Dhaka, Friday, September 25, 1992

# A Crisis for OPEC

In its 32-year history, the Organisation of Petroleum Exporting Countries (OPEC) has faced many crises, some serious in-fighting and sharp criticisms from outside. But it survived and, at times, showed remarkable strength in turning the market forces in its favour.

There are signs that it may be different this time. The new crisis triggered off by the threat of Ecuador to withdraw from the organisation, announced last Friday, could be the most serious one faced by OPEC in recent years. In terms of its size and influence, Ecuador is a lightweight. However, its disenchantment with OPEC may reflect some deep-rooted problems faced by the cartel. Some of these problems affect the small countries most. But they do not spare the big ones like Saudi Arabia and Iran either.

The main problem is that while the oil prices remain unpredictable and are often in decline, the restraint on the quantity of petroleum that a member can produce is dictated by OPEC. This means that the freedom of a member to increase its oil output and export is severely curtailed, often to the detriment of its own economic growth. In Ecuador, there is a move to privatise the oil industry, invite foreign investment in the exploration of petroleum and then double its output, currently about 300,000 barrels a day, within a

matter of years

The restraint put on output of members in the hope that this is the only way to stabilise the price, is often resented and sometimes violated by more powerful members. At the recent meeting in Geneva, Iran vowed to boost its output beyond 3.2 million barrels a day as decided by OPEC. Saudi Arabia has also raised its output to nearly eight million barrels a day, almost a 100 per cent largely unilateral increase over five years. There are now fears that when Iraq returns to the oil market, from where it is now banned under the UN embargo, it will decide on the size of its output as it likes. There will be confusion, if not total chaos.

A Latin American country, Ecuador sees no justification in being part of this confusion or for being involved in political quarrels among Arab states, which do affect their ability to reach consensus on prices and output. Some African and Asian members would feel the same way, even if they may not immediately follow the example of Ecuador.

One cannot suggest that OPEC is on its deathbed. Here, one must admit that the establishment of OPEC in 1970 was designed to put a halt to the unbridled consumption of oil by energy-scarce industrialised countries at the cheapest possible rate. In this sense, OPEC helped to end the exploitation of oil producing countries by the rich nations of the world. Although one may argue that OPEC went too far in raising its prices which hurt the developing countries more than the industrialised nations, the fact that a number of non-OPEC oil-producing countries, like Britain, Norway. Mexico and Malaysia, are charging more or less the same price as the cartel would mean that the OPEC prices do follow the market trends

It is hard to predict the consequences of a decline or collapse of OPEC. However unpopular the cartel may be with some countries, the organisation has brought some discipline to the market, without which it may be a free-for-all situation. However, the organisation cannot continue to work in the same way by imposing rigid restraint on its members. At a time when market forces determine all forms of commodity trade, the OPEC cannot take upon itself the role of a guardian in the field of oil exploration, production and sale in this changing world. It must find a new way of justifying its continuing opera-

## No Short-cut

In what must have been a record, the Dinajpur Medical College (DMC) stopped holding classes just 20 days after beginning life as an institution of higher, specialised learning. Also unique was the fact that the temporary closure of the place did not come about as a result of any act of terrorism or any clash to capture dormitories. There are no dormitories at the DMC to capture in the first place, and the total student population is just 50. Classes came to a halt early this month because the students, fed up with the lack of accommodation, equipment, furniture etc. simply packed their bags and went home.

By all account, the college had been started up even before it had acquired the minimum infrastructure needed for such a highly specialised institution. Somebody, it seems, was in a mighty hurry to "inaugurate" a new medical college. Given the makeshift and disorganised nature of the arrangements, one would have thought they were made to push through classes of a secondary school which could not get enough funds to have proper buildings or equipment. But the thought that a medical college, offering MBBS degrees. could be made to start functioning in this manner seems a little too incredible.

Unfortunately, what has happened in Dinajpur, leaves no guarantee that the same practice would not be repeated elsewhere - setting up universities when resources allocated probably could not operate a decent higher secondary college etc.

Proper infrastructure and related facilities are vital for the functioning of any educational institution, but they are crucial for specialised schools like a medical college. In addition, medical students see further studies abroad as necessary for advancement in the field of medicine. Now, when established medical colleges are having enough trouble in getting recognition from reputable overseas institutions, what sort of response could Dinajpur hope to receive? What sort of impression would a farce like Dinajpur make on foreign research institutes about our approaches to higher education? Indeed, what would our own post-graduate institutes make of students passing out of Dinajpur in five years time, knowing full well that a major portion of that time was spent at a place that hardly qualified to be recognised as a proper college? In short, the government made a mistake by admitting students into DMC even before all the educational, administrative and residential facilities were in place. It may have been politically advantageous to announce the opening of a new college, but that did no service to education. We can only hope that such shortsighted decisions would not be forthcoming in the future.

# Similar yet so Different

flood; and they suffer from

earthquake instead. On the positive side, Japanese are extremely hardworking, industrious people. So are we, if you observe the back-breaking tasks performed by our poor farmers, often cutting jute standing in waist-high water. And we could have a world monopoly on the commodity jute as a result of which East Pakistan during 1969-70 enjoyed an export surplus visa-vis the rest of the world. The huge local market for textile was practically the seller's paradise for Pakistani manufacturers. Thus in independent Bangladesh, we initiate our industrial revolution through jute and textile.

#### Decisive Difference

After two decades, sitting at the same cafe at Ginza, the question that repeatedly came to my mind was simply two words; what happened? We are similar yet so different: This must be the tragic conclusion of any crestfallen Bangladeshi. After two decades of decline, instead of development, our performance clearly indicates that the so-called similarities were hardly of any consequence; the differences must have been decisive.

In 1970, Japan, although highly industrialised, was yet to emerge as the leading in-

dustrial power beating the American and European rivals in the technology-intensive industries such as automobile electronics and a wide variety of consumer durables. It was a later day legend. But the strategic planning must have gone ahead within the inner sanctuary of the Ministry of International Trade and Industry (MITI) in co-operation with the leaders of the industries, all in the private sector. Maintaining their cramped-up, simple life styles, workaholic Japanese pursued a deter-

successful only with their soft drinks. Coco Colla and Pepsi, to reach such popularity levels; while few thousand times more expensive Japanese products are today such household words. But coming back to our Bangladesh context, why this downhill regress instead of the much sought after progress up the hill? If we ask this question to 100 Bangladeshis, there will be 110 different an-

## progress to 100 Japanese, WINDOW ON ASIA

Shahed Latif

mined course of action. The results of such massive as well as sustained endeavours are strongly visible all over the world, including our own country. Go to the remotest corner of Bangladesh, the irrigation pumps and tubewells are all run by Japanese engines. The radios and TVs. trucks and cars are all Japanese. Totally foreign Japanese names like Sony and Mitshubishi are today known in all the languages of the world. It is indeed remarkable that the Americans have been

there will be one single uniform answer - hard work. We are homogeneous but not united. Japanese are homogeneous like us but they are also unanimous in their vision as Japanese. They have no controversy on the basic national aspirations while we have no consensus at the national level on what we wish to achieve through what means and by what terminal date.

swers. But if we ask the oppo-

site question, why continued

Not the Lack of Leadership In discussions about our

downhill regress, one thing

that always recur is the frequent assertion of the lack of the right leadership to lead the nation on the path of development. If we look at Japan, however, role of such leaders is nominal. In fact there are instances of Japanese prime ministers going out of office on account of corruption or extramarital affairs. No Japanese prime minister has been rated very high as a national leader. in fact, mediocrity has often been their hallmark primarily because the choice of the prime minister through the faction-ridden politics of Japan is often the result of compro-

mise among party leaders.

Japanese society and economy are governed through consensus. They take time to decide and therefore work for long hours in the office. But once a decision through consensus has been arrived at. there is no turning back. They work and work until they succeed. Napoleon perhaps did not know that impossible is a word not written in the Japanese dictionary. Devoid of physical resources, but blessed with the world's best manpower and hence the most important resource, Japanese have truly achieved the impos-

Rabindranath Tagore painfully wrote, "O mother of seven

and a half crore, You have kept us as Bengalis - not made the proper men out of us." Yes, that is perhaps the truth. We have not been able to emerge as hard working diligent individuals of a unified community with a deep sense of commitment and purpose.

#### Short-term Unity

It is not true that we were never united. On a particular issue, times without number we have found ourselves together - struggling to achieve our freedom of language, our political liberation and restoration of democracy. Unfortunately, times without number, we have also found ourselves tearing apart the unity, once the immediate objectives have been achieved. It had always been a short-term unity, not the unified nation ready for the long-term battle against poverty and destitution.

The first step towards unification for economic emancipation urgently calls for national consensus. The market friendly budget, policies and programmes for economic liberalisation and all sorts of enabling actions to facilitate the growth of the private sector are necessary no doubt, but not sufficient in all respect, until and unless we establish the total national consensus of development based entirely on a deep sense of commitment on what we wish to achieve through what means and by what terminal date

# Naxalite Revolution Fails to Take Root

perately trying to rejuvenate the revolution that has failed to deliver the goods in the Indian country-

N April 1970, exactly

one year before the final

struggle for liberation of

Bangladesh, I happened to be

in Tokyo, sitting at a Ginza cafe

with two other Bengali dip-

lomats posted there. The

subject of discussion was the

prospects for independent

Bangladesh. By around 9

o'clock that evening, we came

to the unanimous conclusion

that independent Bangladesh

was bound to be an economic

success since basic conditions

were so strikingly similar to

Japan. We can and should be a

ditto copy of the land of the

Bangladesh are small and over-

populated but the great advan-

tage that we both possess is

that people are so homoge-

neous. We Bengalis are all

alike: speak the same language

tremendously fond of the same

fish hilsa, all highly emotional

and we all love poetry so much

We all Bengalis are the same: it

there; Japan had been strongly

influenced by its giant neigh-

bour China while our location

vis-a-vis India puts us in a

similar situation. Japanese and

Bengalis basically eat the same

food - fish and rice. Even the

problems are so similar: we

both lack natural resources: in

fact, Japan lacks it more than

us, particularly energy re-

exposed to natural disasters.

They call them Typhoon, we

say Cyclone. But we have the

sources; and like Japan, we are

The similarities do not end

is exactly like the Japanese.

Both countries, Japan and

rising sun.

According to press reports, they are seeking the help of China and Shri Lanka in a bid to revive their sinking for-

Top police sources say an attempt is being made to establish an underground route to China along the river Godavari and through Orissa, Madhya Pradesh, Bihar states and Nepal. At the same time, the possibility of Naxalite links with the outlawed LTTE (Liberation Tiger of Tamil Ealam in Shri Lanka) cannot be ruled out.

Mr KS Rathod, Director-General of Madhya Pradesh Police, laments the poor public cooperation to check Naxalite activities in the state. "On the contrary," he adds, "maybe at gunpoint, Naxalites are getting help from the people."

The Naxalite uprising — the first violent mass movement in post-Independence India was started in Naxalbari. cluster of villages in West Bengal. Hence, the name Naxalites. They are committed to armed struggle and a Maoist-style revolution.

Savs India Today magazine: 'The Naxalites offer a classic example of the revolution that failed. And nowhere more visibly — and dramatically — than at the place where it originated: Naxalbari. All that remains of what was meant to be a social conflagration are sporadic embers in the remote

HE Philippine capital

East' because of Filipinos'

penchant for guns. But these

days, Manila is fast earning the

reputation of being Asia's

In the past few months,

Huge ransoms have been

paid. The family of 15-year-old

stance, reportedly bought back

his freedom for US\$1 million

two days after he was ab-

ducted early August by men

armed with M-16 armalite as-

rampant even outside Manila.

Said President Fidel Ramos,

after a spate of kidnappings

was also reported in the

Kidnap-for-ransom is so lu-

southern island of Mindanao:

crative it has become more

than a simple law-and-order

problem. Rich Chinese Fil-

ipinos, whose businesses have

become increasingly vital to

the economy in the past three

"This is too much."

But the crime is becoming

Mark Anthony Li, for in-

metro dailies, here have run

screaming headline stories

'Kidnap Capital'.

Filipinos.

sault rifles.

city has long been

dubbed the "Wild, Wild

and Madhya Pradesh.

"Epitomising how little of lasting value it achieved is the plight of the Naxalbari region itself which, in terms of development or land reforms, is no different from any of the surrounding areas in Darjeeling district except, perhaps, for the busts of Lenin and Stalin scattered around the place."

Indeed, in the 60-odd hamlets in Naxalbari, where a majority of the 40,000 papulation are tribals, poverty and oppression are still fixed features of the landscape.

Landowners still rule the roost. It came as no surprise that the 25th anniversary of the movement went almost unnoticed in Naxalbari. Barely 'a hundred people took part in the procession, organised by now much-splintered revolutionary groups, to lay wreaths at the martyrs' column at the edge of Naxalbari town.

Indeed, the Naxalite movement has degenerated. In Bihar State's Palamau district. where they were once dreaded in the mid-Eighties, they have now resorted to the smuggling of forest produce, loot and extortion. Official statistics attribute 70 per cent of road holdups, dacoities, snatching of arms, attacks on police outposts and other crimes to Naxalites in this drought-

The Naxalites' influence is on the wane at the grassroots. This follows disenchantment in the rank and file with the "vested interests" of village leaders, internecine feuds and large-scale police action.

But in some small pockets areas of Andhra Pradesh, Bihar they still have a hold levying

Jagan Nath writes from New Delhi

In the 60-odd hamlets in Naxalbari — the birthplace of the Naxalites — poverty and oppression are still fixed features of the landscape. Landowners still rule the roost

'tax" on timber smugglers, government contractors and snatching licenced arms from landholders.

Extortion is big business for them. They issue "permits" to "contractors" for illegal felling of trees. Businessmen and big farmers have to contributed to the Naxalite coffers in either cash or kind. Failure to pay results in attacks or burning of trucks carrying smuggled forest produce.

As Mr Rathod has admitted, these insurgents have a link with the LTTE in Shri Lanka which has been locked in a grim battle for survival with that country's security forces.

The LTTE has rich experience in jungle warfare are well trained and well equipped. It is not happy with the government of India which banned the LTTE in India following the revelation that they had masterminded the murder of the former Prime Minister, Mr Rajiv Gandhi, in May last year. It was at Mr Gandhi's instance that India's peace-keeping force was sent to Shri Lanka to check the LTTE menace.

It appears that in retaliation the LTTE have decided to help insurgent groups in India with war expertise, training and equipment.

The successful way in which the Naxalites have been operating in the jungles on the common borders of the States

of Madhya Pradesh, Maharash tra and Andhra Pradesh bears the hallmark to LTTE expertise in jungle warfare.

"Hence," advocates the Madhya Pradesh Chronicle newspaper of Bhopal, "every effort should be made to mod ernise the state police both in the matter of training and equipment."

Mr Rathod has suggested that air surveillance could be come necessary to locate the jungle hideouts of the Nax alites so that they could be at tacked and the insurgents could be hounded out.

According to the Chronicle, the police chief's complaint that the local people do not cooperate with the police is at least partially connected with the police image in the area. If people are forced into cooper ation at gunpoint, as the police chief suspects, it points to the inability of the state police to provide adequate protection to law-abiding citizens. Why did the revolution fail?

Kanu Sanyal, a well-known Naxalite leader, blames it on the wrong strategy - exterminating individual class enemies. The Naxalites' emphasis on murders to the exclusion of other means made them out to be little better than a bunch of butchers.

Another Naxalite, KB Pourel, admits frankly, "The system cannot be changed by

executing a few people." Still another reason for the

movement's failure is that the radicals cut themselves off from the very people they were meant to help. Charu Mazumdar, a top Naxalite leader who died in prison in 1972, insisted that Naxalites depend solely on guerilla warfare, ignoring the indispensable need to build a mass movement. Further, the tide of killings alienated the urban middle class. Analysts say that today, even

die hard Naxalites are forced to admit that with communism having been rolled back in Eastern Europe and numerous schisms erupting within the ranks of Indian revolutionaries, they are up against severe odds. Even China, the ideological patron of the movement, has long since lost interest in fomenting a copycat revolution

No wonder, some veteran Naxalites have even renounced their faith in the armed struggle. Kadam Mallick, a trusted aide of Charu Mazumdar, has gone back to farming and judging by the deities displayed in his home, he has also gone back to God that com munism tried so hard to kill.

The decline began when Naxalites started hitting out at random targets instead of directing their gunfire at the rich landlords and powerful bureaucrats.

In Andhra Pradesh, the state government is going allout to combat the Naxalite menace. Leaflets are distributed, particularly in the affected villages where the Naxalites are active, saying those

who give shelter, food and transport and extend other help to the extremists could be punished

Villagers are in a fix. As one villager explained. "When the police come, we say we will help. When the Naxalites come, we tell them we will go by what they say. We are caught between the devil and the deep sca."

The People's War Group of Naxalites was banned by the Andhra Pradesh government harassed by the police. Later, about 130 militants

and party sympathisers surrendered before the police. Some of them had brought their weapons, including some crude local-made bombs. Later, another 120 militants surren-According to a senior police

official, the deployment of para-military forces around the affected areas in Andhra Pradesh, has so far resulted in the surrender of 750 Naxalites and their sympathisers.

Dr MV Mysoora Reddy, Andhra Pradesh Home Minister, has vowed to curb the extremist violence and ensure law and order in the state. But he lamented the fact that the Naxalites were killing innocent, people by branding them police informers.

He disclosed that the police was being revamped to meet the Naxalite challenge. "The government is determined to curb the Naxalite menace with an iron hand," he warned.

Similar steps are also being taken in the states of Bihar and Madhya Pradesh.

— Depthnews Asia

# Manila: Asia's 'Kidnap Capital'?

A rash of kidnappings of prosperous business—often Chinese Filipinos — is plaguing Manila, endangering the government's efforts to improve the economy. The crime has proved so lucrative even some police and military officers are now suspected of involvement. Ramon Isberto of IPS reports from Manila.

about a string of kidnapping cases in which almost all of the decades, are said to be fleeing victims were wealthy Chinese to safer havens abroad.

The public's distrust of the police has also hit an all-time high. Many of the suspected perpetrators are police or military personnel-including several generals. Officials now fear the crime wave may have a chilling effect on the government's efforts to attract foreign investors, particularly from Taiwan and Japan.

"Prospective investors always ask about two things when they come here," says Trade and Industry Secretary Rizalino Navarro. "The first is infrastructure. Will they get the electric power they need. The second is peace and

About 30 abduction cases have been reported in the first half of this year, says Police Deputy Director Raul Imperial.

Many more go unreported. Families of kidnap victims often avoid the police and just pay up, but not only because they fear for their loved one. These days, the feeling is the police may be the bad guy, too. In August, the Philippine

Daily Inquirer newspaper cited one case where a kidnap victim tried to report to the police. But the victim, a rich Chinese Filipino businessman, backed out when he saw one of his abductors in police uniform and talking to the chief.

This country had been rocked by sensational kidnappings before. In 1986, Japanese executive Noboyuki Wakaoji of Mitsui Co., a trading firm, was abducted and held captive for months until a US \$3 million ransom was paid to leftwing rebels.

In January, US oil company

abducted by what the military said was a breakaway faction of the communist New People's Army (NPA). But when he was rescued weeks later, 14 of the alleged kidnappers were killed, fuelling suspicions of a rub-out to cover up the involvement of some military of-

executive Michael Barnes was

The current rash of kidnappings stand out for their business-like efficiency. A victim is selected, picked up and a ransom demand -often for million five (US\$200,000)-quickly delivered. A compromise is struckfor, say, US\$120,000- and the victim is released within a few

In case a victim's family denies having that much cash, the kidnappers usually recite the family's bank account numbers, when they made their last deposit and current total balance.

For Chinese Filipinos, their current travails is the dark side of the prosperity they have enjoyed for the past 30 years. Through good times and bad, the fortunes of major Chinesc Filipino business groups have flourished. They are now said to control nearly one third of the country's top 500 corporations.

The sense of vulnerability of the ethnic Chinese here may have been magnified by the fact they make up a tiny minority of 600,000 or just one per cent of the Philippine population. In Indonesia, they comprise about four per cent, in Thatland 6.5 per cent and Malaysia 32 per cent of the population.

But Filipino prejudice

placed within the shortest

against ethnic Chinese has in fact waned over the years. Officials say the irony is the rash of abductions may be due to the entry of foreign syndicates like the Hong Kong-based '14-K Gang' and the 'Triad' and

'Bamboo' gangs from Taiwan. Recent arrests of suspected kidnappers have in fact included Chinese businessmen accused of financing and masterminding their operations.

For the Ramos government, the kidnappings have become a highly visible test of its authority. The Presidential Anti-Crime Commission headed by Vice President Joseph Estrada has been tasked with running after the 1,000 or so gangs engaged in everything from white slavery to robbery to kidnapping.

To underscore its resolve, the army last week dispatched a 6000-strong battalion to Mindanao to track down a 40man band headed by an outlaw known as 'Commander Mubarak'. Mubarak's group abducted more than 20 persons there last year, including a French Roman Catholic missionary and several Chinese Filipino businessmen.

# To the Editor ...

### A green square

Sir, Environment, Forests, Fisheries and Livestock Minister Abdullah Al-Noman while addressing a seminar on "Post-UNCED Situation and Environment of Bangladesh" in the city recently said that a National Council of Environment would be constituted soon to preserve and maintain environment and ecological balance in the country. The Council will be headed by Prime Minister Begum Khaleda Zia and there will be 70 to 80 members including environmentalists, and representatives of government and nongovernment organizations.

We warmly welcome the decision and we would like to suggest the government to allot some land in Dhaka for establishing a 'Green Square' where all the offices of different environmental institutions and societies including the office of the National Council of Environment may be commissioned. M Zahidul Haque

Assistant Professor, BAI, Dhaka

### Travellers cheques

Sir, I have gone through the informative report on travellers cheques shortage at local banks in Dhaka, by Tou-

fique Imrose Khalidi of your daily recently. Mr Khalidi has described every point very precisely regarding the foreign currency released as per rules and regulations of the central bank. Most of the people in our

country are unaware of the merits of travellers cheques. Pleasure seekers of tourists from Bangladesh are very few. Majority of the young people who go abroad (i.e. Thailand, Hong Kong, Malaysia, Singapore) are job seekers. People of this category are not aware of the benefits offered by TC's.

TC's are not of one time use as mentioned by Mr Khalidi. There is no time limit for

them. A person can encash the TC whenever he/she wishes to. So what is the benefit of buying TC's instead of cash? If someone loses cash money it is gone forever whereas TC's are refundable. Moreover, if TC's are stolen no one else can encash them as the countersignature below must match the signature on top of the TC. Customers may think that

TC encashment is cumbersome or time consuming as they had to stand in the queue or sometime pay some sort of commission to the encashing bank. But they should also realize that it is the protection they are availing of in return. The same amount is being re-

possible time. And in many countries the exchange rate for TC's is higher than that of

Back in 1980 I was quite amazed to see TC's being accepted in departmental stores in Switzerland. Even many small shops in countries like Singapore, Hong Kong, Thailand do accept TC's in exchange of payment for goods purchased or services performed.

So what the banks need to do to promote the sale of TC's is to make aware the clientele about the privilege of their products, not only by advertising boldly but also by adopting innovative marketing techniques (not gimmicks!) This is possible if the em-

ployee concerned, whether he is a clerk or a manager has the opportunity of contributing his skills, talents, ideas in implementing new techniques and measures; if not, at least suggest measures to improve the existing situation. Even a junior staff might have such creativity that would help the company to boost high up in the sky. This is how every staff will be able to participate somehow in the decision making process.

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