and operate in populated areas. There is simply no room for this in older Dhaka which is synonymous with overcrowding. An overhead Maglev system will be prohibitively expensive and hence impractical since the cost of building bridges supporting the guide ways will be an additional premium to be paid together with its other consequences. However, it can be given consideration for the outlying areas such as Savar, Gazipur, Rajendrapur, Kaliganj, Sonargaon, to name a few, that are still open and available for accommodating Maglev trains and could be effective for commuters who live far from Dhaka. This will encourage people to move away from the city and reduce the congestion there. In fact, construction of new satellite townships away from Dhaka that will function as bedroom communities is a good idea provided the necessary infrastructure exists and the residents can commute to the business districts of Dhaka with ease. Since Maglev trains are pollution- and noise-free, they may provide the citizens, who live in the outskirts of Dhaka, with an economical and fast mode of commuting. However, the right of way for such a surface system must be accomplished before the density of population exceeds a critical level. In the old Dhaka regions such as Mohakhali, Kawran Bazar, Farm Gate, New Market, Motijheel, Sadarghat, Sutrapur, etc. an underground subway system is the inevitable option for mass transportation.

All these factors point to the conclusion that the Government of Bangladesh should seriously consider the problem of transportation with urgency and as a national priority. The notion of transportation planning must encompass the entire city and the outlying areas. It must include all aspects of a grand scheme keeping in mind the projected growth of the city 20 to 30 years down the road, so our future generations are not burdened with problems that we will create for them now. If Dhaka has to remain a livable city, this challenge must be faced squarely by the government and the people along with other problems of shortage of water and electricity, urban pollution, crime, etc. The sooner this is done, the better.

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