

WINDOW ON ECONOMY
Reduced Investment Impedes Growth

Israel's Turn to Play

It was always hoped that the end of the Gulf war would see a shift of focus eastwards, to the all-important question of Palestine. In that context, President George Bush's statement to a joint session of Congress on Wednesday creates room for optimism.

Both the Resolutions, calling for an Israeli withdrawal from occupied Arab lands and giving all states in the region the right to live 'within secure boundaries', were accepted by the Palestine Liberation Organisation in 1988. Israel, however, has stubbornly refused to comply with 242 and 338. Tel Aviv has also ignored Resolution 465 of 1980, calling for an end to Jewish settlements in occupied territories; Resolution 478 of the same year, condemning Israel's decision to make occupied Jerusalem its capital, also remains unimplemented.

That's a pretty hefty list of ignored Security Council Resolutions! Against Iraq, we witnessed the imposition of a complete economic blockade, possibly the most comprehensive in modern history since Napoleon's blockade of Britain in 1806; the world also witnessed the biggest military build-up and action since World War II, to enforce UN decisions. All in the space of six months.

The question now is this: if the use of brute force to implement UN resolutions relating to Kuwait was acceptable, then why should Resolutions 242, 338, 465 and 478 be allowed to collect dust any longer? Israel has violated international law time and again; its continued occupation of Arab land goes against everything the UN apparently stands for. It is time the same principles were applied to Resolutions relating to Israel, as those relating to Kuwait.

The idea of holding an international conference to achieve a comprehensive settlement on the basis of UN Resolutions is now accepted by most countries. Israel on the other hand, remains opposed to the idea. Tel Aviv would prefer to hold talks with individual Arab states, leading to bilateral peace treaties. This, the so-called Camp David process, has one major flaw: it fails to address the core issue of the problem, the question of Palestinian statehood.

Israel's position has not changed since the Kuwait crisis began. If anything, Iraqi defeat and increased Western concern for Israel's security have made the latter even more arrogant. Tel Aviv has already repeated its rejection of the international conference idea; on Wednesday Israeli foreign minister David Levy reiterated his government's opposition to the idea of trading land for peace.

The onus now lies squarely with the United States, as Israel's biggest financial and military prop. To pressure Tel Aviv into moving towards implementing UN resolutions. For starters, Israel should comply with Resolution 465 and ban all Jewish settlements in the occupied territories. The process of Jewish colonisation of the West Bank has accelerated since Soviet Jews begun arriving in numbers last year. That process, if allowed to continue despite UN opposition, may soon render the idea of a Palestinian state there quite irrelevant.

We do not expect war. But we do expect a UN conference, with all affected parties and the five big powers taking part. And that includes the Palestinians, represented by the PLO.

Israel refuses to take part in any negotiation involving the PLO. That refusal can no longer be accepted by the international community. The PLO has been recognised by the UN and the Arab League as the sole, legitimate representative of the Palestinian people.

Furthermore, King Hussain of Jordan renounced his sovereignty over the West Bank in 1988, clearing the last obstacle to PLO's claim. Most important, it is not up to Israel to dictate who should represent Palestinians.

The ball is now in Israel's court. We expect the Americans and the UN to make them play.

A Horrendous Crime

Cattle-lifting is generally held as a far worse crime than murder throughout the rural Bangladesh. This may seem odd. But this is so only to those not quite familiar with the realities of our villages.

The agrarian society and its peasant member has every reason to feel so. If someone is murdered in the family, the rest of it plods on. The Bengal peasant is not only a fatalist to the marrow, he is one of the most pragmatic among that ancient world community. But when he loses his only cow or buffalo, it instantly spells literal ruination of the entire family which is tantamount to the wholesale murder of the same. We were grateful to the people of Brahmanbaria for the way they unitedly rose against the murderers of Biraja Rani, her husband and her children. Hundreds of families are being virtually murdered by cattle-lifters over all of Bangladesh every year and we have never cared even to know that. We have no idea at all how it hurts.

And that explains the ferocity with which the villagers treat those thieves. Lynching is one standard response. Gouging out eyes is not uncommon. Apprehension of such terrible retribution has driven the criminals to devise ways evermore sophisticated - enough to beat all attempt at detection.

The cattle-lifter is no lone ranger. He is always part of an organised gang - mafia, if you will. The gang generally has well-hidden underground chambers where the stolen cattle are kept in their hordes. Many of the animals are buried up to neck and kept that way for long periods. When they are taken out, they wear a coat of altogether new colour. The owners now would have no way to lay claim on them.

A report from Jamalpur says they have gone a step further. They have started wiping every trace of their crime by promptly poisoning the animals and skinning them readily. The skin travels in no time to the tanners and their agents. About a hundred cattlehead were lost this way only in the Islampur and Melandaha upazilas.

We cannot suggest any foolproof measure to suppress this doubly cruel crime. We just make a note of it only to help make us more familiar with the reality of the truer country out there. Another little aspect of that reality is - the Jamalpur thanas on the Jamuna are the hunger pocket of all Bangladesh. To convince yourself, saunter over to Kamalapur rail yards and talk to the squatting families there. They are all from that pocket.

BANGLADESH adopted a series of structural adjustment programmes during the last decade to accelerate economic growth and reduce fiscal and external deficits. However, the adjustment programmes failed to yield the desired outcome. As a result, the balance of trade deficits increased by 22% to US \$ 2339 million in 1989-90 from US \$ 1917 million in 1980-81. Debt servicing liabilities during the same period increased to 22% from 12%. Gross domestic investments dropped drastically from 17% of GDP in 1980-81 to 11% in 1989-90.

One of the main reasons why adjustment programmes failed to deliver the requisite results is inability of the policy makers to reconcile macro level programmes with micro level plans and policies. The failures not only diminished the country's mid-term economic prospects but affected the poorer section of the people, particularly the rural poor. The extent of such contradictions will be realised by the fact that the Government planned to achieve food self-sufficiency but reduced public investment in agricultural sector, increased prices of fertilizers and irrigation equipment, restricted agricultural credit. The combined effect of these impeded agricultural growth.

As a result, instead of making any progress towards food self-sufficiency, import of foodgrains maintained steep increase from 10.76 lakh MT in 1980-81 to 15.34 lakh MT in 1989-90. Production of non-

trictly, gas rose. The Government also completely ignored the need for stimulating rural demand. This coupled with the syndrome still remaining with the Government administrative attitude, affected the industrial growth. In Bangladesh, agriculture is the most dominant sector and affects other sectors through linkage of input supply, income and employment generation and creation of effective demand. The agriculture sector has been neglected by denying its requisite share of resources. The agriculture sector got 12% ADP in 1980-81, which declined to 7.5% in 1989-90. Public investment for agriculture and rural development in real terms decreased by 33% over the last decade. This coupled with withdrawal of fertilizer subsidies, aggressive credit recover programmes, lower price of jute and rice at the growers level

of loans, but at the same time, adequate provisions must be made also to grant credit expeditiously to the genuine users. The Government just failed to do the latter, while stressing only recovery steps.

The major instrument available to the Government for stimulating otherwise depressed economy is public expenditure policy. Public expenditure as percentage of GDP has, however, come down from about 18.3% in 1980-81 to only 15.9% in 1989-90. What is important to note is that over this period, the share of current expenditure in total public expenditure increased from 39% in 1980-81 to 57% in 1989-90. It means share of development expenditure over the same period decreased from 61% in 1980-81 to 43% in 1989-90. Decline in public expenditure has not been compensated by the corresponding increase in private

food items also declined. As a result, imports of items like edible oil etc. increased several folds. The immediate casualty was the people in the rural areas where the number of people below the poverty line went up. Similarly, despite ambitious targets, the Industrial Policy were not tuned to realise the same. In fact, credit policy was made more restrictive, interest rate was increased, and the cost of inputs like elec-

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investment. Rapid growth of current expenditure has been one of the most important factors contributing to the declining development expenditures and continuing problems with aid utilisation. During the last 5 years, current expenditure increased by 9% in real terms, per annum compared to the projection of only 3%. Much of this increase occurred without a careful consideration of alternative priorities for the use

level of public investment declined for agriculture, water resources, and other infrastructure. Large scale declines in public investment for agriculture and rural sector aggravated demand depression in the economy.

Micro discipline/macro management

Economic management must be looked at from both macro and micro level. Macro-management of the economy should not be ignored at the cost of so-called micro-discipline. Macro-management through fiscal and monetary policies must be stressed to manage effective demand. It must be recognised that domestic demand is the single most powerful mover of any economy. Credit ought to be infused to stimulate rural purchasing power, and employment-supportive public works programme should be given priority so that demand for consumer goods can increase.

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of scarce public resources. Large revenue shortfalls coupled with unsustainable levels of current expenditure and adverse impact of food operations on the budget, have substantially reduced local currency resources of financing the development expenditure which had to be cut sharply in real terms for the third consecutive year, last year. The donors have increased their share of funding for project costs by providing programme credit to generate additional local funds. However, these actions have had little success in improving the disbursement rate for project aid which fell from 24% of the outstanding pipeline in 1981-82 to 19% last year. The project implementation under ADP has been particularly disappointing. Excessive funds have gone into large capital-intensive projects and politically mandated, locally funded projects while the

treasures of neighbouring Velha Goa, the Old Goa that is today almost a deserted ghost city of beautiful churches and towering seminaries and convents. These Portuguese organisations want to breathe new life into this archaeological treasure and heritage museum frozen in time. The attempt began when the sailing vessel Lorchia Macau followed the ancient trade routes and sailed up the Mandovi River early in January at the peak of Goa's tourist season.

Film festivals, food festivals, art exhibitions, seminars, folk dance performances and the Gulbenkian Choir, all from Portugal and Macau, followed. Plans have been laid for more permanent contributions.

About 25 kms south of Panaji is the historic Rachol Seminary. The Gulbenkian Foundation, the Indian National Trust for Art and Cultural Heritage and the Archdiocese of Goa are together working to make it a Museum of Christian Art.

Much of that art was lost after the liberation. Antique-dealers from Bombay had a field day. Enough remains to make the Museum an important memorial to the second wave of Christianity to reach

India and countries east. Ivory and wood carvings, sculpture and paintings, vestments and religious artefacts, sacred silver chalice and invaluable manuscript survive in large numbers in the churches. Eventually, the 17th Century seminary complex may be gifted to the museum by the diocese.

Meanwhile, the Macau Cultural Institute is working with local groups to conserve the 200-year-old church Square in Margao; the 17th Century church, central feature of the square, is to be restored. So are the elegant old bungalows lining the four sides of the square.

The Indo-Portuguese architects' group working on this project has plans for other conservation projects in Panaji, Daman and Diu, which are similar old world localities.

Rare manuscripts are being restored and preserved with Portuguese help. One enthusiastic Portuguese researcher is working on children's games Portugal and India have given each other. India will reciprocate with festivals in Macau this year and Lisbon at a later date.

India is particularly looking forward to two contributions, however - the school of art restoration promised by the Portuguese and the heritage restoration projects in the neighbourhoods, churches and museum. -GEMINI NEWS

S MUTHIAH was a senior journalist with The Times of Ceylon for two decades. He now continues to freelance.

Portugal and India co-operate to Restore Goa

ALMOST 500 years ago the Portuguese became the first Europeans to make their way to India by sea. As if to celebrate the anniversary of the landing Vasco da Gama made at Calicut in 1498, India and Portugal have begun to reconcile.

The second coming of the Portuguese seems to promise a much happier partnership than the first. Indeed, a thaw in relations could lead to restoration efforts in the old Portuguese colonial capital of Goa.

The Portuguese, following the galleons of Vasco da Gama, were the first Europeans to convert trading settlements into an imperial presence. They were also the last to leave. Indian troops pried them out of Goa, Daman and Diu in 1961.

Relations have been strained ever since. Few from the former Portuguese enclaves in India settled in Portugal. Fewer still from Portugal visited what was once proclaimed the 'Lisbon of the East.'

All this is now changing. The thaw began when President Venkataraman paid a state visit to Portugal last year - the first by an Indian President. Agreements on civil aviation and tourism followed, including a direct air link between Lisbon and Goa. More appealing to Indian hearts was a Portuguese decision to return the gold jewellery belonging to 3000 Goans, which had been lying in Portuguese banks.

Ambassador to India Alvaro Guerra describes it as "the desire to search out positive aspects of an old cultural link."

Portuguese organisations like the Calouste Gulbenkian Foundation, the Macau Foundation, the Institute Cultural de Macau and the Orient Foundation of Lisbon want links restored quickly.

Their eyes are fixed on the

Goa: Indian Union Territory

Timeline and map of Goa. Timeline includes: 1498 Vasco da Gama lands; 1510 Coast seized by Portuguese; 1531 Portuguese take Daman; 1534 Diu island also seized; 1946 Territories given status of metropolitan province; 1947 Indian independence stirs agitation for return; 1961 Dec 18 Indians invade; 1962 Three enclaves become Union Territory of India. Map shows Goa bordered by Maharashtra to the north, Karnataka to the south, and the Arabian Sea to the west. Cities like Panaji, Mapuca, Bicholim, Marmagao, Margoa, Quepem, Sanquiem, and Canacona are marked. A small inset map shows Goa's location in India, with Delhi and Diu Island also labeled.

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.

Buses and pick-pockets

Sir, Travelling by bus often turns nightmarish by time you are ready to get off at your destination.

The other day, I was in a bus as usual on my way to office. My pocket was full, meaning quite heavy. I was supposed to treat my colleagues, as I had just drawn my first salary. My office is quite far from my house. So I was sitting very leisurely, thinking of all kinds of things one imagines in such a situation - what to feed them, what my colleagues would like better!

Suddenly it was time for me to get down. My stoppage had come. Since I had already paid for my fare, it was no problem getting down quickly.

When the lunch break came, and everyone in the office were eagerly waiting for me to order something delicious, I put my hand inside my pocket to take out the wallet. I got the shock of my life. It was not there! I was feeling so embarrassed to tell my friends about it. However, some though joked that I was making excuses to avoid spending money. But by and large everyone understood the plight of one, who was a victim of pick-pockets, on a bus. I suppose everyone, now and then has been a victim of this. But alas, what can be done about it! Will the owners of buses take some measures to prevent such occurrences? They may appoint their own people, who may keep an eye on the boarders and ensure that such things do not happen. Rouf Talukdar Savar, Dhaka

Yes and No - traffic jam

Sir, 'Yes' and 'No' are two simple and small words and yet these two words contain the whole world of reasonings for and/or against. Let us try to see how these two words work on us:

1) Do you desire Traffic Jam? Certainly not. How to eliminate the traffic jam then? It is very easy and very simple to eliminate the traffic jam any where in the world including all the cities of Bangladesh as under:

- a) regulate the traffic correctly; b) follow the traffic regulations; c) keep clear all the cross-roads-points on all sides upto a distance of 30 to 40 meters at all times eliminating all bus, truck and rickshaw stoppages at the turning points, cross-roads-points, upto 30 to 40 meters distance; e) eliminate wrong signal points and wrong entry into the roads; f) eliminate over-take at the time of turning to the left hand and/or stopping; g) cross the road only at the round about turns or at the cross-roads-points; h) follow One Way Traffic on some of the roads; i) eliminate rash driving always, specially through the narrow roads; j) big vehicles to move through big roads only; k) eliminate the parking of the big vehicles on the narrow roads for more than three minutes, specially during busy hours; l) eliminate two three lines at the signal points; m) eliminate any meeting and/or function on the cross-roads-points.

However, it is wonderful indeed to observe that most of these common sense rules are not followed in the capital city of Dhaka.

Andrew De-Costa Dhaka.

Women's rights

Sir, Women constitute, more or less, half of any country's population. They contribute to the country's economy as well as do as much sometimes even more for the welfare of the country. But the saddest part is that although women are such important part of any

country's population, it will be difficult to find any country, particularly amongst the third world ones, where they are not mistreated or ever given the kind of rights they deserve.

Now unless and until men learn to respect the other half of the population, our country can never progress or for that matter be economically self-reliant or self-sufficient.

There, of course, may come a time when women will no longer have to fight for their rights, it will be naturally theirs just like that of a man. It will be nothing to fight for, and win or lose the right will be hers for good. But the sooner it is, the better. Romana Nasrin Uttara Model Town.

Mastans

Sir, It is a common feature for most of Dhaka's populated areas to become a den of mastans, or the local ruffians. They are usually of young age and move in a group. Generally drop-outs from different educa-

ational institutions, at any level, starting even as early as class six, they mostly spend their valuable time irritating innocent people of the locality.

Even if they do study, in any institution, it is apparently to pass their time and show their muscle power to the authorities there. So much so that the head of the institution, such as the Headmaster or the Principal is scared of them, not to talk of the students who do not like their ways.

Often their parents are wary of their behaviour and though partly, if not entirely responsible, they are more often than not ashamed of their activities. However, sometimes not all of them would perhaps like to behave as the group does, but they do so because they are influenced by the group.

We do hope that there would be some effective method to eradicate this growing evil from our society, at the earliest. Bariq Ahsan Mirpur, Dhaka