

Let us Give a Fair Deal to our Hardworking Farmers

Privatisation: A Note of Caution

The tenor of discussion at the last Paris Aid Club meeting and the commitments made by the government at its conclusion, tend to suggest that the privatisation programme will gather fresh momentum in the months ahead. On that occasion, not only did the government agree to speed up privatisation but also accepted numerical targets of performance. The government is now committed to privatise at least half of the existing public sector industrial enterprises within the year and also one nationalised commercial bank.

Since then, the government has replaced the former inter-ministerial committee on privatisation with a full fledged Privatisation Board as an autonomous body. Speaking at the first meeting of the newly constituted Board the other day, Finance Minister M Saifur Rahman has reiterated the government's determination to implement the policy of privatisation with a view to — as he put it — stopping the huge drain on the national exchequer arising out of high losses incurred by the public sector enterprises and to improve managerial efficiency, productivity and output in economic sectors.

Pressure is thus building to hasten the pace of privatisation. Considered against this backdrop, the views on privatisation expressed in the United Nations Development Programme (UNDP) report on human development in Bangladesh, released late last month, command immediate attention of concerned circles. Not that the report speaks out against privatisation *per se*. Rather, it brings out the perils on the path to privatisation and urges well considered, measured steps in that direction. The accent is on adequate groundwork rather than hollow promises.

For one thing, the UNDP report presents a precise formulation of the prevalent arguments against privatisation in the country. Results of privatisation measures are seen as disappointing — the way privatisation has been carried out in Bangladesh having led to accumulation of unearned wealth and to a large scale income and job losses. All this could have been avoided, the argument continues, if serious firm-level restructuring had been undertaken within a positive framework of public sector reform. These views suggest that, the UNDP report avers, hasty privatisation has in fact been counter-productive in terms of the growth of a healthy private sector.

The note of caution on the outcome of hasty privatisation, sounded by the UNDP report, should be heeded to. Thorough preparations must precede the process of privatisation.

Privatisation entails pains for many interest groups. It might spell loss of privileges, income and even jobs, to both managerial and working classes in the public undertakings. It hurts rent-seekers. The resulting complex interplay of often conflicting interests could, thus, create frictions and even upheavals in society. Measures need to be thought out in advance and steps taken accordingly well in time, to avoid the emergence of an entrenched resistance to privatisation. Looking nearer to home — in the sub-continent to be more precise — it transpires that India has set up a special tripartite committee which deliberates on privatisation issues, at times even going to the length of identifying the public sector units to be put up for sale. In Pakistan, prolonged dialogue with various interest groups, including the labour front, preceded the process of privatisation.

Let us hope that the newly set up Privatisation Board will carry out adequate groundwork to allow the process proceed smoothly, ensure transparency in its operations and above all, conduct its affairs in a manner that gives no reason for social unrest to appear on the scene.

Attack on The Morning Sun

Once again a daily newspaper has been attacked. Several miscreants reportedly forced their way into the closed premises (closed for the Eid holidays) of The Morning Sun and vandalised the office and destroyed photographic equipment and several computers and laser printers. We condemn this act and express our outrage at this attack on a contemporary, which in effect can be considered to be an attack on the free press itself. If newspapers cannot operate within an atmosphere of physical security, then obviously its capacity to operate freely and objectively is hampered.

This is not the first time that newspaper offices have been vandalised. A couple of years back the same paper had its premises ransacked and equipment destroyed by a group of miscreants. More recently the premises of the Banglabazar Patrika also came under attack in which, again, equipment were destroyed.

What is of extreme concern is the fact that in neither case the attackers were ever caught. It is this fact that crimes can be committed with impunity, and the criminals can go about their business without fear of being caught, which we find to be so disturbing. We have written on numerous occasions about the worsening law and order situation and the threat it is posing to some of the core institutions of democracy. While many of the 'black laws' curbing press freedom have been removed, yet new threats, especially in the form of vandalism and physical attack, are on the rise. There is a pattern in the attacks on the press — to destroy the infrastructure and to inflict financial damage. It is as if, to punish and "make one pay" for being a free press.

We urge the government to leave no stone unturned in trying to get to the bottom of this sordid affair. The record of attacks on the press going unpunished will encourage others to do the same, and then none of us will be safe. We request the Home Minister to personally look into this incident and instruct his staff to do their utmost to get the culprits this time around. In this connection we would like to reiterate our view that without the overall improvement of the law and order situation, just as trade, commerce and industry are not safe, so also the functioning of the independent press is under threat. As a non-partisan independent media, we feel especially vulnerable to all such possibilities. A free press essentially has no friends, but many enemies. Its only guarantor is a lawful society and the establishment of democratic traditions.

A free press is among the most important components of democracy. Therefore any threat to its freedom should be met with the sternest of legal measures. And we urge the government to take them.

A constant 1989-90 factor cost the share of agriculture in the GDP, in 1991-92, was 38.39 per cent. The share of industry, despite the investments made in that sector during the last four decades, was only 7.79 per cent. Agriculture thus remains the most important economic activity in the country.

The rural population of Bangladesh, more than eighty per cent of the total, are almost entirely dependent on agriculture. Yet this sector is the most neglected. Except at election time, even the political parties pay little attention to the farmers and their plight. The election pledge that the politicians usually offer are little more than cheap slogans: Some of these populist slogans have no connection with any plan or programme.

These days, the ministers are so happy with the bumper crop that they are quite busy in reaping the political harvest. Perhaps they believe in the time tested policy of blaming the nature when the crops fail but claiming the credit when the favourable weather conditions produce a good crop. The government does not seem to have any time for the peasants. I do not recall having seen any significant statement by a minister about the collapse of the price of rice paddies in many parts of the country. In the EEC the common agricultural policy, CAP, is the most important political issue for the leadership. Indeed, it is on the question of subsidy to the agricultural products that the United States and the EEC are confronting each other at the negotiating table in the GATT. But in Bangladesh the farmers and their problems are non-issues. Have we had a debate either in the Parliament or outside about the uneconomic price of rice or the withdrawal of subsidy on inputs or the

problems of storage and marketing?

Recently I went to Habiganj by road. The sight of the golden patches of land with the ripening Aus/late Boro and the green patches with the transplanted Aman gladdened my heart. The farmer, toiling in ankle-deep mud under the scorching May sun, has given this country some respite from the spectre of food shortage. During the trip I had the opportunity of talking with some farmers about their success in meeting the food needs of the nation. I was surprised at their reaction. They are bitter about the collapse of the price of rice and the failure of the authorities to do anything to stabilize the market. Subsistence farmers are not so affected by the fall in price (though even they sell part of the crop) but the surplus farmers are clearly in distress. By selling rice they repay their debts, pay the farm hands, buy clothes and other household necessities and most important, pay for the schooling of their children. Needless to say, they also buy the inputs for the next crop out of the sale proceeds. There is widespread concern in Habiganj about the situation though I had observed little awareness in Dhaka about their problems. Not only is the issue assigned very low priority, some insensitive elements are delighted that the price of rice is so low. The urban middle and lower middle classes in Dhaka and other cities, whose political support is so crucial for the rulers, are happy. The peasants, the rulers are confident, can be taken care of at election time. All one needs is a rehash of some old populist slogans to hoodwink them.

Recently a seminar was organized by the Bangladesh Awami League on agricultural development. Instead of a general discussion covering the

whole subject, a few issues were chosen. The broad areas selected were: sustainable development of agriculture; diversification of agriculture; prices of products and inputs and the organizational questions. The experts chosen for the seminar were distinguished scholars who have devoted their working life to the study of one or the other aspect of agriculture. As the moderator of the seminar I was impressed by the insight of the experts about the problems as well as the constructive suggestions that they made for their solution.

Some experts held the view that in our eagerness to raise

pests which were resistant to these chemical pesticides. After a lot of research and study the Indonesian authorities decided to reduce the application of pesticides. Under this policy some pests are permitted to grow to a manageable level. A nation-wide campaign was launched to educate the farmers to adjust the use of pesticides. It is a sophisticated farm management policy but the high literacy rate of the farmers has ensured the success of the policy. The Indonesian experience was not discussed in the seminar but I hope we will do so in the future. It is quite obvious that farming will become increasingly complex requiring higher level of skill and knowledge.

The question of diversification was considered to be of crucial importance to the future of our agriculture. We seem to have paid too much emphasis on rice and not enough attention to the development of livestock, poultry and fish. I was impressed by the analysis given by an expert about the economics of producing fish. Given our limited land area and the absence of protein in the diet of the poor people, there is a need for paying urgent attention to this matter. In Bangladesh we seem to think only about the export of fish but we should learn from the experience of other countries in East and South East Asia where fish breeding and culture has changed the rural economy.

There was some discussion on the question of flood control and water management. Some of the experts were opposed to the building of hun-

dreds of miles of polders to prevent floods. The huge loss of land and the ultimate in effectiveness of the system, in their view, will have a negative impact on our agriculture. Besides, the usual monsoon flooding refreshes the land which will not be possible if embankments keep the flood water out. This is so important and complex an issue that there is need for a separate seminar on this problem. Experts at the seminar warned against the influence of the big contractors, both local and foreign, who may tilt the balance in favour of polders because of their interest in this type of massive projects.

Credit for the farmers is another key issue. Two experts from the Grameen Bank provided the participants at the seminar with their experience and insight on this question.

We all know how the rural money lenders used to exploit the peasants. Yet we have failed to come up with a well thought out and dependable credit system for the farmers.

The Grameen Bank has opened our eyes but it seems it is the donor community which appreciates this pioneering venture.

The government, regrettably, has not yet come up with any plan to make use of the Grameen Bank technique to help the poor to help themselves. Instead of expanding rural credit facilities for the poor we are told that the public sector banks are going to close down their rural branches. Is it not important enough to deserve a national debate? Grameen Bank and the NGOs cannot solve this problem which needs a major policy decision of the government. It is significant indeed that the Awami League has decided to take up these issues seriously. What we need now is a dialogue with the government in order to build up national consensus on different policy issues which concern our farmers. The hardworking and patient people who feed the nation with the sweat of their brow certainly deserve no less.

ON THE RECORD

by Shah AMS Kibria

food production we have neglected the question of sustainability. Should we go on increasing the quantum of chemical fertilizer in order to coax the land to yield a little bit more every year? A time will inevitably come, alas, when the land will simply not respond. We must be intelligent enough to anticipate the serious crisis that we will face in not too distant a future. Organic fertilizer, on the other hand, can retain the quality of the land and ensure the sustainability of production. Our resources as well as research ought to be directed to meet this challenge. The same is true of pesticides. Long use of chemical pesticides lead to the growth of resistant pests. This obliges the farmers to use more pesticides at heavy cost but with little result. When I was in ESCAP I was told about the experience of Indonesia where the heavy use of pesticides resulted in the growth of the so-called super bugs —

ingly complex requiring higher level of skill and knowledge. The question of diversification was considered to be of crucial importance to the future of our agriculture. We seem to have paid too much emphasis on rice and not enough attention to the development of livestock, poultry and fish. I was impressed by the analysis given by an expert about the economics of producing fish. Given our limited land area and the absence of protein in the diet of the poor people, there is a need for paying urgent attention to this matter. In Bangladesh we seem to think only about the export of fish but we should learn from the experience of other countries in East and South East Asia where fish breeding and culture has changed the rural economy.

NEARLY two million Bolivians are about to elect their third president in ten years of democratic rule. Quite an achievement, no doubt, for a country that holds the sad historical record of having staged 190 coups d'etat in its 168 years of independent existence.

Bolivia is one of only two landlocked nations in Latin America. It rarely makes the news except in drug-related stories. It is the world's second largest producer of coca leaves after Colombia.

However, Bolivia is much more than that, with the largest indigenous population in the area. It was one of the first countries in the region to put an end to decades of military rule and begin to pave the way back to democratic rule, albeit, a restricted and peculiar notion of democracy.

In this election 14 presidential candidates and more than 25 parties are competing for the 130 parliamentary seats and 27 Senate seats.

The large and colourful ballot paper — full of logos, symbols and photographs of the candidates — may give the impression of plurality and democratic competition, but the plain fact is that only three of the 14 candidates have any real chance of winning.

Gonzalo Sanchez de Lozada, leader of the National Revolutionary Movement (MNR), one of the oldest parties, stands the best chance of being sworn in as the next president. But anything can happen in Bolivian politics.

Sanchez, popularly known as Goni, was planning minister under the government of Victor Paz Estenssoro (1985-1989) and played a key role in bringing down the devastating inflation rate of 23,000 per cent of the early 1980s, to a manageable 16 per cent by the end of the MNR administration. He did it via the implementation of an orthodox and austere stabilisation pro-

After 190 Coups, Democracy Gets a Look in

Luis Tricot writes from Santiago

Bolivia is electing a new president today. With military rule left to the history books, it has begun to find its way back to democracy — not so easy for a country that has had 190 coups in the last 168 years. Election front-runner, Gonzalo Sanchez de Lozada, has already helped bring Bolivia's staggering inflation rate under control and laid the groundwork for a neo-liberal regime. But Sanchez has several opponents and the campaign has been marked by questions about the election process.



gramme approved by the International Monetary Fund.

The MNR government is said to have laid the groundwork for a new neo-liberal Bolivia in 1985. Sanchez's so-called "Plan for All" is merely a continuation of these policies, with its emphasis on privatisation, reduction in public expenditure and low salaries. This time, however, he promises to eliminate unemployment.

But the credibility of politicians has been greatly eroded by obscure and corrupt practices. Monsignor Edmundo Abastoflor, President of Bolivia's Episcopal Conference, has warned voters that "nothing guarantees that the candidates' promises will be fulfilled. We know by now that

they are all lies."

This statement by a high moral authority does not seem to disturb the presidential aspirations of retired army general Hugo Banzer, head and co-founder of the Nationalist Democratic Action (ADN) and member of the ruling Patriotic Accord coalition.

Back in 1971, Banzer overthrew the progressive government of Juan Jose Torresand and installed a rightwing dictatorship. He became the country's de facto president. The born-again democrat has been a three-time candidate to the presidency and is now being supported by the Christian Democratic party, the Left Revolutionary Front (FRI) and current President Jaime Paz

Zamora's Revolutionary Leftist Movement (MIR).

The ageing former dictator has as a running mate for the vice-presidency, ex-Communist leader Oscar Zamora. It shows, once again, the pragmatic nature of Bolivian politics.

The most recent polls show that the electorate is divided, a reflection perhaps of the fact that there are no substantial differences among the main candidates, since all adhere to the existing neo-liberal social and economic model.

Sanchez commands around 30 per cent of the popular support; Banzer and the other main candidate, Max Fernandez, about 20 per cent each.

Fernandez is a charismatic populist politician. A founding member of the Solidarian Civic Union (UCS) only four years ago, he is also the main shareholder of the Bolivian National Beer Company. His electoral platform is built on frantic criticism of the political class and the corruption that — according to him — permeates the whole public administration system.

However, he himself has been accused of laundering money from drug trafficking. Even so, Fernandez seems to have taken support from another main contender, Carlos Palenque.

Palenque is a radio and TV personality who in the last election won 11 per cent of

the vote, becoming the most voted candidate in La Paz. Polls give him around 10 per cent this time.

Bolivia's constitution says that if no single candidate obtains absolute majority — 50 per cent plus one of the vote — the Congress must elect the president out of the three first relative majorities. In fact, in 1985, Banzer initially won more votes than Paz Estenssoro, who was eventually chosen to be president by parliament.

History repeated itself in the last election when Congress elected Paz Zamora, who came only third in the presidential race, as head of state. This year's likely winner, Sanchez, came first then with 23 per cent of the vote.

This has prompted Antonio Canales, political commentator of Los Tiempos newspaper, to say that "the people vote but does not elect." The constitutional loophole allows for intense and — some argue — opportunistic and unethical political maneuvering.

Popular sovereignty is replaced by political engineering, for politicians are more concerned with potential allies in parliament than with the electorate's needs. Congress becomes a negotiating ground for power-sharing, allocation of key ministries, political responsibilities and well paid jobs in the state apparatus. Today's adversaries may be-

come tomorrow's allies so candidates are careful not to offend their opponents. Notwithstanding this, Sanchez's MNR has accused the government of embarking on an inorganic issue of 41 million dollars to cover up the fiscal deficit.

They also accuse the government of mounting an election fraud by manipulating a Spanish-financed programme aimed at issuing ID cards to nearly three million undocumented citizens. The government is said to have issued the ID cards to peasants in exchange for their votes. The ruling coalition denies the accusations.

The neo-liberal model may have partially succeeded in bringing down inflation and opening up the economy to the unrestricted operation of foreign capital, but it has failed to improve the lives of poor Bolivians who are denied access to decent housing, education, employment and health care.

Average life expectancy stands at 53.1 years against 71 and 74 years in Argentina and Cuba respectively. Only two months ago, the powerful Bolivian Workers Confederation (COB) launched a nationwide campaign for better wages and improved working conditions.

At one point, nearly 300 trade union leaders were on hunger strikes to protest against government policies. Teachers, miners, building workers and peasants took to the streets to support the COB campaign. They were repressed by the police with tear gas and baton charges.

Indeed, little has changed for the Bolivian people.

— OEMINI NEWS

LUIS TRICOT is a Chilean journalist writing and broadcasting on Latin American affairs.

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.

Stranded Pakistanis

Sir, My attention has been drawn to a news item published in "The Daily Star" on 25 May, 1993 under the caption "Talks with Myanmar Home Minister..." and "Talks on Chakmas repatriation...". I highly appreciate the efforts initiated by the Government of Begum Khaleda Zia with Myanmar and Indian Governments for repatriation of Rohingyas and Chakmas as per agreement reached by two countries. The on-going discussion will also help to resolve border demarcation and other bilateral issues ensuring an atmosphere of mutual understanding in the region for the welfare of general people.

But, at the same time, it pinches my heart to see that little initiative has been taken to start repatriation of 2.38 lakh stranded Pakistanis languishing in 66 camps for the last 21 years despite signing of joint declaration by Begum Khaleda Zia at the end of her visit to Pakistan on 12 August, 1992. Our issue is humanitarian and settled one but it seems vested quarters have politicised it for the sake of their selfish ends. What is required is the application of political will and courage by both Governments.

I most sincerely appeal to honourable Prime Minister of Bangladesh to take bold and decisive steps to start repatriation

of stranded Pakistanis to uphold the image of joint declaration and of Government.

Governments may come and go but the agreements are respected and implemented, console the people and take them into confidence. I think one must not allow human consideration to be submerged by consideration of diplomatic advantage or political convenience. The lapse of time is gradually adding to our grievances and sufferings which are manifold now. It has rightly been said "a stitch in time saves nine".

M Nasim Khan, Chief Patron, SPGRG Dhaka.

Partition of Bosnia

Sir, The Bosnian crisis has entered into a new dimension. One month after the Bosnian Serb leader Rodovan Karadzic signed the Vance-Owen peace plan at the Athens summit in the presence of Greek Prime Minister Constantine Mitsot-

takis, the Serb leader declared the peace plan dead. Karadzic's spokesman said, "Americans will never intervene. Their military threats are just bluff. If they make such a senseless move we will strike back."

Serbs are not Iraqis and Americans would have another Vietnam." "If they bomb me, I will bomb London, there are Serbs in Washington," roared Serb Army Commander Ratko Mladic. And the US Secretary of State Warren Christopher whispered "US won't act alone in Bosnia."

We fail to understand as to why Vance-Owen recommended the division of Bosnia into ten 'autonomous states' which only added fuel to the fire. It is nothing but sheer foolishness and is impractical.

We also fail to understand as to why the solution of the Bosnian problem was not sought on the principles and guidelines of the division of the former Punjab (now East Punjab, India

and Punjab, Pakistan) and former Bengal (now Bangladesh and West Bengal, India).

After killing thousands of Muslims, driving out two millions of them from their ancestral homes, capturing 70% of their territories and holding an ostentatious and perfidious referendum on May 15-16, Rodovan Karadzic proudly announced, "The world could either face the reality that Serbs and Muslims could not live together or there would be more war." The civilized world simply stood stultified and shocked. Earlier he had threatened, "If 3rd World War erupts it will be because of the Vance-Owen plan."

The USA and Europe started trembling and got frightened. We have painfully observed and seen the poor handling of the Bosnian crisis by the UNO, the USA, EC, and OIC countries. We are all equally responsible and guilty of our obtuseness, lapses, negligence of duties and lack of perception for the great tragedy in Bosnia.

What would be our next step? Military action against the Serbs? It is too late now. It would further deteriorate and aggravate the situation. We may take the following steps immediately:

- i) Large number of UN and OIC peace keeping force may be posted in Bosnia to maintain the status quo, 'as it is where it is', and to protect the life and property of the Muslims.
- ii) An international boundary commission consisting of jurists from Bangladesh, India, Pakistan and UK (because of their experiences in the partition of the former Punjab and former Bengal), the USA, Russia, China and France (being permanent members of the UN Security Council) may be formed to partition Bosnia and to demarcate the boundary line between the two peoples, the Serbs and the Muslims.
- iii) The war criminals may be put on trial.

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