

Export Policy

Our export policy is finally at hand. It contains the usual emphasis on bridging the import-export gap, diversifying and expanding our export market, improving the quality of our export items, etc. These export targets are not new.

The policy contains some new measures which are likely to boost our exports. We welcome the 100 per cent income tax rebate, raised from 60 per cent last year, on export earnings (except on jute, jute goods and tea), lowering of peak hour electricity rates for export oriented production units, low interest on export credits, creation of a separate credit fund, etc.

The decision to include seven new items — diamond cutting, polishing, ornament making, etc. — under crash programme is also a step in the right direction. But a question should be asked as to the status and progress of industries covered under the crash programmes of previous export policies — leather, wet blue to finished leather conversion units, electronics, etc. The policy is far from clear as to what measures are foreseen to promote the above industries.

One of the policy goals put forward by the commerce minister is to reduce our imports and produce more and more export items from indigenous raw materials. Such a policy is good for the gallery but not for the real world. It is divorced from the experiences of such success stories as Korea, Taiwan, Malaysia and Thailand. The idea of reducing imports, while expanding our exports, is one that has far outlived its validity. What has been seen to contribute to a more dynamic growth of developing economies is a policy that encourages the rise of total imports and exports. The strategy is of expanding the export sector by increasing imports with the gap between them widening in favour of export earnings. This means that we should encourage the importation of raw materials and of intermediate goods, convert them into higher value products and export them, making the value added as the source of our increased export earnings. In our case, this should be done in labour intensive sectors. This also fits in well with the reality that we do not have too many indigenous raw materials to base our export on. Whatever little we have are already being used to boost our exports.

An essential element in promoting our export earning would be to improve and maintain the quality of our products. Here lies an area in which we really have a long way to go. We must improve the quality and especially the finishing of our export items and maintain that quality to carve out for ourselves a steady place in the global market.

To maintain the competitiveness of our exports in the international market we must also have a very flexible export policy, one which is ready and capable of responding to every change in the global, regional and the sub-regional market. We must be able to react quickly to the changing competitiveness of our neighbours and others.

Our domestic market is much too small to really provide the demand boost for our exports. Therefore we will have to target the global market, the keys to survival in which are quality, creativity, flexibility and aggressive marketing.

Our export policy must incorporate all the above and more. This time round, it does not.

Vast Grounds to Cover

It is good to know that our literacy rate has improved and population growth rate has decreased in the ten years since the last census in 1981. The happy tidings was contained in the preliminary report of the '91 census released on Monday. A five per cent plus gain has taken the literacy rate to the current 24.82 — a sobering figure after the many rides we had been taken for by education officials during the Ershadian years. The population growth rate has slid nominally by a 0.15 per cent margin to 2.17 — which is better even than the much touted 2.2. Considering the generally stagnant and at places fast-degenerating socio-economic situation which capitally contributes to a general predilection for ignorance and apathy — two main contributors to disquieting population and literacy figures —, the performance of the society well-deserves a sincere pat on the back.

The performance is specially heart-warming as this was no result of effective motivational campaign or of broadening the true basis of both population control or literacy facilities. The society is righting itself although very slowly — and never mind if Malthus is at work. However, such encouraging signs fail to dispel sad thoughts of Bangladesh entering the third millennium with at least a one hundred million illiterate souls. What can we do to negate that eventuality? Short of radical and genuinely innovative measures involving the whole people and not just descended from above, the present figure would plod on by then to may be 30 or 35 per cent, keeping us as unfit for the new times as we are now.

Dhaka district has come out winning a triple crown — two of them of dubious merit. The highest literacy prize goes to Dhaka's 43.35 per cent. With that goes the trophies of highest density — 4203 persons to the kilometre — and of highest growth rate — 3.64 per cent. Worries about the whole of this country rushing to Dhaka wasn't after all unfounded.

A true hero emerges from the Monday's new population figures. Gopalganj stands out there with its population growth rate of — believe it — 0.89 per cent per year. While this very deservedly should make the district a model for all others to follow — how can one be sure that the wonder shrinkage hasn't been effected by massive exodus from the area?

Census figures are a prime factor in giving us our own bearings as a collective being. This quantitative description of our people is meaningful only when it helps the nation gain qualitatively. The figures should infuse in us a sense of realism and urgency — some realisation as to the vast grounds that must be covered before our polity becomes a truly human society ensuring a life of meaning and satisfaction for every individual in it.

EXCEPT natural gas, the only natural resource base for economic growth in Bangladesh is land and water. An intensive as well as diversified high-value crop agriculture and livestock production, intensive rural aquaculture and agro-forestry constitute the only possible basis for initiating sustained economic growth in Bangladesh today. Once such a viable agricultural modernization process has taken roots, the labour-intensive industrialization phase can also simultaneously begin for the march from LDC to NIC.

Intensifying agricultural growth would foster rapid industrial development. What is, therefore, the critical path of intensification?

In China, under the policy of quadrupling national output between 1980 and the year 2000, it is hoped to reach US\$12.5 billion in total farm output from 101 million hectare of farmland and the personal per capita income of US\$218.75 in rural areas. Grain output should be in excess of half the value of total farm output and people should be eating more high protein foods in preference to grain. Thus the average gross value of farm output in the year 2000 is expected to be US\$3,094 per hectare. If this is taken as the target for Bangladesh agriculture in the year 2000 then the value of farm output from 9 million hectares of cultivable land (which unlike most parts of China can be cropped three times a year) should come to US\$28.0 billion and about

The Path of Intensification

US\$397 per capita if half the year 2000 population of 145 million is engaged in agriculture. This would imply a dramatic breakthrough in poverty and under-development. The major programme and policy prescriptions for both China and Bangladesh are also markedly similar. These are high-value year-round cropping, combined with livestock, small-scale intensive aquaculture, an rural industries supported by infrastructure particularly water development. Given the fundamental difference in the political framework, how can this be done in Bangladesh — can it be done without the socialist transformation for over three decades in China that preceded launching of the great modernisation movement of 1980?

The Netherlands Model

Let us look at the opposite end — the capitalist path of agriculture growth in the Netherlands. The country has developed one of the most intensive agricultural production systems in the world. From a base of only 0.8 million hectares of arable land (60% of which is irrigated) and another 1.14 million hectares of permanent pasture, the net export of livestock products in 1981 amounted to US\$4,756 million. In addition, fruit and vegetable exports amounted to another US\$638 million. Each hectare of farm land on the

average accounted for an export earning exceeding US\$2,700 and of which 88 per cent were meat, egg and dairy products. Notwithstanding the fact that in 1981, the net import of animal feeding stuffs amounted to US\$610 million, the vital role of land-augmenting technologies and intensification of high-value agriculture production followed by agro-processing can scarcely be over-looked. Not that Bangladesh can imitate the Netherlands, but it points to the intensification path to

cultivable land and the total cropped area can be pushed up to 22 million hectares with the realisable cropping intensity of 250 per cent. It implies that half the land in double cropped and the rest half is triple cropped. Water resources are plentiful to achieve the above-stated year-round intensive, irrigated agriculture for import substitution, expanded exports (particularly of tea, tobacco, fish, hides and skin, fruits, vegetables etc.) and increased domestic demand especially for non-grain

arable land under cereals shows a substantial decline while trends towards diversification is quite manifest in China. Such substitution of grain cultivation by diversified as well as high-value crops and livestock has two immediate impacts: (i) rise in farm incomes resulting in increased demand for manufactured goods and services; and (ii) vastly expanded needs for various types of agro-processing enterprises. Inevitably, agriculture diversification give rise to industrialization. This is the crucial agriculture-industry linkage originating from the agriculture sector which has to be firmly established. Due to the absence of such diversifying trends in the agricultural economy of Bangladesh, the land per capita of the economically active population in agriculture has declined by as much as 16 per cent between 1970 and 1984; while in spite of severe population pressure such decline was only marginal at only 2 per cent in China due in particular to the high rate of rural industrialization. In Korea the process has gone further and the absolute decline in agricultural population has been

production as well as cultivation of fruits, vegetables and flowers. Industrialization has engulfed the whole national and presently, a little over 5 per cent of the labour force is engaged in agriculture. Broadly speaking, similar processes with considerable variations in details must be brought about for rapid and sustainable rural growth in Bangladesh. A common characteristic of such growth anywhere with high population density is small owner operated farms; farm size varying from 1 to 2 hectares only so that increasing returns from intensive, largely irrigated diversified agriculture accrue to the farmer-cultivators. It is only after such conditions of owner-operated farms were brought about through production responsibility system that rapid and sustainable rural growth was feasible in China since 1980. Earlier, land reforms in Korea brought about similar conditions.

The first precondition for rural growth in Bangladesh is to create millions of small owner operated farms out of 9 million hectares of arable land. Agrarian reform is at the heart of the path of intensification of agricultural growth. The subject has been dealt with before in this column. But in order to deal with the basic structural issues pertaining to agricultural production and management of land it is necessary to examine the emerging patterns of agriculture. This will be dealt with in the next few weeks.

From LDC to NIC by Shahed Latif

be appropriately devised relying on limited land resources, but abundant labour already available and the vast pool of proven technologies that exist elsewhere in the world.

In 1981, Bangladesh exported US\$214 million worth of agricultural products largely consisting of jute/jute products (US\$115 million), tea (US\$45 million) and fish (US\$39 million); while import of foodgrains (US\$135 million), dairy products (US\$44 million) and edible oil (US\$124 million) constituted two-third of the import bill for products of agricultural origin, 53 per cent of which were paid for by the agricultural exports. The country is blessed with 9.0 million hectares of

foods induced by additional income from rural growth on a broadfront.

Between 1974 and 1984, area harvested for cereals went down in China and the Republic of Korea by 5 and 21 per cent respectively while in Bangladesh it increased by around 9 per cent. Dramatic yield gains in China as well as in Korea still enabled rising grain production. In fact in China, total grain output increased by 50 per cent and the corresponding yield increase was 57 per cent during 1974-1984. On the other hand, cereal concentration has increased in Bangladesh and 86 per cent of the cropped area is presently devoted to rice and wheat cultivation. In Korea,

Diversification

The Netherlands is way ahead in this process of development. An overwhelming proportion of the farmland is devoted to intensive livestock

Protests Rock Moscow's African Embassies

Charles Quist Adade writes from Leningrad

African students living on government grants in the Soviet Union are struggling to get by. They say their requests for help from African embassies have largely gone unheard. Many students have taken to staging protests in Moscow accusing their diplomats of being insensitive to their plight.

AFRICAN embassies in Moscow have been hearing loud protests for the past 18 months from African students who say their lives there are unreasonably harsh.

Living on fixed allowances from the Soviet government, they accuse their diplomats of refusing to help them cope with skyrocketing inflation. The latest demonstration was staged by Cameroonian students in early May, their second this year. And reports said Nigerian students were planning a demonstration in July.

They are protesting diplomats' alleged indifference to their welfare, abuse of their power and the use of divide-and-rule tactics against them.

The Cameroonian students also demonstrated against the Bia government's repression of student leaders and political opponents at home. Their main grievance, however, was the recent cut of their annual allowance from US\$1,000 to \$600.

The students are infuriated because the cut was made just as the cost of living shot up to astronomical levels because of the Soviet economy's transition to a market economy.

There are nearly 10,000 Africans studying in the Soviet

Making ends meet in Moscow



Table titled 'Students general expenditure' listing items like Transport, Meals, and Cigarettes with their respective costs in rubles.

Union. Almost all are on Soviet government scholarships, which entitle them to a stipend of between 160 and 190 rubles (\$98 to \$117) a month, free tuition, and free accommodation. Some African governments,

after persistent requests from students in Moscow started paying additional allowances ranging between \$6 and \$50 per month per student to compensate for the rising prices.

But other African governments, Mozambique and Guinea Bissau among them, do not pay anything at all to students. They repeat arguments by the host government during the pre-perestroika era that the Soviet government stipend was enough if students lived frugally.

But when in April Soviet Premier Valentin Pavlov announced price increases of between 200 to 300 per cent, nearly all African students, including those who receive allowances from home, have found life intolerable.

Many of the students have now become very resentful towards their embassies for what they perceive as indifference to their problems. Says a Nigerian journalism student at Leningrad University: "Our embassy officials collect thousands of bucks as 'hardship allowance' for working in the Soviet Union. Yet they are unwilling to support students' appeals to successive governments for an

increase in the \$117 monthly allowance."

There also exists a sort of muted rivalry between African diplomats and students in buying and selling foreign goods on the Soviet "shadow market". Thus, they claim that when Soviet authorities decide to expel students for having been caught in illicit deals, embassy officials do not come to their aid. They claim that diplomats simply concur with Soviet authorities that the victims were involved in "illicit" trading and currency trafficking, or drunkenness instead of pursuing their studies.

A few diplomats, however, have intervened to save students who have been victimised by their school authorities.

Students accuse diplomats of ignoring their problems in favour of using office hours to dabble in lucrative business transactions. "Our Embassies are forex bureaux first and diplomatic

missions second," complains a Sudanese student in Moscow.

Soviet law enforcement agencies, especially the KGB (the state security service) are well versed in these antics of diplomats and students. The now-defunct TV programme "Vzglyad" (Opinion) reported recently that a diplomat from a Third World country airlifted 392 refrigerators and freezers, 78 washing machines and 142 air conditioners to his home country in 1988 alone, at a time when such items were in short supply and could not be seen in the shops.

The widely-read Argumenty i Fakty weekly and other newspapers have carried similar reports. Many African students, and even diplomats have been caught by customs officials with all sorts of contraband, running the gamut from cheap car rings and gold to hard currency.

African students in the Soviet Union have no opportunity, as do students in Western countries, to work in their spare time to earn a little extra cash, thus they often turn to illegal trading. — GEMINI NEWS

CHARLES QUIST ADADE is a Ghanaian journalist studying for a PhD Leningrad University.

South Asia

US Tutors a Disarmament Plan

The United States signals its willingness to curb a nuclear arms race in South Asia by having the region's two rival powers submit to its non-nuclear foreign aid criteria. Rajiv Tiwari of IPS reports from New Delhi.

Walking a tightrope between India and Pakistan, the United States is attempting to impose a nuclear non-proliferation regime in South Asia to frustrate ambitions on both sides.

By renewing the Pressler Amendment of the 1992-93 foreign aid authorisation bill on Pakistan and extending it to India, the US Congress has signalled growing approval of moves to curb a nuclear arms race in the region.

The Pressler Amendment requires certification by the US President of non-nuclear capabilities among countries receiving military and economic aid from Washington.

The US Congress' decision to bring India on par with Pakistan, which last year lost US\$280 million of US assistance, has been described here as "misplaced".

An Indian Foreign Office spokesman said, "We are disappointed at the tenor and content of the debate in which there is a tendency to gloss over the main issue."

"While India has been fol-

lowing a consistent policy of not acquiring nuclear weapons, Pakistan has single-mindedly pursued a clandestine programme by willful violation of US laws," the official added.

An analyst in Pakistan told IPS Pakistan would be satisfied that the US Congress has endorsed Islamabad's regional approach first presented at the United Nations in 1974 and reiterated in fresh proposals recently.

Pakistani Prime Minister Nawaz Sharif earlier last month urged mediation by the United States, the Soviet Union and China to arbitrate between India and Pakistan and curb a regional nuclear arms race.

Sharif also sent to Washington a high-powered delegation led by Pakistan Senate chairman Wasm Sajjad to lobby for the scheme and

demand symmetry between India and Pakistan.

But the Pakistani expert also said the Pressler Amendment's extension to India was "more symbolic than substantial" because it aimed at future controls without reviewing past activity. And India was not as dependent on US aid and military hardware.

New Delhi demonstrated unclear proficiency in 1974 when it exploded a "peaceful device" and has since then denied it is building a stockpile of strategic weapons. India will lose an estimated

US\$22 million dollars official aid from Washington if the congressional move is adopted by President George Bush who, sources, here said, is unhappy with Congress' "micro-managing" official foreign policy.

Meanwhile, Sharif's proposal inviting outside mediation has been rejected by the Indian caretaker government which is due to hand power to the winner of last week's elections.

But it again highlighted cleavages and suspicions between regional rivals who have fought three wars.

Pacifists here welcomed the initiative and said it accommodated India's assertions that regional de-nuclearisation was not a bilateral issue by including China.

But officials doubted Pakistan's motives in raising it before US Congress sessions.

They said regional arrangements are "illusory" considering the global reach of nuclear weapons during the war against Iraq.

Most observers saw no harm in beginning a dialogue with Pakistan provided an embargo on the first use of nuclear weapons is not confined to South Asia and the scope of proposals is widened to cover other countries and regions.

But experts here noted Sharif's proposal falls in line with Bush's suggestion to drop the country-specific Pressler Amendment in favour of en-

larged regional control mechanisms.

Writing in the leftist New Delhi Patriot newspaper, analyst Cecil Victor said: "Pakistan's proposal is tailored and timed to allow Islamabad off the hook and drag India into a dishonest arrangement of parity."

And Indian strategic affairs analyst K. Subrahmanyam commented in the "Business and Political Observer" newspaper, "before one can have a nuclear weapon-free zone in a region, it has to be proved that the countries of the region are nuclear-free."

Both India and Pakistan maintain they do not have nuclear weapons but it is widely held they are only a few turns of the screw away from assembling these.

The fresh thrust towards enforcing bilateral parity is in fact aimed at Freezing Indian capability while also bringing both Pakistan — which last year spoke of strategic defence against United States — and India under Washington's tutelage, experts say.

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.

Tinted car glass

Sir, Following the end of the autocratic regime, the law enforcing agencies very successfully got the car owners remove their tinted glasses. We became very relieved that our government was able to enforce this. But to our surprise the tinted glasses are appearing again. On July 15 we were stopped at the traffic signal near the Shaheed Jahangir Gate of Dhaka Cantonment to make way for a VIP. We were eagerly waiting to see the VIP but failed to do so as the glasses of that car

were tinted. This raised a question in our mind: is tinted glass now allowed in Bangladesh?

N. Choudhury DOHS, Banant, Dhaka.

Jatrabari-Demra road

Sir, The road between Jatrabari and Demra, an important part of Dhaka-Chittagong highway, is in a very deplorable condition. The portion of the road between Jatrabari and Kajla is in a bro-

Retirement benefit

Sir, It appears that the government will have to implement Pay and Service Commission report soon and there will probably be huge money circulation all on a sudden. I received full and final

settlement on the basis of certain months' basic pay as service benefit and the amount receivable as employer's contribution to PF. But I have not received any compensation towards leave, I had accumulated to my credit during my 28 years of service.

On the other hand, a person of my salary status enjoying benefit of pension, will get more in cash by commuting a portion of his/her basic pay besides pension. And I am worried if the government increased salary and benefits to a great extent, we the non-pensioners will be hard hit in view of inflation and more money onrush in the market!

Sadik Alee Maghbazar, Dhaka.

RF victims

Sir, This has reference to the feature under the caption "Help for RF victims" pub-

lished in your esteemed daily on July 21.

I thank you for such a nice feature. I am sure this will make the people conscious about rheumatism and its problem. I would like to know the address of the RHD hospital.

My friend's daughter, a student of class III caught cold when she was only one year old. This unfortunately went unnoticed. Subsequently she developed throat infection and was treated by a local doctor who had no elementary knowledge of this diseases. After a few months my friend's younger sister, who had seen such a patient elsewhere, advised him to get saliva and blood (ASO) pathologically tested, and the dreadful disease was detected. Since then his daughter is taking penicillin and whenever she neglects to take medicines, it causes increase in ASO in her

blood cell and she complains about joint pains.

My friend's daughter had to remain absent from school on the PT days as her PT teacher either does not know about this disease or she is less sympathetic. My friend had to write personal letter requesting the PT teacher to exempt his daughter from physical training but two or three dates thereafter she was compelled to attend the physical training. This has developed PT Phobia in her.

Through your column I would also want to appeal to the PT teachers of all the schools to show some leniency to such poor RF victims and exempt them from any sort of physical training. This will help them to remain in school on all the days of week.

M. Saleem Ullah Motilheel, Dhaka.