

Right Goals, Wrong Methods

Right from the time Prime Minister Begum Khaleda Zia declared her administration's intention to eradicate corruption from the country, emphasising, among other goals, the need to enforce strict discipline on our financial institutions, we commended the move without any reservations. We took the position that if we were to promote a new business culture in the country, replacing what often looked like a free-for-all bonanza, the administration should go after all those people, regardless of their positions in the society, who had either plundered the country or neglected, with almost criminal indifference, to honour their commitments to banks and other financial institutions. However, in this context, we had also hoped that the administration's measures in this field would be carefully planned, with due considerations given to the views of representative trade bodies as well as to the need for maintaining the confidence of the business community, the confidence which, in the long run, could well prove more important than the rapport that Finance Minister Saifur Rahman reportedly enjoys with the World Bank and other aid agencies. In short, we felt strongly that the government could find itself in serious trouble if it chose wrong methods to achieve right goals. We regret that we did not sound this warning with enough force. We are repeating this warning now, with all the seriousness that a newspaper can command.

In order of sequence, there are four recent major developments which have produced a deadlock, if not a crisis, in the country's business world: The publication of lists of defaulters; the collapse of BCCI; the confusion over the introduction of the Value Added Tax (VAT); and, finally, the statement by the Finance Minister on the borrowings of Directors of private sector banks from nationalised ones, together with a startling disclosure that the number of defaulters of bank loans stood at 35,439,49 in December last year.

All these developments have much in common. In the first place, they all reflect good intentions of the administration to put the country on the road to economic recovery. Yet, all the plans appeared to have been somewhat hastily planned and badly executed, without enough attention paid to details. For instance, business circles complain that in publishing lists of defaulters, the authorities apparently made no distinction between wilful defaulters and legitimate borrowers, with the result that genuine clients of banks now face serious problems in obtaining new credits for their business operation. There are also questions raised over the disclosure that there were 35,439,49 "defaulters" at the end of the last year — what an exact figure — but the disclosure provides no indication of sectorwise breakdown or of the follow-up measures the authorities propose to take in this matter. Again, we believe, the introduction of VAT is a progressive move, but it has been put into effect without familiarising the market, the trading community and the public at large with the working of the new system. It is this serious lapse on the part of the Finance Ministry that has partly resulted in price hikes of consumer items which fall outside the VAT system and, what's worse, in a general confusion in the market place. Last but not the least, the handling of the BCCI crisis by the Bangladesh Bank has also added to the general confusion prevailing in the business world. Despite the press release by the central bank over ten days ago that all L/Cs opened with the BCCI would now be handled by the Agrani Bank, traders are said to be running from pillar to post in getting their shipments cleared.

We are afraid, the administration has made a bad start in creating the right kind of environment in which the market-oriented economy, based on co-operation of the private sector and a certain continuity of broad policies, gains momentum. But it is not too late yet for Begum Zia to take stock of the situation and adopt necessary corrective measures.

How to Bungle a Sure Hit

The alarm was there in the headline all right: Cocoon production drops — fund shortage hampers mulberry farming. It decidedly is a bad news for our silk which always had a good domestic as well as international market. One cannot ask the mulberry farmers to switch over to the castor plant. This is not to speak of the improbability of discarding an agricultural practice at least two thousand years old and overnight taking to new modes which agreeably produce silk somewhat inferior to that yielded by the mulberry leaved worms. The Daily Star report published on Thursday also alleges that cocoon rearers have not received the price of their supplied produce even at the end of four months which is having an inhibitory influence on cocoon production in an indirect but sure way. The Sericulture Board is thus falling on two counts. Its acreage under mulberry has shrunk and it is not paying for its purchase of cocoons.

The government traditionally had a big hand in shaping our silk situation being the biggest manufacturer of the wonder yarn as well as the glorious fabric woven out of that. As such it was also the mainstay of all farmers connected with silk production. The item produced is both pricey and in good demand. The Sericulture Board hardly ever had been, in spite of that, out of the red. This cannot be explained satisfactorily unless there is a broad and deep case of leaking coffers and wholesale organisational and technical inefficiency. We propose that the performance of the Board be reviewed and ways found to help it out of its problems crippling it for so long.

Back in the early seventies a top economist of international repute came out with a pamphlet called Gold is Hanging from the Trees. He proved that Bangladesh and its farmers can get rich quite surely by cultivating silkworms. There was nothing wrong with his projection and how-to-do-it. Still we never quite manage to hit that pot. Thanks to our short-cuts to everything, our unquenchable zeal for killing all ducks that lay golden eggs.

A Commonwealth seminar on Human Ecology and Environment will be held from July 29-31, 1991 in Vancouver, Canada, under the auspices of the Commonwealth Human Ecology Council (CHEC). The seminar is being organised in collaboration with the Commonwealth of Learning (COL), whose President, Dr James Maraj is also Chairman, CHEC, and Simon Fraser University. The findings of the seminar will form the basis of a report of CHEC on human ecological principles in development, environmental education and management to be prepared for presentation to Commonwealth Heads of Governments Meeting (CHOGM) being held in Zimbabwe in October, 1991.

Human Ecology is the subject of interaction of man and human society with environment. It is concerned with the philosophy and quality of life in relation to development of biological and geological resources, of urban and rural settlements, of industry and technology, of economics and of education and culture. Through an understanding of it, the change and development of human society and culture can be linked with the physical and biological world in such a way that nature's equilibrium is maintained.

The Commonwealth Human Ecology Council started their activities since the 1950s to bring together forward-thinking people of all disciplines from Commonwealth countries to promote the adoption and effective use of concepts of human ecology in socio-economic development. The approach was broadened in the 1960s encompassing development policies of the Government, especially integrating matters concerning land use, human settlements and education and CHEC evolved into a non-government professional organisation in consultative status with the United Nations Economic and Social Council (ECOSOC) and co-operating with its Special Agencies like UNESCO, WHO, UNEP and UN Centre for

Human Settlements. CHEC is set to encourage and promote an understanding of human ecological principles and their applications to development policies and programmes in Commonwealth countries and internationally. The ultimate objective is to conserve resources, improve the quality of life and stop environmental degradation.

Activities of CHEC in Bangladesh started in mid-seventies. At first, the studies started as a by-product of the field verification work of the remote sensing programmes which involved monitoring of the environment due to development activities or other factors. It received a great momentum when the Fourth Commonwealth Conference was held in Dhaka on Human Ecology & Development in December, 1976. Late President Ziaur Rahman inaugurated the Conference, which was attended by a good number of delegates from Commonwealth countries including its Chairman (now Honorary President), Sir Hugh Springer, and the life-force behind the CHEC movement, Mrs Zena Daysh, who is now its Executive Vice-Chairman, and a large number of professionals and intellectuals of the country. The key tactical concepts of the conference was Government Non-Government co-operation and self-motivation.



Ms Zena Daysh, Executive Vice-Chairman, CHEC (London), Dr Anwar Hossain, Chairman, CHEC-Bangladesh, Professor T.K.N. Unnithan, Chairman, CHEC-India and the Maharaja of Jaipur at a reception given by the Maharaja to the delegates of Asian Human Ecology Seminar held in Jaipur in May, 1991.

Commonwealth Human Ecology Council and the Vancouver Seminar

by Dr Anwar Hossain
Star Guest Columnist

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led to participatory action programmes at the grass-root level. They are an agricultural development project at Hasnabad along river Buriganga, planning for an urban settlement east of Shahjapur bordering Baridhara and development of a Community Centre at Bashgari in Raipura Upazila of district Narshingdi. Ever since, the activities of CHEC in Bangladesh was carried out with local Committees with CHEC-Bangladesh acting as a catalytic agent. Experiences of CHEC programmes in Bangladesh have shown that both application of technology and community participation are required in dealing with development activities with minimum disturbance of ecology and environment because the local population know more about the history and geography as well as the traditional and cultural background of the area. Programmes in Bangladesh declined a little in the 80's and is now picking up again. Local Groups, however, functioned well.

CHEC programmes has now been extended to many countries of the Commonwealth, both developing and beyond too. India expanded their programme in 1980s, especially in environmental education and set up Indira Gandhi Centre for Human Ecology, Environmental and Population Studies at the University of Rajasthan, Jaipur. Activities grew in various other Commonwealth countries, especially the Women's Integrated Rural Project in Kenya and Rain Forest study in Guyana. A

series of CHEC meetings thereafter culminated in the successful Ninth Commonwealth Conference on Human Ecology, Sustainable Development and Education held in Edinburgh in July, 1989. This led to a greater recognition of CHEC amongst Commonwealth Governments, which was reflected in the Final Communiqué of CHOGM held in October, 1989 in Malaysia. Since the Edinburgh Conference, CHEC has been reviewing its activities in several regional seminars in 1991 in order to generate ideas which will be consolidated at the Vancouver meet. The ideas include formal and non-formal education, input of appropriate technology for development and above all, assist the grass-roots and rural development of the world Commonwealth population, especially the poorer ones. The Vancouver Seminar has, therefore, a broader perspective than its name indicates. It will take into account the opinions of all regional viewpoints on human ecology and synthesise them into a common recommendation of the CHEC leaders of Commonwealth countries. Lessons in the Commonwealth can be extrapolated to the entire world and the EARTH SUMMIT on Environment, to be held in Brazil in June, 1992 could bring about an integration of the ideas on human ecology and environment, and CHEC could take a leading part in it. If the ideas are good, especially on aspects of rural development and self-reliance, Bangladesh delegation to CHOGM could take the initiative of progressing them at Zimbabwe with a view to improve the quality of life of its people who are in desperate need of it.

Dr Anwar Hossain, a noted scientist and a former chairman of Bangladesh Atomic Energy Commission, will be representing this country at the Vancouver seminar. His assessment of the deliberation of the meeting will be published by the Star in due course.

Latin America Takes a New Road

The wave of political and economic liberalisation sweeping Latin America today points not to a new ideological focus but to a greater pragmatism, a willingness to seek solutions to the real problems confronting the region, writes Guatemalan economist Gert Rosenthal from Santiago, Chile:

Certain parallels seem to exist between economic cycles and the cycles of thought that determine the ways in which societies are organised.

Just as the economic history of the present century can be traced from periods of relative prosperity to periods of recession, humanity also moves from times in which the importance of collective welfare increases or decreases in relation to the importance of individual benefit, giving rise to greater or lesser state intervention in economic affairs.

The decade of the 1970's saw the demise of the Keynesian paradigm, with its emphasis on state stewardship of the economy, expanding social rights and concern over recurring cycles of prosperity and economic depression.

Excesses committed in the name of the "benefactor state" brought certain inflexibility, and reaction was not long in coming.

Today's economic winds of change are of a liberalising nature, wafting in their purest form from the Britain of Margaret Thatcher and the United States of Ronald Reagan.

These winds of change bring less government intervention, greater confidence in the "invisible hand" of the market, openness to the healthy competition of a global economy, free rein for the creativity of private initiative, and maintenance of clear ground rules.

To say that the advocates of economic liberalisation lack a social conscience is to do

them an injustice. Proponents of this system believe that it provides optimal conditions for long-term growth and gives all social sectors the chance to reap benefits — recognising, of course, that when risks, work and talent are rewarded, natural inequalities will surface.

There is no doubt that these winds have reached Latin America at a time that coincides with the emergence of more pluralistic and participatory political systems — and this raises questions about the link between economic liberalisation and democratisation.

Does this suggest that external influences are responsible for the demise of ideological spectres in the region? More to the point, how can these phenomena be explained?

There are no easy answers. There is little value in attempting to determine in which sphere — economic or political — the intense and profound changes occurring in Latin America and the Caribbean first surfaced.

It cannot be claimed that economic liberalisation is the result of democratisation, or conversely, that democratisation has been the decisive factor in adopting liberal economic policies.

Until recently, it seemed there was a unilateral relation

between economy and politics, and that developments in one sphere determined the evolution of events in the other.

Some analysts believed, for example, that ownership of the means of production would determine the nature of the prevailing political system.

An extreme manifestation of this thesis can be found in the rationale used to justify the imposition of the authoritarian-bureaucratic regimes that became the characteristic feature of what was known until recently as "real socialism".

Others maintain that democracy is the political regime most compatible with successful functioning of the free market system. To support this, they note that the most advanced industrialised economies have developed within representative democracies.

They further maintain that the market best fulfills its potential in political systems that place greater priority on defence of individual rights than state action — that is, systems where privatisation of economic power serves as a counterweight to political power.

History provides many examples that throw into question arguments of direct determinism. The case of India, for example, shows that

democracy can operate in a society with low income levels. Many examples in Latin America have proven that unfettered operation of free market mechanisms is often accompanied by marked inequalities in income levels, a situation that can prove adverse to democracy.

If any doubts remain, the events of 1989 in Eastern and Central Europe have discredited formulae in which economic factors were believed to automatically determine political ones, and vice versa.

It would be extremely simplistic to attribute the consolidation of neo-liberal concepts and political democracy to external factors.

It is undeniable that ideologies in vogue in the centres of power influence developments in peripheral nations, and that external financing often brings with it a high degree of conditionality over content and extent of political economy.

But the tendencies that orient national political economy and political interaction have deep domestic roots. It is useless to attempt to determine the order of precedence between domestic and external factors.

In some cases, economic liberalisation stems from private initiatives or is the product of circumstance. This is

the case of the Latin American public sector's current financial crisis, which virtually obliged governments to initiate the process of privatisation. In other cases, economic liberalisation was fanned by external factors.

The process of economic liberalisation launched by domestic initiative soon requires foreign support to stay alive. Similarly, conditions demanded by multilateral financial organisations are adopted only once there is sufficient domestic agreement to carry them out.

It would be absurd to seek one-sided explanations for such complex phenomena as the emergence of more democratic conditions in Latin America or the trend toward a more liberal political economy.

Moreover, both developments have occurred in the midst of the region's most severe economic depression of recent times.

What can be pinpointed is a regional trend toward greater pragmatism: a willingness to learn lessons from positive experiences and failures in political economy at home and abroad, and the willingness to adjust to new realities and circumstances in domestic and external spheres.

The countries of Latin America and the Caribbean

cannot isolate themselves from the world. States must restructure themselves financially to meet the demands of today's world, not yesterday's. We have learned that, in the real world, certain factors of macro-economic equilibrium must be respected.

In general, it appears that the exhaustion of rigid ideological approaches has led to the adoption of more flexible and pragmatic positions. This is a good sign in the face of the profound changes occurring in the international system.

Contrary to the beliefs of many, the current wave of economic liberalisation does not correspond to a new doctrinaire focus but to the search for solutions to the real problems confronting the region.

This is why we can question the appropriateness of applying neo-liberal labels to what, in essence, is the search for a Latin American road to development.

Today's trend is not the radical economic liberalism of the past. It contains ingredients from the old recipes, but it is also laced with factors provided by each nation's particular reality.

Nor is the explanation to be found simply in the consolidation of more pluralistic and participatory political regimes. The relationship between economics and politics is not so clear-cut. There is no such thing as "determinism" in history.

Cert Rosenthal is executive secretary of the UN Economic Commission for Latin America and the Caribbean (ECLAC).

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.

"Shameful Behaviour"

Sir, Your recent editorial under the above caption has aptly highlighted highhandedness of a section of public servants working at Dhaka G.P.O. and raises serious questions regarding obligation they owe members of the public. The untoward incident occurring on July 15 at the G.P.O. involving employees beating up clients, who went to mail their articles, brings into limelight the monstrous dimension of attitudes of public servants to members of the public who are supposed to be their masters paying for their existence. News has it that a clerk manning an enquiry counter re-

fused to supply desired information, and on insistence, hurled abuses at the anxious client. When asked to behave himself as a public servant the said clerk allegedly, went amuck, jumped over the counter, threw weighing machine, paper-weights at the client. To make the matter worse, the irate clerk was soon to be joined by his chauvinistic colleagues to mount an attack on whoever was present there.

The incident saw widespread damage of public properties.

My own experience at the G.P.O. has been none-too-happy. Employees at the counter, often than not, behave as little 'Maharajahs' con-

furnish desired information or to be of service. Things have come to such a pass that these public servants now dare, thanks to their 'unions' and 'associations', not only to refuse service but assault the public with impunity. Last few years saw autocracy in its worst form infesting all institutions with cancerous affliction of corruption, dereliction and unaccountability. What has happened at the G.P.O. is but a tip of the ice-berg of overall rot that has struck at the very root of all prized possessions of a civilised society including our polity. The reign of autocracy has ended but the ghost of autocracy still haunts a few scattered pockets of the administration. The authorities concerned must put their heads together to nab the culprits and mete out exemplary punishment. If not for anything else, at least to remind the erring to draw a line between public servants and those they are meant to serve.

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PDB 'arrear' bills

Sir, What was once said half in jest, that the 'inner' wheel of the PDB was the largest 'commercial enterprise' in Bangladesh, has now been confirmed in the Jatiya Sangsad, with the statement that "Systemless" here is a record 41% with over half of this stiphoned off and allegedly 'sold' unofficially. Since a 1% loss represents Tk. 20 crore, this means that over Tk. 400 crore is lost yearly or allegedly 'utilised' to an extent if not fully by 'corrupt' PDB staff and their equally corrupt customers.

Perhaps not content with this, PDB has now launched a 'cosmetic' campaign to 'recover unpaid bills'. The axe has fallen on the domestic consumers and any have been presented with fat and inflated bills going back 6, 8 or even 10 years. Before allowing this fresh source of harassment, our popular government should have first asked the PDB the following questions:

1) Were the PDB staff sleeping on duty during the last 6-10 years? why were not the defaulters' lines disconnected long ago?

2) How long are ordinary domestic consumers supposed to keep relevant receipts? Floods, cyclones, fires and also corrupt bank staff are a way of life here. How many PDB staff can produce vouchers for their TVs, VCRs and other valuables? If they cannot, should they not also be prosecuted for receiving 'stolen' property or smuggling?

3) What steps have been taken to reduce Systemless and 'corruption'?

There is widespread recession, the country is devastated by the cyclone of the century and a major bank has closed. Is this an opportune moment to let loose a 'rapacious' department on humble citizens? Should their lines be arbitrarily disconnected will they not augment the mobs on the streets?

Over the last few days, all PDB billing offices have been besieged by anxious consumers and brisk 'dealings and negotiations' can be openly seen there. For those of us too old and too 'old fashioned', there is just a rude order "Pay up or get lost".

The various Chambers of Commerce have rightly requested the government not only to extend the date till 31/12/91 for payment but also to review this whole question.

The government should also order PDB not to disconnect any line until the matter is resolved in a just fashion. Many of the Bills received by many consumers, just a day before the last date of payment, simply states — "Arrears upto March 1991". So even those who have bills/receipts cannot know which particular bill remains unpaid.

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