Dhaka, Sunday, August 30, 1992

**Rioting in Germany** 

It may be a combination of several factors, ranging from the rising unemployment in most cities of former East Germany to the continuing influx of Third World refugees seeking political asylum, which provide the backdrop to the week-long racial violence against non-German immigrants and guest workers in Rostock. Notwithstanding this explanation, the rightist neo-Nazi attacks against foreigners, mostly from Africa, constitute a shameful manifestation of what looks like the murderous legacy of the Third Reich, with echoes from 1933. It is also frightening because violence that first erupted in the Baltic port of Rostock threatens to spread to other cities in the unified Germany, with the army being called in to assist local police to bring the situation under control.

To put it in the wider context, the rioting in Rostock is part of the anti-immigrant wave that is sweeping through a number of West European countries. However, what has been happening in the former East German city provides a much stronger danger signal than what we have heard elsewhere. Here, attacks against foreigners who include fleeing Romanian gypsies. African workers, and asylum seekers from Vietnam and Cubans, have been particularly brutal. While one Angolan was beaten to death, some 150 members of one rightist group marched last Wednesday from the town centre in Rostock to the hostel of prospective political refugees, raising the Nazi slogan "Sieg Heil." While experts dismiss the fear that a stage is being set for a nationwide resurgence of Nazism in Germany, there is a genuine concern that unless the authorities tackle the economic problems, especially rising unemployment, the country would face a critical time ahead, during the winter.

This means that the growing crisis may have more to do with the faltering economic programme than with the influx of refugees as such. The latter certainly aggravates the overall problem. After all, there is ground for popular resentment when refugees from the Third World stream into Germany taking advantage of the country's liberal asylum laws and Germans read about the number of "visitors" reaching 500,000 this year, twice the last year's total. Again, while the refugees seeking political sanctuary are not allowed to work, until their applications for asylum have been approved, they are provided with free government housing, another cause of resentment among the locals. But the Germans have been particularly nasty about guest workers from Africa, Vietnam and Cuba who were brought in by the authorities in the former East Germany to meet the country's labour shortage. Now, they too come under attacks from the rightist groups.

There is a possibility that the Fèderal Republic of Germany may change its liberal law relating to political asylum. The country's visa regulations have already been tightened to stop the influx of visitors from Asia and Africa. Whether the government of Helmut Kohl will take this step in the near future remains to be seen. Meanwhile, Germany should be treated as a country to avoid by all refugees, regardless of their origin.

It is also a time for some soul-searching by German leaders. In the past, they tended to view the sporadic rise of neo-Nazi rightist violence in former West Germany as a minor affair. Again, very little has been done so far to educate the people in the former East Germany in democratic values, ethnic tolerance and liberal humanism. The transition from communism to democracy was certain to be difficult and complex. But few in the outside world expected it to be so full of hatred and fear, with innocent foreigners being subjected to senseless attacks and young Germans marching down the streets raising Nazi slogans. One doubts if the Kohl administration has developed a clear sense of direction to get the country out of the moral and political crisis, a prerequisite for the much talked about economic resurgence in the unified country.

Illegal land-grabbing

No wonder that in a fast growing city like Dhaka, land ought to be precious and real estate business highly lucrative. But the racketeering with and illegal occupation of land - both government and private - by organised gangs should simply be considered nightmarish. Not only have these criminals made permanent constructions on lands so illegally occupied but also settled people of their own choice by erecting slums there to establish their rights through forging documents. Incidents are not rare when these criminal gangs have sold and resold the same plot of land three to four times to different parties. This has happened in many suburban areas of the city but Mirpur, according to reports published, tops the list.

Muscle power, corruption and deception mark the illegal sale of such land holdings in Mirpur. Taking advantage of the acute housing problem of the city, these corrupt elements have resorted to cheating people looking for a plot to build their own residential houses. That they are capable of encroaching upon private lands is understandable; what is however not so clear is their continued occupation of government lands. But this is not even a mystery either. Reportedly, a section of employees of the Housing Directorate has long been involved in the racketeering and even giving a helping hand in tracing out government and private land holdings advantageous for them to grab.

When corruption and lawlessness have spread their roots deep into society, it is only natural that the opportunists will rush to where unearned money is in basketful supply. But officials responsible for looking after the business of management of government property cannot but be accountable for the state of affairs, more so when the involvement of a section of them is quite real. Bulldozers did not show mercy to unauthorised constructions at different roadsides once, but the mastans got with their way of illegal occupation of lands and presumably thrived because of the double standard in the system.

True, some attempts were made to oust the illegal occupants from government land, though with limited success, but the measure has only touched the tip of the iceberg. The authority concerned has left the situation to worsen further with time, because a messy thing like land dispute so left drifts into further chaos and becomes more complex. By this time, moreover, the encroachers, in the absence of an effective resistance from the rightful authority have been busy expanding their territorial sphere. The concerned directorate should immediately look into the matter and take its devious employees to court for punishment and also put its record straight. The sooner this will be done the greater the success in evicting the illegal occupants.

# Industrial Development: Gap between Theory and Practice

By our new policy to patronize the importers of finished products we have unfortunately

foreclosed the possibility of the local assembling plants growing into broad based industries.

N my article last week, I suggested that a sound policy for the economic development of the country will have to establish a balance between planning and the operation of the market forces. I also examined the role of the government in Japan and other East and South East Asian countries and suggested that contrary to the prevailing notion the government has to play a very key role in the growth process. This was a common factor in all these countries. Instead of blindly following an abstract laissez faire philosophy, the government has to intervene and play an active role in the management of the economy. There is however a big difference between what we have traditionally done in Bangladesh and what I am suggesting. The government intervention should be supportive of industries and not restrictive and punitive. While the size of the bureaucracy has to be reduced and the habit of unnecessary interference has to be curbed, at the policy making level, the government has to provide guidance and support to the private sector. The guidelines and goals have to be set by the government to facilitate the operation of the private sector. In the early stage of industrialization, it is almost impossible for the pri-

initial hurdles. The domestic market is small and undeveloped. Labour productivity is low. Management skill and technological know-how is often lacking. Producers abroad not only enjoy the advantages of early start and a literate and trained work force but also the economies of scale which brings down the cost of production. Under these circumstances, it is not easy for the manufacturers in a developing country such as Bangladesh to make a dent in a foreign market or even to retain the domestic market in the face of foreign imports. Therefore, in order to overcome these difficulties the fledgling industries need not only advice and exhortation about patriotism but also concrete support. If the govern-

vate sector to overcome the

Needless to say, a country can never generate employment and income and become selfreliant if it depends on foreign producers to supply it even with consumer goods. to encourage indigenous indusin the strong consumer pref tries, then it should be reerence for foreign goods. Conflected not only in public

statements but in the policies and actions. In the context of the recently introduced import duty in the new budget I referred to the plight of the electronics industry. This is a potentially important growth industry. It is also employment-intensive. I am told that the existing capacity of the television assembling industry is adequate to meet almost the entire domestic demand. Yet the import duty imposed recently under the new budget seems to threaten the very survival of this industry.

The duty on imported fin-

ished TV sets has been reduced from 100% to 75%. On the other hand, the custom duty for some components of the locally assembled units has been increased from 40% to 45%. In addition, the tariff value on some components has been imposed at a high level. The net result is that the production cost of locally assembled units has been raised to a level substantially higher than the imported sets. The cost of locally manufactured sets will be about 10% higher than that of imported sets. The unfairness of this situation may have escaped the attention of the authorities. The importers are not likely to pass on the benefit of the reduced custom duty to the consumers. The importers know that the higher cost of production of the locally made TV sets will keep the price at the higher level and allow them to make a

windfall profit. What is the likely impact of these new rates of custom duty? Fully assembled TV sets made abroad will easily capture the market in Bangladesh. One has to bear in mind that manufacturers in Singapore. Hongkong, Korea, Japan and other countries with well know brand names already enjoy a very important advantage

sumer preferences and attitudes do not change overnight. Local industries have to try over a period of time to create the confidence of the consumers in the quality of locally produced goods. With the price advantage that the importers of finished goods will now enjoy, it is most likely that our domestic assembling facilities will have to close down. The result is a step backward in our drive for in-

management skill from the developed to the developing countries. By our new policy to patronize the importers of finished products we have unfortunately foreclosed the possibility of the local assembling plants growing into broad based industries. Needless to say, a country can never generate employment and income and become self-reliant if it depends on foreign producers to supply it even with consumers goods.

I am aware of the strong

## ON THE RECORD

by Shah AMS Kibria

dustrial development. Thou sands of skilled labourers will lose their jobs. The possibility of using this small industry to eventually develop a strong broad-based electronics industry will be nipped in the bud.

The importers' lobby spares no effort to suggest that the value added by the assembling plants are really not very sig nificant. In the national interest let us hope that the government does not share such a view. I have seen how the manufacturers in Thailand Malaysia and other East and South East Asian countries have gradually raised the percentage of domestic content in the assembled product. This has happened even in a highly competitive field such as the automobile industry. As the assembling industries develop skill and expertise in technology and management, they begin by making simple and small components. Gradually they add more complex and substantial parts. In a planned manner the local content can be raised as high as 70 or 80 per cent of the product. It is now widely recognized that this is a very effective method for transfer of technology and

pressure to "liberalize" the economy. The enormous weight of the World Bank-IMF advisers is supposed to be behind this pressure. However, liberalization is supposed to be beneficial for the economy, at least in the long run. I do not know how the destruction of the existing local electronics industry will benefit the country either in the short or long run. Bangladesh will simply become a captive market for some producers abroad. A policy which encourages the local manufacturers to improve efficiency and reduce cost of production is certainly most welcome but in other countries incentives are given for this purpose. This will not happen if imported finished products are given preferential tax benefits and local industries are subjected to discriminatory taxes, Even if the final cost of the product is equalized after calculating taxes, the local products will have to overcome the built-in consumer preference for well-known foreign brand names. Somehow one gets the impression that the authorities are in different to the interests of the domestic producers. Perhaps the in

porters' lobby is far too powerful for the authorities concerned to resist the pressure. I will be most pleased if I am assured that I am wrong on this

it the pronouncements of

the government are to be believed, we should expect some special incentive to the local industries to export. Many developing countries and even some developed countries have designed an incentive structure to encourage exports. The jute exports bonus scheme in the sixties had a dramatic impact on the jute exports. Recently. Indian Finance Minister Mr Manmohan Singh has introduced an incentive plan to encourage exports by permitting exporters to sell a part of the foreign exchange in the open market. Unfortunately, instead of incentives for exports, we see a negative step in the shape of reduction of custom duty favouring import of finished products. I have emphasized in some of my earlier articles that the government must play a supportive role in facilitating the operation of the private sector There ought to be understanding between them. For example, if the long term goal of the government is to create an agriculture-based light industry to supply consumers goods. then official policies have to be carefully designed to ensure that the goal is achieved.

The private sector will invest in this field because of their confidence that the government will support them in this effort. In getting credit. land, power and other facilities as well as in importing ma chineries the agro-industries should get a preferential treatment from the authorities. Only then can one say that the government is really serious in achieving their goal of creating agro-industries in the country Similarly if the government, in the context of their long-term goal, would like to encourage

the electronics industry in Bangladesh, the custom duty structure and other taxes ought to be revised to reflect the policy. Regrettably, this does not seem to be the case today in Bangladesh. We seen to believe that speeches and exhortations will do the trick. The most eloquent speech. I am afraid, will have no impact on the situation if the underlying economics of the policy is

We all know that Bangladesh faces a serious problem due to the wide spread practice of smuggling. Periodic campaigns have failed to stop or even reduce smuggling. In fact today the smugglers are more resourceful and more organized then ever. Local industries have to face, not only competition from legitimate imports but also smuggled goods. Our geography puts us to a disadvantage but the neighbouring countries are not the only source of smuggled goods. Sophisticated methods from the high seas are often used to bring in smuggled goods on a large scale. The government is of course is fully justified in seeking to put an end to this illegal activity. However, on a practical level, the authorities must consider how this affects the indigenous

Unless the overall climate is favourable for the private sector, the prospects for industrial development would be rather dim. I have taken the example of the TV imports to show how the governments' policy pronouncements and actual actions are not consistent. The basic approach needs change. Perhaps the meaning of "supportive intervention" is not yet clear to the policymakers who have been used to the restrictive and punitive approach to the private sector.

sincerely hope that the authorities concerned will take the factors that I have pointed out into account and take such actions as are necessary to save the industry from destruction. In the long-term interest of the country, a review of the current duty structure and its implications for the local industries is urgently needed.

## Kuwait's Indian Workers Still Pay the Price of the Gulf War

WO years after the Gulf war, Kuwait is well on its way to recovery. But more than 80,000 Malayalees, matives of the south Indian state of Kerala, are still unable to return to Kuwait and wait anxiously to be called back to their former jobs there.

ment is genuinely committed

In Kerala, with a population of some 28 million (3.5 per cent of India's total), unemployment and underemployment were a major problem even before the Gulf War. As a result, the stranded families are under severe stress.

Ravi. 38. who worked as heavy vehicle driver for a construction company in Kuwait. has repeatedly written to his former employers requesting a visa to enable him to return to his job. While he waits, his wife keeps the pair of them and their three children by selling her jewellery. After working in Kuwait for 16 years, all the family has to show is a house in the small town of Thiruvalla in central Kerala, and the Toyota saloon in which they escaped from Kuwait after the Iraqi in-

For Ravi and his family, survival has become a constant struggle as the prospect of renewed employment in Kuwait remains a distant and receding dream. "Private companies are not calling back their employees." he says. "India's ambiva-

lent attitude to Kuwait during the war means that Kuwaitis are looking to their staunch supporters in the rebuilding of the country. They are not very favourable to the Indians."

Ravi was on a monthly salary of 250 Kuwaiti dinars (about US\$850). His company had a bad payment record and still owes him 2,500 dinars in back pay. "If we complained, we would be deported." he says. As a driver, he managed most of the time on tips.

Six months before the invasion, he borrowed 650 dinars to pay for a visa for his brother to enable him to get work as a driver in Kuwait. The invasion and war dashed both their hopes and left Ravi in

The outlook is equally bleak for most other Malavalee returnees. They came back from Kuwait with few possessions and, although some, like Ravi, had their own homes to go to. others have been forced to stay with relatives. Most are under age of 40 unskilled and with few qualifications. Their plight is shared by the extended families who look to them for sup-

Very few jobs are available in Kerala, the home state of 75 per cent of Indian nationals working in Kuwait.

During the years of plenty in the 1970s and 1980s.

states to Kerala were spent on houses, motor vehicles and consumer goods. Investment in businesses was minimal This was because Kerala - despite victory by the Congress

Party in the recent elections to the State Parliament - has a strong Communist tradition. and trade unions are a powerful force. This has dissuaded potential entrepreneurs from investing. The economic impact of the

Gulf crisis on Kerala has been profound. Prices, particularly of land and houses, have fallen as some returnees have had no choice but to sell their homes to survive.

The war affected India in other ways. Sixty per cent of lraq's construction projects were handled by Indian companies, which have nearly US\$1 billion locked up there. They have been calling on the Indian government for grants to bail them out.

The state government of Kerala has not given any financial aid to the returned families. Rather it has called for them to be given special consideration in the job market and has asked schools to admit their children without going through elaborate formalities. such as requiring proof of qualifications, which were left

Prasanna Probyn writes from Trivandrum remittances from the Gulf behind in the flight from

Returning to Kuwait can be difficult. The Kuwait government is demanding that visa applicants should have a police clearance certificate from India - a means, it claims, of excluding "undestrables". The returnees believe that India's slow and often corrupt bureaucracy will leave them lagging behind as any vacancies are snapped up by Filipinos. Bangladeshis and Pakistanis.

The Gulf Malayalees Welfare Association in Kottayam, cen tral Kerala - a voluntary organisation run by Kuwait returnees is campaigning for a better deal for the Gulf Malayalees.

The organisation's general secretary. P Abraham. claims that recruitment agencies in India are cheating people out of up to 30,000 rupees (US \$1,000) with the promise of Kuwaiti visas. Those who are desperate often sell their property or borrow the money to buy a visa, only to discover on arrival in Kuwait that the jobs and salaries they had been promised are a mirage. To add insult to injury, they have to pay the Kuwait government for a residence stamp in their passport: those the Malayalees had when they fled Kuwait are no longer valid.

Like Ravi, Abraham believes that Kuwait no longer welcomes Indians, particularly indians over 40. These people have no access to their gratuities which are locked up in their former companies." he complains. The Kuwait gov ernment is not granting visitors' visas either. These people cannot go back to Kuwait just to receive their gratuity settlements and sell any personal belongings that remain or send

them back to India." Some companies have settled up with former employees, most notably those which operate :internationally such as Kuwait Airways, the Kuwait

National Petroleum Company and the major banks. But many others have not followed suit.

The Gulf Malayalees Welfare Association is now helping the returnees to apply for war compensation, distributing United Nations forms to individuals who are claiming between US\$4,000 and US\$ 10,000 for loss of earnings and property in Kuwait.

For many Malayalees who made their homes in Kuwait and then lost everything, this is the only lifeline in a sea of despair. — PANOS

Prasanna Probyn is an Indian freelance writer.

## Iraq : Repression of Minorities

by A Correspondent HE Southern Marsh reports mention casualties as area of Iraq is a maze of high as two thousand and one lakes and waterways whi-Kurdish source has accused the Iraqi aircraft of using

ch is inhabited by a unique people who trace their origins back to before 3,000 BC. The current population of the area is a maximum of 250,000 including approximately 30,000 resistance fighters. Since the end of the uprising following the Gulf crisis the army have controlled the main roads into the marshes and have intensified a campaign started in 1988-89 to force the civilian population out of the area There is some evidence, cited most recently in the report by the UN Special Rapporteur on Human Rights that this is a deliberate government policy. The current Prime Minister is on record as having instructed army generals to 'wipe out' three specified Marsh Arab tribes. A process of forced relocation of Marsh Arabs and neighbouring villagers contin-

Movement of people and goods into and out of the area is tightly controlled. Fishermen living on the outskirts of the area are only allowed to move within strictly defined limits. If they venture outside this they are accused of collaborating with the rebels. Opposition groups accuse the regime of poisoning the waters of the marshlands in order to starve out the population but the main problem of polluted water is created by the massive input of raw sewage from concentrations of population in Nasseriyah and AL Amara (some of which way be

intentional). The Iraqi army has launched a series of major attacks against the Marsh areas this year. All of these attacks have been an escalation of past activity and have included the use of armed helicopters, heavy artillery, tanks and more recently fixed wing aircraft. The latest attacks on 21-27 July and then 1-5 August have also involved the use of frogfoot fighter bombers and according to opposition sources, MIC 23 aircraft. Unconfirmed

Napalm in an attack on 27 July. Many civilian casualties are largely a result of incendiary devices and heavy shelling. The Iraqi forces besieging the marshes are based on the major roads in the area as well as to the east of the Gharraf river and in Nasseriyah. The Iraqi army have recently moved to try and cut off supplies coming through this way to the opposition groups. Opposition sources claim that

ing payment of 1,000 Iraqi dinar from marsh inhabitants on the threat of Artillery bombardment if no payment is forthcoming. No rations reach the marshes and medical supplies are scarce. Polluted waters and restrictions make fishing hazardous and for similar reasons many of the water buffalo which are a source of wealth for the indigenous population have probably died. Families trapped in the marshes are

Iraqi officials have been extort-

probably in need of both food and medicine. Some limited supplies are getting through the Iranian border but these cannot cross the well-guarded main road. The Iraqi national assembly

recently approved a resettlement plan for the marshes. And at the beginning of June Iraqi Radio announced that excavations had begun on the third river project. This project involves the digging of a large canal to take water to central Iraq for irrigation purposes. The ultimate effect would be to drain the marshlands and deprive the indigenous population of the area of their traditional way of life. The UN Special Rapporteur has described this plan as perhaps the greatest threat to the inhabitants of the southern marshes' and has asked that the programme be stopped immediately pending a comprehensive environmental assessment and consultations with the affected population.

## In the Dalton...

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.

#### White supremacy

Sir, True the whites still consider themselves as a superior race. Just the other day, as a I was on my way to the office, saw a white gentleman hitting a rickshawpullar, because the rickshawpuller scrached his car (which had a yellow name plate). If it was in the white man's own country, he could not hit a man just like that. The rickshawpullar would have sued him and put him

On the other hand, the people around were just watching and perhaps making sure the rickshawpuller would feel ashamed of being beaten up by a "White Shahad". Why is it still that the Bengolis can not give up their obedient attitude towards, the White Shahabs. In a situation like this, they should have stopped the arrogant white man who perhaps obviously thought he had the authority to do any-

thing he liked. The white gentlemen could

have called the traffic police who was just standing a few feet away. It seems he had adopted to the ways of the general people who also take the law by their won. The people should be more aware of their behaviour. They should abide by the law, also make sure others are going by it. Specially the people should protect their own selves from "Superiority" of aliens.

Mehruba Siddique Khilgoan, Dhaka

### Compensation

Sir, The Government of Bangladesh continues to sell. lease, operate the abandoned assets and property of Pakistanis left in Bangladesh after liberation of the country. I did invest a small amount of money towards the purchase of shares of Pakistani companies. Unfortunately till today no compensation has been given to such shareholders. Following the prime minister's visit to Pakistan, it is now ex-

pected that this type of investment should be settled either by giving cash compensation or through issuance of abandoned shares Bangladeshi companies. Since common market in line with EEC is being preached among SAARC countries, it is normal to settle this type of small issues. Let the policy planners do some humble exercise in this respect and do justice to poor small investors.

Sadig Alee Moghbazar, Dhaka

#### Torn currency notes

Sir, The other day, a local

bank issued me a bundle of old 50-taka notes. The notes were so tragile that counting was smisly - difficult for fear of damaging them turther. Fourteen of the 100 notes were mexded with celophane tapes accross the back. This practice of passing on deceptine mended notes to nunwary customers even by the banks is going on for a paretty long time. Where the common people would go to change the bad notes? The quene at the Bangladesh Bank is very long. On the other hand, money changers are doing brisk bustness with a handsome discount under the very nose of the Bangladesh Bank authorities

There for, to alleviate the harassment of common people

it is suggested that relevant authorities instruct all scheduled banks to exchange torn notes and also allow them to transact business with mended bank notes until such time when our poor country can bear the cost of supplying adequate quantities of new currancy notes.

Dr Hamidur Rahman Kathal Began, Dhaka.

#### Marriage counselling centre

Sir, Going through The Daily Star of 13th August. my eyes posed on "Dhaka Day by Day - Oh, That Crucial Cut!" by Fayza Haq. Very concrete situations indeed, and so common, too. And the sketch by Sharier so realistic.

Well, finally my eyes went to the end of the piece, where I read, "It is a pity that we have no marriage counselors in Dhaka...".

There is at least one Marriage Counselling Centre I know well of, with a good team of marriage counsellors. Its short is PA SE KE, which stands for "PARIBAR SEBA KENDRA'. Maybe I can give here its tel. No. 812531.

The Centre will be able to suggest also some more addresses for marriage counselling, according to situations. M. S., S. X Jessore.