

Outbreak of pneumonia

The death toll is an indicator of its severity

THE outbreak of pneumonia has taken a serious turn, with the death toll reaching 149 in three districts over the past two weeks. The infectious disease is reported to be spreading fast in at least another nine districts. It is indeed cause for concern that 76,304 children have been infected in 12 districts.

Children and infants are the main victims of this life-threatening disease. Unfortunately, most of the hospitals in the country are not well equipped with the facilities needed to treat pneumonia patients, particularly infants. Special medical teams have been formed to keep the situation under control in the affected areas. But the death toll had risen sharply at the initial stage when the hospitals had to deal with a sudden rush of patients. It was also reported that some of the fatalities occurred due to non-availability of drugs

It is a regrettable truth of the matter that most of our hospitals are not capable of facing any emergency. Pneumonia is not an unknown disease and hospitals are expected to have the necessary drugs and other arrangements for treating patients.

District administration and hospital sources in the badly affected areas have claimed that the situation is improving, but the validity of the claim can be questioned as more and more pneumonia patients are seeking admission in hospitals.

Another problem is that most people know very little about the disease and the need for early hospitalisation of patients. A mass awareness campaign on pneumonia has to be launched as part of a broader plan to combat such infectious diseases.

Meantime, the directorate of health services should take stock of the latest situation and arrange for the logistic support that hospitals in the remote areas need to successfully handle the outbreak of pneumonia, which has assumed threatening proportions in some places.

Indecent, personal attacks in parliament

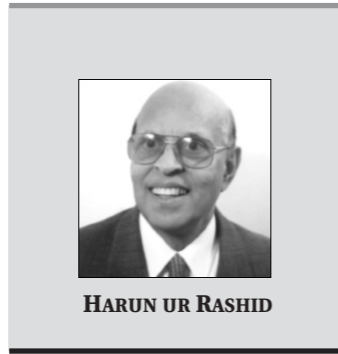
This kind of distasteful conduct is totally unacceptable

OUR politicians do not seem to appreciate the need for some basic political decency. Using foul and obscene language against each other sadly has become more of a norm than an exception in our political culture. The personal attacks on Leader of the Opposition and other Awami League leaders by a ruling party MP in the House on Monday were a prime example of extreme deterioration of decency among the politicians.

What was even more deplorable was the complete inaction of the Deputy Speaker who was chairing the session. He could have stopped the speaker or at least expunged the offensive remarks from the records of the House. He did neither. Nor did the senior ministers sitting in the front row try to exert any sobering influence on the ruling party MP. If the ruling party is keen on seeing the opposition back into the parliament, then shouldn't the leaders, who were present at the time, have stopped him? Or do they really expect the opposition to return even after such disgraceful conduct by one of their MPs.

We have said it many times before that to make a democracy work, our political leaders must change their attitudes towards each other. This was not the first instance of such unacceptable behaviour in the parliament. Awami League, while in power used the same method to attack their opposition, BNP. In fact leaders of these two parties spit venom against each other at every opportunity. This is not acceptable in a democratic political system. Whatever the reasons for such an angry and unpardonable outburst by the MP, they must change and learn to use decent language inside the House.

Globalisation and free trade : Does it suit every country?



HARUN UR RASHID

GLOBALISATION is a distinctive and significant feature of present day world economy. According to one view, globalisation is a new phenomenon that can be dated from the 1980s. A second view holds that globalisation has a long history that can be dated to the 19th century, if not earlier.

The advocates of capitalism and free trade see globalisation as a positive progressive force generating employment and ultimately raising living standards throughout the world. Critics see it as a means of expropriating the resources of poor countries by drawing them into debt, encouraging the use of sweated labour, and accelerating job losses and environmental degradation.

In the second half of the last century, transnational corporations were knitting the world together. For business purposes, the boundaries that separate one nation from another are no more real than the imaginary line of equator around the earth. They are merely convenient demarcations of geographical and political territory. They do not seem to define business requirements or consumer trends. The world is seen as a single market.

It appears that economic globalisation has four distinct and inexorable ways:

- * Global capital primarily coalesced around the US, Europe and Japan, followed by Taiwan, Singapore and Hong Kong.
- * It is markets that matter now because of trade liberalisation in the name of "free trade".
- * Financial regulation makes inflows and outflows of foreign investment easier.
- * The global merger of banks, airlines and corporations leads to the day of mega-corporations.

Transnational corporations engage in foreign direct investment and own or control activities in more than a few countries. They have become the main global economic force and have diminished the notion of national economy. They act in their own ways to maximise profits.

For example, if a government tries to protect its own industry, either the rules of the World Trade Organisation

(WTO) will prohibit it doing so or transnational corporations will try to buy local companies in that country.

Globalisation and its impact

Globalisation is associated with rapid economic growth resulting from deregulation, free trade and strong anti-inflationary measures but it has not led a settled and prosperous world order but with inequality between rich and poor nations. James Galbraith was quoted in the Australian Financial Review of 28th July 2001 that : " We have studied 150 countries and with the exception of some Scandinavian countries, income inequality has been rising sharply with globalisation." This increased inequality seems to have

which tolerates grotesque disparities in wealth and well-being. For example an average Bangladeshi earns less than US\$ 400.00 a year while it is about US\$30,000 in the US, according to the World Bank. President Clinton in the November 2000 APEC meeting said globalisation needed a "human face" and warned more was needed than a free trade deal. He said that it required strong safety nets, more anti-poverty efforts and more quality education so people would believe that globalisation was not leading "to a race to the bottom but to higher standards of all".

Some experts say that officially the Cancun WTO talks collapsed because

tries and as a result growth in employment appears to be limited. Furthermore rate of growth does not indicate about the content of growth. A country may enjoy high growth because of a rapid increase in production of luxury goods while leading masses of people remain steeped in insulting poverty. For example in Brazil, during 1967-74 the GNP registered a rise of 10 per cent but income of the poorest section of community in fact declined from 10 per cent to 8 per cent.

The Geneva-based United Nations Conference of Trade and Development (UNCTAD) in the 1999 Report sounded a timely warning against the current policies of financial and trade

mechanisms to achieving job and food security. To ensure that this does not result in a return to "beggar-your-neighbour" policies but instead "better-your-neighbour" trade rules. Consequently the WTO will need a new direction and agenda. Critics point out that the WTO is also without rational justification. The conventional theory used to justify free trade and globalisation is the theory of comparative advantage and central to this theory is the assumption that capital is not internationally mobile.

Obviously this assumption is blatantly violated in the real world. The internationally mobile capital decides what to produce where and

The traditional thinking has to be modified if we are to remove absolute poverty in the country. This is a sad fact that free trade may not be the panacea for reducing the incidence of absolute poverty; on the other hand it may increase inequality of wealth and income within the country. Life will be tougher for those at the bottom of the economic pyramid and this may bring instability in the country.

The stark choice for Bangladesh is whether we continue as we have done in the past to place prosperity of a few above the interests of the vast majority of poor people in the country. Alternatively we have to choose in removing income inequality within the country and this of necessity will involve re-consideration of our present thinking of possible benefits of "free trade". Time has come for our political leaders to involve wider section of community as to pros and cons in opening Bangladesh market to foreign goods without barriers. It is not too late to ask why so many countries are interested in doing a free trade agreement with Bangladesh whose export base is narrow and 90 per cent of its exports consists of garments, frozen sea food, leather, tea and jute products. We need a robust debate on this vital question within the community at all levels. There seems to be considerable debate among trade experts about whether a free trade deal with other countries will, in fact, boost Bangladesh exports or it would merely divert these exports from other markets.

Conclusion

The existing key global institutions IMF, World Bank and WTO are seen as vehicles for ensuring interests of rich nations. Critics say all these institutions are anti-democratic and none of the heads are elected to their positions by a popular vote. Some experts believe that there is a need for a beefed-up and restructured UN, a Global Central Bank, a WTO with global anti-monopolies power and a code of conduct for multinationals and a World Investment Trust with redistributive functions. The bottom line is that we have to put morality into the globalisation and free trade equation.

The 19th century French political writer De Tocqueville said : " A state of equality is perhaps less elevated, but is more just; and its justice constitutes its greatness and its beauty." How do we get from where we are to where we ought to be when those states that have the power lack the will and those that have the will lack the power? The answer is to some extent lies in the setting up of new global institutions and in promoting self-reliance over market-reliance.

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BOTTOM LINE

The 19th century French political writer De Tocqueville said : " A state of equality is perhaps less elevated, but is more just; and its justice constitutes its greatness and its beauty." How do we get from where we are to where we ought to be when those states that have the power lack the will and those that have the will lack the power?

occurred in the past twenty years which also ironically registered a strong global economic growth.

The poverty-trap gives rise to instability bordering on anarchy. Many failed states are also the consequences of this instability. Economic globalisation is not matched by globalisation of political structures, of a system of governance that can shape, mould, and control the powerful new forces and ensure they deliver for the many rather than the few.

The impact of globalisation is that national governments no longer have much control over their economies. With transnational corporations moving industries or transferring call centres to places with the cheapest efficient labour and with the advent of so-called "free trade" and an end to "protectionism", mass job cuts are common in both developed and developing countries. For example, Motorola, IBM, Microsoft and Hewlett Packard, have set up software programming offices in Bangalore (India) and the place is commonly known as "silicon plateau".

In addition to job losses from corporations seeking cheap labour, advances in technology have seen many jobs replaced by machines and many of the jobs lost will never return. Unemployment wastes valuable human resource and ruins lives. One of its most insidious effects is on the children of the unemployed who disproportionately become addicted to drugs and various forms of antisocial behaviour and crimes.

Globalisation lacks a moral dimension, a sense that there is something wrong about a system that apportions risk to those able to bear it least and

of disagreements between the north and the south over subsidised agriculture in Europe, Japan and the US. In reality, the seed of the collapse was sown in the widespread concern about losses of domestic jobs that could occur with opening of markets under trade liberalisation and the increasing cheap imports they bring in the wake.

Objectives of national governments

The hard political reality is that national governments want to protect the job losses in their countries and the goal of reducing all barriers in trade does not match with the reality. Farmers in both developed and developing countries are struggling to make a living. Most developing countries face even more serious rural problems. First they cannot sell their agricultural products to developed countries. Second, under WTO rules, developing countries are forced to reduce import barriers on key food commodities. For example, India was forced to reduce import barriers on coconut products with devastating results. Prices of coconuts have fallen 80 per cent per cent and pepper prices 45 per cent. This is also happening in Bangladesh because farmers in Bangladesh cannot compete with the cheaper import of commodities from other countries because of reduction of trade barriers.

A major objective of economic growth is to maximise employment opportunities in the country. Economic growth may not lead to such phenomenon because growth in modern times has been based on capital-intensive technology as opposed to labour-intensive indus-

trialisation being pursued by developing countries as a result of pressure and advice by rich countries, multilateral agencies and institutions under their control. In calling for a reappraisal of such policies of closer integration into the global trading and financial system, the 179-page UNCTAD Report urged developing countries to retain their policy options and economic instruments, including the regulatory tools to control financial inflows and outflows. The Report said that developing countries had been striving hard often at a considerable cost to integrate more closely into the global economy but protectionism in the rich countries prevented them from fully exploiting their existing or potential competitive advantage.

Protectionism not too distant

It seems that the wheel of some kind of protectionism is turning again. In response to ill-effects of free trade and globalisation, national governments are likely to return to protective barriers. Some experts believe that international competitiveness and reduction in trade barriers have to be replaced by a combination of internationalism and new rules to allow national governments in developing countries including Bangladesh to protect their domestic agriculture, industry and services. They consider that the gradual re-introduction of import controls, allied to domestic policies and redirected aid and trade rules that make the diversification of local economies worldwide a priority, is the only way to protect livelihoods and reduce poverty.

Trade is one of the most important

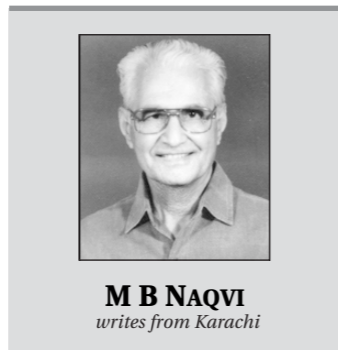
what to grow where and how. And through their aid and soft loans to developing countries, development agencies like the IMF, the World Bank and the WTO often hold the poorer nations "hostage". Some kind of protectionism for domestic goods in the days of so-called "free trade" may be seen as fanciful and backward step. But with free trade, everywhere human beings are again becoming less equal. Furthermore, China's GDP is rapidly growing at a rate never seen before. The US-China trade is about US\$ 800 billion this year. When quotas are abolished in textiles and ready-made garments, many countries including Bangladesh will not be able to compete with the Chinese products. Similar unease is growing in developed countries (US and Europe) about cheap imports from China. The US is pressing hard China to revalue upward its currency (Yuan).

Bangladesh and free trade deals

Critics say that free trade does not yield mutual benefit to trading nations but a hemorrhaging of wealth into the hands of tiny financial elites in rich and poor countries. It is correct that free trade is making many people wealthy but they have dramatically increased inequality within nations and between rich and poor nations. They do not automatically bring prosperity for poor people around the world and the claim appears to be misconceived.

The fundamental question is whether we want prosperity for the few, neglecting alleviation of poverty among vast majority of our people.

All stops being removed?



M B NAQVI
writes from Karachi

RESIDENT Musharraf made an important statement during his recent China visit: Pakistan will do what it takes to counter the Israeli Phalcon radar being sold to India. Pakistan policy then is: whatever new military capability India acquires, Pakistan will checkmate it. In other words, arms race between this country and India is not only alive and well but it shall be intensified further, with frightening consequences.

Pakistanis are increasingly questioning the utility and wisdom of running an open-ended arms race with India. Except for a few interludes, Pakistan has run an intense cold war that inevitably entailed an arms race. After 56 years, it is time to assess the results of this unending quest to catch up with India. Have the Pakistanis succeeded in maintaining a power balance that was desired in 1950s and 1960s roughly at 1 to 3? Later the balance sought was reduced successively from 1 to 4 to 1 to 6 in subsequent years. What it now may be, it cannot be denoted by a neat figure because of excessive secrecy and uneven defence effort. Whatever it is, it is not satisfactory from Pakistan military's viewpoint, necessitating impossibly high outlays that not even a military regime can

make. Pakistanis need to learn lessons of history. That despite best efforts, Pakistan has continued to slip behind India in the military balance. That is not a fault of this or that government, though all governments should be criticised for assigning too high a priority to defence rather than development. A case can be made for keeping the military subordinated while the nation concentrates on as rapid an economic development as possible so that eventually there are more

and modernising of social services.

Let's turn to Pakistan. Doesn't the Soviet Union's demise sound a necessary alarm? Over-emphasis on the military and a militaristic approach were characteristic of Pakistan's policies even in 1947. The Kashmir problem was born with Maharaja dilly-dallying on the State's accession to either dominion. Pakistan started the proceedings with an invasion by tribal Lashkars. That gave India the excuse to mount a counter offensive, using its regular military. Pakistan was then

was a political defeat insofar as the political battle over Kashmir was concerned; in the third, the entire Eastern Command had to surrender and that led to the disaster of having Pakistan dismembered; and the fourth little War, Kargil, was a rather juvenile misadventure. In short, there is nothing to be said for the militarist approach to policy-making.

As for the social and economic conditions in which most Pakistanis are forced to live, two facts stand out: the march of poverty during the last four

with the communist ones in what the latter delivered, they certainly created the feeling of being stifled by denying them free speech, association and movement.

Insofar as dictatorship's suppression of politics and free press goes, one is forced to hand it to them for realising, always in time, when to relax restrictions and allow accumulated steam to escape from the body politic by permitting, for a time, free expression of opinions and selected activities. But each dictator always ended up by

exposed by 2002 experience as imprudent. War has to be avoided by Pakistan in its own interests to avoid the creation of an explosive mixture of a people feeling alienated -- which apathy and cynicism lead to -- and a conventional war's ups and downs. A new policy paradigm of amicable and productive cooperation with India has to be evolved with a view to promote a growth that actually improves the poor people's lot.

As a part of the militarist thinking, Pakistanis had found a short cut to making up the paucity of domestic resources in foreign aid plus borrowing. Military aid was neither adequate nor did it come cheap; something had to be given in return. Look around and see the effective loss of sovereignty; the US' role in Pakistan can only be described as that of a suzerain. Latest Islamabad policy appears to be to cultivate China and hopes to get some of what the US will not let it have. One will be remiss if he does not remind that all foreign aid has limits and is for a purpose -- not that of the donee. At some stage it stops and the iron framework of Pax Americana also prescribe's some limits. If American aid could not make up for Pakistan's fewer resources, Chinese aid too cannot revolutionise Pakistan.

One final word about the nukes: So long as a minimum deterrence works, so far so good. But if it fails by any side's actions, what is guaranteed is mutual destruction of no matter which magnitude. It amounts to defeat of both sides. Let the governments go back to analyse the 2002 stalemate; both faced the imminent prospect of the use of a nuclear weapon in terms of Islamabad's doctrines. Indians showed readiness to display equal madness and the foolish debate has merely been postponed. The fact is neither India nor Pakistan has a nuclear option

MB Naqvi is a leading columnist in Pakistan.

PLAIN WORDS

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resources available for defence. But this is a bad argument because the suggested course is neither likely nor noble.

Second lesson of history is the destruction of the Soviets despite its huge armaments of all kinds and a big well-equipped army. Their military capabilities vis-à-vis the US-led west was awe-inspiring. And yet they collapsed. Many reasons are clear. A brutal dictatorship of party General Secretary made the people feel stifled, despite achieving substantial social goals: jobs, free medical care and education for all and cheap housing, transport and other services. The specific factor contributing to the imposition of the Soviet Union and overthrow of communism was their high priority to defence. That left fewer resources for improving, expanding

forced to fight with its own regular troops. That development ignited an arms race that has gone on to this day and which is now being intensified. Pakistanis have to assess the results of this approach to the Kashmir issue that has shaped the totality of Pakistan-India relationship.

In the race for competitive military build up, Pakistan has comprehensively lost -- mainly because it subordinated development to defence. It remains a long way behind India in economic development, of course. In military build up too it has been unsuccessfully coping with India's long strides simply because the latter has more resources. Pakistan has fought three and half wars with India and won none. In the first it had the satisfaction of retaining about a third of Kashmir; the second ended in a stalemate but

years from 20 per cent to 33 per cent is telltale. The second concerns the Human Development Indicator (HDI): the year before it stood at the dismal figure of 129th among 188 UN members; a year later it slid even lower down the list. This is so in the 57th year of independence.

Up to a point the comparison with the Soviets holds: within a very few years, democracy collapsed in both and after that their history comprises a succession of dictators, in the case of Pakistan bureaucratic or military. In Pakistan, dictators have always ruled, with the exception of two interludes of nominal democracy: the first was (1972 to 1977) under ZA Bhutto while the second one (1986 to 1999) was described by Gen Musharraf himself as "sham" democracy. While Pakistan's military dictators cannot be compared

clamping down on both free political activity and expression. The current strong man has either adopted a new technique of selective suppression and selective relaxation or is toying with the idea of coming down heavily on the usual suspects. This is the kind of history that makes foreigners call Pakistan a Failed State or even a Rogue one. Many in America's think tanks write scenarios of how might it collapse.

Instead of becoming chauvinistic or paranoid over criticisms, external or domestic, thinking Pakistanis should coolly examine Pakistan's vulnerabilities. Inadvisability of sticking to militarist approaches is now a given. Down this road, there will be war some day because 2002's stand off cannot be repeated. The reliance on nukes' deterrent value to keep peace was

US or maybe the overall population doesn't own as many luxurious items but the spirit that exists among the people is much higher than one can calculate with numbers. To this day I'm not sure where I got the audacity to do, perhaps I became a little bit more empowered through my contact with the Grameen borrowers; all I know is that my summer internship has taught me more than I can anticipate to learn from textbooks. It gave me a real taste of the life of a Grameen borrower, who has an insatiable desire to work and to bring success into her life and her community.

Samantha S Huq of Wellesley College, USA, did her summer internship at Grameen Bank this summer.

Sunshine to the rural poor

SAMANTHA S HUQ

BANGLADESH? The word usually triggers two types of sentiments among most Westerners. Either they look perplexed and contemplate the existence of the nation since they had never previously heard of it or they associate it as the "poor" country located next to India. These were the two general responses I would receive during both my junior high and high school years when I would tell my American friends that my family was from Bangladesh. I vividly recall one particular incident where my high school life science teacher had asked where my family was from and when I responded he exclaimed, "Oh is that the really poor

country where everyone lives in poverty"? I could sense the pride he felt for attaining such a plethora of knowledge where he was actually aware of the existence of Bangladesh yet all I could feel was pain; it was as if someone had distorted the beautiful Bangladesh I had grown up hearing about and packed it up into a container labeled as "poor" and "oppressed," therefore, "do not touch."

I began to question whether or not such negative statements obtained any truth. Perhaps Bangladesh really wasn't what my parents always described it as being -- endless green land, rivers that flow on forever and gradually blend in with the horizon, breathtaking sunsets and the divine purity of morning dew that can make

someone's day a little brighter. It was time for me to reassert this captivating image in my mind and correct those that held an inaccurate illusion of Bangladesh.

After my first year in college, I applied for a summer internship at Grameen Bank through an international grant programme at Wellesley College. Luckily, I was selected for the programme. This was the beginning of an unforgettable summer. As a Grameen intern, I learned all about micro-credit, which extends small loans to very poor people, especially women, for self-employment projects that will create a sustainable source of income for the woman and her family, and how it is implemented both within the country and around the globe.

Soon enough the drawbacks of micro-credit also became apparent as it is difficult to successfully implement micro-credit in urban areas where the population is transient. It is also challenging for the Bank to target the "poorest of the poor" who often have no permanent residence; therefore, fail to provide a social collateral required by the Bank. After learning the facts, I had the opportunity to travel to and stay at various remote villages. This is where I had the chance to talk to the borrowers of Grameen, learn about their life, visit their homes and witness how they are working towards lifting themselves out of poverty. The women are truly astonishing; never in my life had I encountered such zest and dedication that

these women feel towards Grameen Bank. They work relentlessly to pursue their goals and to fulfil the trust that the Bank has bestowed upon them.

This is when I realised that there is a large disparity between the perception of the Western and the rest of the world on how they view "poor" people. During a conversation with Professor Yunus, the founder of Grameen Bank, he expressed that when he thinks of poverty he sees "a woman with tremendous capacity and when she is given the opportunity, she blossoms." On the contrary, when most opinion nations think of the poor, they think of futile individuals who lack the ability to support themselves and their families.

Grameen Bank is quite unique in