

What Next after Paris?

On Monday last week, just around the time the Finance Minister was probably preparing his case in Paris for presentation before the Aid Consortium meeting the following day, the Cabinet in Dhaka approved a proposal for imposing restrictions on the import of sugar. The government thus took a step which runs counter to its avowed commitment to a policy of trade liberalisation, strangely, on the eve of the Paris meeting. On his part, the Finance Minister is said to have reacted strongly against the measure while talking to newsmen at the airport on his return to Dhaka on Friday.

We do not intend to go into the broader issue of trade liberalisation as of now nor do we plan to discuss the specific case of import of sugar. We also do not wish to dwell on the possible embarrassment of a Finance Minister just back from an international gathering where he renewed his country's pledge to adhere to a policy of freeing imports from administrative controls. Rather, our anxiety centres on the apparent lack of consistency in policy formulation and absence of coordination in the higher echelon in the government.

Contrary signals on major policy issues confound the public, erode our credibility abroad and shake the confidence of domestic and foreign investors alike. Incoherence in policy matters also mars the image of the government.

Donors at the Paris Aid Club meeting have laid out an elaborate programme of actions to be taken by Bangladesh over the year ahead. The agenda for work not only require the ongoing process of liberalising trade policy to proceed full steam ahead but also calls for decisive moves in quite a few other key and sensitive areas. For instance, in order to improve external competitiveness of our exports, trade liberalisation would have to be supplemented with more flexible exchange rate management which signifies, as we noted on an earlier occasion, further devaluation of the taka. Government also undertook to follow a more aggressive privatization programme, selling off at least half of the industrial concerns in the public sector and on top of this, disinvest one state owned commercial bank, within the year. It has to shed at least twenty thousand public sector jobs by the end of June and establish a firm linkage between wages and productivity.

This list of things to be done is by no means complete but it serves to underline the urgency of evolving a coherent and well coordinated approach on all the issues involved. The bill of fare handed down at the Paris meeting is indeed a stiff one. Policy makers may differ in their perception of the contents of the reform programme or about the ways its of implementation. However, having agreed to a set of policy measures, the government machinery should act in unison. There might even be a strong case for protection of domestic sugar industry but the objective could probably be achieved through means other than imposing quantitative restrictions on import. For instance, tariff measures could have been applied to make the imports costlier or an appropriate mix of pricing mechanism and duty adjustment could have been devised to make the domestic product cheaper.

Considering the dimension of the reform programme and the arduous nature of the task taken in hand, this is also the time to renew efforts at forging a national consensus on major economic issues. It is a question of choosing the right path for implementing the programme which would cost the society least in pain and dislocation while making the benefits of reforms visible in the shortest span of time.

A Swamped City

It was only Baishakh 19 and yet the whole sky came down. Instead of a *Kalbaishakhi* cyclone, it was a most unexpected *Ashadhi* outpouring called so very appropriately a *dhaw*. This in a way, very eloquent way indeed, set the stage for the rains to come although there is a full month of sizzling jack-fruit ripening heat of *Jaishtha* before the official opening of the wettest season of the year.

Tagore called such outpourings the wedding of the separated lovers, the earth and the sky. And what a ceremony we witnessed on Sunday prolonged as it was fittingly by a deep darkened sky that swept away all light from the face of the earth. Before coming down to impregnate the earth, was the sky playing the King of the Dark Chamber? Did he want to bide from us all his union with his darling? Well, he instead rather swamped us all through that 99mm raining spell. It is not for nothing that there are more songs celebrating the elementally lugubrious rains than anything else save love in Bengali. Rains cause the most suffering in this deltaic *doab* of the Ganges and the Brahmaputra. And yet its poets have always sung in praise of the calm sense of satiation, the indolent stints of introspection shot with pangs of separation.

Such a grand raining as Sunday's fills the soul of those who are well-protected against the more mundane buffettings of the same. A sizably big part of this city's 8-million-plus population have no shelters that can protest against pourings from above and flowing waters underneath. They always have a bad time when it rains. One cannot even imagine the kind of plight they were thrown into in Sunday's big rain.

The government and the city corporation in particular seem to prefer to be more poetically inclined about this rain thing than be responsive to the practical needs of the city and its populace when under siege laid by the rains. Nothing has so far been effectively done to remedy the flooding of even the main thoroughfares of the city. It's a shame that New Market and city joints of equal importance go under water every time there is a big drizzle. Poetry goes out of the life of those that are affected. When will the people in charge give up reading *Kalidasa* as soon as the sky is overcast and get down to work to stop the rains flooding the city?

Is the World Moving away from Free Trade?

UNCERTAINTY over the new US administration's stance on such trade issues as protectionism in America, economic regionalism, Uruguayan Round of negotiations under the auspices of the General Agreement on Tariffs and Trade (GATT) and bilateral trade disputes seems to be causing qualms in the capitals around the world. President Clinton himself is generally seen as a free trader. However, talks that the United States was pressing for a review of some of the accords already reached in the Uruguay Round of negotiations and the new US administration's tough stand on trade disputes are sending twinges of apprehension among its major trading partners.

As for what many see as a wave of growing protectionism in America, US steel industry had filed complaints of dumping against European steel manufacturers as well as some other countries, including Japan and Australia, in June last year. One of the first acts on the new US administration was to slap anti-dumping duties on foreign steel imports. It is said that the decision in this regard was in the wings when the new administration took over. Still, some consider the action hasty. Then the automobile industry was up in arms against Japanese cars. Another battle seems to be brewing up on the issue of access of American-grown apples in the Japanese market. On the other hand, the European Economic Community (EEC) finds itself embroiled in a trade dispute with the USA over the question of award of contracts as Washington believes that EEC rules discriminate against US firms bidding for business in EEC public sector. Well, more about trade disputes later.

On the issue of economic

regionalism, misgivings of countries in Asia in particular, centre on the North American Free Trade Agreement (NAFTA) signed by Canada, Mexico and the United States in December last year. The agreement is yet to be ratified by the three countries. However, the new US administration has come out strongly in favour of it. Many countries in Asia fear that NAFTA would lead to trade diversion and consequent loss of their export market in North America to Mexico. They are also afraid that preferential treatment for Mexican products allowed under the agreement might induce foreign investors to relocate production facilities from Asia to Mexico. Even the Asian Development Bank (ADB) in its latest annual outlook says that Asia could lose business in the US and Canadian markets when Mexico becomes a major supplier to North America under NAFTA. With low labour costs and a large population, says ADB, Mexico represents not only a significant market for potential investors but also a source for cheap imports for the North American market. A further cut in tariff barriers among North American countries could, ADB adds, work to the disadvantage of Asia by strengthening Mexico's bid to become a major exporter.

At the same time, some say that the relatively stiff rules of origin governing the sourcing of products which would qualify for preferential treatment under NAFTA, might serve as a sort of saving grace for producers in Asia. This 'escape clause' could turn to the disadvantage of the Mexican producers of electronics and garments. The NAFTA rules of origin in such cases, some analysts say, could initially act to limit diversion of imports of Asian products in the North

American market towards Mexico.

The 108-nation Uruguay Round of Multilateral Trade Negotiations was launched at Punta del Este in Uruguay in September 1986 under the aegis of GATT. The aim is to lower barriers to trade in agriculture, textiles, manufactured goods, services such as banking, telecommunications and other areas. It is claimed that a success of the negotiations would increase world trade and output by \$ 250 billion. Now in its seventh year, Uruguay Round has often remained stalled, particularly on account of the running battle between the US and EEC negotiators over the agricultural subsidy issue.

ALONG MY WAY

S B Chaudhuri

Here, it is of interest to note that while the slightest whiff of a subsidy in a country like Bangladesh draws immediate protests from the donor community, developed countries themselves had been paying out farm subsidies on a truly massive scale. According to one count, the total outlay of the developed countries in agricultural subsidies in 1990 alone came to 176 billion dollars, more than seven-times our GDP!

But that as it may, the US and EEC had come to an agreement on agricultural subsidies in November 1992 in the wake of the oilseeds episode when America threatened EEC with trade sanctions as it felt that the European Community was subsidising its oilseeds growers heavily and import of the product into the States was causing harm to its

own farmers. Although President Clinton had signalled his strong commitment to completion of the Uruguay Round within this year, subsequent reports to the effect that the new US administration might seek to renegotiate the farm trade accord with the EEC as well as reopen issues like subsidies, anti-dumping, textiles and services had brought despair to many. However, the US President's latest move to get negotiation mandate extended upto December has reduced their anxiety to some extent. The earlier mandate from the US Congress expired in March. The mandate authorises the US President to conclude agreement on the Uruguay

subsidy issue.

Reverting to trade disputes, the US-EEC talks in Washington last month on the row over public sector contracts, mentioned earlier, broke down and the negotiations were returned home. Later, a partial agreement was reached through negotiations conducted over telephone across the Atlantic and a trade war is said to have been narrowly avoided.

Publication of the eighth US annual list of nations accused of indulging in unfair trade practices earlier in April, caused a new flurry of activities among the concerned countries. This time the list names forty-four countries of raising barriers against US goods by taking resort to unfair trade

practices. Apart from the EEC, a trading bloc in Asia also, namely the Gulf Cooperation Council (GCC) comprising of the oil producing Arab states in the region, figures in the list. In addition to Japan, countries from Asia named on the list include China, Indonesia, South Korea, Malaysia, Singapore, Thailand and two states from the sub-continent — India, Pakistan. Many of the countries placed on the list were already in dialogue with the USA on trade issues and now some of them are making a trek to Washington in a bid to avert US trade sanctions.

Following the Japanese Prime Minister's meeting with the US President in Washington in April, the two sides have agreed to evolve a 'new framework' over the next three months to address bilateral trade problems. Negotiations on the proposed framework agreement is likely to bring a basic principle of international trade to focus. The principle of adherence to the pristine format for free trade appears to be at stake. America seems to be pressing for more of managed trade which means fixing numerical targets in advance for trade in specified products and setting up performance criteria for imports and exports (well, chiefly imports of US goods into Japan, some say) of the items. Japan is arguing that this runs contrary to the principles of free trade. However, in the past Japan did agree on similar 'orderly trading arrangements' in its trade with the USA in certain items, such as semiconductors and automobiles.

As the Uruguay Round remains stalled, some of the major trading nations of the world seem to be moving towards increasing recourse to managed trade. Where invisible trade barriers impede free

flow of trade, it is said, resulting in chronic imbalance, market share targets need to be used as a last resort. Just 'free trade' is not enough, it is stated, it has to be 'free-but-fair' trade. Arguments for and against managed trade apart, it does seem to provide a practical way to correct chronic deficit in bilateral trade. Well, in the short run anyway. For instance, if India agrees to import specified quantities of a given range of goods from Bangladesh, taking the level of trade imbalance into account, our perennial deficit would perhaps come down to manageable limits in no time.

The Return of the Left-front in Tripura : An Overview

by Haroon Habib

THE Left-front of Tripura has returned to power with a landslide victory in the state assembly polls. The return to power within five years through capturing more than three-fourth majority in the state assembly by the left combine under CPM's leadership is not a very simple event in the contemporary Indian politics. The electoral battle in the tiny Indian state, adjoining Bangladesh, was held at a time when Indian politics is reportedly passing through a transition period or, to some observers, a critical period either.

CPM — the Marxist Communist party — or the left forces are not a new strength in Tripura politics. They have taken a deep in-road in the politics of the state, a region inhabited by the Bengalis and the tribals, from several decades ago. Despite their marginal defeat in the 1988 elections to the Congress (I) and Tripura Upajati Juba Samity (TUJS) combine, the Left-front under the stewardship of veteran leader Nripen Chakrabarti, earlier ruled the state for many years. Therefore, for obvious reasons, the base of CPM or its allies is solid in Tripura, and also in West Bengal, though they are yet to become a national alternative to Congress (I).

The victory in recent elections or the return to power by the Left-front is not therefore an establishment of a new political pattern in the province. But the massive mandate from the electorate may have obviously shaken their arch rival, the Congress (I). Despite holding power in the centre, the Congress (I) failed to master

the list of failures may be pretty long if one tries to assess the seventy years' records of the communist rules in the Eastern Europe. The philosophy in the conduct of state governance under communist rules was not better than those of the monarchs or the autocrats. The universal quest for freedom and people's aspirations may be subsided for some time with the promised welfare through economic distribution, but it cannot sabotage the freedom of speech and activities. It is, therefore, a consensus of all civilised human beings around the globe that the uprising against communist dynasties were nothing but people's normal reactions to get back their freedom. But some state powers in the Eastern Europe are possibly committing the same crimes like those of the communist rulers, who infringed democratic rights to choose people's own way of politics. No action can be said to be right or civilised to suppress people's right to choose, even if it is aimed at driving out a theory or establishing one.

It is not at all a welcome news for the Congress (I)-led centre in New Delhi, that it has lost a state government, particularly at a time when it has been fighting a hard battle to check phenomenal rise of communalism and finding a real bad time in sizing up the pervasive quest of the funda-

mentalist BJP to become its national alternative. But it is a hopeful note to many, that the CPM is one of those few effective parties which have been extending its strongest support to the centre in containing the forward march of the BJP-led fanaticism, which has already threatened the secular constitution of India. The Tripura poll results are so interesting that the CPM has alone bagged more than the absolute majority and the Left-combination broke the record of its popularity.

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But, undoubtedly, the communists or the socialists of Bangladesh have a different story to tell. Many of them tried to establish socialism in this poorest nation themselves adhered to a posh way of living and addressing the have-nots to act. Some of them often cast their allegiance to dollars and petro-dollars. When some, right from the Pakistani days, remained close to the military dictators, and some even did not hesitate to promote those who opposed country's independence.

There must be various vital reasons behind such a stunning defeat of Congress (I) in Tripura. Many Congress leaders, including the provincial chief Radhika Ranjan Gupta, demanded of the party high-command to initiate an early investigation into the catastrophe. Ms Mamata Banerjee, the much-publicised name in West Bengal's Congress leadership, has already termed the defeat as the 'victory of the party high-command'. Such controversies apart, the defeat of the Congress (I) came at a time when its position was improved in the north-east re-

gion with the restoration of power in the Nagaland and Meghalaya. The poll results have also shown that the tribal ally of Congress (I), the TUJS, have suffered a deadly blow, while the ally of CPM, the Hill People's Party, did better.

One of the vital significances of the Tripura elections may be that, the fundamentalist BJP, for the first time, filed nominations for 39 seats in the state assembly. This is of course a major breakthrough of the party, that it had succeeded in nominating 39 candidates this time where they had no base. The BJP failed to bag a single seat, nor its nominees succeeded in polling sufficient votes to prove its strength. The party's success in the next elections would largely depend on the overall developments in the national level. The BJP has already survived a major blow with the favourable verdict of the court against centre's decision to dissolve BJP-led state governments following Babri Mosque demolition. Everything would now depend on how Prime Minister P V Narasimha Rao acts in the centre or how effective can the unofficial anti-fundamentalist combine involving Congress, CPM, Janata Dal and others work.

The ugly hands of communism struck Calcutta for the first time after the 1964 communal incidents. It has claimed innocent lives and destroyed properties in other parts of India. Unfortunately, communism is such a seed of demon-tree which grows almost uncared for in this soil. But Tripura, which was major border area of Bangladesh's liberation war, fortunately kept itself away from such ugly incidents, even though some fanat-

ics committed the same crimes against humanity in parts of Bangladesh in the aftermath of Babri Mosque incidents.

Communism cannot be checked by a government or a party alone, neither it can be countered effectively without total political commitments of the leaders of this region. The growing menace should be countered with united endeavours of all progressive and secular democratic forces. Religion is an issue to be pursued by the individual. Whenever it goes in the hands of the politicians, it unfortunately becomes weapon to kill and destroy.

Well-known left leader Dasarath Dev has become the 8th Chief Minister of Tripura succeeding Samir Ranjan Barman. As reported, his elections to the highest political office of the state has been welcome by all concerned sections.

Dev, who was born in a tribal peasant's family in Khoai, had no formal education till the age of 14. Later, he joined the left politics while a student in the Habibganj College in Bangladesh. He got his degrees from the Calcutta University, took part in anti-British movement and succeeded in electing himself consecutively for several terms to the Lok Sabha and also served as Deputy Chief Minister of Tripura during CPM's previous rule under Chief Minister Nripen Chakrabarti. Dev has reportedly included eight new faces in his 14-member cabinet with a view to injecting a new dynamism in the fresh Left-front governance.

Haroon Habib is a journalist, author and column contributor.

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.

Water talks and India

Sir, The water talks between Bangladesh and India (31-3-93) ended in Dhaka without a result. As described in the news item 'Dhaka expresses great disappointment' in The Daily Star (1-4-93), the Indian delegation refused to visit the Padma. The fact that the respected foreign delegates did not disclose this inherent views or explanation to the newsmen is thought provoking. I don't like to term it 'unfortunate', nor I am tempted to use the term 'regrettable'. Because they may take our journalists as childish (since they ask questions in spite of the dissatisfaction of guests!), unqualified (what would be the qualification of the newsmen of an LDC?) or insincere (since they don't always speak highly of India).

However, our guests did a gross mistake. The avoidance

of talk with the newsmen itself is a news and this was broadcast from both national and international media including to BBC.

We know India is the largest democracy in the world. And a democratic state is expected to be democratic in the world at large. The Ganges is an international river. But building Farakka Barrage on it was not democratic. And the inadequate supply of water to Bangladesh is an injustice and every injustice is a gross mistake. According to humanism (which is the common philosophy of every doctrine) welfare of human beings of the world should be considered, not only of one's countrymen.

Being a student and teacher of Biology, I would like to proceed further. All the living beings should be considered and in doing welfare to all the creators, proper care should

be taken of the entire nature (including the physical one). In this sense India lagged for behind. They blocked not only the natural flow of water, but also that of news!

Avoiding the newsmen expressed India's weakness that has rather blared its image. That is why this act was India's foolishness. We love India as our neighbour, and co-fighter during the War of Liberation. We respect it as the largest democracy. Therefore India should do justice so that the neighbours may live worthily, and deserve honour instead of hatred.

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Weather Report on BTV

Sir, Weather report on BTV seems not really appreciable, and obviously doubtful. In most of the evening in rainy season BTV telecasts that rain or thunder-shower is likely to occur in one or two places of two divisions and a few places of the other three divisions or vice versa. Possibly such a generalised report does not bear

any sense to anybody. In rainy season weather report is very important and BTV is the best possible media to keep everybody well informed. As such its report ought to be particularly informative.

So far I know, our Meteorological Department is quite well equipped with modern facilities, if not the latest. So it is expected that they will pay more attention to make their report meaningful to all.

Motius Samad Chowdhury
Assistant Manager,
Phultola Tea Estate, Sylhet

Mistakes in school books

Sir, It is a matter of great regret to find mistakes in school books. Recently my daughter got admitted to KG school and all of her books were bought as per the school authority's recommendation. It really astonished me to find mistake in her ABC book! How could it be possible to find mistake in a book for little kids