

## Signal from Kuala Lumpur

On the face of it, the communiqué issued by the meeting of the Commonwealth Finance Ministers, just concluded in the Malaysian capital, offers few new ideas for tackling economic problems of the developing world. However, it is the timing of the conference that adds strength to the views expressed in Kuala Lumpur. Some 46 senior ministers will now communicate their views to the meetings of the World Bank and the International Monetary Fund (IMF) opening in Bangkok this week and later to the Commonwealth Summit of Heads of Governments at Harare. Hence, even if the KL Communiqué repeats a number of well-established positions held by poor nations of the world, there exists a good opportunity for holding serious and, hopefully, productive discussions on the issues concerned in both Bangkok and Harare.

The signals from Kuala Lumpur relate to two particularly important areas, among others. In the first place, the chairman of the meeting, Anwar Ibrahim, the Malaysian Finance Minister, undoubtedly spoke for all other participants when he made a plea that both the World Bank and IMF should be "flexible" in offering, often insisting on, terms to developing countries. He was right in suggesting that while conditions, incorporated by these organisations and other donors in their aid pledges, were generally "sound", they often failed to take into account local conditions in a developing country, uncomfortably placed at the receiving end. Thus, a sudden and a drastic end of all subsidies on food and other essential commodities, as often urged by the two aid agencies, can cause severe hardship among the common people in a poor African or Asian country. Similarly, a full-scale drive towards privatisation in the industrial sector can produce serious economic dislocations if the local capital and expertise are still falling behind in taking up the challenge.

While one hopes that meetings in Bangkok will produce the right kind of interactions among participants from developing countries, their colleagues from industrialised nations and senior executives of the World Bank and IMF on "aid conditionalities", it is essential that their deliberation leads to some major decisions, if not a breakthrough, on the other issue raised at the Kuala Lumpur meeting, namely, the debt relief for poor nations of the world. Here, one plea from the meeting of the finance ministers is based on the call from Britain that industrialised nations should accept the "Trinidad terms" to slash the official debts of the poorest nations by \$18.6 billion and reschedule the rest on more favourable terms. Again, they have also made a perfectly reasonable point that the donor nations should follow a "consistent" policy in dealing with debtor countries. This is in reference to the decision taken at recent meeting of the Paris Club to reduce by 50 percent all loans owed by Poland and Egypt, a concession which does not so far apply to other developing countries. In dealing with this complex issue, it is more important for donor nations to be consistent in their policy than to adopt the line of political expediency.

How good are the prospects of the meetings in Bangkok offering a new formula for the relief of debtor nations? We will have the answer in a matter of days. However, the decision taken on Friday by European Community countries to "forgive" up to only \$ one billion of debts owed by African, Caribbean and Pacific countries, out of the total of \$150 billion, which even the EEC Commission regards as "hopelessly inadequate", inspires little confidence about the attitude of at least a section of industrialised countries. On this score, as on all other issues to be taken up in Bangkok, we reserve our judgement and even maintain a degree of cautious optimism.

## For a National Design Institute

Underdevelopment is a product of underutilisation of man's immense array of proven and existing capacities. The first and foremost of these are man's idea of himself and the world around him—giving birth to the arts and philosophy, culture and ethics and gifting man with a worldview. In the underdeveloped societies these get the worst beating. Then comes the questions of what man can do rather than what he can be as covered by the first category. This second category encompasses man's knowledge lending to scientific generalisations and all of man's technical mastery of his surroundings and nature. Underdevelopment issues form a complete cut-off of the historical developments of individual societies in these matters. The two categories combine to result in dismal underutilisation of not only such expertise that come from philosophers and historians but also mathematicians without whose help all science and technology cannot take root in the native soil and would remain as transplants that the body doesn't take.

The above is obvious. What is scandalous and is yet not quite recognised is the underutilisation of a hundred per cent application-oriented skills and expertise such as those that the physicians and engineers practice although our country is in so much in need of these kinds of persons and their capacities.

In the above background it is quite natural that the importance of 'design' in the economy of the nation, or even in the life and being of our society itself has remained largely unrecognised. In the advanced nations the word has a very large connotation. In our backwardness we use the word in a very narrow sense, harking back all the time to textile design.

It is our good fortune that way back in the sixties the then government set up an agency with no less celebrity than the painter Qamrul Hasan as its chief. In the last two decades and a half, the yeoman service rendered by that set-up notwithstanding, nothing has been done to bring in other areas of that all-important thing basic to all innovation and fabrication.

It is high time that we realised our lapse and set immediately to work for setting up a 'national institute for designs and crafts', as demanded recently by the Charushilpi Sangstha — the national forum of the painters of the country. The call gains in importance by a recent rumour of the BSCIC-run Design Centre — the above-mentioned agency set up by Qamrul — being cut and reduced to half its present size. The best way for the nation now would be to go for the enlarged national institute and dovetail into that the whole of the Design Centre.

## Economic Growth in the Borderless World

THE convulsions in Eastern Europe, pulling down of the Iron Curtain and demolition of the Berlin Wall have totally reversed the world order that came about after the end of the Second World War. The political changes are fundamental while the economic changes have released the forces for rapid unification of the world economy. The transition from central planning to market economy even without the corresponding political changes in some countries inevitably means that structural differences among national economies would vanish in the long-run. It would now be a single economic system the world over. A truly global economy is soon to emerge.

Isolation is a thing of the past. Our economic prospects are now entirely dependent on the international market place of an increasingly intertwined world. In the age of electronic data transfer, money and information are instantaneously transferred. The slightest turmoil in the New York stock Exchange is felt round the world within the next few hours. Foreign exchange rates rise or fall in sympathy of each other. In order to know the exchange rate of Yen, it is better to know about American dollar first. A subsidy reduction in Japan or an increase in the interest rate by the US Federal Reserve are not domestic policy decisions any longer. Their implications are global. No economy can therefore remain isolated.

The NICs today and the countries which are rapidly marching ahead to become NICs tomorrow are the major beneficiaries of the borderless global economy. Economies

like Korea, Hong Kong, Taiwan, Singapore have achieved the NIC status in spite of being extremely resource poor only because they aggressively moved into the borderless market to sell the newly manufactured products and services. In a strongly inter-linked global economy, the key success factor shifts from the resources to the market place, in which one must participate in order to prosper. Natural resources do not any longer constitute wealth. It is the people who create the wealth.

## Hard Work

In Bangladesh, the image of a burlap of paddy and pond of fish strongly persists. It is a common belief that the country was a land of milk and honey, but past exploitations by outsiders had denied the wealth to the sons of the soil. On the other hand, in countries like Japan and Korea children are taught that they are resource poor. Therefore hard work is necessary to earn a living. 'Sonar Bangla' was never a land of gold but it could be a land of gold through hard work.

The compelling need to work hard or perish should be realized very early in life. It would gain in strength as years go by if the process of creating values through the people is vigorously pursued by the nation-state.

We are a resourceless small country with high density of population. Same is true of practically all the NICs today. The only, and a very critical only, difference is that our huge population is largely illiterate, while well educated population is the basic pre-condition for the uphill march

to NIC status. The priority of education is well appreciated in Bangladesh. But the concept of borderless world should be explained further.

Simply stated, it would first of all mean that unrestricted merchandise trade, both export and import, can be carried out from Bangladesh. It is free international trade without the constraints of tariff or inducements of subsidies. At the same time, the currency should be freely convertible. Any amount can be bought or sold and freely exchanged into other currencies. This however usually follows stages of development. First, foreign capital inflow is vigorously encouraged but outflows are qualified by the amount of

inflows made in the first instance; as for example, repatriation of profits earned as a result of investment originally brought in from abroad. As the volume of foreign trade expands, restrictions on currency movements are gradually relaxed for bringing about a true borderless world when movement of goods and services as well as currency transactions across the border in any form would no longer constitute smuggling but legal trade.

The question still remains as to how we could possibly compete with the efficient producers of East Asia in the international market place? The two biggest sources of our exports today, frozen fish and readymade garments enjoy no government protection, sub-

sidy or assistance. In fact in case of the garment industry, government even hardly had any promotional role to play. Yet they flourish simply because we have the ability to export at a competitive price. Now why not from the garment sector proceed to the manufacture of fabrics or from frozen fish to fish canning. The international market abounds in such golden opportunities. People must be enabled to bring out their abilities, to create the demand for the fruits of their hard labour.

But the false image of bounties of the past deeply ingrained in our mind work against the spirit of hard work. There is a continuous striving to find the easy way out. No,

there are no short cuts like cheating in the examination to pass. Children must be repeatedly told in the classrooms, movies made and campaigns launched in the mass media that we are a resourceless, poor country. Hard work is therefore a must to produce the best. Only then we can earn enough and prosper within the lifetime of most of us alive today. Workers must realize that if goods cannot be produced efficiently, if quality control is not maintained then we would fail to sell abroad. The inevitable consequence is unemployment; going without food and shelterless in a stormy monsoon night. Every Japanese or Korean is fully conscious of this reality. We are not.

It is not only that we have no resource, but even if we had, there is no guarantee that

public's attention on the issue. Vietnam denounced the photo as a fraud, saying it was part of a conspiracy to sour US-Vietnam relations. US investigators said the photo may have been taken from a Soviet magazine just like other known fakes produced by hucksters and con men.

Most leads come from refugee camps along the Thai-Cambodian and Thai-Laotian borders, where refugees anxious for asylum in the United States are interviewed daily. The photo of the three airmen apparently came from an aid

in the middle-east or professionals in North America have proved to be no less than others in terms of standards of work or technical competence. Why it can't be the same back home?

Yes, it is not the case so far because opportunities are lacking and such lags would remain so long initiatives were not taken towards a borderless economy. What are these initiatives? The answer can best be provided by what it is not.

I know of a Japanese electronics manufacturer who visited Dhaka to find out the possibilities for setting up a TV assembly plant. Within less than 24 hours of his landing at Zia International Airport, he decided against it. His Bangladeshi partner could not assure him of 300 working days in three shifts per annum. He came to know of the huge loss suffered by PDB. He realized that power shut down would be inevitable. He could not get Tokyo on telephone. Local banks could not convince him of the efficient service, he expected. Clearance of imported component would take time while containerized export of manufactured TV sets was likely to suffer from delayed shipments. At dinner in the residence of his local partner, he was informed that there was no water in the tap. He left Dhaka the next morning for Bangkok where he decided to expand his existing factory in Thailand instead of investing in a new plant at Dhaka.

To create a borderless economy through government order is not enough. To exploit the opportunities, the right conditions must be created first, well within the national boundaries.

## From LDC to NIC by Shahed Latif

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## Competition

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## Vietnam: 'MIA Hunters'

The suspicion that there are still US soldiers missing in action in Indochina continues to cloud relations between Vietnam and the United States. Philip Smucker of IPS reports, from Bangkok.

economic revolution.

Some observers say the US lobby for the MIA issue and against the lifting of the decades-old economic embargo is driven by people who are vehemently opposed to the communist government in Hanoi.



There are plenty of people out there who want to spend the rest of their lives bringing down the Vietnamese government," said Raymond Eaton, chairman of the Indochina markets committee of the American Chamber of Commerce in Thailand.

Eaton is spearheading a drive to end the embargo against Vietnam. But the US MIA issue appears mainly to be kept alive by politicians in Washington who are lobbied constantly by families of the missing.

In a recent letter to the National League of Families of US Prisoners and Missing in

Action of South-east Asia, US President George Bush said the MIA issue was a top national priority.

"If any Americans are still being held captive, decisive action will be taken to bring them home," Bush said.

Since the Vietnam War ended, MIA hunters, and often desperate lot of politicians, family members, journalists and mercenaries, have been searching the far corners of Laos, Cambodia and Vietnam for any clues to the fate of missing US servicemen.

Most have discovered that they have become the victims

of a cruel hoax. After 15 years of sifting through reports and photographs, US officials have found no evidence of surviving MIAs.

Recently, a photo purportedly showing three US airmen being held prisoner in Indochina refocused the US

## OPINION

## All About Telephone

M A Mohaimen

The way the former government raised telephone rates successfully, it became impossible for the middle class to maintain a telephone. In bygone days, a telephone could be regarded as a luxury item, but today it is an essential facility for the common man. In the context of the expansion of city limits and rise in transport fare a telephone has become indispensable as a means of communication. In this situation the repeated and irrational hikes in telephone charges are too heavy for the common subscriber to endure.

Before liberation the telephone rate was 25 paisa per call and line rent of rupees ten per month. After liberation the line rent went on increasing and reached Taka 60 which, by another big leap in 1989, was raised to Taka 150. This was absurd. The call charge was also raised repeatedly from 90 paisa then and today, with the addition of the different levies, it is Taka 2/- Besides, an excise duty of 15 per cent has been imposed on the total monthly bill which works out to an additional 25 paisa per call.

Before and after liberation, till the time of President Ziaur Rahman, excise tax was unheard of. Excise duty is usually claimed on alcohol and narcotics. How this tax came to be levied on telephone is a mystery. As a result of this, the call charge which amounted to 25 paisa before liberation has now reached Taka 2/-, which is unrealistic and unendurable. Before liberation the installation and shifting charges of a telephone were Taka 500 and Taka 250 respectively. But during the autocratic rule of General Ershad the charges were raised to Taka 30,000 and Taka 5,000. However, on request from Bangladesh Nagarik Adhikar Parishad the present government very recently decided to reduce it to Taka 20,000 and Taka 2,500 respectively.

In the perspective of the financial ability of the middle class people we consider these amount also to be very high. As the installation of a telephone does not virtually cost more than a few hundred Taka. (Then certainly did the former government levy such absurdly exorbitant charges that none but the rich could have access to a telephone?) On the other hand, those subscribers who live in rented house find it very difficult to change their

address and have practically been made hostage to the landlord.

The price line has no doubt moved upward everywhere in the world, including the neighbouring countries. Telephone rates have also risen along with the rise in the prices of other items. But the increase in telephone rates in our country has no parallel in any other country. In West Bengal before 1971 the telephone rate was 25 paisa per call and a line rent of rupees ten; at present the call charge and rental have not been segregated and fixed rate of rupees 330 is charged for two months which provides 244 free calls with 50 paisa for each additional call. There the installation and shifting charges are unchanged at rupees 500 and rupees 250 respectively. At the existing rates a subscriber in West Bengal does not have to pay more than rupees 165 or 170 per month for his telephone. But in our country each call entails three wrong calls or ghost calls on an average and the total monthly bill on average comes to Taka 1000 to 1500. In Pakistan too the telephone charges are more or less at the former level and a subscriber does not have to pay more than rupees 150 to 200.

The former government introduced digital system in Uttara and some other areas of the city. At that time it was said that the digital system would eliminate the frequent ghost calls and cross connections and other disorders and for these benefits, the line rent was fixed at Taka 250 and call charge raised to Taka 3. But in practice it was found that digital telephone functioned in the same way as analogue telephone. That being the case, it is not clear to the people why more than Taka one crore was spent in this poor country for partial switchover to this system. It is significant to mention here that both India and Pakistan, while more developed than us as regards commerce, industry and economy, have still retained the analogue system.

When introducing the digital system line rent was raised to Taka 250 with assurance of better service. Now the rent has been reduced to Taka 150. But why then rental of analogue telephone was suddenly raised to Taka 250 and brought at par with that of dig-

ital phone? The Telephone Department owes the people an explanation. As excess expenditure in this sector hits the common subscriber, in the same way an inflated telephone bill hits commerce and industry. The quality of service of the telephone department is at present deplorably low. Most telephones remain out of order for fifteen days in a month but the amount of the bill remains high all the time. At the time of dialling sometimes one is dismayed to find the dial tone ringing as soon as one has turned the first or the second digit, at other times there is no tone of any kind even after turning the sixth digit! If the number called is engaged or out of order, a 'broken or continuous tone is supposed to ring. But often no such tone rings. Commonly three wrong calls are rung before a caller reaches the right number, which puts a further financial burden on the subscriber. Sometimes it takes hours to put the call through. Many tend to regard the telephone as a painful necessity and would be happy to be able to do without one.

In this situation the citizens find no justification for continuously raising the charges without improving the service. We on behalf of Bangladesh Citizens Rights Committee call upon the Telephone Department to withdraw the unreasonable raises in rates for the greater good of the country. We request the Ministry of Telecommunication to take appropriate steps in this direction. We propose that here too fixed charge should be introduced with 200 or 300 free calls, in the line of system followed in Calcutta and the fixed charge should not be more than Taka 300 per month. Stories are heard of corruption in the preparation of bills with the involvement of employees. It is often alleged that the bill of one subscriber is switched to another subscriber in return for illegal gratification. Inflated bill also sometimes results from mechanical breakdown but the bill can seldom be got amended. We think that the policy of fixed rate will save the subscriber from the alleged rapacity of the employees of the department. The citizens hope that the above measures will be taken to enable the middle class to afford a telephone which is an essential adjunct of modern life.

## To the Editor...

## Restructuring exercises

Sir, Restructuring exercises are better than no restructuring, for example, the creation of DESA. But the question remains: how do we restructure the human mind (viz corruption, undesirable activities, etc.)? Serving 'old wine in a new bottle' might not solve the problem, and achieve the desired goal. There should be a process for the removal (or punishment) of the undesirable persons responsible for the human weaknesses. A system cannot run efficiently with bad elements forming a part of the system — the strength of a chain cannot be greater than the weakest link.

The administration has to face reality and be prepared for some drastic pruning; regardless of agitations which go against public interest. The 'human' system loss has to be

initially confined within 10 per cent (we all cannot be angels). Sceptic Consumer Dhaka

## Magic of 'M'

Sir, Since independence, successive governments, came to power to run the affairs of Bangladesh. Interestingly, the Ministry of Home Affairs remained within the captivating charm of 'M': Till date, the principal name of all the ministers representing the Ministry, begins with English letter 'M'.

The above nation will be transparent from the examples — Mujib period: 1. Abdul Malek Ukil, 2. Md. Abdul Mannan, Zia period: 1. Lt Col (Rtd) ASM Mostafizur Rahman, 2. Prof Abdul Mattin, Ershad period: 1. Major Gen (Rtd) Mahabbat Jan Chowdhury, 2. Major Gen (Rtd) Abdul Mannan Siddiky, 3. Major Gen (Rtd) Mahmudul Hasan, Khaleda Zia's Govt:

Abdul Mattin Chowdhury.

Isn't it a magic behind such continuity regarding the name of Home Ministers?

Md Monturizaman Tejaon, Dhaka

## Open B I T Rajshahi

Sir, I am a student of B I T Rajshahi. The college has been closed since July 28 last. The authorities still haven't taken any step to open the college. The students are just missing the time which they will never be able to avail of.

So it is our fervent request to the college authority as well as to the government to take necessary steps to open the college immediately and help us to continue our educational life for which our guardians are paying.

Sagar Uttara Model Town, Dhaka