

Dhaka, Friday, April 12, 1991

A Good Start

A frank exchange of ideas conducted by the members of the Bangladesh Chamber of Industries (BCI) with the Industries Minister Shamsul Islam Khan on Wednesday augured well for the future relationship between the business community and the new elected government. True, much remains to be done to place this relationship on a solid foundation. However, it seems, a good beginning has been made.

During the meeting, both sides reportedly spoke with a certain candour on matters of mutual interest which included the question of outstanding industrial loans. As expected, on this issue of the non-realisation of huge bank loans, several solutions were quickly offered and considered for acceptance. We sincerely hope that these suggestions did not belong to the category of instant solutions which, in our view, are no better than ad hoc decisions. If we are to avoid the mistakes made in the past, we must indeed refrain from taking ad hoc decisions.

However, it is a good thing that speaking for the government, Mr Khan offered to set up an investigation to look into the causes of what is undoubtedly a major problem in the banking sector. However, it is important to decide on the scope of the investigation. Obviously, the banking sector as a whole and several individual banks in particular will come under a careful scrutiny. And so will the business community, again as a whole, and individual industrialists and traders in particular. But we also know that a third factor — the political influence — played a decisive part, first in ensuring that a loan was given to a particular party and then in protecting the defaulter. It is important for the investigation to identify clearly the sources of this political influence — here, the deposed president Ershad could not have been the only guilty party — and to suggest how the sector can prevent this from happening again. Again, the role of the civil service should also be carefully examined.

During the meeting on Wednesday, the BCI members regretted the fact that the authorities had revealed what they called only the partial truth about the accumulation of outstanding loans in so far as it had not been disclosed that industrialists had so far repaid Tk.9,000 crore of their outstanding loans — it is unclear about the period — which, according to an official figure, is still less than 50 per cent of the total overdue. However, it is important to recognise the danger of making sweeping generalisations either about the so-called avaricious business community or about the "inefficient" banking sector. Unless we realise that there are honest and competent people working in both these fields — and, indeed, in the civil service — we will be creating a serious morale problem as well as a crisis of confidence for all concerned.

Having been an industrialist himself, the Minister would surely appreciate that a genuine interaction between the business community and the government largely depends on the understanding of their shared commitments and obligations — and most certainly not on rhetoric, empty promises and sweeping accusations. If the meeting on Wednesday opened the way for this understanding, it was certainly worth it.

Time for Mediation

After a flicker of hope last year following the withdrawal of the Indian Peace Keeping Force (IPKF), Sri Lanka has once again plunged into a spiral of violence out of which there does not seem to be any way out. The situation in the country's Tamil-dominated north and north-east has now reached a point where only the killings remain; the conflict between the guerrillas of Liberation Tigers of Tamil Eelam (LTTE) and mainly-Sinhalese troops of the Sri Lankan military has become brutal even by modern standards.

Sri Lanka's Tamil problem was not an easy one to begin with. Tamils, who make up some 13 per cent of the population, were traditionally better-educated than the majority Sinhalese, and consequently they had a bigger share of government jobs under British rule. Post-independence Sri Lanka adopted a seemingly discriminatory policy against them, in order to push the majority race faster up the social ladder. The result was a gradual growth of resentment and suspicion on either side of the ethnic divide, leading to hatred and war.

An attempt was made to put an end to the conflict with the arrival of the IPKF on the island as a result of the Gandhi-Jayawardene agreement in 1987. The failure of the initiative was not due to a lack of goodwill on the part of the Indians or the Sri Lankan government, but it failed because the LTTE could not shake off its suspicions. The experience of the IPKF between then and March 30, 1990, when it left the island, should have driven home the message that a deep-seated political problem could not be solved by trying to impose a military solution on it. Unfortunately, the lesson has not been learnt and both sides seem intent on carrying on with the military option, compounding rather than solving problems.

The Sri Lankan government has been prepared for sometime to make significant political concessions. But with all avenues of communications closed off, offers of power devolution, greater job opportunities for minorities etc. are falling on deaf ears. The need for a mediator is now greater than ever before. There was once a proposal to use the good offices of the Secretary General of the Commonwealth. Unfortunately that proposal was not pursued with any seriousness by Colombo. In order to promote a political solution to the problem, first priority is to foster a feeling of trust between the warring parties, which can only be done by a respected mediator with nothing at stake other than his reputation.

On whatever ground the choice of Sir Sridath Ramphal may have been rejected in the past, the former Commonwealth supremo remains as good a choice as ever. Colombo stands to lose nothing — neither its sovereignty nor its prestige — by making a sincere effort to get its conciliatory message across to the Tigers, and particularly their perennially suspicious leader Vellupillai Prabhakaran.

In the decade before Yuri Gagarin made the world's first manned spaceflight on April 12 1961 few people could grasp the notion that spaceflight was possible. Now it is routine.

Men and women of many races and nationalities have flown into space. Pilots from the Third World have flown alongside Soviet and American spacemen.

In the early days astronauts and cosmonauts were people of considerable physical strength and stamina. Today spacelabers are chosen from the ranks of teachers, journalists and scientists.

The first British cosmonaut, Helen Sharman, is a research scientist in a confectionery company — appropriately the Mars Confectionery Company of Slough, England. She will be launched on Soyuz TM 12 on May 12 and spend six days aboard Mir, the Soviet Space Station.

However, spaceflight astronauts and cosmonauts are chosen for their ability to complete a heavy workload of scientific experiment. The days of celestial joyriding are still a long way off.

Technologically many things are possible within the next decade or so. The only restraints on Man's conquest of space are financial. To pursue future manned space exploration, a higher degree of cooperation between spacefaring nations will be achieved.

Thirty Years on — the Nations Come Together in Space

by Geoffrey Hugh Lindop

Yuri Gagarin made the world's first manned spaceflight on April 12 1961, and on April 12 1981 the American space shuttle made its first manned orbital flight. At the next Bush-Gorbachev summit new superpower cooperation in space is likely to be announced.

Such is the present political climate that the first British cosmonaut will fly alongside a Soviet crew. A planned Anglo-American manned flight was abandoned after the Challenger disaster when seven astronauts were killed just after lift-off.

Joint spaceflights are not new. The famous Apollo Soyuz Test Project, when a US Apollo capsule docked with the Soviet Soyuz craft, took place in July 1975. Since then the two superpowers have regularly carried each other's equipment into space. So far no other joint flights have taken place.

This situation is due to be remedied. At the next Bush-Gorbachev summit it is expected to be announced that an American astronaut will spend 4-6 months aboard the Soviet Mir Space Station and

that a Soviet cosmonaut will fly aboard the US Space Shuttle for the first time.

It will be a public demonstration of the close ties that have developed between the two superpowers. Cynics will be wrong to assume that it is solely a publicity stunt.

The Americans are anxious to develop research into long duration manned spaceflight. They pioneered this field with Skylab in May 1973.

It housed three crews each of three astronauts culminating in the 84-day space marathon of Carr, Gibson and Pogue. Since then physical constraints on the Space Shuttle orbiter have forced Americans to restrict their missions to a week or so.

On the other hand, the Soviet Union has developed its space station technology and

regularly keeps crews in space for six months. The current space endurance record of 366 days was set by Titov and Mararov in 1988.

What the Americans lack in space mission longevity, they make up for in technology. The US has been criticised for developing the Space Shuttle to the exclusion of conventional rocketry.

This move resulted in their space programme coming to a halt when the shuttle fleet was grounded, as for example, after the Challenger Disaster.

Expandable rockets, like the European Ariane, are reaching their peak performance. Despite refinements the underlying technology belongs to the Seventies.

Because the Americans are dependent on the Shuttle they have had to make it work and

are now designing the next generation of space plane.

The Soviet Union has developed Buran, its version of the Space Shuttle. In parallel with its Soyuz space programme. Development problems with Buran, or its Energia launcher rocket, have had no impact on the current space missions.

Soviet Space officials now have a choice of using Soyuz or Buran to mount a manned space mission. Invariably they opt for the cheaper and more reliable Soyuz so the Soviet Union has not gained as much expertise in this field as the American Shuttle engineers.

The flight of a Soviet cosmonaut on board an American space shuttle will provide valuable hands-on experience for the Soviets. This partnership

will take humankind into space in the next century.

Yuri Gagarin had been scheduled to be the first Russian to land on the Moon, but then the Soviet Union abandoned its manned lunar programme.

The Americans plan to establish a permanent base on the Moon and hopefully they will guide the Soviets down to where the Eagle landed before then.

In return, the Soviet expertise in long duration spaceflight will be valuable when the Americans mount a manned mission to Mars. European, Japanese, Canadian, Chinese and Indian space technologies are also advanced and have all participated to varying degrees in international projects.

It is to be hoped that in the next century men and women from all the nations of the Earth will jointly go where none has gone before.

They will go, not to satisfy their own urge to explore new worlds, but to tap the energy resources of the Sun, the mineral resources of the asteroids and utilise the unique zero gravity environment of orbital space, in order to safeguard the standard of living of the citizens of Earth.

— GEMINI NEWS

GEOFFREY HUGH LINDOP is a British writer and broadcaster specialising in astronomy and astronautics.

Radio, Television should Become More Effective

by Syed Zinat Ali

Many have a feeling that the mass media only supply to the people what they desire or reflect society's interests and values, but never create new values or do little to change the prevailing attitudes. At best the media can only reinforce the existing values. There are others who argue that effects of mass communication are not capable of being precisely measured because of the varied environmental situation in which we find the vast multitude of audience with their equally variegated social background, mental make-up, educational attainments, and moral, political and economic propensities. Yet from the very fact that the media are being increasingly used for advertisements, we can draw an undeniable truth, despite all controversies, that the media have a part in altering attitudes of the people and in bringing a behavioral change, leading to a change in the patterns of buying or eventually in the pattern of consumption. This is particularly true of radio.

Radio is a mass medium in pure literal sense, as it can reach the masses. It penetrates everywhere being the cheapest, the swiftest, and the simplest means of communication. It has tremendous direct appeal and subtle side effects. Consciously or unconsciously, listeners are affected. Radio is often the only source of information to those who cannot read or write.

Radio had been used by people like Hitler as formidable propaganda instrument because of its efficacy to bring attitudinal change. Radio-listening undoubtedly broadens outlook, educates the illiterate, supplements education of the already educated and helps bring changes in patterns of life by helping to change deep-seated attitudes and initiating concepts of new ways of life.

But the truth has not been fully realized or exploited in a developing country like ours where Radio must have a conscious programme for providing social leadership for the great changes that await. Radio has to be used as a medium of social change. Broad-casting has assumed a unique importance of its own in all newly independent countries as an important tool of nation building. Radio provides a link, a direct link, between the government and the people and can make reforms and development easier by disseminating information about new structure of values.

Keeping in view what had been said in foregoing paras it would be worthwhile to attempt an evaluation of effects of radio in attitude formation in Bangladesh, with particular reference to different segments of population and area. Our endeavor should be to know through field surveys based on replies to carefully

worked out questionnaire:

Whether the people are really picking up the new ideas put across to them over the radio; whether the programmes particularly those pertaining to development efforts or aimed at enlisting popular participation in development work have really stimulating effects, leading to actual increase in creative work; in short the aim should be to assess how television and radio are helping to bring about new social, economical, political and industrial changes we need.

Along with these we should try to ascertain the depth and span of radio programmes, the extent of credence and reliability enjoyed by our radio; Whether meaningfulness and effectiveness of messages increase with repetition or repetition has a boomerang effect or creates fatigue, and whether the effect decreases with saturation. In short the survey be aimed to measure the audience, to ascertain what programme do the people listen to and why, and how listening helps them.

Television is a major source of information for millions of people on a daily basis. Businesses spend millions of Taka on television advertising. It has a great impact on commercial services and development activities including children's and educational programmes.

Critics of television main-

tain that effects of messages are real whether positive, such as those of advertising and public service announcements, or negative and unintended, such as those resulting from viewing depictions of violent or criminal behaviour. Conventional wisdom contends that mass media can best create awareness and inform but interpersonal communication is more effective in changing behaviour.

The placement of news, views and other programmes of TV is visibly practical. And the placement of such programmes of radio is not visible but only listened to. The difference is considerable.

Television is an audio-visual mass communication medium which brings people more

closer to national and international affairs than the radio, the audio medium does. However, both Radio and Television create an impact on listeners and viewers projecting subject matters of issues direct to them in different corners of the country. Television is a mass-medium in pure literal sense, as it can reach the craving mind of the masses. It must have a significant role in case of focusing the population control and family planning activities or educative programmes.

Bangladesh is very densely populated country and the present rate of population increase is alarming. This is primarily an agricultural country where 80% people are engaged in agriculture but are producing hardly 75% of the nation's food requirements.

Television is an audio-visual mass communication medium which brings people more

which again suffers from recurring devastations of famine, flood, cyclone, draught and epidemic diseases. Most of people are illiterate. They need to be taught to brace and overcome adversities.

So, the government should have a plan to provide a TV and a radio set free to each community center of 68 thousand villages so that the poor and illiterate people can enjoy to hear and see the national programmes and their execution in order to feel involved in. Radio and Television has a great role of warning people on imminent natural calamities, enlighten them on the importance of population control and educating them on modern agricultural method based on technological advancement, etc.

because of shareholder pressure, do not all seem to be in this situation. It appears that the financial sector reform package suggests that the delinquent assets be written back to the profit and loss accounts which further aggravates the capital base of the lenders. To compensate for this aggravation, the bond issuance has been suggested.

I fail to see how the bond issue will help. We can safely assume that these bonds, amounting to Tk 1700 crore, cannot be placed with the general public given the quantum involved. Therefore, it stands to reason that they will be bought by the NCBs and held as equity (the primary cause of the floatation being to shore up the capital bases). Since these institutions cannot have the liquidity to pay for these bonds in cash, it also stands to reason that this is yet another book entry. Presuming that these bonds are issued with a fixed maturity date (as implied by the one-time stipulation) of ten years, the "system" must raise between Tk 2450 crore and Tk 3200 crore, in cash, to retire the bond issue with interest. Granted, inflation ensures that the payments decrease in real terms; but are we constrained to live with double digit inflation for years to come?

It does not take too much imagination to figure out exactly how the cash will be raised. The upshot of all of this is that, yet again, the general public, as depositors and/or through direct or indirect taxation, is the only entity that will be made to pay for the profligacy of others. The defaulting borrowers have certainly paid only the minimal, indirect taxes as their project/schemes, by definition, could not have been in the black (and thus attract direct taxation). If the defaulter is a public sector enterprise, there is, at least, the ancillary social benefit of continued employment for its workers. Suffice it to say, this does not apply to the private sector defaulter.

Surely, the authors of the financial sector reform programme can come up with a more palatable solution — better yet, a solution which does not contribute towards the pawning of our future assets in a world replete with takers but decreasing donors. The present Government or one of its agencies will have to issue these bonds; can it not be prevailed upon to re-examine the matter?

Obviously, from the reports one comes across in the various dailies and weeklies, the NCBs seem to be lodged, firmly, in the latter scenario. The private banks, probably

temporarily adjusted when the interest payment is actually made in cash. All the books balance, a cash payment has been received on account of the interest due and everyone is happy. The happiness turns into unadulterated joy when the borrower not only pays the interest but also repays the total amount actually borrowed. Multiplying this scenario a hundredfold and multiplying again by the number of lending institutions in the country, we find institutions have not only made profits but are also in the position of relending the funds that were repaid plus more. The depositors i.e. the sellers of money are delighted to entrust even more funds with these sharp money managers. The shareholders are paid their dividend cheques and the Government gets its taxes, levies, surcharges and dividends. Resultantly, inflationary pressures are exacerbated but the silver lining is that real cash is generated and it flows through the economy.

Let us now assume that because of difficult times, our borrower, who borrowed for legitimate business purposes, is unable to turn a profit. Naturally, he will have difficulty in making interest payments, let alone repay the sum borrowed. Meanwhile, the lending institution has booked its income and the temporary account remains unadjusted. Since the lending institution must, on the other hand, pay interest on the money it has "bought", it must reduce its capital (and its assets) accordingly. Similarly, the Government must be paid its taxes, levies, surcharges and dividends. Including those borrowers who never intended to repay the loans in the first place and by multiplying this scenario a hundredfold and again by the number of lending institutions, we find that a lending institutions' temporary accounts have become quasi-permanent; their capital bases, supplemented by book profits have eroded; the asset bases, perforce, have deteriorated in quality (given that unpaid loans are still carried on the books); and, to top it off, failing injection of fresh equity in the form of cash, the lending institutions either stop paying their dues or worse yet meet their dues by "buying" more money. The resultant creation of money, without basis, is emphatically unhealthy.

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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.

Stimulant hope

Sir, Hope happens to be a prime reason to mankind for living. Among the major stimulants for human activities is hope that has been a contributing factor for the continual development of the acumen. Without hope someone would not try his/her luck, nor would there be the Moon Race. Hope of a Bangladeshis has become a reality with the HOPE'90 award at the Second International Project Competition in Austria recently. This award was won by a student of Bangladesh Agriculture University — one of the ten winners out of 320 projects each receiving US Dollars 1000 and a Certificate. The projects are designed to generate employment opportunities all over the world and have created hopes for the jobless, which will hopefully improve the employment situation if implemented.

HOPE'90 award must not be just another prize for LDC Bangladesh but should rather be utilized as a pace-maker of the country's unused labour force through establishing employment avenues with a view to coping with cumulating unemployment. Such an award is all the more an encouragement to the efforts to revitalize decaying socio-economic infrastructure.

Also, an additional remedy to the declining economic condition may be implementation of new projects, modernization and diversification of old projects, and possibly revival of out-of-order projects depending on their prospects in each sector that should improve employment situation while earning revenues for the country.

Obviously, being a Third World country, Bangladesh has to concentrate mostly on enriching her economy every which way feasible; and having had such a target, any project of any magnitude destined toward promoting economic values for the nation deserves appropriate incentive in materializing national hopes of next century and beyond.

M. Rahman
Zila School Road
Mymensingh 2200.

Women MPs and democratic system

Sir, I wish to commend Ms. Munira Khan on her letter published in your April 3 issue under the caption "Women MPs." She has understood what few do that the concept of reserving seats for women in Parliament does them no good and, in effect, keeps them securely in their lower status. Women in this country are neither back-

ward, uneducated or lacking in political acumen, therefore the need for reservation of seats simply should not arise. It does them more harm than good for it effectively bars them from standing for Parliament in open competition notwithstanding the fact that four women MPs have come to Parliament in this manner.

Four out of 300 seats! With women representing almost 50% of the electorate it is not too formidable a task for women politicians to motivate and organise them into an effective pressure lobby to put an end to such discrimination and, since it is discrimination, force the government to give women their legal right to compete on any platform.

Even if we accept the idea of reserved seats for women there are too many anomalies in a democratic system. For, being elected by a virtual electoral college made up of elected MPs the leading party in Parliament holds the advantage and simply increases its majority both seat-wise and percentage-wise when a fairer system would be proportionate representation according to distribution of seats within parties. And a second anomaly would be involving the concept of accountability; for to whom are the women MPs accountable when they have not been directly elected by the people and have no constituency?

Sylvia Mortozza
Dhaka.

N Dasgupta
Dhaka