

Devaluation of Indian Currency Poses Problems for Bangladesh

Not by Laws Alone

Laws are not enough to ensure women's rights. Mr Justice Abdur Rouf, the Chief Election Commissioner, said on Thursday while opening the eighth annual conference of the Bangladesh Mahila Parishad. The outstanding man of justice, growing in stature with his adroit handling of Bangladesh's most delicate and urgent problem, namely, the elections, couldn't have made a truer observation in a more suitable venue. The relentless struggle that the Mahila Parishad has been engaged in, ever since its inception, is a proof of Mr Justice Rouf hitting a right point. While all kinds of social action groups, women's particularly, should also aim at enacting more laws congenial to removal of social imbalances — the greatest part of which emanates from gender inequalities and exploitations —, the main thrust of organisations like the Mahila Parishad quite naturally is concentrated on moving things socially. Not unlike the phrase: "lifting oneself by one's bootstraps" which has supplied a very apt analogy to astrophysicists helping them evolve the "bootstrap theory" of the creation of the universe, — principled and unsparing organisations like the Parishad should also heed Rabindranath and go for the generation and realisation of 'atmoshakti' by first practising whatever they are preaching to the others.

In fact, a more precisely formulated position would give a truer expression to what CEC had in his mind. Laws are not enough to ensure women the enjoyment of human rights. It must be understood that all of women's rights are human rights restated and women — one-half of humanity — are being denied of those all over the world, albeit in varying degrees. This is being done formally and institutionally as well as socially through manifestations of attitudes saturated with injustice and irrationality, an overwhelming greed for the body and the mind of the long-enslaved gender — whether for casual pleasure or for unpaid labour.

Mary Wollstonecraft, P B Shelly's mother-in-law and mother to the authoress of the tale of Frankenstein, laid the first theoretical basis of why women shouldn't be treated as unequal and inferior and less endowed than man. Fifty years later John Stuart Mill lifted again the standard of making women privy to all of man's rights in his 'Subjection of Women'. Another fifty years and Henrik Ibsen came out with his play, 'A Doll's House' in which Nora, the loving wife, quits home to know herself and her place in the world. These two hundred years we haven't trudged a long way on either the "Vindication of the Rights of Women" or on the point of "Subjection of Women" and Nora's rejection of her family-cage seems to have an inspiring effect even now.

Bangladesh's present reality has added a new dimension to the traditional and much too familiar scenario of gender oppression and exploitation. Complete absence of democracy for almost the whole span of Bangladesh's existence and the currently dispensed ad hoc type of governance have rendered the weak and disadvantaged sections of the society defenceless prey to torture and suppression. There lies the justification of the travails of organisations like the Mahila Parishad, who fight to right these wrongs.

We are happy to note that the conference was attended by the legendary Ila Mitra, the first of the heroes that rose against Muslim League autocracy in the then East Pakistan. She brings to us memories that are part of our being as a nation.

Hospital with a Difference

Prime Minister Begum Khaleda Zia spoke for the nation when, on Saturday, she called for private initiatives in the setting up of hospitals and other health facilities for the people. The occasion was an appropriate one. Begum Zia was inaugurating a 60-bed hospital at Rajarbagh in Dhaka, which is financed by the Islami Bank that, we understand, has set up a charitable foundation for this purpose.

The Islami Bank deserves our commendation for taking up this project, in a rare display of pioneering zeal which, we hope, will be followed by other private organisations. A recent document of the United Nations Children's Fund (UNICEF) places Bangladesh at the 40th rung from the bottom, among some 129 countries, in the backdrop of such indicators as child mortality, life expectancy and malnutrition. We cannot expect any government to tackle these problems on its own, within its limited resources and, for that matter, even with massive assistance from outside. Problems are further compounded when we commit ourselves, as we have done, to the programme for "Health for All" by the year 2000. The target may not be attainable. But we have no choice but to strive hard to reach this goal.

This is where the role of non-official organisations assume immediate importance. We, in Bangladesh, feel proud of the performance by BRAC and the Grameen Bank, and also the National Bank Ltd, among others, in such fields as education, rural credit for the poor and medical facilities in rural areas. There is no question that more, much more, has to be done, especially in the expansion of health care programme.

With the setting up of reasonably well-equipped clinics in large number in most major cities and towns in the country, especially in Dhaka, the affluent class should not have much of a complaint about health care facilities. In any case, the richer class is in a position to travel abroad to get the best possible treatment. It is the poorest of the poor which remain the worst victims. We are sure, this is the class that the new hospital set up by the Islami Bank foundation will serve. We also hope that this new example of philanthropy will be an inspiration to other corporate bodies, business houses and even financial institutions in the country.

WITH the floating of the Indian rupee late last month, exchange rate management appears to be on the way of becoming an issue also in this country. Some trade bodies have already voiced their concern at the erosion of the competitive strength of the taka. Some donor agencies also are arguing for more active exchange rate policy to forestall loss of external competitiveness.

Let us look at what is being done by other neighbouring countries. A few days back, Sri Lanka eased exchange control regulations on current account transactions. It is stated that there would no longer be any limit on availability of foreign exchange for imports, exports, travels, education and health while exporters of goods and services, including hoteliers and travel agents, would not be required to convert their foreign currency earnings into rupees. Over the year, Sri Lankan rupee has also drifted lower from 41.96 to a dollar to 44.22 showing a depreciation of slightly below 6 per cent. Sri Lanka has also announced a new incentive package for exporters which include import of a duty-free car. Pakistan has depreciated its currency against dollar by nearly 6.5 per cent over the year while Nepal has devalued its own about 7 per cent during the last twelve months or so.

The official exchange rate of the Indian rupee was around 26 to a dollar just before it was

freed from the rate being fixed by the central bank and permitted to float so that market forces would determine the par value. The rupee is now hovering around 32 to a dollar. In other words, floating the currency has led to a massive devaluation of 23 per cent when set against the earlier official exchange rate for the dollar. However, the effect of this dose of devaluation has not been felt so much by importers in the private sector as India had allowed exporters last year to sell 60 per cent of their foreign exchange receipts in the open market, at times at a premium of around 20 per cent. Importers had to finance their imports with foreign exchange bought in the open market so that they got nearly used to paying a more or less similar rate as of now. On the other hand, the cost of imports by the government and parastatals would go up sharply as previously they had been financing their imports at the official rate of exchange.

India's new foreign exchange regime is being termed by many as 'full convertibility of the rupee on trade account'. This means that this convertibility will extend only to imports and exports. Exchange controls are still very much in force and restrictions on availability of foreign exchange for purposes other than trade transactions will continue to apply. Full convertibility means that not only is the currency convertible into foreign ex-

change at rates set by the market and not dictated by the central bank but also that foreign exchange is available freely at that rate. It would thus seem that India has still to go quite a way before attaining full convertibility of the rupee.

Now, where does all this development leave us? Bangladesh has carried out a substantive programme of exchange control liberalisation over the last two years. As for

lending rates in Bangladesh still remain lower. Rates of import duties in this country are also lower. Besides, Bangladesh has carried import liberalisation much further than India. All such advantages should figure in determining the extent of erosion of our external competitiveness.

In point of fact, external competitiveness needs to be adjudged on a global basis, taking into consideration the position of just not one but all the

abroad. Maintaining external competitiveness unimpeded calls for exchange rate adjustments as and when required. In an open economy, foreign exchange markets do the chore, interspersed with distortions introduced by foreign exchange dealers' speculation or may be, central banks' interventions. However, eventually the market usually prevails. In any case, the central bank or for that matter, the government, is seldom held to account for the market's behaviour. For a country like Bangladesh, on the other hand, exchange rate adjustment almost invariably means depreciation of the currency. Although exporters get immediate benefit, given the high level of dependence on imports, not only for consumer and capital goods but also for inputs for import substitution and a fairly large segment of export-oriented industries, currency devaluation draws more criticism than praise. Naturally, governments loathe it.

As for policy options available at this stage, the authorities could, of course, carry on with the present practice of adjusting exchange rate at infrequent intervals. I have already touched upon the woes of policy makers in such a scenario. Besides, an element of arbitrariness is inherent in this system. Authorities could also just float the currency, retaining exchange controls.

One factor which might weigh heavily in this connection is the prevailing narrow range of trading and low premium in the currency 'black market' vis-a-vis the official rate. This factor might indicate the possibility of less flurry in currency market following floatation, thus making the move appear as relatively less risky, particularly as the currency level of foreign exchange reserves provides adequate cushion for market intervention by the central bank.

Authorities could, of course, choose the high-profile but high-risk option of convertibility of taka for all current account transactions. In that case, taka would not only be floated but also made freely available for all current account transactions. Here, the main and immediate risk is a possible massive outflow of foreign exchange. A lot will depend on such factors as the level of interest rates at home, across the border and abroad as well as the structure and level of efficiency of the financial system in the country with macro-economic indicators in place and foreign exchange reserves at a level comfortable enough to provide the necessary anchor, this could well be the right moment to make taka convertible. And, given a free choice, those who had been taking their money out through various underhand means anyway, might pause to think if they need to do this any longer.

ALONG MY WAY

S B Chaudhuri

convertibility on trade account, although the central bank determines the conversion rate of taka, importers of goods have free access to foreign exchange. As is evidenced by the growth rate of exports and the higher levels of wage earners' remittance over the last couple of years, conversion rate of the taka also attained a high degree of competitiveness.

There are a number of other areas also which provide Bangladesh with a competitive advantage. Inflation is now hovering around 4.5 per cent whereas India's inflation rate for the financial year ending in March this year could well turn out to be 10.5 per cent. Despite the recent modest cut in bank interest rates in India,

major trading partners. But we must not overlook the fact that geographical location adds another dimension to our economy. In the present instance, the devaluation of the Indian currency would increase the cost of imports in that country substantially whereas the same goods could be imported into Bangladesh at a cheaper rate because of the exchange rate differential. This could provide an additional inducement for smuggling out imported goods and since smuggling also is a two-way trade, both the volume of goods being smuggled in and out could go up. Then again, exchange rate differential could provide a fillip to 'hundi' business, diverting flow of wage earners' funds from

RUSSIA'S demographic profile is changing dramatically: more people are dying, fewer babies are being born and the country's population has decreased for the first time since World War Two.

And according to Russian sociologists, the bleak economy deserves the blame as couples decide against having children because of their fear of the future.

Official figures released here indicate that in 1992, Russia's population declined for the first time since the 1940s, bringing the present total to over 148 million.

The bland official explanation given for the reduction was "negative processes of natural reproduction". Birth rates have been dropping consistently for the past three years, down by almost one-third.

The latest statistics, released at the end of January, show there were 11 per cent fewer babies last year compared to 1991. At the same time, death rates have also been rising, going up by five per cent.

But specialists say the main

Russia: Birthrate Declines with Economy

reason for the drop in the number of babies being born is that Russians simply cannot afford to have them. Sociologist Svetlana Bestuzheva-Lada has noticed a disturbing phenomenon where fewer couples are getting married or opting to have children.

"The family crisis in Russia is growing deeper, threatening the very existence of the family as a social institution," she said in a recent article in the magazine Megapolis Express. "The reasons are many, but the chief one is, of course, economic."

Spiralling prices, continuing instability and the breakdown of the paternalistic Soviet state machinery — which encouraged childbirth by handing out Hero Mother medals to women who bore more than 10 children — have tarnished parenthood.

Russia is said to be on the verge of hyperinflation, calculated at an inflation rate of over 50 per cent per month, and its medical system has all but collapsed under the new thrust

The economic crunch is curbing the size of Russian families. Rajiv Tiwari of IPS reports from Moscow.



for privatisation. Mothers recall that in the days of communist rule, the

government gave special food, clothes, toys and invested heavily in the future of their children.

"Our kids were treated even better than the party bosses. It was only after they grew up that they would join the ranks of socialist labour," says Alla Filimonova, mother of two-year-old Vladislav.

Alla and her accountant husband Alexander would have wanted another child. But with Russia's present economy, the Filimonov family is likely to

remain a threesome.

In an opinion poll conducted in Moscow late last year, nearly a quarter of the 1,000 people interviewed thought they lived better during the years under ex-Soviet leader Leonid Brezhnev — now known here as the 'era of stagnation'.

Some 17 per cent said modern life was better under the last Russian Tsar. Only five per cent opted for today.

Worried Russian legislators last summer decided to give child-bearing incentives to parents and doubled maternity leave from 18 months to three years.

But the rapidly dwindling rouble allowance found few takers and mounting unemployment in the country has hit women first, gradually depriving them of even the service sector jobs they held.

Minraza Nazmedinova, chairperson of the Russian parliamentary committee for women, family and mother and child protection, told legislators last September that maternity wards across the country were almost empty. More pregnant women preferred to undergo abortions than have babies.

"The situation is simply horrible," she said. "Every year, there are nearly four million abortions in Russia and this is a conservative estimate. Fifteen per cent of all couples in Russia are childless and over 50 per cent have only one child."

Ethnic Russians have the lowest birth rates in the former Soviet Union where the Central Asian republics are at the fore. There are 35 million women of child-bearing age in Russia and 70 million in the former Soviet Union that has a population of 450 million.

Figures show that birth rates are falling in almost all the 15 former republics barring the five Central Asian states where the comparatively backward economies have allowed retention of stronger family ties.

More than 80 per cent of Russian women and men under the age of 30 are married and the country has a young child-bearing profile, usually associated with high birth rates.

But as Bestuzheva-Lada pointed out in her article, "The real problem is that two-thirds of these young people still do not have any profession and cannot support their families. If a baby is born into such families, it becomes one more child to be raised by the grandparents."

The problem of housing is also as acute as the problem of education. It is virtually impossible for an average couple to get a one-room apartment from the government and even less so to buy a cooperative apartment.

Added Bestuzheva-Lada: "Only an extremely naive or irresponsible person can count today on any substantial material help from the state when he or she chooses to start a family, to say nothing of having a baby."

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.

Bangladesh Book Fair in Calcutta

Sir, A very welcome news item appeared in the press on 30th March, saying that a fortnight long book fair was being held at the Calcutta Information Centre, with effect from the same date (30th March, 93). The thing was organised by our Deputy High Commissioner in Calcutta.

Bangladesh has much to offer, to the book lovers of West Bengal provided we improve our marketing and distribution systems. As of now, there are only a few writers, whose books are sold in West Bengal. Our promotional thrust so far has been negligible in a competitive field. The book fair is only one tangible activity, but our efforts have to be a continuous one. The Information and Cultural Affairs wing of the Deputy High Commissioner in Calcutta can perform an effective role in this regard. A book sells on its own merits, but it also needs advertisement, marketing and distribution channels.

The production cost of a book published in Bangladesh is almost three to four times to that of a book published in Calcutta. Furthermore, some useful books are published by the West Bengal State Book Board, under the sponsorship of the Government of India, and are sold at a highly subsidised price.

The Government of Bangladesh, in deserving cases, can supply newsprint and whiteprint at subsidised rates to promote readership and also the book publishing industry in our country.

Some time back the government had appointed a committee to formulate our National Book Policy. It is hoped that its recommendations will be effectively implemented.

The government may also consider, the introduction of a bonus export scheme for our book trade.

One reason for the high price of our books is our very limited market. In an extended market, covering West Bengal, the cost of publishing can be lowered.

Shahabuddin Mahtab
Siddheswari Road, Dhaka

Principals of agricultural colleges

Sir, For many years the agricultural colleges of the country are running without permanent principals. Senior most professors have been discharging the responsibility of principals as in-charge. There are quite some problems in smooth running of the administration as acting or temporary principal. Although the higher authorities up to the Minister of Agriculture are quite aware of this fact and they are very much willing to appoint permanent principals, the cases of promotion/appointment to the post of principal are hanging for 'administrative disposal'. In case of Bangladesh Agricultural Institute (BAI), Dhaka, the senior most professors who performed their duties as principal-in-charge for the last decade could not finally get promotion to the rank of principal before their death or retirement. The immediate past principal-in-charge who served for a long time wasn't given promotion against the post of principal (although he had all the qualifications) till his retirement in 1991 on grounds best known to the authority — one anticipated reason being that, he was not an agriculture graduate.

Since 1991, a senior agriculture graduate is performing as the principal-in-charge of BAI. The Teachers' Council and

the Students' Union had on several occasions in the past urged the relevant authority to appoint a permanent principal to improve the overall administrative and academic atmosphere of BAI.

We honestly hope that the authorities will take immediate steps to provide full time principals to the agricultural colleges including BAI.

M Zahidul Haque
Assistant Professor, Bangladesh Agricultural Institute, Dhaka

Promotion

Sir, Promotion in government jobs in our country is totally based on seniority. The effects of ACR and Departmental examinations are more or less insignificant. This has caused the breeding of inefficiency.

Two relevant points can be elaborated.

1) Every country has its share of efficient and inefficient workforce. But in developed countries, there is always a filtering process by which only the efficient and hard working people reach the policy making level. In our country, due to the absence of such a process, inefficient incumbents are also rising to policy-making levels just by virtue of their seniority. Once they reach the level the policy making and thus the country may be in a dire strait.

2) Many hard-working and efficient non-cadre government officers are blocked for years in their posts. This gives rise to frustration, motivational problems and non-utilization of a great part of the country's work force.

Thus, a filtering system like the SSP examinations should be enforced for all government officers. It is obvious that many, who are afraid that they will be overtaken by more efficient officers, will try to block such a move. But personal interest cannot be of more importance than national interest.

M J Haider
Mohammadpur, Dhaka

OPINION

Of Parents and Children's Rights

I feel it is high time that we adults realise that children need a clear understanding of their existence from us. Putting all our efforts into ensuring food, health and education is just not enough. They are only survival tools. Prisoners too, in the jail, have right to these tools. As I see it, by establishing children's rights on these measures without bringing about a change in adult perception of and attitude towards children is not a means to ensuring a healthy future society — it is rather a method for fulfilling parental obligation for having brought a child into this world.

It is time that we adults begin to regard our children with their fair share of respect and dignity irrespective of their gender and condition. It is a shame that a overwhelming majority of children are born for the sole purpose of use and abuse by their parents. And the height of tragedy lies in the fact that parents do not even realise it. No matter at which level of society the parents are, these children are brought into existence to serve such traditional designs as fulfilment of motherhood/parenthood, proving man's virility/woman's reproductive capacity, appeasing in-laws, propagation of family name (whatever that maybe), producing an heir to the property, getting free labour, source of income, future security, fulfilling parental desires (career, marriage) and some more selfish instances.

It is time we do something to educate ourselves on the meaning of a child and its importance beyond our myopic world of selfishness. We need to stress on the fact that a child is a precious gift of one generation to the other.

Parents need to give a lot of serious thought to the whole idea of bringing a child into this world before they plan or unplan to have one. Laws need to be established for specifying a child's position and rights in our life and society. In doing so we must take into account and accept that we are obligated to children for having brought them into this world. Had the children a choice, many would have opted out of birth. Thus, as parents we should stop trading favours from children for having given birth to them — nursed and nurtured them. For that tantamounts to coercion. It should be regarded criminal where a child is born as by-product of its parents' non-concern of its birth and future. If they cannot do anything about their biological urges that bring a life into being which they cannot justify with heart or head, they should not expect society to be kind to them.

Again, laws should be enacted to see to it that children are not taken for granted as cash crops in any segment of the society for survival and securities of the adults. If the adults cannot plan and fend for their own future, if state does not have any concern for the insecure adults, fine. But, please spare the birth of children for this purpose.

Some weeks ago a reader proposed for a separate Ministry for children's affairs in an English daily which in my opinion is a very thoughtful proposition to the government. As it stands now, children's issues are stuffed into Women's Affairs Ministry based on the traditional mother-child concept. This to my mind is neither adequate nor proper. The singular reason being that this system officially understates

the importance and responsibilities of the father who happens to be, believe it or not, one of the two agents responsible for bringing the child into this world.

On the issue of importance of father in a child's life, I have an observation which I feel must be expressed now. As Bangalees or Bangladeshis, in our super charged zeal to establish ourselves as a highly mother-loving nation, we have banished the figure of father from our patriotic and emotional expressions. Children, rather sons, are taught to take care of their ever insecure mothers, cry their hearts out for their sorrow-laden mother's sacrifices because fathers are eternally absent from their lives. What character of the father have we being depicting to our children? How does a society expect these ever-orphaned children to get strength and solid character from the insecure mother. A child has the right to know the importance of father in its life. Unless we educate our society on the issue of 'role of the father' we will not be able to make the father realize his responsibilities and in the process deprive the child of paternal love and care.

It is time, therefore, to put parents' parenting and children's rights in the right perspective. The campaign for educating parents on desired role of parents in giving birth to children and bringing them up for a healthier and prosperous nation must begin now. And I hope everyone who harbours unquelled desire to see a nation of happy children with right to glowing childhood would work towards it for the sake of our children.

Pirween Rasheed
Nilkhet, Dhaka