

Dhaka, Sunday, September 8, 1991

The New Soviet Union

We welcome the timely recognition of the three Baltic states by our government. The watershed vote in the Congress of People's Deputies of the Soviet Union last Thursday, which paved the way for the independence of Estonia, Latvia and Lithuania and through which the centralised Soviet state under communist rule came to a formal end, did more than just formalise an already established fact. The vote was an official acknowledgement of the failure of socialist political-economy to meet the aspirations of a people exposed to ideals of consumerism and pluralism; at the same time, it brought to fruition nationalist demands for self-rule for the USSR's various republics.

There is little doubt that the Congress, pushed by a robust and determined Mikhail Gorbachev, did the logical thing. This was surely the end towards which Gorbachev's policy of democratisation was always supposed to lead. But it was never clear what alternative arrangement Gorbachev had planned as a replacement for the centralised communist system.

In the short-run, the various republics will have no choice but to continue with a great deal of economic cooperation. The economies of all the republics have developed as inter-dependent and inter-linked components of one large whole, through a system of central planning which assigned different tasks to republics and allocated resources accordingly. While political and cultural de-linking with Moscow and one another is quite feasible, even desirable, such moves in the economic sector may lead to dislocation on a catastrophic scale.

If nothing else, then sheer self-interest should now persuade the largely-independent republics to maintain economic cooperation at a greater level than even that of the European Community.

The decision to retain defence and foreign affairs under the control of a central authority is a most welcome development. This would prevent a nightmarish proliferation of nuclear weapons in the region, and also keep a tight lid on any civil war tendency that might try to manifest itself. The task of reorganising the four million-plus Soviet armed forces will be a monumental one, and maintenance of central control is imperative for this, as well as for preserving short-term stability in the region.

However, while declaring communism to have been a failure, there is a danger that the new authorities will turn their backs on everything the Communist Party did in the past 74 years. That would indeed be tragic. Under communism, the USSR also made some great strides and it is to be hoped the new leadership will take care to retain the best of the past while rejecting the worst.

This gives us an opportunity to commend the Soviet leadership for the unquestioned courage it showed in annulling the 1939 Molotov-Ribbentrop pact, through which the three Baltic states were annexed by Moscow. By recognising the independence of the Baltic states, the newly-formed State Council has again shown that no sovereign nation can forever be kept conquered against its will.

We hope the new Union will continue to develop economic and political relations with Bangladesh which received a boost following Foreign Minister Mustafizur Rahman's recent visit to Moscow. The opening up of the USSR will also provide an excellent opportunity for Bangladeshi entrepreneurs to market their low-technology but good quality products at a competitive price that is likely to be in high demand by the consumers of the various republics. The new political reality should provide the groundwork for a more vigorous trading relations between Bangladesh, the Union and the three independent Baltic states.

A Memorial to Alauddin

In Kolhapur, India, there's a statue in a prominent public square. It is the bust done in stone of the great musician Alauddin Khan. The great teacher was not a native of Maharashtra but came and settled there — and proselytized the whole of the Marathi people to the delicate beauty of his art — something that had come down to him from across centuries of devoted cultivation. In Brahmanbaria, or in Dhaka or even Calcutta, one wouldn't come across anything reminding one of Alauddin Khan, the guru of gurus of the Hindustani or north subcontinental music. In Shibpur, Brahmanbaria, he was born and drew all his life's inspiration from his family there — especially his elder brother Aftabuddin and Gul Mohammad, the father-in-law of Aftabuddin. It baffles understanding as to how the highest form of the subcontinental music which could be heard only in the 'darbars' of kings — dhrupad by name, travelled to this undistinguished family of cultivator-musicians in that river-skirted sleepy village. Bangladesh should long ago have celebrated this by honouring Shibpur.

Both Dhaka and Muktagachha in Mymensingh are inextricably linked with Alauddin's odyssey to high music. At age eight he fled home to Dhaka and he served as a member of one of the famed brass-bands of Dhaka. At Muktagachha he had his baptism in high music by being accepted as a disciple of the Sarodia Ahmed Ali Khan. And in Calcutta, under the tutelage mainly of a Goanese teacher and Nulo Gopal and Habu Dutta, he matured as a musician acquiring virtuosity in all kinds of instruments from the clarinet to the violin. None of these places seem to take pride in their association with Alauddin. It is easy to explain our part of the failure — music still doesn't occupy an important place in the educated Bangladeshis' life and in the Bangladesh society in general.

Alauddin, who became the best carrier of the Seni tradition of music — music that was practised by Tansen — by being accepted as the main inheritor of Wazir Khan of Rampur, fused in one integrated form all of what he had learnt in a long life — in Shibpur and Calcutta and Rampur — and revolutionised Indian high music. And by founding the Maihar Band he made the first experiments in India of western-style orchestration which he carried on with profit in his days with Udayshankar, in Almora and abroad in the sojourns around European capitals.

The best way to pay some of our debts to Alauddin is to initiate our society at large into the beauties of our high music. That's a tall order, to be sure. We recommend to society and government to build a memorial to him. It was very heartening to see Bangla Academy observe the death anniversary of the great Ustad. It was a sad slip on the part of the Shilpakala Academy not to do anything in remembrance of the great man.

Rural Industrialization and Agrarian Reform

THE rural industries in China today employ 95 million people and last year generated 13 billion dollar worth of exports; and they have managed most of this within the past ten years. If we can achieve only 10 per cent of what the Chinese have done by the end of this century, it would dramatically alter the present state of underdevelopment taking the economy to the high growth path aimed at achieving the NIC status.

Non-farm industries can quickly absorb large numbers of underemployed rural labourers mostly from the landless and near landless rural households. If the target of 10 per cent of what the Chinese achieved is feasible by the end of the century, then 9.5 million engaged in rural industries compares favourably with 6.8 million small scale lease holding farmers created as a result of the agrarian reform proposal. Many landless households would also be engaged in agricultural service and related enterprises. Intensive irrigated agriculture would vastly increase the demand for farm labour. Thus within a rural upazila, the combination of developments is likely to generate excess demand for labour which in turn should induce an increase in the rate of participation of women in the labour force. In fact there should be fiscal incentives to employ more

women in rural industries, as appropriate. This will inevitably prevent many potential pregnancies and sharply cut down the birth rate.

Not only rural underemployment will be eliminated, non-farm industries can rapidly increase rural income growth. Industrial wages, even though rural industries, tend to be higher than the farm wage rates, apart from that, the number of wage earners per rural household will also increase: both husband and wife working with the children in school. On the other hand, the major source of investment in rural industries will be the compensation paid to the non-cultivating landowners. In majority cases, the returns from non-farm industries are likely to be substantially more than the landowner's share of the gross output from the land surrendered. Rural income growth is therefore inevitable.

Market Towns

Such expansion of the non-farm sector would strongly assist in the physical development of upazila headquarters as market towns, thus distributing urban growth all over the country instead of urban concentration of Dhaka, Chittagong and Khulna. In particular, growth of the farm sectors, increasing demand for agricultural inputs and services, export processing, rural housing and technology trans-

fer to rural artisans constitute the basis for rural industrialization leading to the development of upazila as small towns with population of 50,000 to 100,000.

Urbanization through development of rural market towns is better suited to our conditions of small size, dense population and extremely limited surplus for investment. This is because local governments are in a position to collect development tax from the non-farm enterprises and invest in the urban

economy to benefit from the modernization of the nation's economy.

The Comilla model of rural development led to the setting up of the thana training and development centres. The programme was further intensified by upgrading the thana into an upazila and creating elaborate administrative facilities at the rural country level. But it did not promote rural growth because there was neither tenurial reform nor generation of capital to invest in non-farm enterprises.

From LDC to NIC by Shahed Latif

Infrastructure like water supply, power generation, schools, hospitals etc. In contrast, government funds, a large part of which is committed to the payment of compensatory investment entitlement to landowners, would be limited and it is not possible to tax the rural households to finance the construction of market towns.

Eventually some of these small towns may further develop into small cities; and play an even bigger role in rural modernization by serving as a link between the city and the village. Such urban centres can act as the most effective conduit through which technology and information can be quickly transmitted to enable the rural

Setting up more government offices only increase the burden on the budget. It will not automatically lead to rural growth.

Non-farm industries

What are the non-farm industries to be developed in Bangladesh? Two broad categories for programming purposes will be helpful: non-farm industries induced by growth of agriculture; and those independent of the primary sector. The beginning should be made with the setting up of labour intensive export processing industries in garment, leather, electronics, plastic products, in fact any and every product where unskilled labour costs constitute a significant pro-

portion of the total cost. Second, modernization of traditional handicrafts, the pottery industry, gems and jewelry making and other handicrafts can enhance the productivity of millions of rural households in the short run.

The upazila headquarters can become the centre for such traditional but modernized crafts. In fact many upazila of the former districts of Dhaka, Pabna and Tangail can become the manufacturing towns for fabrics, specialized textiles and other related products. In coastal upazilas, fish canning industries should flourish. Imported timber can be the basis for manufacture of furniture for export. Similarly, gem stone cutting and polishing, jewellery are highly labour intensive and we can be competitive in the export market.

The above is the export phase of industrialisation. It must at the same time possess a solid indigenous base and this will be provided by the growth surge in agriculture induced by agrarian reform. Take for example the high growth potential transplanted aman area where if irrigation is assured, triple cropping of high yielding varieties of aus and aman paddy followed by short-maturing variety of maize is possible. But such upsurge in growth would require paddy processing and integrated by-product utilization, resulting in

consumable products (rice, edible oil), poultry feed, paddy husk for fuel leading to other types of farm and non-farm enterprises. At the same time, farm level demand for agricultural machinery, blended fertilizers, other agrochemicals, irrigation and transport equipment could spur the development of new categories of metal and chemical industries as well as maintenance and field-level service enterprises. Demand for basic consumer goods (clothes, utensils etc.) and housing by small farmers' households would also increase leading to yet new enterprises at the upazila level.

Agrarian reforms generate the capital to invest in rural industries, through payment of compensation to land owners which can only be used as investment. Second, agrarian reform promotes the entrepreneurs on the one hand and the small farmers on the other.

Thus the markets for manufactured products are developed simultaneously with the capacity for industrial management as well as capital funds.

Most important, the land compensation money, to begin with, can be invested in labour intensive export manufacturing while the growth in agriculture and technology transfer to artisans should fuel the successive rounds of rural industrialization.

Hopes Rise for a New Era in Troubled Guyana

Edwin Ali and Nills Learmond Campbell write respectively from Miami and Georgetown

Delays in holding a general election in Guyana look like ensuring that when the people do go to the polls the ballot will be free and fair. The activity of overseas observers and government agreement to change the registration and voting systems have gone a long way towards raising these hopes in a country with a long history of vote-rigging.



pear fed up with the ruling party.

The business sector seems to be supportive of a change of government and is putting its weight behind the PPP, even though the party has not yet outlined its strategy for economic growth.

Guyana's politics are perplexing. The British engineered the racial division in 1955, when a split in the PPP fused the East Asians under Jagan and the blacks under Forbes Burnham, who was president until he died in 1985.

After the split the East Indians moved behind Jagan and the blacks followed Burnham to the detriment of the entire nation.

Twenty-five years of mismanagement, squandering, corruption and nepotism have

taken their toll and today even PNC diehards have called for a change in government and openly supported the PPP.

The PPP is assured of massive if not total, support from its workers within at least two of the three main export industries — sugar and rice. Bauxite workers, mainly PNC supporters, have also expressed disillusionment with the government.

A PPP government could take the first steps towards economic transformation and pave the way for industrial development of a kind never seen before in Guyana. The country has vast resources — bauxite, gold, precious stones, manganese, copper, fertile land, and perhaps oil.

Since Hoyte became President on Burnham's death

he has taken many realistic and laudable steps, but his government seems incapable of easing the discomfort of the population. His economic recovery programme has been criticised as too simplistic.

A fact-finding mission sent to Guyana by the Caribbean Conference of Churches (CCC) said it found "an all-powerful and pervasive sense of hopelessness" and called on the government to scrap the plan.

The mission chairman, Anglican Bishop of Barbados Drexel Gomez, said the thrust of the scheme was futile. The report said the US and Britain had a moral responsibility to help Guyana because of their roles in the Fifties and Sixties in exploiting racial cleavages.

Meantime, the government

has put up several industries for divestment — Guyana Airlines, Guyana Fisheries, Guyana Stockfeeds, Guyana Soap and Detergents, National Paints, Transportation Services, and Demerara Woods.

People are beginning to focus on the overseas groups that have been invited by Hoyte to observe the elections. One is being sent by the Commonwealth, and others by the Caribbean Community (Caricom) and the Jimmy Carter Election Centre.

An advance Commonwealth team of four — two observers from Canada, one from Trinidad and Tobago and one from Jamaica — was sent in May to monitor the enumerating of voters.



Cheddi Jagan
Premier 1961-64



Forbes Burnham
PM then President 1964-85



Desmond Hoyte
President 1985-

Uganda

The Asians Return

Expelled en masse in 1972 by the exclusionist policies of Ugandan dictator Idi Amin, Asians are now returning to reclaim their homes and properties. Richard Tebere of IPS reports from Kampala

NAZMU Virani left Uganda penniless in 1972. In June he returned here leading an eight-man trade delegation from Britain to explore investment opportunities.

Now chairman of Control Securities, Virani ranks among the top 200 richest men in Britain. He wants to invest in property and leisure in Uganda.

Another London-based lawyer, Mumtaz Kassam, is setting up an office in Kampala to help process repossession claims for returning Asians.

The Aga Khan, the head of the Ismaili Islamic sect, has undertaken to guarantee loans of up to US\$500 million for Asians wishing to invest in Uganda.

Attracted by the liberalisation of the foreign exchange market, which makes it easy to repatriate profits, British Asians expelled en masse from Uganda in 1972 by dictator Idi Amin Dada have started coming back to their old homes.

Amin, ousted in 1979, had proclaimed an "economic war" to free the country from foreign domination. But after the expulsion of 60,000 Asians, Uganda's commerce and industry collapsed.

As the Asians regain their property and business, not only are shops in Uganda looking well-stocked but also prices of basic consumer goods are stabilising.

Behind attempts to attract back the Asians, is the government's desperate need for development capital and the desire to revive 7,000 abandoned properties which in 1972 formed the backbone of Uganda's economy.

Though rundown, the properties have the potential to make an impact on rehabilitation and growth of the economy. In 1989, they were valued at one billion dollars.

Additional pressure for the return of the Asians has come from the World Bank and the

International Monetary Fund which have tied future assistance to Uganda to the restoration of confiscated Asian properties.

President Yoweri Museveni's government is aware that its stability to attract foreign investments hinges on how much trust it can garner from the international community. It has to demonstrate that it respects property rights.

But these plans have run into opposition from local traders and tenants, many of whom occupy the "abandoned" properties.

Returning Asians have renovated the buildings and hiked rents to levels which meant throwing out local business people.

Some Ugandans fear that they are being "pushed out of town by Asians" and that government is exposing the economy to "foreign domination". They see this as a betrayal of the ruling National Resistance Movement's objective of creating "an independent, integrated economy".

But Ugandan businessmen lack the necessary capital to buy property and the credit system in Uganda ceased years ago.

The Ugandan parliament in June "reaffirmed the right of individuals and companies to possess their property". But the House cautioned that this should not be done in a manner that "disrupts the social, political and economic set-up".

Most of the returnees have not invested in long-term projects. Their concentration is in import/export trade, foreign exchange transactions, restaurant and hotel business. A few are exploring opportunities in processing fruits, vegetables and fish for export.

Government has allowed individuals to retain 100 per cent of foreign currency proceeds from such non-traditional exports. Returning Asians find this field particularly attractive.

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.

Soviet Union and peace

Sir, An ominous sign is looming large over the world as the Soviet Union is on the verge of coming apart. The country, though some have ceased now to think it to be a superpower, still can help maintain balance on the earth. We wonder the world is not gradually inching its way towards a holocaust of nuclear war. We are not against democracy in the Soviet Union. What we are against is crumbling of the country. And the Soviet Union in a whole has a lot to do with maintaining peace in the world. Unfortunately, western countries are trying to cash in on the country's (Soviet Union's) shattered economy. It is really shameful to see how the European countries are exposing

ing their fang by venturing to recognise independence of some republics of the Union; it looks like that their decisions were premeditated. We would urge the world leaders to think seriously about ensuring peace on earth and in that regard find ways to keep the Soviet Union integrated.

A M M Tarik
Middle Hattishahar,
Chittagong

Repair of roads

Sir, The road adjacent to the historical Khan Muhammad Mirza Mosque, Churhatta Street from Urdu Road and Sheikh Saheb Bazar Road under Lalbagh police station in the old part of Dhaka city are very busy. These roads were dug for line repair or installation by WASA in Ramadhaan last. But the holes and

Women's university

Sir, According to the World Development Report (1990), female enrollment in higher education in Bangladesh is only 0.8 per cent, lowest in South Asia. Unfortunately, the twin evils of campus violence and session-jam of the recent years have most adversely affected female enrolment in higher education. The situation has aggravated further because of

steady deterioration in moral and social values, eroding the traditional mother-image of women. Hence it is no wonder that parents as well as girls themselves feel extremely discouraged to opt for higher education, resulting in very low enrollment of girls in higher education, with its disastrous repercussion on female labour force.

In order to encourage female participation in higher education, women's universities exist in many countries. The Mother Teresa Women's University in the Indian state of Tamil Nadu is an example at point. In fact the establishment of women's university in Bangladesh is long overdue. The vacant campus at Gazipur near Tongi, previously occupied by the Islamic University, offers a great opportunity to start the proposed women's university immediately without recurring heavy capital expenditure.

May I request the present democratically elected government to seize upon this opportunity for promoting the cause of higher education for women in Bangladesh?

Nazrul Islam
Farmgate, Dhaka.