

UNCTAD Challenged by New World Order

by Chakravarthi Raghavan

The Public and the FAP

Rarely has an initiative in this country been of such great complexity, aroused so much controversy, yet generated as much enthusiasm as the Flood Action Plan (FAP). Amid all the talk about a "multi-billion dollar" construction project, the fact that the FAP is, at this stage, little more than a series of studies and surveys, seems to have been lost. The main cause for this state of affairs has been the government's unwillingness to debate the Plan in public or to allow any criticism of the FAP.

Things, however, are beginning to change for the better, at least if the pledges made by officialdom at the Second Conference on the FAP, which ended in Dhaka recently, are anything to go by. The Flood Plan Coordination Organisation (FPCO), which is the government body engaged in overseeing the implementation of the FAP, has gone on record at the conference as saying that all documents related to FAP studies and surveys are now open to public scrutiny. More important perhaps, is the provision of public participation as one of three principal criteria every project has to fulfil before being approved for implementation. This undertaking by the government of Bangladesh and donor countries to make environment-friendly, economic feasibility and public approval the determining factors of project acceptance, is a most welcome one.

However, as most experts agreed at the conference, it is much easier to talk of transparency and public participation than to actually carry them out. The responsibility to ensure that these statements are indeed acted upon, rests as much with the community at large as with officialdom. The media in particular ought to now hold the FPCO to its word, and make more investigative forays into the workings of the FAP than it had done before. The wall of silence which used to greet queries about such major undertakings no longer exists, we are told. It is upto us to make best use of the new openness in the greater public interest, and make sure the wall never goes up again.

One of the major concerns about the process now is how to ensure public scrutiny at the grassroots level, and how to monitor whether the feedback from rural areas directly affected by project works, is given enough consideration or not. The World Bank, which is the coordinator and co-funder of the FAP, is understood to be working out the modalities of community participation and proper monitoring of the process. Again, WB guidelines cannot be taken as the sole guarantor of public rights in this matter. The public itself has to take on the role of the guarantor.

In this context, the role of the members of parliament from affected areas is of paramount importance. The MPs ought to scrutinise every project from a purely public interest angle, rather than a short-sighted one which would only look at the monetary aspects of potential projects. The MPs would do well to contact academics and experts who have genuine criticisms of the FAP to have a clearly balanced evaluation of the benefits and risks involved. This would allow them to present recommendations to their constituents which are clear-headed.

The academic community too has a responsibility to generate greater public awareness about the Plan, and offer their help to representatives as well socio-economic organisations which may be interested in involving members of the general public in the process. One thing is quite clear: a concerted effort by all would leave the bureaucracy with no option but to dispense with a lifetime's habit, and make itself and its workings accountable to the public. A successful community participation with the FAP cannot but help create a culture of such participation in other areas of public life.

Going Home!

The Middle East rarely provides the world with any good news. Nor does Israel. Here's one piece of welcome information that makes an exception and offers a bit of hope for the future of that volatile region.

The latest western press reports say that hundreds of Russian Jews who had migrated to Israel in thousands have started returning to their original homes in various parts of the former Soviet Union and Ukraine. Reason? Not one but several, ranging from disenchantment with life in their "promised land" to a lingering nostalgia for their old ways, especially cultural, in Russia and other republics. The fact that in their old homes, they are no longer denied the basic human rights by the communist regime makes a big difference, although many remain worried about possible—in fact, real—growth of anti-Semitism throughout the former Soviet Union and in east European countries. As in life anywhere else in the world, for people of any religion, race and colour, it is all a question of weighing pros and cons. For hundreds of Russian Jews, it is still better to come back home than to remain in Israel, with Tel Aviv's financial assistance that many immigrants find a little humiliating.

It is hard to say how many have returned to their homes. It is harder still to speculate if this reverse trend will turn out to be a wave. One problem in getting reliable statistics is that most of the returnees are on tourist visas, as if they are simply paying short visits to the former Soviet republics, in order to evade repayment of loans made to them by Tel Aviv, not a particularly nice way of reciprocating Israel's generosity.

Let's hope that the trend continues and eventually makes it possible for Israel to halt the settlement of Russian Jews in occupied Arab territories. The process as such may not bring peace to the region, but it will certainly help. For the republics in the former Soviet Union, now facing the formidable task of reconstruction, the return of young talented Jews should also be boon. So, all sides gain when people go back to their own homes, instead of living on charity in a mythical promised land, at someone else's cost.

GENEVA: When the Eighth Session of the UN Conference on Trade and Development (UNCTAD) assembled in Cartagena de Indias on 8 February for what an UNCTAD press release had called 'forging a new partnership for development', it was in circumstances far removed from those envisaged by the institution's founding fathers.

The session at Cartagena of this quadrennial Conference was the second time it is held in the Latin American region. The first was in 1973 at Santiago de Chile.

When UNCTAD was convened by the UN General Assembly in 1963, following up on a decision in December 1961 for consultations on the desirability of an international conference on international trade problems, the push came from 75 countries in the Latin American and Afro-Asian regions and New Zealand, a country located in the geographical South at that time joining the economic South.

The political drive came almost in passing from the Non-aligned Movement (NAM) at its first meeting in Belgrade in 1961 and the Afro-Asian bloc at the UN General Assembly. The intellectual challenge to the then dominant economic theories and 'free market and free trade' theories came from Raul Prebisch and the 'dependencia' theories that he evolved based considerably, though not only, on the Latin American experience.

And it was Raul Prebisch too who understood the need for unity of the South that persuaded the Latin American group at that time to join the Afro-Asians to found the 'Group of 77', telling the Latin American group at the Geneva UNCTAD-I you need the Afro-Asians more than they need you.

But several within the Latin American region, and even

The Eighth Session of the UN Conference on Trade and Development had been going on for the most part of the month of February in Cartagena de Indias, Colombia. The world facing delegates at the conference was very different from the one that UNCTAD's founding fathers had to deal with when the institution was established nearly 30 years ago.

some associates of Prebisch, are now emphasising the different situations and stages of development of the South to argue for a loosening of the G77. There are also arguments for a closer Latin America association with the US and co-operation with the Bush initiative for an American regional free trade market centred around the US economic scene over the last two decades — of which the tearing down of the Berlin wall, the collapse of the Soviet and East European central planning, the Gulf War and George Bush's New World Order are more symptoms than causes — has given rise to considerable talk of the need for 'new thinking', 'new realities' and the need for 'flexibility' among the developing countries.

G77 Future at Stake

The G77 has called for 'a reinvigoration of the development dialogue' in its Teheran Declaration and documents in preparation for UNCTAD-VIII, and has said developing countries were ready to engage in a comprehensive dialogue on all issues affecting trade and development, including both international and national aspects, in a balanced discussion based on the imperative of genuine interdependence, taking into account the weight and impact of developed and developing countries in the world economy.

This dialogue towards a new partnership of development, the Group said in the Teheran Declaration, 'must be pragmatic and realistic, non-confrontational, based on a

mutuality of interest, and above all aimed at achieving through a gradual deepening of the international consensus on specific issues, concrete agreements that can be implemented (and lead) to the establishment of mechanisms for follow-up on the action agreed upon and monitor the extent to which they are being carried out'.

Prebisch, no Marxist or central planner, but a liberal classical or neo-classical economist, had reached the conclusion that however hard the people of the South and their countries worked to produce, trade and export, the international economic system was weighted against the dependent periphery. Without changes in the system, he concluded, the countries of the South could not move forward.

In the Teheran platform, as in the elaborate negotiations that led to the framing of the agenda and theme of the Conference, the G77 retreated considerably from the Prebisch emphasis on the international economic environment as the primary focus for change to enable autonomous development, and agreed to discuss domestic and international policies and the concept of 'good governance' so much pushed by the North.

Prebisch and the UNCTAD which he headed after its founding, in effect challenged the narrow concepts of the General Agreement on Tariffs and Trade (GATT), which had emerged as a provisional arrangement pending the Havana Charter and its much wider

International Trade Organisation, and its philosophy and trading rules dealing only with governmental actions.

These views were reluctantly accepted even in the 1960s by the North, but in the 1980s they came under attack from the US, which stressed the need for 'liberalisation', 'free markets' and domestic reform in Third World nations. At the same time, the US was striving to push Southern nations into colonial era-type relationships with transnational corporations (TNCs) through the GATT and the Uruguay Round.

The countries of the South, their corrupt governments and failed political systems, and even their people have been blamed for the ills plaguing the Third World, and a general retreat of the State from the economic arena has been advocated as a cure-all.

These theories are now ever more vigorously advocated and thrust on the South by the World Bank and the IMF, economists from Harvard and the University of Chicago and others, their ideological counterparts in the South and by East European political and intellectual leaders.

In the run-up to the Cartagena meeting, and particularly in the pre-negotiation Special Session of the UNCTAD Trade and Development Board, some of the developing countries have seemed to espouse such a radical vision.

The G77 too, insofar as its Teheran documents could be described as its views, appeared to have embraced some of these, though still calling for

changes in the extremely unfavourable external environment.

Ironically enough, as the developing countries and their economists are moving in this direction and are constantly being told that their inability to benefit from the world markets was due to their own faults, the two major dominant trading partners (the US and the European Community) are blaming not themselves but the third trading giant, Japan, for their economic and trade problems.

Nevertheless, even as the free-market ideology so ardently being embraced by the South seems triumphant, and national productive and economic structures are being dismantled and opened up for transitional capital ownership and takeover, the inviolability of free market principles is being challenged in the US itself and in other industrialised countries.

Some leading US trade policy theorists and economists are pointing to the 'imperfections' of the market as a reason why 'free market' and 'free trade' theories won't work and have not worked to the benefit of the US. Hence, they argue, there is a need for vigorous State intervention and support, in effect 'management' of the economy for 'fair trade'.

Very recently the head of the Organisation for Economic Co-operation and Development (OECD) Louis Emmerij described the East European fervour for marketisation, privatisation and withdrawal of the State, as a radical version of capitalism dating back to the 19th century.

A total reliance on market forces and opposition to any government intervention, he argued, would appear 'extremely radical for many people in the West' and would be considered an 'irresponsible' attitude.

And the World Bank, in a staff study that may or may not be reflected in its policies, has come to the view voiced by the non-government community in Latin America, namely, that the Bush initiative would benefit the US but not the Latin American region.

Call for Flexibility

In the G77 Teheran document, and even more in the internal meetings of the group, there was considerable discussion about the need for 'flexibility' in the functioning of the group system and need for institutional changes in UNCTAD.

The push for 'flexibility' and in effect abandoning the group system of negotiations came from the Latin American group and was reluctantly or otherwise accepted by the other two groups.

This 'flexibility' concept was qualified even by its protagonists with the view that to lead to meaningful results, it should be reciprocated by 'flexibility' on the part of the North.

At the special session of the Board, the Group B (the OECD countries) announced they would no longer function as a group on substantive questions and issues. This move was matched by the East Europeans who in any case now concur with most West European views, but are staking a claim for the shrinking pie of bilateral and multilateral aid and special trade and other concessions favouring the developing world.

The G77, chaired by Uruguay for the first quarter of 1992, also put into practice the call for 'flexibility'.

In practice, the Latin American and Caribbean group itself did not function as a regional group either, with individual delegations putting forth their views, while the Africans and Asians still seemed to be attempting to function as re-

gional groups.

But while the OECD group announced it would not function or speak with one voice or negotiate, its members seemed to be consulting each other extensively and attempting to coordinate their actions through the Paris-based OECD secretariat and the meetings there, as well as in meetings of the Group B in Geneva.

At the special session, it was clear that though various countries of the Group B spoke (with the 12-member EC continuing to function as a group, as it made clear even at the beginning of the Board) and offered comments, there was a remarkable coincidence of views and even language and words among the countries on most issues of substance in relations with the South.

The square-bracketed texts that have emerged after the special session of the Board show that while the countries of the South are trying to show 'flexibility' and trying to accommodate themselves and their views to the demands of the North, there is little evidence in the opposite direction.

Some of the delegates from the North have privately said that the Group had decided not to commit themselves or make any movements on substance until and unless the G77 agreed to the demands for institutional changes in UNCTAD and to altering the focus of its work.

Many in the G77, even when agreeing on the need for the institutional changes and on the need for a new focus for the institution, had been arguing that these must flow out of the agreements on substantive issues and questions.

No Agreed Document

The consultations on the institutional questions did not produce an agreed document, and the chairman of the Board, Ambassador Barnett of Jamaica, has agreed to produce a new text on his own responsibility.

Though the impression was left that compromises on these would not be difficult, there has been some apprehension that since the industrial world is not really interested in making any agreements of substance, even in terms of broad policy guidelines and objectives and for future work, the entire Cartagena meeting could get bogged down on the institutional issue. Thus, when an agreement (which the host country is pushing for) is finally reached, the North would quickly say there was no time for substantive issues and in effect jettison them.

At a press conference in Geneva before leaving for Cartagena, UNCTAD Secretary-General Kenneth Dadzie expressed some confidence that a consensus document would emerge out of Cartagena and said he did not see such danger of the Conference getting bogged down over the institutional issues to the point of neglecting substance.

With the main drive on international economic issues and dialogue now focussed on GATT and the Bretton Woods institutions areas where the developing world speaks individually and disjointedly and in effect is told what to do and accepts it, even UN institutions and their secretariats seem to be getting ready to reconcile themselves to this situation.

Nothing emphasised this more pointedly than Dadzie's comments at his press conference when asked about EC Commissioner Leon Brittan wanting GATT to move into 'competition' issues, thus preempting UNCTAD work on restrictive business practices. After stressing the complementary roles of the two institutions and the need for 'mutual adjustment' of practical work plans, Dadzie then added: 'But "complementary" is the name of the game'.

Third World Network features Chakravarthi Raghavan as Chief Editor of SUNS (South-North Development Monitor), a daily bulletin, and the Geneva representative of the Third World Network.

Facets of Fall-out from the Downfall of Russian Communism

by A S M Nurunnabi

FOLLOWING the collapse of Russian Communism, trends of certain significant developments are likely to influence the nature of global political scenario in the near future. In the views of the west, these developments are discernible in three main spheres, viz. the growing influence of Islam, the erosion of western values and interests in the eyes of the countries seeking a model for their future political evolution and the fear of arms race in Asia following the Soviet sell-offs.

It seems that there is now a growing realisation in the West that for 1000 years they have failed to understand Islam. They seem to feel that a system driven by God will always be more subtle, durable and rational than the one driven solely by economics as in the case of communism which the West failed to understand for 100 years.

In the calculations and fears of many in the West, Islam is now on the verge of replacing communism in the front line of opposition to western liberal democracy. The Iranian revolution has proved more permanent and successful than anybody expected, the Algerians voted in large numbers for the Islamic Salvation Front and the new Muslim states with nuclear weapons on their soil are rising from the ashes of the Soviet Union.

In western eyes, the Gulf states are either dynastic or military dictatorships and Iran is seen as a form of Stalinism with a religious rationale. The West may regard Islam as inadequate in performance economically, politically and culturally.

For 500 years, Islam stagnated and fell into a number of macro-political traps. Notably the collapse of the Ottoman Empire left a mass of fragmented and politically incompetent states dotted about the

Middle East. Bereft of viable, local political models, the Muslims tried to adopt western system, failed and fell into the inadequate pattern we see today.

Current Feeling

The current feeling in the west seems to be that 'intellectual Islam' is breaking out of its long paralysis. The West's five centuries of triumph is seen as over. A certain type of depravity does seem to be infecting western societies, underclasses are expanding, and crime is increasing. If all that is joined, as some now expect, by a full-blooded 1930s-style economic depression in the 1990s, the Islamic case may suddenly seem to be in a stronger position.

Strategically, the implications are obvious. Islamic states run along the southern shore of the Mediterranean. They still control the world's key oil supplies, and will probably have the right weaponry. With the break-up of the Soviet Union, they also now run along the southern edge of Asia. If the present incompetent ruling classes are replaced by people inspired by the new Islamic thinkers, then the region will soon make a mockery of the West's 'ignorance of Islam'.

Western Pressure

Western pressure for democratisation in Asia is said to be mounting after the collapse of communism in the Soviet Union. But, while the most prominent targets are China, Vietnam, North Korea and Burma, officials of other Asian countries complain of pressure to which they are subject to conform to what they contend, are essentially Western values and interests. The growing economic

strength of East Asian nations and their social advancement had altered Asian views of the value of British and US systems of Government.

Most of the non-communist East Asian nations that have impressive economic growth records hold regular elections but organize their politics and promote a system of consensus so that a dominant party or a coalition remain in office to provide stability, while allowing opposing parties to contest the polls. Countries with such a system include Japan, South Korea, Taiwan, Malaysia, Singapore and Indonesia. It is felt by political thinkers that this system of 'authoritarian-pluralism' is an effective alternative to Leninism and Western-style democracy in Asia.

When it comes to Western efforts, particularly US efforts, to encourage the democratization of Communist countries, Asian analysts worry that 'premature' change will cause instability.

Last year, countries in the Association of South East Asian Nations (ASEAN) resisted efforts by the European Community, the US, Canada, and Australia to have them join a boycott against Burma over the junta's refusal to hand over power to elected civilians of the opposition. The ASEAN members are also highly critical of a new EC policy to link trade to their records on human rights and to safeguarding tropical forests and the environment.

Arms Bazaar

The demise of the former Soviet Union as a military super-power has abruptly turned Southern Asia's capitals into arms bazaars. There the merchants from around the world are peddling the detritus of the cold war.

So great has been the rush to sell off the weapons of the Soviet empire that Western intelligence agencies fear the burgeoning trade could upset the volatile region's military balance. They are worried that rouge nuclear salesmen could help India, Pakistan and Iran with their secret programmes to build atom bombs.

But conventional arms are the more immediate concern in Southern Asia, where Iran and the sub-continent are locked in an expensive arms race. All have reasons to act as magnets for arms salesmen as alliances shift and new supplies are sought.

The Soviet defence Ministry supplied 80% of India's weapons and spare parts on generous terms. Now with the disappearance of that Ministry, Indian procurement agents have embarked on a disparate search to locate the suppliers in the newly independent republics, who make the spares and equipment they need.

Pakistan has also embarked on its own weapons scramble, but for different reasons. Cut off from its traditional American suppliers because of its nuclear programme, Islamabad is making overtures to China and its Islamic links with the Middle East to acquire new weapons. Its officials reportedly have also turned to international black marketeers for spares to maintain the country's American-made jets, tanks and helicopters.

On Pakistan's border, Iran too is conducting a multi-billion-pound arms build-up that is fast making it the dormant power in the gulf. Western intelligence says most of Iran's new weaponry has come from Red Army's vast arsenal.

This arms race is causing increased concern in the West. They fear the danger of a nuclear-armed Islamic federation stretching across the region.

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.

Harmful airconditioning

Sir, Airconditioning can be a home for bacteria as confirmed in a recent news item 'Airconditioning maintenance key to the eliminating a hazard' published in the media. The airconditioning equipment is a source of many problems specially in the maintenance of cooling tower and humidifier even for developed countries and naturally that can be more serious for devel-

oping and less developed countries like Bangladesh from hygienic point of view.

Toxins in airconditioning is being blamed for headache, cough, allergies and eczema. Our health authorities are not efficient enough to detect and eliminate diseases created by airconditioning. Unfortunately ideas of airconditioning and other luxuries have spread to our poor country without knowing the bad side of it. But we should avoid the comfort of

airconditioning in the offices, trains, buses, cars, shops and homes due to the following reasons:

- Airconditioning fan circulates the same air again and again reducing the percentage of oxygen inside the cool chamber. Due to the shortage of oxygen, lung and other parts of the body of the persons enjoying the airconditioning are definitely affected.
- Bangladesh do not manufacture any airconditioning equipment or its feeder gas. So there is no other alternative but to import these with hard earned foreign exchange instead of food grains so urgently needed by our hungry multitude.
- CFC gases are responsible for depletion in ozone layer of the atmosphere. These harmful gases are fed in all airconditioners. Bangladesh should not

add a minute quantity of CFC gases to the detriment of the protective ozone layer as she is looking forward now to get helps from world financial bodies to improve the environmental degradation.

Recognising the above facts, I hope our well-to-do people will avoid airconditioning totally.

M Alauddin
West Nakal Para, Dhaka

"Maulana Abul Kalam Azad"

Sir, The recently held publication ceremony of the book Maulana Abul Kalam Azad (some personal glimpses) by Prof Shamsul Haque Shaidai deserves special attention because the book speaks about a great Muslim luminary of our

age who had been very much misunderstood by his own co-religionists. All that the present generation in the sub-continent knows about the Maulana is — he was a politician, a Congress stalwart and an Imam who led the two Eid congregational prayers in the Monument Maidan in Calcutta, over and above he was always at a logger head with the Muslim League leader Mr Jinnah over the question of the creation of a separate state for the Muslims of India. This is all true, but it is not known to many that the Maulana was one of the great luminaries in the intellectual firmament of India.

The book rightly focuses on the Maulana as a great thinker and philosopher, a religious divine and a superb craftsman as a writer who had invented a peculiar prose style which could never be successfully

imitated by any one in his time or after. Maulana Haqrat Muhani, known as 'the king of Urdu lyrics', admits in one of his verses —

"Since I saw Abul Kalam's prose
Even the lyrics of Haqrat lost their savour"

The National Professor M Shamsul Haque is right when he says that, "It rebounds to the wisdom of the author that the focus of the book is on the indelible imprint that the Maulana left as a leading scholar, thinker and philosopher, gifted with a vision and poetic insight and imagination." The book, he said, may also serve to the promotion of good neighbourly relation through knowing the neighbour's great leaders.

(Prof) Ummu Kausar Salsabil Dhanmondi, Dhaka