

## The Trip to India

Prime Minister Begum Khaleda Zia leaves on her first state visit to India today with the best wishes of the entire nation. Rightly described by Foreign Minister A S M Mustafizur Rahman as a goodwill mission, the trip should mark a new beginning at the end of what had been an unproductive, almost sterile, relationship between Dhaka and New Delhi during the past authoritarian regime of Hussein Mohammad Ershad.

There are good grounds for expectations. Begum Zia undertakes the trip at the personal invitation of her counterpart, Narasimha Rao as the first democratically elected head of government, whose assumption of office also marked the restoration of parliamentary system in Bangladesh — developments which have been welcomed in India as in all other democratic nations of the world. This means that heads of two democratically elected governments talk the same language, more so because the government of Rao appears pragmatic, businesslike and committed to several shared objectives with Begum Zia in internal and regional economics.

Indeed, the expectations are there, but they must be put in the right perspective. The Prime Minister will discuss with her counterpart the whole range of issues which had adversely affected the relations between Dhaka and New Delhi during successive governments in the two countries, without, we hope, losing sight of our common interests at bilateral and regional levels. We do not expect Begum Zia to return to Dhaka with a set of agreements or, for that matter, with an accord — signed, sealed and delivered — on the sharing of the water. But we do hope that her visit will produce a rapport not only between the two Prime Ministers but also between the two administrations, a rapport that survives any possible change of government in New Delhi. After all, the Rao government is a minority one, although it does speak for the largest political platform in India. Again, while we may not expect any agreement to be signed during Begum Zia's visit to India, we sincerely hope that the two-nation summit will generate enough political will to enable officials of the two governments to work towards agreements on issues which will be on Begum Zia's "open-ended agenda", to quote an apt expression used by Foreign Minister, Mustafizur Rahman. On many of these issues, especially on water, we do need assurances, just as New Delhi would need ours on matters, if any, which cause some concern to India. If these assurances help us to resolve the outstanding matters, they should also promote a forward-looking approach and identification of areas for future co-operation, especially in the economic field. It is through such a co-operation involving private entrepreneurs in the two countries, both being now committed to the development of the private sector, that we can create a new climate, a new mood and, indeed, a new momentum in the relationship between New Delhi and Dhaka. Once such a co-operation produces the right results, a cross-section of our people in both India and Bangladesh will appreciate the need for working together, instead of creating new issues dividing us. In the final analysis, this is what the Prime Minister's visit to India should be all about.

## Women for Women

Statistics, demographic or other, in Bangladesh are scanty. When these concern women, they are simply scantier still. But the plights of women in the country—no matter how miserable they are—point to the fact that information and facts relating to women's lives and activities were catalogued comprehensively enough to have a realistic picture of man-versus-woman position in society. At present we are regularly fed with dreaded information about incidents in which women are chiefly the victims but in most cases the causes of such tragedies are not explored. Comprehensive studies on various aspects of women's lives and living to decide their status in society are not what men are going to be particularly enthusiastic about.

Women today are in a position to know this better. Perhaps the feeling is also there that it is more appropriate to cry for one's own need and get in the actual business of filling in the gap left either deliberately or due to indifference. Women for Women is a non-government organisation that has taken upon itself the responsibility of exactly doing such a much-needed pioneering task. The list of the publications to their credit is already impressive — 25 books altogether. But the organisation's plan is still more ambitious.

Presently, the organisation is concentrating on issues and factors responsible for women's disadvantaged status in the country. Its main aim is to develop a sound information base that will be indispensable for detecting the malaise afflicting women. We sincerely hope the women's group will be successful in its endeavour. While we laud the group's role, we are also aware of the daunting task ahead of the women of the group concerned. Much as they try, the fact remains that the stage of socio-political development here is yet to be conducive to place women as equal partners in society.

What appears to be the need of the hour is the involvement of women in an ever increasing number in the development initiative and effort — particularly in villages. The less city-based they become the better. Women professionals and academics in small towns and villages have to be involved more actively than they presently are in the form of socialite's fads and fashion. After all, it is a question of gender disparity based on socio-economic and political exploitation. This must be challenged on all these three fronts — and preferably by the women themselves speaking for their own rights and responsibilities. Only then the existing inequality between man and woman is expected to be removed.

NINETEEN ninetyone-ninetytwo is going to be a disappointing year in terms of GDP growth and activation of the economy. After two sluggish years, 1992-93 must ensure a major departure for reversal of the situation. While the Finance Minister is formulating the budget proposals for 1992-93, his attention is drawn to a few issues, which are not micro-prescriptions or details of economic policy making, but broad policy imperatives in some critical areas of the economy.

Traditionally the budget statement is looked up on as an 'economic and financial document'. The current situation calls for some departures. In his next budget speech Finance Minister should address the prevailing non-economic and non-financial environment which is hampering economic and financial growth. As the spokesman of the Government he has to make a clear and ringing declaration on the Government's thinking and programme for stabilizing the non-financial environment, along with the programme for maintaining macro-economic stability, development and economic reforms. The Budget speech should clearly indicate the Government's programme for restoring respect for law and order, for stopping disruption of transport and communication, industrial activities, and for drastically eliminating the localized tyranny of organised groups on economic and business activities. A firm declaration on behalf of the Government is needed as a reassurance to all parties and for generating confidence. This does not, however, minimise the need for the budget speech to be long on policy and short on politics. Consistent with his public pronouncements the Finance Minister, must also indicate how the Government intends to put professionalism in economic management at the top reversing the populist vision which seems to have tainted economic decision making and resource management.

Then, the budget speech must clearly indicate the medium term perspective of Government's economic policy making and investment programme. It is not known whether there is a four or five-year plan. From time to time media reports indicate approval of a large number of projects by the Government without any indication whether these are on-going or new, and what relationship, if any, they have with a medium term plan. In the recent Aid Group meeting in Paris the donors were informed that the Government has initiated a new vision for future development of the country known as the "New Development Perspective". There has been no elaboration of this 'perspective'.

has been slow. A time-bound programme for implementing intended measures for supporting and encouraging industrial investment is necessary. The Board of Investment is suffering from lack of continuity in its management. The uncertainties regarding the location of the BOI and the character of its top management need to be removed promptly. The disinvestment programme seems to have become shaky and measures to help genuine sick industries are yet to see the light of the day. Clear indications will help to improve the environment.

Next, the uncertainties in the financial sector and its ability to provide resources for investment. The current financial sector reform programme is well conceived. But the widespread perception of chaos and stalemate in the financial sector needs to be removed quickly for the reform

## THE BUDGET SEASON : SOME REMINDERS

# Government Must Define the New Development Perspective

by M Syeduzzaman

Guest Columnist of The Daily Star

In any domestic forum. People at home must know what this new perspective means and what implications it has for their own economic programming in the medium term.

An integral part of the Government's current economic policy is to provide greater opportunities to the private sector for stimulating growth and employment. Private investment has fallen significantly below expectations in recent years. Experience of countries undertaking economic restructuring like Bangladesh indicate that a slow down in investments is a natural reaction of the private sector. A recent study by an

programme to produce results. The Minister recently announced a time frame of six to eight weeks for restoring order in this sector. Flow of financial resources for investment and productive purposes has slowed down. Serious regulatory gaps have been revealed. For almost a year now repeated mention has been made of more amendments to the Banking Companies Act. We hope these will be tabled in the Budget session of the Parliament. Government's anxiety for reviving credit dis-

discipline deserves commendation. However, one wonders whether repeated highlighting of across the board concessions given by the Government in respect of credits advanced by some financial institutions will help revival of repayment culture and credit discipline. The complications created by wholesale writing off of agricultural credit has been costly and the Finance Minister knows it more than anyone else. What is needed is a strong assertion that there is not going to be a repetition of such across the board concessions. The economy will be well-served by such assertions and guidelines.

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international organization indicates that private investors always respond to economic adjustments with a lag. A number of factors have been identified including 'policy changes' — and the expectation of more changes — which heighten uncertainty. Private investors tend to postpone their decisions to invest until "a recovery is secure." The Finance Minister can take advantage of the budget speech to remove uncertainties about policy direction in as many areas as possible.

First, Industrial Policy 1991. It contains too many declarations (almost a hundred) of intent ("will be done," "shall be taken" etc). Action

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has been slow. A time-bound programme for implementing intended measures for supporting and encouraging industrial investment is necessary. The Board of Investment is suffering from lack of continuity in its management. The uncertainties regarding the location of the BOI and the character of its top management need to be removed promptly. The disinvestment programme seems to have become shaky and measures to help genuine sick industries are yet to see the light of the day. Clear indications will help to improve the environment.

Next, the uncertainties in the financial sector and its ability to provide resources for investment. The current financial sector reform programme is well conceived. But the widespread perception of chaos and stalemate in the financial sector needs to be removed quickly for the reform

through injection of quality at all professional and management levels, which is possible only through a separate incentive-based compensation package. The sooner a separate compensation package is adopted for the central bank consistent with quality, the better.

In recent months extensive work has been done on improving the competitiveness of our exports. Though not directly linked with the budget this will be an appropriate season for clear guidelines on some of the recommendations, particularly regarding exchange rate policy and wage policy keeping in view what our competitors are doing. Delay in bringing out recommendations of the Wage Commission will only prolong uncertainties.

benefits to public employees. The domestic resource picture is not yet adequate for maintaining a growth-oriented public investment programme. In the coming years Government investment is expected to be concentrated in the social sector and on building of infrastructure. Incremental capital output ratio will therefore be higher, and in nominal terms much larger resources will be needed for a given growth target.

Indications that the ADP for 1992-93 will be significantly higher are welcome. Speedy implementation of the public investment programme is a high priority for more than one reason. In the past two years domestic demand stagnated due to poor implementation of ADP projects, leading to anemic growth in domestic industrial production, and stagnation in the expansion of social sector programmes in

the rural areas. Private sector activities are seriously handicapped in many areas due to inadequate infrastructure development. This can be addressed only by stepping up implementation of the ADP, particularly foreign aided projects. There shall be no doubt or debate that in our situation the vicious circle of low income, low savings, low investment and low growth can be broken only by an efficient injection of foreign aid.

Government's emphasis on increasing allocation for social sector investment is well placed. But this area calls for a serious review. A recent study indicates that over the past three years, though allocation for social sectors have gone up in the successive ADPs, these have always been reduced in the revised ADPs, and actual implementation has always fallen short even of the reduced allocations. This is certainly not what the Government intends.

Finally, a word on a forbidden area-deficit financing. There is nothing inherently right or wrong with deficit financing for its public investment programme depends on the particular situation in a particular year. Considering the present level of inflation and our foreign exchange cushion, it will not be at all unwise to use this means for accelerating investment in infrastructure and in the social sectors if projects can be implemented and foreign aid utilized. But strict adherence to priorities agreed under the three year rolling public investment programme will be a necessary precondition. If that does not happen, it will be risky and can be a disaster. Our domestic borrowing is still extremely modest compared to other south Asian countries. Deficit financing of the order of 1% of GDP will provide almost Tk. 800 crores in local currency resources for financing critical infrastructure and social sector investments. Limiting it to 0.5% of the GDP will make available additional resources close to 400 cr Taka. I would not discourage the Finance Minister from aiming at this figure if there are well prepared projects in the critical sectors which can rapidly absorb foreign aid. It will help to stimulate flow of real goods and services into the economy in general, and to activate the rural economy in particular. This should not upset the Government's understanding with the International Monetary Fund in the context of the ESAP. What we need is careful working out of the numbers and doing our home work carefully and convincingly.

The author is a former Finance Minister of Bangladesh

# How Red Cuba Adopted Green Policies

Hilary Clarke writes from Havana

**S**MOKERS in Cuba, the producer of some of the world's finest tobaccos, gave a mixed reaction to the news that cigarettes were to be sold freely again, after months of being rationed to four packets a month.

They did not jump for joy because the government had raised the price fivefold. The official Communist newspaper Granma said in a three-page editorial: "The state will not encourage the smoking habit nor spend important hard currency resources to make cheaper a vice which is damaging to health."

One disgruntled smoker who, like most Cuban pufflers, had maintained his 20-a-day habit throughout the rationing period by buying cigarettes on the country's growing black market, said: "Now the government is becoming the cigarette trafficker."

Cuba's economic difficulties are turning the nation into one of the greenest and healthiest in the world. The end of sugar for oil barter deals with the Soviet Union means that petrol

Following the break-up of the Soviet Union and the disintegration of Comecon, ending its source of Eastern Bloc aid, Cuba faces serious difficulties. The shortage of petrol and other goods have led Castro's government to adopt environmental policies. This is being done despite the uncertainty of the country's people over the ecological and health benefits.



FIDEL CASTRO  
Turning to bicycles

blockade against the island, coming mainly from Mexico, is needed for industry.

A picture of a lightbulb on Cuban matchboxes — made, of course, with recycled paper — reminds the people to save electricity. Those who do not stick to their allocated quota risk having their power cut off for up to a week, with escalating penalties for consistent offenders.

Three years ago, President Fidel Castro's government introduced a new transport policy for the island that is based on bicycles. To save electricity, city bus services have been cut by half in a year.

The privately-owned Buicks and Cadillacs from the Fifties, a legacy of the pre-Castro years, line Havana's streets immobile because of lack of fuel.

The government has built a special bicycle track along the major roads, including the famous Malecon, which runs along Havana's seafont.

In addition to the 400,000 bicycles brought from China during the past year, the Cuban government has also converted a bus factory in the resort of Varadero into a bicycle factory.

Taxis for Cubans have become a rare luxury. Those still on the streets are reserved for tourists who must pay in dollars. The government plans to convert 60,000 tricycles on order from China into taxis.

The measures, which have made traffic jams a thing of the past and cleaned the city's air, have captured the imagination of environmental groups throughout the world.

In March, a delegation calling itself The World of the

Bicycle Group travelled to Havana to see if Cuba's bicycle programme could be implemented elsewhere.

Roberto Chavez, who heads the Transportation and Development Policy Institute in Washington, said Cuba was in the vanguard of the world movement for environmentally safe, non-motorised forms of transport.

However, as one problem is solved a new one begins. Many Cubans have taken to the road on bicycles without a proper knowledge of the Highway Code. Accidents are on the rise, partly because pedestrians in Havana have no rights.

Bicycles just whiz along in the hope that people will get out of the way. They World of the Bicycle Group recommended during its visit that cyclists be encouraged to use crash helmets.

The government is also putting considerable effort into developing a programme of so-called "green medicine."

A lack of hard currency to buy pharmaceuticals, which used to come mainly from the former East Germany, means medicine shortages are on the rise — a catastrophe in a country proud of having one of the best medical systems in the world.

Scientists are now investigating old herbal remedies practiced for centuries in the rural areas. Doctors are already sewing up patients with surgical thread made from the island's native sisal plant.

The thread, produced from the henque plant, may save the country up to \$700,000 a year in foreign currency.

But the dismay of most Cubans, food shortages mean they must adopt a vegetarian diet. Chicken rations are now down to one bird a month per person, and in Havana, more often than not, there is not enough to stretch that far.

Many Cubans are now breeding their own chickens, even in their homes, although

mosquitos contributed to a high mortality rate among the birds.

The only way for most city-dwellers to obtain meat is by swapping with a country relative for commodities such as soap, or by buying it on the black market, where it is supplied by thefts from tourist hotels or from the hard-currency "dollar shops" into which most Cubans are not allowed.

Even rum, the national drink, is now only available for Cubans on the black market. Coffee is rationed to one small packet a month, leaving water as the only abundant beverage.

As economic hardship bites deeper, and political uncertainty increases, Cubans are looking for spiritual salvation. They do not have to look to California or India for spiritual guidance.

Cuba has its own, home-grown variety of Santeria, a mixture of Catholicism and African animism brought by slaves from West Africa. Santeria has survived on the island, as in many other parts of the Caribbean and Latin America, for more than 300 years.

"It's really in fashion. Like a fad, everyone is getting into it," says a nursery nurse named Castrillo. Her white neighbour was in the process of becoming a Santero, or religious leader, in the dominant "Yoruba" sect. Communist party members, and even Roman Catholic priests, have been known to practice the ancient rites.

The Cuban government is tolerating the biggest surge in Santeria since the days of the dictator Batista. But even Santeria, which is based on the worship of dead ancestors, has its economic drawbacks in Cuba's "special period".

The initiation ceremonies to become a Santero cost about 5,000 pesos, more than a year's wages for the average Cuban, and require the apprentice to obtain live animals to be slaughtered. — GEMINI NEWS

Exchange rate: \$1=0.76 Cuban pesos

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## To the Editor...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

### Burmese refugees

Sir, A US Human Rights group has recently appealed to Bangladesh, Burma and UN officials to suspend repatriation of the Burmese refugees on the plea that the situation in Burma is still unfavourable for the refugees to return home and settle there safely and peacefully. Moreover, about 2000 Burmese refugees are still entering Bangladesh daily.

I fully support the observation made by the US Human Rights group and I would request the related officials and the UN system to review the situation in Burma and to take appropriate measures so that authorities in Burma could

create a favourable environment for the repatriation of the Burmese refugees from Bangladesh. The UN should also appoint special observers to monitor the post-repatriation situation.

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### Arms and our future

Sir, The letter by 'Vox Populi' in your paper of the 13th May gives rise to certain thoughts. The writer suggests arming the general public as a deterrent to crimes involving fire arms. Though this is a

spirited approach in the face of official inaction, like other 'timid' readers would prefer to disagree. Why?

After the Fatikchhari incident police recovered arms from some groups of party cadres. The arms included rocket launchers. According to various reports the place is used to train youths to face activists from other groups. It is further alleged that the matter was not a great secret.

Can we presume that no action was taken so far because police is not sufficiently armed to face miscreants with sophisticated equipments like rocket launchers?

When trouble started in Lebanon various opposing factions started to arm themselves and what a fierce domestic battle they fought for such a long period!

In Afghanistan, friends of the Mujahideens equipped them with sophisticated weapons which are likely to be used in the factional warfare now just on. If that is stopped

even then the weapons will cast a shadow of death on the innocent citizens for a long time to come.

These are only 2 recent examples, which are coming to my mind, of relatively simple beginning of vicious future for unfortunate inhabitants of wretched countries.

What can be done? There are many ways. One definite way is to get the country out of the hands of mediocre and incompetent politicians surrounded by incompetent bureaucrats. Your commentaries in the first page of the same issue are quite relevant in this context.

The argument of 'Vox Populi' is similar to that of the lobbyists for the mail order sale of fire arms in the USA. But the rate of killing by fire arms is a matter of great concern in that country which is pointed out by the opponents (of arms sale) regularly.

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