

BNP's Choice

Unless there is a last minute unexpected change in its position, the Bangladesh Nationalist Party (BNP) has reportedly decided to opt for the parliamentary form of government for the country. The decision, it is said, was reached on Saturday night at a meeting of the party high command, when it was also agreed to move a bill in the coming session of the Jatiya Sangsad to amend the relevant articles of the constitution to facilitate the switch from the existing presidential form to the parliamentary system.

Even in the absence of an opinion poll, we feel certain that the choice made by the ruling party will receive a warm welcome from virtually all sections of our people, especially the educated middle class and the intelligentsia. There are several reasons behind the positive response given to the BNP move. In the first place, the decision brings to an end — so we all hope — a controversy that had given rise to considerable tension, threatening to create a deadlock in the process of transition to democracy as well as in the transfer of power from the Acting President to the parliament.

Secondly, the decision reduces, perhaps even completely bridges, the gap that had so far existed between the BNP on the one side and other political parties, especially the Awami League, on the other. Unless we know what checks and balances the ruling party would like to introduce to the proposed parliamentary form of government by way of making it effective and stable, one cannot be absolutely sure that both BNP and AL — and, indeed all other parties — are now committed to the same approach in their support for the parliamentary system. Here, we must urge upon the opposition Awami League to respond to the BNP's reported decision in a positive spirit and to be as accommodating as possible in the preparation of the proposed amendment to the constitution. If there are differences, in approach rather than in substance, they should be resolved in a constructive manner in the best interest of our evolving democratic tradition.

Lastly, it is indeed this evolving democratic tradition that gets a boost from the way the BNP high command reached the decision on Saturday night. According to reliable sources, the party Chairperson, Begum Khaleda Zia whose own personal preference was said to have been in favour of the existing presidential system recognised the strength of the opinion inside the party for the switch to the parliamentary form. In accepting the change in the party position, the BNP leader has indeed acted in the most democratic and pragmatic style. This augurs well not only for BNP but also for the country as a whole.

While welcoming the decision to take the country back to the parliamentary form, we should reiterate that no system of government is perfect, and whether or not it is better than another depends on how we put it to work. With the parliamentary system, the BNP's misgivings about its supposed instability may well be as valid as the Awami League's fear that the presidential form can, under certain circumstances, pave the way for authoritarianism. Some checks and balances that the ruling party would like to introduce to the parliamentary system, mainly to prevent defections from one party to another, which often cause the fall of a government, will definitely serve a useful purpose. However, the real and enduring answer to political instability, within the framework of a parliamentary democracy, lies in cohesion within each political party, in the democratically-approved discipline that is exercised on its members and, finally, on the popularity or otherwise of the government in office. Defections or no defections, an unpopular administration will, sooner or later, fall, and that's something we cannot — and should not — prevent anyway.

Taking a Cue from the ACCU Exhibition

It is a rare treat to see the works of talented photographers from 22 countries of the Asia Pacific region right here in Dhaka. Courtesy the Tokyo-based Asian Cultural Centre for Unesco (ACCU), the Shilpakala Academy and the Bangladesh National Commission for Unesco (BNCU), a week long photo exhibition — 8 to 14 June — is now thrilling the hearts of lovers of photography in the city. It is gratifying to note that there are four of our own photographers whose works are part of the travelling exhibition, now in our capital, on its way to other countries of the region. As the exhibition travels so will the works of our talented photographers, which will be seen by visitors everywhere. Thus our photographers and our own country will be introduced to many, just as we are learning a lot about others featuring in the Dhaka exhibition.

This brings us to the basic question of what are we doing ourselves to promote the work of our talented photographers abroad. In addition to the four, whose works have been included in the ACCU exhibition, there are many others who have won impressive international awards and whose works need to be projected abroad. Not only our photographers, we have exceptionally talented artists, dancers, singers etc. who can together put up impressive cultural performances abroad, improving the country's image in many ways.

During the nine years of Ershad's rule the practice of sending cultural troupes abroad became so riddled with favouritism and cronyism that many of our talented artists refrained from participating in them.

Those days are gone, and so should such practices. The question of promoting our culture abroad should now be re-examined, and troupes should now be sent out purely on the basis of talent and professionalism. Our missions abroad should be called upon to play a more active role in this effort. The cities to which Biman flies could become the first global targets in our renewed effort to project our country and culture.

FROM a premier least developed country, can we ever become a newly industrialising one? Is it achievable within the next twenty years — within the first decade of the 21st century? The answer is not that we can or cannot. The right response with a loud bang ought to be yes, we must. There simply is no alternative. From LDC to NIC — the struggle must begin with unflinching faith and strong determination.

During the last two decades (1970-90), many nations have proved that a double digit growth rate can be sustained continuously for as long as a decade or more, as a result of which per capita income could grow up to 500 dollars which ought to be the first criteria to be fulfilled to become a NIC. To achieve that sort of middle income status by the year 2010, per capita income in Bangladesh must grow at 7 to 8 percent each year; while, at double digit growth rates, we should be a newly industrialising country by the first decade of the next century. Is it possible?

Our stumbling block on the growth path is growing population. A family of four and a monthly salary of 1000 taka imply 250 taka income per capita. A new born baby would reduce it to 200 taka which is a decline of as much as 20 percent. Moreover, in a year of bumper crops together with boom in demand for our exports, a double digit growth can perhaps be achieved. But to sustain it over a decade in the midst of natural calamities

Bangladesh: Prospect for Growth

and a recession-ridden world can only reinforce the claims of the prophet of doom.

As an incorrigible optimist, I would venture to assert that in spite of population explosion, disasters induced by floods and droughts or the falling world demand for our goods and services, it should be possible to undertake the difficult but feasible uphill march from LDC to NIC. The end of the journey may be delayed but not for long. It may not be possible to maintain double digit growth over a ten year period. Thus instead of the year 2010, it may be the year 2015, if not earlier when no one shall any longer castigate us as the world's poorest country.

The highly optimistic statement is not the outcome of youthful exuberance; it can be derived from the hard facts and the cold statistics as well. First let us take the population explosion. Even all the sweet scents of Arabia could not take away the foul smell of murder from the hands of Lady Macbeth; similarly, all the investment and efforts under the family planning and population control programmes would fail unless the growth of the economy is accelerated and as a result of which, employment opportunities are multiplied manifold. The number of female wage earners would consequently increase; more so if gender-specific labour-intensive industries are vigorously

promoted (for example, garment manufacturing). The women in the fertile age bracket would tend to be viewed as stable income earners for the family — a vital role — which cannot be interrupted. Further, it would vastly enhance the status of women. New born babies would not only be restricted but better child-care should follow.

Availability of family planning services is the necessary, while economic growth that rapidly expands employment of women is the sufficient

— it may affect one out of three crops only. Loss of Aman crop due to flood can be made up by a bumper boro rice. If winter comes, can spring be far behind. Thus every flood is followed by excellent rabi crops due to silt and moisture left after the water recedes. Floods in 1987 and 1988 caused the loss of as much as 1.5 million tons of Aman rice in each of these years. However, 1.8 million additional tons of subsequent boro rice production made up for the shortfall.

If we can intensify irrigated

expanding internal demand. Redistributive growth on a broadfront can be significant since the potential market for 114 million people is bound to be enormous. To begin with, if by the year 2000 everybody can afford a pair of shoes then 500 factories are required at the production rate of One thousand pairs a day and working for 300 days in a year. Similarly, an extra lungi or saree for all would imply a demand of half a billion yards of cloth, enough, to keep hundreds of weaving and spinning mills or finishing, dyeing and printing units in operation round the year. If universal education is achieved by the year 2000, the size of the printing and publication industry must increase manifold. Or take for example a bicycle and a radio for every family and at a later stage, a motorcycle and a television by early 21st century would call for a daily production capacity of 10,000 units of each of these items for 300 days a year to satisfy the internal demand over a five year period.

The domestic demand can simply be enormous to withstand the global recession to the extent that a reasonable growth rate is maintained in the long-run which together with expanding employment for the women in the manufacturing sector would lower the birth rate while we diffuse the impact of natural calamities by

concentrating agricultural production in the dry months with the help of irrigation and in the flood-free areas. This does not mean that we give up our priority for family planning, flood control or export-led industrialisation. These are necessary and must remain our priority; while at the same time we must be convinced that economic growth is of paramount importance without which population explosion could be worse than a nuclear holocaust. Floods will remain. We have to live with it and in spite of it, agriculture can flourish. Global recessions are inevitable. They come in a cycle and therefore our potentially vast internal market must be an antidote to global recession.

With faith and determination, I feel confident that from LDC to NIC is the most worthwhile struggle for Bangladesh today. This should be the point of unity for all political forces in Bangladesh today. This should be the basis on which a national consensus can be built for the common welfare of our people which is beyond and above all political conflicts.

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From LDC to NIC by Shahed Latif

condition to diffuse the demographic time-bomb ticking loudly in Bangladesh. We are at present trapped into a catch 22 situation: a moribund economy with exploding population where increment to production feeds the extra mouths each year, leaving us where we are, stunted and stagnant.

The only way out is vigorous economic growth. Produce or perish; but the unconvinced skeptic would argue that we might produce and perish as well when natural disasters rain down miseries and disasters. This is a reality we must face. However the vital importance of flood control and irrigation can scarcely be denied.

We must however appreciate that floods and droughts are time-bound phenomenon

agricultural production during the safe period between November and April, we can largely negate the impact of crop disasters which are again never total. At least half the land, if not more, even during the heaviest of monsoon seasons remains flood-free where high-yielding varieties of paddy can more than double the present output of rice. Not only that, between November and April, varieties of crops can be grown whose market value is greater than rice; while, the monsoon landscape of Bangladesh consist of the monotonous stretch of only paddy fields.

The problem of global recession can be withstood by a simultaneous focus on both export oriented growth as well as

Premadasa Pulls off One Coup and Seeks Another

Gamini Navaratne writes from Colombo

THE clean sweep just achieved by President Ranasinghe Premadasa's rightwing United National Party (UNP) in Sri Lanka's local elections may soon lead to an early general election.

Premadasa wants a bigger majority in Parliament in order to carry out reforms he has in mind, and the poll may have emboldened him to try for a bigger mandate than he currently has.

In the Parliament elected early in 1989, the UNP won 125 seats in the 225-member house. Premadasa, however, wants a two-thirds majority.

His predecessor, Junius Jayewardene, had such a majority between 1977-1988 and this enabled him to push through a number of radical measures, including a new constitution.

A general election is not due until 1995.

However, in the local body elections, the UNP captured power in 190 municipal, urban and rural councils. Its nearest rival, Mrs Sirima Bandaranaike's Sri Lanka Freedom Party (SLFP), could manage only 36.

At the last general election, UNP's share of the total vote was nearly 50 per cent and the SLFP's around 35 per cent. Of the 8.6 million registered voters, 75 per cent went to the polls.

The biggest advantage in holding a snap election is that opposition becomes demoralised and divided, and would not quickly find the necessary financial and other resources to fight an election. The UNP has no problem in this regard.

The results of local elections will convince the international community — especially Western aid donors — that Premadasa has the support of the people and is sincere in his pro-democracy protestations. There was some doubt about this after the last presidential and parliamentary

Emboldened by his success in the recent local body elections, Sri Lanka's President Premadasa may be tempted to call an early election in the hopes of increasing his Parliamentary majority. Such a move may be crucial in bringing about measures which could lead to a ceasefire in the civil war which is taking Sri Lanka to the brink of economic ruin.



PRESIDENT RANASINGHE PREMADASA Wants a two-thirds majority

elections, both of which the opposition alleged were rigged.

These elections were generally considered to be, including by an international monitoring team, the most peaceful, free and fair in more than a decade.

Premadasa, however, cannot for long bask in the glory of this achievement and talk unendingly about what a 'great triumph it was for democracy.' People cannot eat democracy.

The country still faces double-digit inflation, acute unemployment, especially among youth, low agricultural and industrial production and a continuing war with the Tamil extremists who are demanding a separate state in the north-east. This area was excluded from the recent polling because of the security situation.

There will be no peace or

development in the country until the ethnic conflict between the majority Sinhalese and the Tamil minority is resolved. The 10-year war has been a heavy burden on the economy. The annual defence expenditure has risen to Rs. 15 billion, nearly 12 per cent of the national budget. The loss of lives, production and property is incalculable.

Premadasa has put out new feelers to the rebels, seeking a possible political solution.

In turn the rebels, led by 37-year-old Velupillai Prabhakaran of the Liberation Tigers of Tamil Eelam, have put forward certain demands if they are to come to the negotiating table. Among these is repeal of the draconian legislation enacted by the Jayewardene government to suppress the liberation movement.

For example, the sixth amendment to the 1978 constitution stipulates that no-one, including members of Parliament, can take public office until they swear an oath to preserve Sri Lanka as a unitary state. Repeal of the provision needs a two-thirds Parliamentary majority, as does repeal of the Prevention of Terrorism Act.

The sixth amendment drove the moderate Tamils, represented by 16 members of the Tamil United Liberation Front, out of Parliament, creating a political vacuum which was filled by hard-liners.

This aggravated the ethnic conflict, leading to intervention by New Delhi through the Indo-Sri Accord of 1987. The

accord offered Tamils regional autonomy in the north-east in lieu of separation. They rejected the offer, however, which led to a confrontation with an Indian peace-keeping force brought down to ensure its implementation. The mis-

sion left after two years with its objective unfulfilled. An attempt at direct negotiations with the Tamils failed and led to renewed fighting with government security forces.

If a new Parliamentary is held and Premadasa gets the

majority he wants, Sri Lanka may have gone a long way to bring about a political settlement of the ethnic problem.

It might also satisfy Mrs Bandaranaike's demand for a new Parliament, something she made before the local government elections, though for a different reason: she believed the SLFP was more popular than the UNP. Premadasa may satisfy her wish — to her discomfort. — GEMINI NEWS

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OPINION

The Issue of Defaulters: An Analysis

by An Insider

There has been an uproar in the country since a list of defaulting business people was printed in the papers. I, a business person, who took loans to put up my industry, am fortunate not to find my name in the list of defaulters.

After all, I am not a defaulter as I have been servicing the repayments in time. Again, I am fortunate because I have been successful in my struggle to be a good borrower much against the wishes of the bankers some of whom would be happy to see another defaulter who can be gently "squeezed." It has been difficult and a continuous fight with financial institutions to stay above board. Today, when so many business people have their hands and mouths tied, I can afford speak my mind.

A definite procedure is followed after an application is received by the authorities for a proposed industry. If sanctioned, the project has to be collateralised, mortgaged, monitored and a schedule worked out for disbursement and repayment of loans. Where there is a break or negligence in any of the procedures then a situation is created whereby either the lender or the borrower gets into a manipulative position. This is the beginning of a road for a defaulter. This may be due to a break in the procedural methods by (a) Government, (b) Bangladesh Bank, (c) Business people, (d) Development Financial Institutions or (e) Commercial Banks.

Let me explain in details. Government: Bangladesh has witnessed a succession of Governments, each of which has favoured a group of henchmen of its own, who, in turn, have showered their blessings on a group of business people thereby creating rich defaulters and richer party funds.

Bangladesh Bank: Being an ex-banker I know that every bank has to submit half-yearly, if not quarterly, returns to the Bangladesh Bank (BB) furnishing names, addresses and outstanding overdue amounts of all loanee accounts. The Bangladesh Bank plays a Parent or Watchdog role. All this time Bangladesh Bank has kept quiet-played the role of a sleeping watchdog.

How could Mr X borrow from BSB not pay dues, borrow from Rupali Bank not pay Rupali Bank's dues, and then further borrow from Agrani Bank? The first notice that Bangladesh Bank receives of Mr X's defaulting it is obliged to immediately send out circulars to all banks not to allow any further loans. BB is the supervisor. Monitor and

Controller of all banks and financial institutions in Bangladesh. It decides on all banking rules. Hence, one feels BB has played an 'extremely negligent role all this time.

Business People: Category 'A' of the business group are the "zero to hero" or "rags to riches" businessmen who, in collaboration with a government henchmen draw huge facilities and funds to put up a so-called industry which they neither intend to set up nor ever pay their loans.

Category 'B' defaulter is the man who puts up his industry with many hopes and ambitions genuinely keen to repay his loan but he falls a victim to circumstances. The tariff on energy is suddenly increased 100 per cent, the cost of which cannot be added to the product because the consumer is poor and unable to pay the new price. So, this industrialist either loses money or piles stocks. Then again we have seen politicians go to labour meetings and to win votes declared a 10 per cent dearness allowance on the spot. A bolt out of the blue. In many instances the whole project becomes uneconomical. There is no enough cashflow to pay debts.

Category 'C' is the defaulter who makes the most of an unhealthy atmosphere. He enters the "you scratch my back and I'll scratch yours" syndrome. This is a comfortable position where some money is paid quarterly to keep your name out of the spotlight and no bad debt invoices being mailed. This transaction is with lower management officials. It is very harmful for the defaulter because without realising his interest figures creep up to an unimaginable amount. This syndrome is highly contagious.

Category 'D' is the business person who always intended to pay his yearly instalments but could not fight an institution or corrupt officials who wanted to make him a defaulter so that they could make money from time to time. As stated earlier I had to fight continuously to be able to pay my dues timely. I did not receive invoices in time. I learnt of due amounts over the telephone. Once, two months after I had paid a due instalment on a due date I received a nasty letter from the AGM informing me that I had not paid my dues. I had to go through many harassments to remain "clean." I am a fighter and I fought! Today I am on the top of the "good borrowers" list, but none likes good borrowers because good borrowers do not fill your pockets. Category 'D' industrialist cannot fight the mafia anymore so

he succumbs to unscrupulous people.

DFI's: Some people are of the opinion that some of the Development Financial Institutions (DFI) were headed by bureaucrats who were not bankers and therefore did not have any background in finance. They would not know about credit analysis and credit risks. I would not agree with this theory. The procedure was that the proposed project was placed before the Board of Directors and the Board of Directors approved each project. However, the officials have to take the responsibility for gross corruption and not having identified the corruption and control it. The DFI's became a syndicate. Everyday knew this but nobody talked. Every file that moved had a price on it. Corruption was walking in every corridor and sitting at every table, teaching business people methods to enhance their loans, corrupting minds and collaborating in illegal deals.

Commercial Banks: Private banks have been cautious in giving loans, and ensuring proper collateralisation of each loan hence we do not find a long list of defaulters in private banks except in banks where the director of the bank has drawn huge funds.

Nationalised banks make up a pathetic story. As one reputed banker described nationalised banks, "Banks are not the same anymore and bankers are no longer the bankers you expected."

When discussing defaulters, I have heard and read that the system is at fault and that the system should be changed. The present system existed in pre-liberation Bangladesh and we did not have so many defaulters then. We inherited a system which worked then, because proper procedural measures were taken. Why should not the system work now?

Corruption is eating into the vitals of our nation like a cancer and it should be treated like cancer-operate it and throw out the cancer before further treatment. For an effect-oriented policy a few heads should roll in each sector. But, the present government should corroborate reports of corruption and check before taking serious measures. We do not want "scapegoats" of innocent people, as we have witnessed in some recent cases.

My recommendations, in short, are:

To finish with defaulters, end corruption.

To end corruption, bring honesty.

To bring honesty, value honesty.

7th June

Sir, What an irony? I asked many as to what was the significance of June 7. No one could give me a proper answer. I searched in all those newspapers which publicised the call to celebrate the great historic day of June 7, but nowhere details could be found. Human memory is short. One forgets quite easily. Why the media failed to add a few sentences explaining the significance of the day? Thank to my young friend whom I asked before sending this letter and he said it was the Day when the 6 Point Programme of Awami League was announced in 1966. I take my hats off to this young friend.

A Curious, Dhaka-1205

Rule of law through Constitution

Sir, Believe it or not the Constitution of the People's Republic of Bangladesh is not known to the 99% people of the country in general. Even most of the lawyers, Members of Parliament and the Government officials are ignorant even of its salient features. In fact, it is so often amended that the currently valid edition of the Constitution has never been available in the country in the printed form.

How much democratic we are? Do our Members of Parliament remember that they represent the people and not themselves only? It is sad that

everchanging, wrongly translated, contradictory and often treated as less important than the words of the high public officials, judiciary and the legislators the Bangladesh Constitution is always at the mercy of those who 'play' with it.

Our politicians are planning major constitutional amendments soon again. It will be highly appreciated if they can make it the highest law of the land and guarantee its stability and proper status.

Advocate A.B.M. Shamsud Doulah's Mirpur, Dhaka-1221.

White elephants

Sir, Prof. Dr. Rehman Sobhan played a great role during 1960's in exposing big disparities persisting between East and West Pakistan in respect of representation in various service cadres of industries sector, educational institutions, infrastructure development etc. Prof. Sobhan as Member, Planning Commission, just after liberation, was instrumental in setting up giant industries like Joydevpur Machine Tools Factory, Chittagong Dry Dock, Chittagong General Electric Manufacturing Plant, North Bengal Paper Mills etc. all of them are losing enterprises since start up. Should the nation continue to pay for such losses? Let the professor make another study in line with task forces to make them viable or suggest some measures. It is worthwhile to mention here that total sale volume of some

industries were less than expenditures on wages, salaries and benefits to employees!

Sadik Alee 120/1, Moghbazar, Dhaka-1217.

Policy for BTV

Sir, I appreciate the content of your editorial titled "A Plea to BTV" which appeared on June 2.

One question, whether BTV being fully government controlled reserves the right to decide on which programmes should be produced and telecast and which should not? I think, the government need to prepare a policy for BTV along with sanctioning autonomy.

Meanwhile, it is true that BTV often misuses authority or creates confusion. For instance, it has been reported through the Press that the commercial section of BTV recently refused to accept an advertisement which contained the word 'Inshaallah'. It is really difficult to believe.

As a matter of fact, some chaos and confusions have been created regarding the application of Islamic norms and values in our national life. To remove this, I feel, the government may arrange a referendum seeking public opinion on the issue of application; practice, observation of Islamic norms and values in our national life.

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