

**Handle with Care**

It is good to hear that the Demra water project is ultimately going to be buried. It was not ailing really, it was still-born. Way back in 1964, mysterious are the ways of statecraft. One manifestation of that is this Demra project which would not make any headway in 27 years and still did not quite die. The cost accumulating in the quarter century to Tk. 800 crore appeared to the authorities — plausibly the same people who kept Demra in such a state of suspended animation for so long—prohibitive and they decided on finally killing and burying it. It is very rare to come by such flourish of forceful decision-making. They say a far cheaper project — at more handy Saidabad — is being taken up to replace the Demra good-riddance.

No doubt this sounds very encouraging. We are all for slashing and even jettisoning dream behemoths carried from the past and come to terms with the reality of our capacity. But before we fall for the dainty little thing at Saidabad — whose picture we shall hopefully have in a year's time, and nothing tangible of the thing itself — we would do well to try to remove some misgivings that's in the nature of this thing. First, what's the guarantee that Saidabad will not end in another Demra? Who will guarantee that and how? That project was not born with a 800-crore Taka bill around its neck. The cheap project at hand can with time become dear again. What will be the mechanism — one that we can depend upon — to ensure that Saidabad doesn't take another quarter century only to be ditched in its turn?

And then it is very evident that Saidabad is no true replacement for Demra. The two are not water treatment plants in the same sense. Saidabad is going to use water drawn from rivers alone. Sketchy reports tend to portray it more as a sophisticated filtration complex whereas Demra was projected to be the real thing — truly treating water otherwise unusable. Saidabad, as such, must of necessity be a halfway house to an eventual resurrection of the now scuttled Demra. Our dangerous population curve will bring that eventually nearer than we can now think of. The point now arises is how far into the future will Saidabad serve usefully and economically. It has to be supplemented and in the end overtaken by a subsequent plant that may be needed sooner than a decade and a half. The population of the metropolis will have jumped to far beyond the 10-million mark by that time.

It is universally agreed that lifting subsoil water from the city and its surrounds is another name for pushing the town over a precipice. We can hardly contribute to large-scale land subsidence in the city area that is certain to happen if we extract underground water a little too liberally. Dhaka's present daily water need has been worked out at 16 crore gallons. And what WASA supplies is eleven and a half. To make up the shortfall WASA will use deep tubewells and raise the present figure to 14 crore. Are they sure this is safe even on long term?

Saidabad will undoubtedly come as a great help in such a situation. Bangladesh's hydrological realities, however, do not encourage drawing water in large bodies from the rivers as a wise recourse either. One is not worried in this case over the reduced volume now available in our rivers getting further reduced. The bother is rather with how the rivers will react to this over a span of time. For all one knows, there is no way till now to compute that. Rivers in a deltaic basin, specially such as ours, is one of the most unpredictable things in God's creation, and must be handled with care.

Dhaka indeed needs the very thing they use in water short megalopolises. The authorities must show us the way in this.

**Crisis at Blood Bank**

Serious problems affecting the Blood Transfusion Department of the Dhaka Medical College Hospital (DMCH), undermining patient confidence in the service, have recently come to light. Conditions inside the city's major blood bank has become quite deplorable, compounded by administrative inertia and mismanagement.

The greatest long-term as well as short-term threat looms as a result of the woeful lack of equipment for testing and screening blood. It is a known fact that no blood donated by members of the public is screened. So, what are we giving the patients? Whether free of cost or at hundred taka per bag, unscreened blood may well be infected with such diseases as jaundice, syphilis etc. In other words, patients, rich and poor alike, arriving at the DMCH blood bank for rejuvenation may well leave in a far worse shape, at death's door. A fully conscious patient may be in a position to demand that he be given blood donated by one of his close relatives. That may give him some peace of mind, but the threat of fatal infection remains.

Furthermore, blood transfusion has been identified as one of the channels through which the AIDS virus HIV has been able to spread so quickly. In the absence of any national policy on AIDS detection, it is indeed an example of gross negligence that no initiative has been undertaken to screen donated blood for possible HIV infection.

There is also a big question mark hanging over the hygienic condition of the needles used to extract blood at the DMCH. When the trend is to move towards disposable syringes as a necessary precaution, the practice here is still to use multi-use ones, leaving the health of the donor, as well as the receiver of that blood, hostage to fate. When we hear of the Health Directorate failing to supply even the required number of empty blood bags to the DMCH blood bank, we begin to understand the depth to which the malaise has penetrated. It certainly is not in our interest to create panic or uncertainty in the public mind; but silence, in the face of official indifference, would hardly help matters.

Even if we, at this particular moment in time, choose to ignore problems that are strictly management-related, others remain that need to be addressed seriously, and acted upon quickly. The issue is of vital importance in the field of public health, and therefore cannot be treated casually, nor be allowed to be stuck in an administrative morass. Since we are not talking about temporary relief here, rather about a matter of life and death, it is to be hoped the concerned authorities will take note of the grave public concern.

In a country of endemic poverty, the overriding goal of development planning cannot be poverty alleviation. Bangladesh faced endemic poverty on independence and has remained trapped in it ever since although poverty alleviation has been a central theme in all successive plans. Government one after another professed their commitments to it.

With the dictatorship overthrown, there is now an opportunity for a democratic order to be established in the country. But a true democratic process can take root and thrive only if it can successfully attack the mass poverty problem, which the fallen dictatorship not only failed to do but in fact further compounded. In the past, people heard tall talks and grandiose promises from the ruling cliques, but their bondage to poverty has, if anything, become stronger over the years. They now seem to have lost faith that there are solutions to their poverty problem — a mentality of accommodation to poverty (a la Galbraith) seems to abound among them. For them to have faith in the evolving democratic process, it has to be demonstrated to them that there is a genuine commitment on the part of the government, as well as all democratic forces to solve their poverty problem. And this can be done by developing economic plans and programmes placing people at the centre stage of the development process.

It is essential, therefore, that the processes of establishing a democratic order in the country and economic emancipation of the people must be pursued simultaneously — by taking people into confidence and placing their interests and aspirations at the forefront in both the processes. Empty slogans such as "people are the source of all power" and "politics of production" will not do. The whole nation needs to be enthused and galvanised through effective, people-centred political and economic programmes. This is

**FUTURE DIRECTIONS OF DEVELOPMENT  
Democracy and Economy need Simultaneous Attention**

by Qazi Kholiquzzaman Ahmad

The author discusses some key issues that need attention of development planners. Indifference to these in planning future directions of development would deter achievement, he observes. This is the first part of the article, the second and concluding part will be published tomorrow.

The task of the political leadership. How can they do it is for them to decide and work out their strategies. But it cannot be achieved if the poor mass remain alienated without or with very limited access to sources of income (land, other assets, credit) and bases of social power (education, training, information, organisation). If the political leadership is to practice what they preach and do not keep their promises. The implication is that many-pronged actions are needed aimed at democratising and restructuring the society through appropriate redistribution of access to productive resources and social bases of power, empowerment of the people at large, and establishment of rule of law and accountability at all levels of governance.

**A Mortgaged Future**

The task ahead is very formidable and challenging. It is widely recognised that the 1980s has been a lost decade (from the point of view of development) for Bangladesh as well as that clearly recognised is that the country faces a mortgaged future. The decade of the 1980s witnessed reduced and depressed public and private investment rates. Low domestic and national savings (% of GDP saved and domestic savings plus foreign remittances) at only about 2% and 4.5% respectively were a major reason. Another major

reason was demand management policies initiated in the early 1980s within the framework of IMF and World Bank induced stabilization and structural adjustment policies and also cutbacks in investment due to requirements of funds for rehabilitation and reconstruction in the aftermath of widespread damages caused by unprecedented floods of 1987 and 1988. Yet another important reason was that the investment pattern in the decade was biased against growth as investments in productive activities such as agriculture and industry were de-emphasized and more attention

was given to unproductive activities, services and construction. Hence, the economic growth rate during the decade was marginally ahead of the population growth rate so that there was no dent made on the deep rooted and mass poverty in the country. At the same time, due to foregone investments in productive activities the already weak productive capacity of the country took a further jolt. Also neglected were investments in education and health — both the sectors received lower percentage allocations in percentage terms compared to the 1970s. As a result the human resource base of long-term development was adversely affected. Also, dependence on foreign aid increased further during the decade. Thus while the economic per-

formance in the 1980s remained sticky in a heavily foreign aid-dependent economic process and poverty stared in the face of millions of people whose numbers certainly increased during the decade, there was a significant weakening of the economic and social bases for future growth because of foregone investments in productive and social sectors virtually, mortgaging the future of the country.

**Investment**

In any attempt to stop the rot, first of all there must be more investment in the economy, particularly in productive and social sectors. First of all, public investment must be so planned as to maximize the shares of productive and social sectors, and policies so formulated as to induce maximum private investment in productive sectors. Toward augmenting investible resources serious efforts are needed to raise savings for investment. If corruption can be controlled, revenue collection and public sector savings will improve. Moreover, ways will need to be found to have the richer sections of the society contribute more to the national exchequer and also invest more in productive activities. If stabilization and structural adjustment programmes are to be pursued, the conditionalities should be reviewed in the light of democratically determined true needs and interests of the

nation and renegotiated as necessary.

In so far as productive activities are concerned, a major focus should be to raise agricultural production and improve utilization of installed capacities in industrial and other sectors, which are now grossly underutilized. Another major focus should be small and rural industries which hold a great potential for employment and income generation for the poor. Policies and investment plans should be designed taking into account the existing realities. The following general guidelines may be proposed concerning investment planning in this country:

- Primacy of agriculture in the development process of the country must be reflected in investment allocation.
- Employment generation, and not the rate of return on investment, should be the basic consideration for selecting projects. Of prime importance, best utilization of capital and environmental issues must be given due weightage in the project selection process.
- Subject to b), investment should be substantially increased for the production of those goods and services which the poorer classes require. By and large, such activities are labour-intensive and will fall in the category of small scale and rural industries and other activities. Since these

activities require rather small investments and simple technologies and can be set up in rural areas, they also generate ownership and employment for the poor people. In fact, if necessary, even deficit financing may be resorted to for financing production of these consumer necessities. Since these goods and services have short gestation periods, inflationary impact of deficit

- In so far as the existing industries are concerned, a basic consideration in allocative decisions must be improvement in the utilization of installed capacity.
- In seeking to increase the production of any particular good or commodity through improved capacity utilization and/or expanded capacity, it is necessary to take into account the demand side constraints as well as the supply side ones.
- The production and import of luxury goods should be banned or so regulated that their production and distribution are not profitable, and even loss-making activities. The resources thus saved may be used for promoting production of consumer necessities.
- In order that the long term stability of the economy can be ensured and that the structural dependence on foreign countries is minimised, investment in key heavy industries (machinery, tools and equipment) should receive adequate attention. But, in this context, it is important that huge 'white elephant' projects, inappropriate technology and wrong prioritization of projects are strictly avoided. Often foreign aid may be available for such projects as are not beneficial to Bangladesh and in fact can be very harmful to the country's future prospects. In such cases, foreign aid must not be taken and the projects must not be undertaken.

(to be concluded)

**Gulf Crisis Spurs China's Oil Sector**

Xu Yihe writes from Beijing

The situation even without a war has already brought about economic to many countries, including China.

But while the Gulf crisis is proving detrimental to some segments of China's economy, it has also created an opportunity for the country to increase oil exports.

According to Li Jinhua of the Foreign Ministry, China suffered a "heavy" economic loss of US\$2 billion as a direct result of its implementation of the United Nations sanctions against Iraq, especially in trade, transportation and civil aviation.

At the same time, the planned export of about 24 million tons (168 million bbls) of crude oil will actually reach 29 million tons (203 million bbls) as a result of the Gulf crisis.

The export increase of 5 million tons of crude is not dramatic due to the high domestic crude consumption and a limited increase in crude production, according to Jiang Yunlong, vice-president of China National Chemical Im-

port and Export Corporation (SINOCHEM), a state-owned company that controls most of the country's oil imports and exports.

He said his company decided to increase crude exports because the Gulf crisis has caused oil prices to rocket from US\$20 to US\$30-40 per barrel after August 2, when Iraqi troops invaded Kuwait.

Every year the central government allots about 90 million tons of crude oil (630 mil-

lion bbls) to the 37 refineries administered by China Petrochemical Corporation (SINOCHEM), the country's largest petrochemical production group, with a combined processing capacity of 124 million tons of crude (868 million bbls) a year.

To help make up the difference, SINOCHEM imports an average of five million tons (35 million bbls) of crude a year. But imports of crude in

1990 fell to 3.5 million tons (24.5 million bbls), due to the price hike of oil on the world market.

To maintain a supply of domestic crude for export, the State encourages refineries to manufacture oil products with foreign-supplied crude and export the finished products to the crude suppliers. The volume of processed

producer in the world after the Soviet Union, the United States, Saudi Arabia and Mexico.

Experts say even the modest growth rate has been achieved with great effort. Most of China's major oilfields, which have pumped oil for 10-30 years, have reached a production plateau.

It is by using advanced technology and developing the subfields in outlying areas of existing oilfields that the oil sector has maintained its oil

production level, according to the China National Petroleum Corporation (CNPC).

The shortage of crude has caused China to turn its attention to the Tarim Basin in the country's central Asian region of Xinjiang to prospect for oil.

The Basin, about the size of Spain, will be China's best bet for super-large inland oilfields. It has an estimated reserve of between 10 and 30 billion tons (70 and 210 billion bbls) of crude, and eight trillion cubic

metres of natural gas, respectively, about one-seventh and one-quarter of the country's total, according to Qiu Zhongjian, an official of CNPC, who is in charge of oil exploration and development in Xinjiang.

China has injected three billion yuan in the past two years for oil exploration in the desert Basin. But drilling has proved very expensive due to harsh natural conditions of strong winds and high temperature.

Of the 27 wells already sunk in the Tarim Basin, 16 have oil of commercial value, and others being tested. The Basin is expected to turn out 150,000 tons of crude (one million bbls) in 1990 and one million tons (7 million bbls) in 1991.

China plans to inject several billion yuan and introduce foreign technology and equipment in the next five years to accelerate oil exploration and development in the Basin. It is hoped the Basin will replace warming supplies of the major wells in the eastern part of the country.

Though China has intensified effort to produce and export more oil in the wake of the Gulf crisis, the negative impact of the crisis on the world economy is certain to inflict some hardship on China's as well.

Thus, Chinese Foreign Minister Qian Qichen stressed during his week-long Middle East peace tour in November, that China will not stop peace efforts as long as there is any hope of peaceful settlement of the Gulf crisis.

— Depthnews Asia

**China's major oilfields have reached a production plateau**

**To the Editor...**

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

**Foreign alumni register**

Sir, Education is the base for advancement of civilization which reflects the level of development in all sectors. Development processes in Bangladesh are progressing gradually with strong efforts to keep pace with other developing nations despite her various drawbacks and limitations coupled with setbacks suffered oftentimes owing to apparent mismanagements and irregularities in the domain of respective sector.

Towards a prosperous nation in a short range of time, the experts in the country can play best the vital role of upgrading the standard of the country's socio-economic infrastructure; and what is needed most for the objective is a concerted strategy. As a first step forward, the personnel with advanced expertise in the country should be readily available to combat the foes of the nation's development as

well as to implement the projects accordingly. Hence, a National Register may be created, and updated annually, for the country's Alumni of Foreign Institutions, preferably categorized by the major subjects, that will help identify the personnel required for the particular project/purpose as need be.

M. Rahman, Zila School Road, Mymensingh.

**Instructive programmes on BTV**

Sir, Television is a powerful medium. Therefore, it can also be a very effective medium to instruct a larger number of uneducated masses. But this opportunity has not so extensively been utilised in this regard, and when utilised the approach had been half hearted. The programmes, majority of them, on education and health used to be either boring or not so interesting ones to keep one from going to sleep.

**Detrimental ordinance**

Sir, The recent amendment made to the Newspaper Employees (Condition of Services) Act 1974 by the caretaker government seems to us as an undemocratic decision. There may be a number of genuine reasons on the side of the government to justify its position for delaying the announcement of the Journalists' Wage Board award. Such delay would have caused some momentary loss to the Journalists, but the new ordinance is rather detrimental to the interest of the journalists and

**Computer technology**

Sir, Computer technology has completely taken over the printing and publishing area, so to say. However, just like any other modern scientific innovation, it also has both, a good and a bad side to it. It has made printing a quicker and less time-consuming process. Has given it a brighter, cleaner look. Has earned it more of appreciation. However, the other side of this is the plight of those people who used to make a living by being just compositors. They seem to be going out of trade. Now this is quite a pity.

**No mud-slinging**

Sir, It is a matter of great regret that during the campaign for the election some of our leaders have started to guarantee the sovereignty of the country, independence of the country, honest government... "elect honest candidates," "vote for...to save the nation" etc as if the sole agency and authority have been entrusted to them. Our present leadership

has forgotten 'Tolerance' "If a man is unable to wipe out his own tendency to anger, how can he criticize any one for the lack of self control ability?" Consequently one of the leaders has declared that he has 220 honest and patriotic candidates. Possibly such leadership did not realise that it would be impossible for him to rule the country when he has only 220 honest and patriotic candidates in his party. On the other hand if his statement is correct, what our leadership had done during the last 43 years (since 1947), created all the dishonest people and 'horse-trading'?

After the election on February 27, 1991 let our leaders work out on the basic points in order to work out 'a democracy of laws, rules, justice' when the people of the country will work out the rest of their requirements including the development in all the fields. (In the past the economic policies were mostly wrong).

Our leaders will, however, have to guarantee that they will stop 'house-trading' after the election and throwing of mud during the election.

Andrew D'Costa, Dhaka.