many of the developing countries

would, perhaps, be able to respond

to the increased demand in the

world markets. Domestic physical

and human infrastructure appear to

militate against any move towards

production for markets. While

removing the bias against

agriculture, developing countries

should embrace rural development -

a forgotten phase -- as the motto

towards making markets meaning-

ful. It is not only agriculture but a

culture that includes rural livelihood

system that should constitute the cornerstone of policies. Empower-

ing local governments, raising human capital and overall good

governance should ensure a good

LATE S. M. ALI

**DHAKA WEDNESDAY OCTOBER 22, 2003** 

### **Spiralling prices**

Let the market be consumer-friendly

HE government has responded to the erratic market behaviour, which is putting tremendous pressure on people, by adopting some measures aimed at correcting the distortions.

Obviously, market supervision and monitoring could be conducted without disrupting the free market forces. Such activities are all the more necessary in a setting where there is no regulatory body to protect the interests

The consumers have to bear the brunt of unexpected upward refixing of prices by traders. It usually takes place before religious festivals, the month of Ramadan in particular, when the demand for certain commodities rise appreciably.

It seems speculators and hoarders have taken over, as the crisis is being described as an artificial one. The very fact that the government had to intervene shows that something has gone awfully wrong.

But we cannot forget that allowing the market forces to be in full play is something that free market economy is all about. The open market mechanism by and large worked well for us as productivity and imports kept supplies at a steady level, and there was equilibrium between demand and supply.

But the distortions that we witness now indicate that there is a chink in the panoply of market forces. Speculators and hoarders have made their way into the heart of the system, upsetting the demand-supply equa-

Consumers are left in the lurch since there is no regulatory commission to control price and quality of commodities. Such a body has to be constituted not to control market but to act as a watchdog against deviations and distortions. Similarly, the law that will protect the rights of consumers must be enacted without wasting

The intervention that the government deemed unavoidable has its pitfalls, too. In the past, we saw how prices rose further when attempts were made to control them. The solution, we believe, lies in initiating a consultative process between the government and the business community. Its focus should be on elimination of the disruptive and manipulative forces so that free market mechanism can work to the best advantage of con-

### Action against telecom bill defaulters

Adhocism won't do

HE decision to take actions, legal or otherwise, against defaulters of telecom bills is highly commendable. But the option to fix ceilings for disconnection would only provide little success if its likely consequences are not taken care of. First of all -- disconnecting the line would mean giving the defaulter an easy chance to get off the hook. In fact a lot of money are reported to have been lost because the telecom authority found later that the defaulters either vanished from the address they had given to receive telephone connection or had just used a take address.

Therefore a thoroughbred strategy is needed to recover outstanding dues. And no one should be spared from that drive -- be it VIPs, MPs, government offices or private users. So long as the authority fails to make a dent in respect of big and mighty defaulters like the MPs, no 'tough measure' by the ministry concerned to realise arrear bills will have the required moral and administrative force to succeed. We recommend that the authority approach the malady from different standpoints. First, the fake users of telephone connections as well as bill defaulters must be identified and punished. Secondly the billing system has to be overhauled. There are a lot of loopholes which put the customers in a sticky situation: the bills are not sent on time, there have been plenty of cases of 'ghost-billing' or 'overbilling' and the procedure for reinstating a disconnected line is consumer-unfriendly. Last but not least, co-ordination between the bank receiving bill payment and the telecom authority is sorely missing. The records are not posted in good time at the BTTB end. Though the banks take the payments, the telecom authority gets to know about it much later often resulting in disconnection.

Innocent and law abiding consumers should not get punished while VIPs who should be example-setters in a positive sense get away with big defaults. Rather than taking ad-hoc measures, the authorities would do well to adopt a holistic approach to the dual problem of billing and collection.

# Fixing up fallacies for food security



MINENT economists have long been engaged in eking out an answer to the prevailing distortions developed by domestic agricultural support and tariff and non-tariff walls in various countries. The recent addition to the stock of knowledge on this count is provided by the International Food Policy Research Institute (IFPRI). Essays on "Trade Policies and Food Security" by Kevin Watkins and Joachim von Braun and also by Eugenio Diaz-Bonilla and Ashok Gulati (2003) drive home the points.

### Question and answer

What can governments in rich countries do about poverty in poor countries, apart from increasing and improving aid and endorsing ambitious poverty reduction goals? Arguably, aid, and of late ambitious poverty reduction goals have the key instruments to face poverty in developing countries. That trade could be more effective an engine than "aid', had never been duly appreciated. There could be many reasons for the failure but one or two should be mentioned. First, "export pessimism" within developing countries deterred trade to develop as an engine of growth and poverty reduction. The famous "Prebish-Singer" hypothesis of a secular

primary products, possibly, haunted them for a long time. Second, developed countries, allegedly, have been reluctant to open their markets, especially, for agricultural products from developing countries. Domestic pressures from farmers led them to lean on domestic support and protection.

The authors I have mentioned above came up with an answer: ..get serious about reforming their (developed countries) own farm

developing countries -- some 900 million -- live in rural areas. Majority of them are small holders with tiny lands to till. "That is why agricultural growth based on smallholder producers is one of the most powerful catalysts for poverty reduction: for every \$1 generated through agricultural production, economic linkages can add another \$ 3 to the rural economy. Support to agriculture in rich countries matters because it restricts opportunities for

world's poorest farmers cannot compete against the world's richest treasuries, nor they have to". Available estimates tend to show that if rich countries stop support to farmers, developing countries could gain by \$40 billion in terms of agricultural exports

#### Crocodile tears!

But they would not go in that direction keeping in view the interests of the developing countries! Eugenio Diaz-Bonilla and

food security by devoting more attention on export crops rather than on staple crops. Both these arguments are not well appreciated by the authors as they overlook the implications of liberalisation in a general economic framework. In fact, they have presented a number of alternatives to deal with the upcoming crisis. By and large, the arguments shown by the developed countries in the interest of the developing countries sounds like shedding crocodile tears -- hurting

economic return from liberalisation.

Last words It is nice to note that the International Food Policy Research Institute (IFPRI) prescribes trade and not aid for developing countries. It is also heartening to hear of the nexus between trade and food security. We can only hope that developed countries would shift away from fallacious farm policies for better globalisation. And the Cancun debacle seems to have driven home the point that views of developing countries have to be honoured to run a trading system based on justice and "win-win' situation. Meantime IFPRI could help developing countries through researches on capacity creation and crop diversification in developing countries, on policy reforms that would serve the interest best for developing countries. In fact, IFPRI should circulate the slogan "trade, not aid" because aid gained is just a

miniscule of what lost in trade.

The Cancun debacle seems to have driven home the point that views of developing countries have to be honoured to run a trading system based on justice and "win-win" situation. Meantime International Food Policy Research Institute (IFPRI) could help developing countries through researches on capacity creation and crop diversification in developing countries, on policy reforms that would serve the interest best for developing countries.

BENEATH THE SURFACE

policies and start dismantling the agricultural trade restrictions and subsidies that contribute to mass poverty across the developing countries". The answer, needless to mention perhaps, brings back the role of trade as an engine of growth and poverty reduction in developing countries. I can only add that the age of aid has gone, and that of trade has dawned! Aid should be substituted by trade and by the rule of the theory of comparative advantage. Unfortunately, the crucial links between agricultural trade, poverty and food security do not figure prominently on the WTO

#### Poor getting poorer

Kevin Watkins and Joachim von Braun think that this is not a good news at all especially when related to poverty reduction. More than the pro-poor rural growth that northern governments like to endorse at international meetings. And it matters because the rural poor cannot wait any longer for meaningful reforms".

The policies of the rich countries impinge heavy penalty on the poor of the poor countries. Northern subsidies lower farm prices. Unable to compete against subsidised competition ("concocted comparative advantage" as I termed it in an earlier article), the world's poorest farmers are pushed out of the international as well as domestic markets. It seems that the success depends less on comparative advantage than on comparative access to subsidies and support. "Small farmers are efficient. innovative and potentially competitive and creatively combine farming with off-farm work. But the

Ashok Gulati succinctly summarised their views with notes of dissents. First, it is being argued that farm prices would shot up following an withdrawal of support from agriculture in developed countries. Ipso facto, the net food importing countries could be the victims. This is partly true and could be faced by enunciating welfare enhancing programmes for the targeted victims. In the long run, realignment of resource allocationafter the withdrawal of support in developed countries could bring

more benefits for the victims. The second argument against withdrawal is that preferential treatments in terms of access to markets could be eroded following liberalisation in those markets. And finally, some have argued that by expanding exports, developing countries could worsen poverty and first and healing second.

### Trimming tears

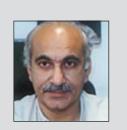
The farm polices of the developing countries are also firmly footed on fallacies. In the travel towards industrialisation, agriculture has long been unduly taxed and robbed of its rhythms. In the name of the green revolution and food security. production of other crops declined Crop diversification index -- as reflected by Simpson index -- is relatively low in many developing countries. High value agricultural crops have never been assumed as potential source of poverty reduction. Time has come to realise that developing countries reform their own agricultural policies. Canacities must be created to enhance supply elasticities so that the rewards of liberalisation of world agricultural markets could be reaped home. As it stands now, not

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you for reality. I must have read

many many thousands of words

# A Poland diary



M.J. AKBAR

ERENITY is sitting in the sky at 33,000 feet on a clear afternoon watching the earth pass by. The land between Britain and Poland has soaked more human blood than any other comparable stretch. The great wonder of our age is surely the peace that Europe has woven from the torn shreds of a mutilated history: even the Cold War is over. Britain and Poland will form the western and eastern boundaries of the European Union after May next year, when Poland along with nine other countries is admitted. The British Airways plane basks in the warmth of an autumn sun that encourages a sense of good cheer. The air hostess, who has been laughing insistently and on occasion infectiously, insists that the wine on my tray is wrong and switches it to the Pic Saint-Loup Reserve. a 'Produit of France'. It is an excellent decision. The red wine has been named after a hermit who apparently lived on the summit of a mountain that bears his name, situated between the Mediterranean and Montnellier I don't know how close the hermit came to God from that summit, but he certainly did a lively line in reds. Clouds appeared after we crossed the English Channel: light, fluffy, square pieces of cotton that formed rows of extraordinary straight lines like the parade of a benevolent, slightly slipshod army. The sky became a bit more dense as we neared our destination, Cracow, the old capital of Poland and on the UNESCO list of the world's 12 most remarkable architectural complexes. The first mention of the city in a document has been dated to 965, when a Jewish merchant from Muslim Spain, Ibrahim ibn Yagub, left a record of his visit. A sharp breeze welcomed me outside the modest airport, but the real weather was measured by the warmth of friends waiting for me. There are days when life seems too short. This was one of

A trumpet blast from a tower at the corner of Market Square begins powerfully and ends abruptly. They still commemorate the moment when a dutiful watchman warned the city in the 13th century that the Tartars were invading Cracow. The abrupt end came when a Tartar arrow slit the watchman's throat. The story has a happy ending, which presumably is why they remember it. The citizens rallied and repelled the Tartars on that occasion, but of course the Tartar

glories of his church. Each wall each corner, each square inch of space was packed with treasures: a feast of jewellery, paintings, tapestry, chandeliers and rising altars in gold. The rabbi looked around at the packed church and asked the cardinal: "Where is the space for God in this church?"

The only skyscrapers in Cracow are church steeples, which is a good thing. Plaster peels off the walls of innumerable homes, which is not. The city is an extraordinary mix of castles, cathedrals, and com-

from public discourse; its troops are a "stabilisation" force. There is great eagerness on the part of officials to underline the difference, and suggest that their contingent is under local command for all practical purposes. This then is why Polish soldiers did not intervene in a firefight of the kind on Friday that left three American soldiers dead. On the television screen a Polish officer in Iraq says that he has nothing to say to the media. At least in this respect, they are different from the Americans. In Warsaw, officials stress that a large number of NGOs

business, but not a grim one. The students are attentive, thoughtful and involved. I was surprised at the thesis of civilisations might have

turnouts for the lectures, since the subject -- Islam and the West -- was not especially glamorous. True, the presence of their soldiers in Iraq must have played its part in provoking interest, but their eyes were genuinely in search of an alternative view. They responded positively when I pointed out the first fallacy: that Islam was a faith while the West was a geography, and then suggested that this is where the

# BYLINE

Jews were the prime target of the racist Nazis, but not the only one. The poet has not been found who can describe such barbarism. Instead of words an image appeared in my mind from some distant closet of memory, a photograph of the first encounter between a group of prisoners and the first soldiers to reach Auschwitz as the Nazis fell back on the eastern front. There was absolute incredulity on the face of the liberator. There was absolute immobility on the face of the prisoner, a complete indifference to the freedom they had dared not contemplate a minute before and could not yet comprehend as real...

invasion of Poland has many more chapters. There are still some 10,000 Muslim Tartars in Poland.

The square is dominated by the Church of the Virgin Mary, unprepossessing outside but resplendent inside. On Sunday they celebrated the 25th anniversary of the papacy of Karol Woitvla, their most famous priest and now Pope John Paul II. Faith may have disappeared from the rest of Europe, but Poland remains a deeply religious country. Even Stalin did not dare eliminate the Church from Polish lives. He remarked that putting Poles under communist atheism would be like placing a saddle around a cow. The splendour of the Church of the Virgin Mary was doubly dazzling in the light of a live service. Every generation contributed its genius to a social monument and museum of faith. The two imposing towers at the entrance begin symmetrically but end differently; one is higher. The story goes that they were built by two brothers, competing for the glory of God. When the elder completed the north tower, he killed his younger sibling to prevent the south tower from rising beyond his structure. The knife he used is preserved in the church.

Poles take their faith seriously. but never so seriously as to deny themselves a joke. A rabbi was invited by a cardinal to see the pounds that look like a backdrop from a Fifties' neo-realist Italian movie. All this will change in five years, when the economic and social laws of the European Union take over the city. This has been Poland's consuming mission ever since its liberation from the Soviet empire at the turn of the Nineties. and it will realise its dream on 1 May next year. Not every Pole was keen to join the Union, with its laissez faire attitudes. One of the slogans of the nay-sayers was: "Vote for the European Union! It will become much easier for your son to find a husband!'

But the need to join NATO and then EU was understandable; Poland wanted iron-clad guarantees for its independence from Moscow. Curiously, after having achieved this, Poland now wants guarantees of independence from the European Union. Well, maybe not that curiously. Germany and France have partitioned Poland as eagerly as Moscow has swallowed it. The new mantra therefore is the United States of America. This craving for a special relationship has persuaded the Polish government, against the will of the majority of its own people, to send 2,000 soldiers to guard Iraq on behalf of Washington.

Ease overlaps with unease in this decision. Having been a victim of occupation. Poland erases the word

have gone with the soldiers, and that they are busy opening schools for Iraqi children. This is yet another baffling aspect of the American intervention. The Iragis never had any shortage of schools under the Baathists or ever since the second Abbasid emperor established Baghdad more than thirteen hundred years ago. Every occupation needs to justify its presence by promising 'civilisation'. t is undeniable, however, that the Poles are more sensitive to local sentiment than their superpower ally. There have been no casualties so far in their contingent. But then again, they have been posted in the Shia regions of the east and the south, and the real war may not

have even begun there. Cracow University was built in the 14th century and thank God they have not tried to improve it. The curse of modernisation was one of the principal socialist temptations. and Cracow side-stepped it. All that it needed was heated rooms, and that is a welcome change. Professors no longer have to be celibate, or sit silently in square cells either reading or hearing the Bible as their principal means of education and entertainment. I am in Poland for a series of lectures and everywhere the faculty is open, discursive and enlivened by the necessary touch of the eccentric professor. Learning is a serious

misled them. One very real problem is that the dialogue has got trapped in words that mean totally different things in different environments. The word 'fundamentalist' for instance. A believer is defined by the fact that he believes in the fundamentals of his faith, so fundamentalism is not an accusation but a compliment. Is the Pope a fundamentalist, then, for being the guardian of the faith? A lecture never hopes to answer all questions, but if it can open the door to some questions about previously held convictions, then the effort is worthwhile The week had aged, and the

season changed. The sky had absorbed the grey ink of oncoming winter, and a cold wind searched the tolerance levels of the body. A group of children laughed as they raced out of the stark, sprawling complex of prison camps, a steaming cup of coffee in their hands to challenge the cold. Children have their own ways of dealing with shock. They are less sentimental about evil than we think. They were schoolchildren from Israel, and this visit to Poland was part of their transition. a defining moment in their individual and collective history; and a reminder that they were fortunate not to have lived in the times of their grandparents. We were at the Nazi concentration camps in Auschwitz. Knowledge can never prepare

about these camps, and all of them simply evaporated in the face of what I saw. What I saw was only shards of preserved evil: the weight of the full truth leaves you crushed and helpless. The Jews were the prime target of the racist Nazis, but not the only one. The poet has not been found who can describe such barbarism. Instead of words an image appeared in my mind from some distant closet of memory, a photograph of the first encounter between a group of prisoners and the first soldiers to reach Auschwitz as the Nazis fell back on the eastern front. There was absolute incredulity on the face of the liberator. There was absolute mmobility on the face of the prisoner, a complete indifference to the freedom they had dared not contemplate a minute before and could not yet comprehend as real. Those prisoners had died too often in the concentration camps for them to believe anymore in life. There were times that afternoon, as I walked through the gas chambers and halls of photographs of gypsy children, and mute hills of shoes and suitcases which the condemned had brought, when I felt violently ill. But you cannot even throw up when there is only emptiness inside. Anger filled the vacuum. Nothing made me angrier than the sheet banality of Nazi evil. The sign that welcomed prisoners to Auschwitz said: 'Work makes you free'. It was a ioke upon the slaves, most of whom would prefer death before long. The smirk on the faces of Nazis sitting at committee meetings to count the numbers they had killed was peyond guilt. They were in a zone outside humanity and outside morality. But you could sense an undeclared sense of quilt among those who had heard the screams of their being picked up from the city ghettos and turned away to protect hemselves with silence. It is always thus when demons embark on What were the children saying

as they skipped or raced back to their school bus, protecting themselves from their own feelings by a burst of energy? That life goes on? Sometimes it seems that only death goes on, whether in a Palestinian camp or a restaurant in Haifa. There are days when life seems too long.

MJ Akbar is Chief Editor of the Asian Age.

### **OPINION**

## Hateful hattrick

**ABDUR RAHMAN** 

HIS year again Bangladesh has ranked top among the most corrupt countries. Now we are a hattrick scorer in corruption. Transparency International (TI) has awarded Bangladesh this title for the third consecutive year.

When in 2001 Bangladesh ranked atop the TI corruption list for the first time, many said it was nothing but an international game to oust and keep Awami League away from power. Such belief grew because the report was published at such a time when Awami League was getting ready to guit power finishing its five-year tenure.

parliament election the four-party alliance as well as all anti-Awami forces used that negative epithet, although that was a national shame, as a sword to cut Awami League's votes to their favour. Really that national black spot was a curse for Awami League but blessing for fourparty alliance! Awami League said that it was nothing but a conspiracy against them. Even they blamed TI men working in Bangladesh. They tried to established that those who prepared that report were antiwami people

In their campaign for the 8th

BNP chairperson assured that if her alliance came to power they would remove the black spot from the lot of the country. Many voters

were convinced. They thought that it was Awami League which brought bad name for Bangladesh and it must be BNP which would clean the

People hoped that BNP would try its best to rein in the mad horse of corruption. BNP chairperson Begum Khaleda Zia in her first speech to the nation as newly sworn in Prime Minister declared a war against corruption. She said her government should erase the black spot from the forehead of the country.

People were anxiously waiting to watch what effective steps the government would take to remove the blame of massive corruption. But what the people saw? They saw

the government file case against Saber Hossain Chowdhury bringing allegation of plate stealing from a ferry. The government filed another case against Rear Admiral Jamaluddin Ahmed bringing allegation against him of stealing a

Of course corruption cases were filed against Sheikh Hasina and some ex-ministers of her cabinet. But what was its motto? was it to really prove 'crime' of Sheikh Hasina or others? 'No', the cases were filed to harass them. Days passed. Then came the time of another TI Report. The Report was published and Bangladesh was again on the top of the corruption list. It was time for Awami League to clap and laugh

and shameful for the ruling alliance. BNP shown excuse that Bangladesh was on top of the corruption list not due to present government's activities. But due to the evil deeds of previous Awami League government!

At last on the 7th of October this year Transparency International disclosed third report. What a wonderful sustainability! Bangladesh is again atop the list. What excuse the government will give now? Will they blame Awami League for this again? Probably Already they have tried to say that the layer of corruption had reached so deep that it would take more time to be removed from the society.

Very interesting excuse indeed!

But we really can't understand how the government will free the country of corruption patronising its sources. Has the government taken any step to remove corruption? We are yet to see any. We didn't find any influential and powerful but believably corrupt man to be sacked. All are in their own position but the government is claiming that

it is trying to clean corruption. If the government really wants the country to get rid of the utterly shameful epithet, then it is the prime minister who will have to take bold decision. I think the government machinery of course has information who are corrupt. Then why not take appropriate action against the real corrupt? We know that

corruption is everywhere and the honest are rare. But then government will have to decide now how long will the country bear the brunt?

Don't sue or harass any officer only due to his political belief. As a citizen every one has the right to have his/her political belief. But as a government employee none should take part in direct politics. There are necessary laws restricting these people from taking part in direct politics. If any one breaks these rules then he/she should be punished according to proper procedure.

If the government files cases against senior leaders of the main opposition party then first people would thing that it is only to harass

the opposition leaders. This belief have grown in people's mind because they haven't found any influential man to be punished despite there being allegations. Only former President H M Ershad had to be in jail for corruption. Many think it happened only because both Khaleda Zia and Sheikh Hasina were of the opinion to punish him. But except Erashad none of his ministers had to face trial. Now many of them have changed their tent. Some of them are in BNP camp, some in Awami League, but none is in jail.

It is common with our governments. But if this continues we are sure that we shall never escape from the corruption net.