

Private University Bill

Government has finally taken a step to formalise Private Universities through the presentation of a bill to the Parliament. But the step was a hesitant and not a bold one. While correctly assessing the importance and the need for private universities, the government has tabled a bill that has too many levers of control which, on the one hand will curtail the freedom and dampen the enthusiasm of the sponsors, and on the other, create obstacles in the path of smooth functioning of private institutions.

For example, the bill stipulates that the President of the country will be the Chancellor of the university. The simple question is, why? Scholars, educators and private entrepreneurs are setting up the universities, why should they politicise their institutions by having a political person as the Chancellor? It is just old thinking being pushed into a new experiment. In none of the democratic countries, where the private Universities have flourished, the Head of State has anything to do with the private universities. The universities that are being proposed for Bangladesh are modelled either after the American or the British private universities and in neither of these two countries the Chancellor of the university has anything to do with the government or the state.

The Bill also makes it mandatory that the staff of the Private Universities and their curricula must be approved by the University Grant Commission (UGC). Again the question is why? Why should an organisation which does not receive any fund from the Grants Commission and has practically nothing to do with it, be placed under the UGC. As it is, the UGC has its hands full looking after the affairs of the state universities and we know that they need to do much more than they are doing for them. In its place the suggestion that there should be an independent accreditation council, consisting of Members of Parliament, eminent educationists, and curriculum experts should be taken up. This independent council could be chaired by the minister of education, if the minister is an educationist and qualified to head such a body.

There is also the provision in the proposed Bill that the university concerned must keep a bank balance of Tk 1 crore with a nationalised bank. If private sponsors are putting up the money for the university, it has to be left to them as to where they keep the money. It will depend on where they will get the best terms. By insisting that the money be kept in a nationalised bank, isn't the government indirectly expressing no-confidence in private banks?

The fundamental question is, if we want private institutions then we must allow them to be truly private. Half-way measures will only produce half-baked results, and as it is, we have too many instances of them. If the question is of quality control, remember these institutions will have to depend on fund raising from the public for their survival. Public's judgement on their performance will be far more effective an instrument of quality control than any bureaucratic or legislative measure can ever guarantee.

It is our belief that private universities will introduce a healthy competition for the state-run ones and give the public a means to compare performance and, for the first time, hold the State Universities accountable for the public fund that they use, and in some cases, misuse. It has been variously estimated that about 19,000 students go abroad for higher studies each year. Most going to the US and majority of them not coming back. Private universities will help us to keep a portion of this group within the country by building our own institutions of excellence.

Restoring Sanity in S Africa

South Africa is on a collision course again and the prospect of its travails being over looks increasingly dim. But until the infamous Boipatong massacre took place, everything had been going on rather smoothly. Both President FW de Klerk and African National Congress President Nelson Mandela enjoyed the best of terms ever. The peace process received the setback when the ANC withdrew from the Convention for a Democratic South Africa (CODESA) talks on June 23 following the killing of 45 people in Boipatong township. The war of attrition was further fuelled by the alleged police complicity in the June 17 massacre and subsequent police repression on demonstrators.

Since then both sides have been accusing each other of being responsible for the mounting violence leading to deepening political crisis. It is however good to know that both the Pretoria government and the ANC have hailed the UN Security Council Resolution 765 under which former US Secretary of State Cyrus Vance will go to S Africa as UN special envoy. Vance's mission in South Africa definitely falls short of what ANC leader Mandela requested. But at least the chance of the ball rolling is there. What Vance will achieve for the country in trouble will not be known before the end of the week. If he can bring the feuding parties to the negotiating table, he will have accomplished his job quite successfully.

It will however prove to be a daunting task mostly because the shock and anger experienced by the ANC workers have driven them further away from the stand their leaders convinced them to take. The problem was allowed to become worse by President de Klerk's refusal to probe into the Boipatong slaughter for punishment of the members of the police allegedly involved in the incident. President Klerk who risked his presidency in support of a non-racial democratic government through a 'yes' or 'no' referendum, unfortunately failed to distance him from a crime that ought to be brought under legal care.

Enough damage has been done to South Africa's transitions to a non-racial democratic order. President de Klerk has lost his credibility both to the Whites and the Blacks in the process. To the Blacks because they felt cheated; and to the Whites because of the feeling that a settlement is not possible. The other danger is that President de Klerk and his National Party may come closer to Andries Treurnicht's far-right Conservative Party. In the same way the ANC may lose its supporters to the radical organisations on the extreme left. Even more dangerous is the prospect of an alliance between the National Party and the Inkatha Freedom Party. All this looks ominous. But Vance might as well have his best bargaining weapon at this point. He simply has to convince the ANC and the National Party that neither of them alone can run the country smoothly just now; but together they stand the best ever chance to bring the country to sanity.

THE collapse of the Marxist system in Soviet Union and elsewhere has generated a new respect and enthusiasm for the so-called market system. Countries around the world including the Asian socialist countries such as China and Vietnam are embracing the free enterprise system driven by the market as a substitute for centralized planning which was the fashion until recently. The market is indeed a very efficient task master. It certainly promotes efficiency in allocation of resources, optimises production and maximizes wealth. It does not often promote equity but in the long run it brings prosperity to the economy. But a word of caution is necessary. The market driven system can also be a very harsh system. It calls for a sense of discipline which a society must strictly adhere to. It rewards success but does not forgive failures. The system refuses to sustain an enterprise which is unable to make profit. Just as competition, however imperfect, is used to bring down prices and profit, unemployment forces down wages, often in a cruel way, until the employers find it economical to employ workers. Thus its prescriptions are often harsh and bitter.

The initial euphoria in the former Soviet republics and in Eastern Europe has been replaced by a sober realization that the price of the dazzling prosperity of Western Europe and North America is rather high. In fact there is a backlash against the headlong rush to the free enterprise system. The social security nets protecting the poor and the weak have been abandoned. The lines of the unemployed and even bread lines are long in many places. Of course the medicine is effective if the patient can suffer it for a time. It can take months and even years before the fruits of the change over from central planning to the market system can be enjoyed by the people.

It is significant that both the Govt and the major

The Free Market System and the Sick Industries: Some Anomalies

Prices must not be artificially fixed and wages must be negotiated by each industry on the basis of its earning capacity. No society can pay its workers more than what their rate of productivity justifies. If the wages are fixed at a higher level, sooner or later the system will collapse.

opposition parties have officially accepted the market economic system for Bangladesh. I am not aware of any official policy statement from the ruling party though the Finance Minister seems to be tireless in speaking about the virtues of the system. Unfortunately he does not seem to be able to implement the policy. Compromises at every step nullifies the essential elements of the policy.

It is against the above background that I saw a news item recently about an agreement reached by the Govt with SKOP on different issues. The report was surprising for many reasons. Why should the Govt negotiate on behalf of the employers? The public sector industries are so big and dominant that all the private sector employers are left with no choice but to go along with whatever terms are agreed upon even if the terms cannot be sustained by the industry on economic grounds. Thus the agreement violates both the basic principle of economics and collective bargaining. Centralized bargaining cannot be a feature of free enterprise and the market economic system. Every industry must stand on its own economic feet. Questions have also been raised about the role of the Sramik Karmachari Oikya Parishad. Has it become the sole representative of all the workers in all the industries and all the offices in the country? When did it happen? A bargaining agent must have a stake in the industry in which it operates because the welfare of the employees depends on the viability and profitability of the

industry. It is only in Bangladesh (and perhaps in one or two other South Asian countries) that the tax payers are expected to pay the wage bill of an industrial unit even if it is losing money. Of course in Bangladesh we have created a record by paying 'bonus' in industries which lost money! No one seems to ask why millions of farmers, traders and other tax payers are obliged to support a handful of workers of an industry which is losing money. It is because of their muscle and power of

illustrates this point more eloquently than any learned explanation. Thus we are attempting to follow the market economic system without following the discipline inherent in the system. One can raise questions of 'values' and criticize the harshness of the prescription. But it is not possible to follow the market system and ignore its essential principles.

It has been agreed, I saw in the newspaper report, that the 'sick' industries will be rehabilitated by the Govt to

the editorials in neither the New York Times nor the Washington Post suggested even for a moment that the Govt should nurse these 'sick' industries in the interest of the workers. No one suggested that the American tax payers should support the workers who were losing their jobs.

Other airlines, more efficiently run, were taking over the business effortlessly and no tears were shed for these two airlines. I thought I saw in the episode 'free enterprise' in

in fact bankruptcy reports are often published as a routine news in the Western countries. Industrial or business units unable to make it good leave the scene and no one lifts an eyebrow. It is part of the system. Societies rich enough to finance social security systems do protect the workers for a period but often for a limited period. Thus prosperity is earned at a price.

In Bangladesh we have to make a choice. I understand that both the ruling party and the principal opposition party have embraced the market system as the model to be followed for economic growth.

Can we afford to eat the cake and keep it too? Either we accept the discipline of the market and learn to live with these sacrifices patiently or we continue with our soft option of economic stagnation; widespread poverty but an illusion of fairness for a privileged few of the workers. In the process we condemn the millions of the farmers, landless workers, self-employed petty traders

and all the others to continued misery. The subsidy that the Govt has been paying year after year to the handful of industrial workers is not coming out of the blue sky. All of us including the poorest in the society are paying this in the form of taxes and inflation. Bodies such as SKOP with muscle power are strong enough to intimidate the Govt into accepting terms and conditions which are clearly not consistent with the market system.

One often hears these days lamentations about the lack of foreign investment in Bangladesh while our neighbours in the East are transforming their economies with a speed which is dazzling. Both domestic and foreign investments are growing in tandem and the infrastructure — both social and physical — is responding to the increasingly sophisticated demands of business and industry. Instead of blaming others we should reflect about the environment that we have created in Bangladesh. Is it really congenial for foreign investment? Indeed, is it favourable for any investment? Law and order is breaking down, labour indiscipline and violence has become so well known around the world that investors would be foolish to risk their capital in this country.

The productivity of our labour, based on training and education, is poor; corruption is so widespread in the administration that nothing gets done without kickback; strikes and work stoppages are so common that visitors are unable to follow any organized programme in Bangladesh. This is not a pretty picture. We have to make up our mind. If we have opted for the market system we should do so sincerely and not half heartedly. Strikes and 'gheraos' are not the route to prosperity; hard work, discipline as well as patience and sacrifice must be the foundation on which we can build the economy.

ON THE RECORD
by Shah AMS Kibria

coercion? Unlike the peasants and the rest of the society these unionized workers are able to use terror tactics to enforce so-called strikes and thereby paralyse the life of the city. So terror has replaced sound economic principles as the basis of negotiations and decisions. The authorities go through the motion of 'negotiation' not because it is the right thing to do but under duress. The point to note is that the market system does not permit such luxuries. Prices must not be artificially fixed and wages must be negotiated by each industry on the basis of its earning capacity. No society can pay its workers more than what their rate of productivity justifies. If the wages are fixed at a higher level, sooner or later the system will collapse.

What we are witnessing in the jute and textile industries

protect the workers' interests. Whose interests the Govt is supposed to protect? The public interests or the group interests? An industry is sick when it is no longer economically viable. A whole lot of things may be responsible for it. The initial investment decision may have been wrong; the management may be inefficient; the product may be of poor quality but perhaps most important, the cost of production may be too high. If so, there is no reason to prop it up by artificial respiration. Last year I was in the United States when news about the failures of two of the corporate giants in America — Pan American Airlines and the Eastern Airlines hit the headlines. I was astonished to learn that tens of thousands of the employees of these two companies were losing their jobs. I was amazed to see that

Why Time Ran out so Quickly for Boudiaf

Michael Jansen writes from Nicosia

The assassination of Algerian President Boudiaf has once again brought the fear of political instability in the north African country. At first the Islamic Salvation Front, popular among the unemployed and dispossessed, was blamed for the killing. Now there are other suspects. Gemini News Service reports that the roots of instability lie in years of economic mismanagement and corruption that has eroded the credibility of secular parties.

Algeria: three troubled decades



- 1962 National Liberation Front led by Ahmed Ben Bella wins independence from France
- 1965 Revolutionary Council led by Houari Boumedienne takes power. Ben Bella arrested
- 1979 Chadji Bendjedid appointed president
- 1986 150 killed in riots. Bendjedid promises democratic reform
- 1988 Referendum approves multi-party democracy. Islamic Salvation Front (FIS) founded
- 1990 FIS wins municipal elections in most towns
- 1991 FIS wins most seats in aborted parliamentary election
- 1992 Gen. Chadji resigns. Boudiaf returns from exile to head presidential council
- Feb: State of emergency declared after 40 die in riots
- March: FIS banned
- June: Boudiaf assassinated
- July: Ali Kafi appointed president

Council and head of the association of veterans of the liberation war, appointed to succeed Boudiaf, can be expected to follow his policy line.

Although FIS disavowed responsibility for the murder, the Algerian press speculated that the assassin had acted 'for religious reasons'.

If not a member of FIS, the killer could be a member of one of the smaller armed groupings such as Jihad Islamiya (Islamic Holy War), al-Takfir wal Hijrah (Sin and Repentance), or Harakat ad-Dawlah al-Islamiya (the Islamic State Movement).

It has also been suggested the killer could have acted on behalf of the old National Liberation Front establishment, which ruled from 1962 until the Council came to power in January. The intention, of course, would be to fix blame on the Islamists.

Boudiaf made it clear from the time he assumed office in January that he would not permit the Islamists to 'monopolise Islam' for their own 'unholy interests'.

The Council of State, which included defence minister General Khaled Nezzar and interior minister General Larbi Belkheir, installed a government headed by the then Prime Minister, Sid Ahmad Ghazali. Boudiaf was permitted

to emerge as Council candidate for president in an election expected by the end of the year.

Once it had assumed power, the Council initiated measures to decapitate FIS and curb its followers.

The government arrested Abdel Kader Hashani, the moderate provisional head of FIS since the detention of its charismatic leaders, Abbas Nadani and Ali Bel Hajj in June 1991.

In February a state of emergency was imposed. In March FIS was dissolved and the government began removing FIS-appointed imams (prayer leaders) from 8,000 of Algeria's 10,000 mosques and FIS municipal councillors elected in more than half the country's towns and cities in June 1990.

Some 9,000 FIS supporters and sympathisers were arrested and 7,000 detained in camps in the desert.

This campaign drove activists underground into clandestine FIS cells and marginal Islamist groupings, some of which had been formed by experienced fighters who had taken part in the United States and Saudi-sponsored Islamic resistance war against the Soviet Union in Afghanistan.

In June the government banned mass prayer meetings in celebration of the Eid al-

Adha, the Feast of Sacrifice, the holiest day in the Muslim calendar. Troops backed by helicopters were also sent to mop up guerrillas in the inaccessible Green Mountain country. Since February these guerrillas and urban fighters have killed 70 policemen and soldiers.

On the eve of the trial of Madani and Belhaj — 'Islamic Jihad' threatened an 'all-out war' against the government, beginning on June 30.

While taking these harsh measures against FIS, Boudiaf tried to reach a modus vivendi with moderate Islamists by offering former members of FIS and the 'Hamas' movement the portfolios of labour and religious affairs. His aim was to establish a body bringing together Algeria's main political currents.

This was an unrealistic objective because secularists, like Boudiaf, and Islamists are irreconcilable, pursuing quite different political aims.

The government needed to buy time so that its economic reforms might relieve the hardships of the majority of Algerians who live below the poverty line.

The calculation was that once living standards improved FIS would lose its constituency among the unemployed and dispossessed,

who make up 70 per cent of the population in some urban slums and 25-30 per cent countryside.

This proved impossible. No government would in a few months reverse the policies and practices of National Liberation Front governments over 30 years.

The main challenges were rooting out corruption and inefficiency in the massive bureaucracy, shifting from a centralised to a market economy, 'refinancing' (less drastic than 'rescheduling') Algeria's \$24.3 billion debt and providing housing, education and jobs for 25 million people.

The government's work was complicated. It had to satisfy not only its own people but also international creditors and potential lenders and investors, particularly those involved in expanding the country's oil and natural gas industry. Instability meant Algeria could lose \$40 million in European Community funds and \$55 million in investment in its oil industry.

As usual in Third World economic crises, the International Monetary Fund recommended the lifting of subsidies which guarantees the poor minimal nourishment. The government was forced to raise prices on all items except basic foodstuffs and trim subsidies from which 14 million Algerians benefit.

The assassination of Boudiaf showed that some elements were not prepared to give the government time and had decided to open an all-out offensive against the secular establishment, the army and the state.

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.

Peaceful haven or burning hell?

Sir, Agan 'Hartal' has returned to our daily life. Hartal is indeed an effective means for realizing genuine demands. But I am afraid we are observing hartals on 'unproductive' causes. Certain corners are trying to reach their ends at the cost of national loss. Moreover, the recent hartals are promoting clashes and anarchy. In this regard, I would like to make a suggestion, why not the leaders and executive members of the hartal-calling parties go for a hunger strike in front of the National Press Club with a view to realizing their demands? This practice will not only demonstrate the clarity of their leadership but deep feeling for the national welfare as well, because hartal

causes serious loss to the national economy.

Perhaps our esteemed political leaders are aware of the country's present economic condition and law and order situation. Had they ever thought of launching any positive action programme to contain poverty, criminal activities etc in addition to the government efforts? Take for instance, the case of Mirpur — as reported, a group of influential persons have taken law in their own hands and made the lives of the common peace-loving people miserable; they had unlawfully taken possession of lands, killed innocent people and are continuing with their terrorist activities. Did our political fronts which obviously aim at ensuring people's welfare ever thought of constituting 'people's court' or

'nirmul committee' to try or resist the criminals? Mostly they would criticize the government of failure, but don't they have any responsibility? Actually, political parties need to reach a common understanding of cooperation to national welfare issues.

Is it logical or morally sound for us to create or enlarge our mere political differences to a critical extent? Can't we work unitedly to make our country a peaceful haven instead of moving ourselves toward a burning hell?

M Zahidul Haque
Assistant Professor,
Bangladesh Agricultural
Institute, Dhaka.

'About a good news'

Sir, Now-a-days, there is a scarcity of good news in the pages of newspapers. Naturally, the good news-thirsty eyes of the newspaper readers jumped into the lines of your 'Dhaka Day by Day' feature on 29.6.92 by Lutfor Rahman Belayet who tried to convey some good news to the reader regarding the problem-ridden health

sector of the country. His good news in that, there is a privately owned medical college in the city of Dhaka where one can study medical science at the expense of about Taka three-and-half lac and moreover, this college will ultimately yield positively to the government's goal of achieving 'health for all by the year 2000'.

Here arises some question. As previously indicated, the prerequisite for admission to this college is money irrespective of merit and academic background. The truth which has been unearthed after assessing the students of two private medical colleges of Bangladesh (one in Dhaka and the other in Chittagong) is that, almost all of them are sons/daughters of financial elite or doctors of the two cities and these students either failed in the admission test of the government medical colleges or even didn't have the qualification to sit for the admission test. Thus the establishment of private medical college, of course, is a good news for those rich people who have wishes to see their

children as doctors. (This is something like other wishes of a rich man like hobby of collecting antiques, paintings etc.). Well, they have capacity, they will be doctors, what's the problem? Yes there is problem. The students of government medical colleges, who are mostly from middle class or poorer families, will obviously face problem in getting jobs in private establishments, NGOs etc., if they have to compete the graduates from private medical colleges, who are the siblings of the heads of the society or the doctors who own or run most private clinics. Moreover, by didn't of their influence in administration and wealth, they will avail themselves of all the scholarships available, depriving the poor government medical colleges graduate doctors. As a result, the condition of unemployed doctors who are already high in number, will simply get worse.

Mr. Lutfor Rahman Belayet also wanted to say that, government efforts for 'health for all by the year 2000' will gain momentum with the addition of doctors from private medical colleges. The remaining

government efforts in this direction is establishment of union sub-centre (most grass-roots level medical facility) in all unions of the country and giving posting of doctors there. This means the doctors will have to live in villages. The private medical students, all urban dwellers, never intend to live in villages and they will never do so.

There is another point. I don't know, how wise it is to open an institution for graduation in medical science just after hiring a house in a residential area and appointing some aged and retired professors. This is similar to the way the kindergartens are coming up! At least there should be some difference between a medical college and a kindergarten. Lastly, the data provided by Mr. Belayet about doctor, population ratio is not correct. It should be something less than 1:5440.

So, the sick population of the country does see no ray of hope from this private medical college. It is not a good news for them.

Ahmed Jalal Rumi
Chittagong Medical College.