

Export Development Strategy

Nearly all the agencies that have to do with export came under scathing criticism at a seminar on the problems and prospects of non-traditional exportable products, held in Dhaka the other day. Organised by the Export Promotion Bureau (EPB) the seminar was participated by the top level policy makers, business leaders, exporters and officials. Banks, customs, the airline, jute goods manufacturers, all were held to account for failure to promote exports. Even the host agency, the EPB, had to bear its share of the blame. All in all, the deliberations at the seminar point to a sad state of affairs in the field of export promotion.

Export-led growth is being bandied about as a main policy instrument for carrying the country's economy forward. Overall, exports are performing well too. Apparently, things are moving in the right direction. Yet, signs of a marked lack of awareness of the need for all concerned to promote export actively, continue to surface. Enunciation of export development strategies looks fine in print. However, these have to be broken down into action programmes for each and every component. All concerned agencies have to be assigned well-defined specific tasks to perform under the programme. A sense of commitment has to show itself up through performance.

An action programme for export will not deal with a static situation. Priorities would have to be redefined to cope with changes on the world market place. Innovations will be necessary to suit alterations in the needs and tastes of users of existing products. It is said that non-traditional items have recorded a phenomenal growth and now comprise more than eighty per cent of total exports. This should not mean that the traditional export products are to be consigned to the background. Rather, a more aggressive policy in production, management and marketing should be pursued so that these products could regain the lost ground. A vigorous product diversification programme could also yield new items for export from traditional goods.

The package of trade accords negotiated globally under the Uruguay Round could open up new avenues for export expansion. For instance, the deepest tariff cut would come in the case of tropical products where duties would drop by as much as fortytwo per cent. However, export capability would have to be built up if the country is to share the projected increase in world trade.

In the short term, retaining the share of the global market under the changed circumstances could turn out to be even more crucial. As a least developed country, Bangladesh enjoys a degree of privileged access into the markets of advanced economies. Global trade liberalisation would work to erode the advantage from such arrangements of special privileges as the generalised scheme of preferences (GSP).

Non-traditional goods owe their present dominance over the export trade virtually to one item — readymade garments. Export quotas imposed by the rich countries under the multifibre arrangement (MFA) had triggered the growth of the garment industry. The MFA and the quota system it introduced, would now be dismantled gradually over a period of ten years beginning January, 1995. As the trade in textiles is liberalised, buyers abroad will find an option to procure their needs from the most competitive source, rather than being tied to the country which has been awarded an export quota. The most efficient producer would thus prevail. The gradualism adopted for the quota phase-out — fiftyone per cent in three stages in the first five years and the remaining forty-nine per cent in the year 2005 — should provide the garment industry ample opportunity to restructure, grow more efficient and diversify. However, preparations have to start now. The year 1995 is just round the corner.

In this and other areas of export development, the government's supportive mechanism would have to be geared up. All concerned agencies must act in unison to promote export.

Fillip for Fight against Women's Repression

A new annual prize worth Tk 25,000 has been instituted for journalistic writings exposing repression of women in its many aspects and promoting the establishment of rights of women. Delta Life, a leading insurance company, on announcing the prize on Sunday, said that they felt they had a moral responsibility of looking beyond the financial interests of their policyholders alone — they felt committed to securing the human and social rights of the members of the society at large. By instituting the prize they were aiming at bringing the question of women's repression to better social focus. We congratulate Delta Life Insurance Company for their bold and praiseworthy move.

On Sunday was the first anniversary of Nurjahan's death by stoning. A more appropriate day couldn't have been found for the announcement of the prize which is very aptly to be called the Nurjahan Memorial Prize. In a remote Sylhet village, Chhatackchhara, Nurjahan, a young woman, was condemned by *fatwa* to be stoned a hundred and one times for something unpunishable by law — even moral law of any known and accepted religion or society. She did not die directly as a result of the stoning. The injured woman did not want to carry on with her life after such public humiliation and committed suicide.

Persecution of women is widespread in Bangladesh. And it appears to be spreading further with every passing day. And it comes in very many shades of diabolical cruelty. As if to underline the condition of women here, schoolgirl Shukla Rafi Dey of Manikganj succumbed to her burn injuries, received from acid throwing, the same day, January 9, that Nurjahan died. This gross violation of whatever humanity and society stand for has to be fought on the social and moral plane on top of the legal one.

Gone are the days when the moneyed ones spent sizeably on works of public good. Our whole educational infrastructure is a result of such charities and endowments. For long four decades, endowments and institution of awards and prizes aimed at promoting the cause of a better society have been tapering into almost nothing. The Nurjahan prize should help in changing that. One expects the other business houses to take theirs from Delta Life. The Philips Prize is already here for years. There is a feeling that houses planning for such prizes should go for other areas of public recognition. Say for unflinching activism on behalf of women's rights and against their expression or acts of courage in resisting violation of women or other weak sections of the society.

North Decreases Aid to Poor Nations

by Judith Randel and Tony German

Since the Earth Summit, promises made by donor countries with regard to overseas aid have been forgotten in the face of domestic economic constraints. With aid budgets in many countries falling, and the shrinking funds being diverted from the South to East Europe, the fear is that the poorest people will be hardest hit. This is the first of a three-part overview of the current aid scene.

THE Earth Summit in Rio in June 1992 took place against a background of gathering recession in industrialised countries and record numbers of people living in absolute poverty.

Donor governments failed to find substantial new aid resources at the Earth Summit. They did, however, find a new, if weak, consensus on the need for poverty reduction and sustainable development.

Governments from North and South recognised, in Agenda 21, the need for national and international strategies to address the conservation of the global environment and the eradication of poverty.

Reality Replaces Rio, Rhetoric

Since Rio, optimistic agreement has been overshadowed by harsh reality in most donor countries, threatening already inadequate levels of overseas aid.

During the two decades preceding the Earth Summit, overall aid as a percentage of donors' GNP (Gross National Product) stagnated. At 0.33% of GNP in 1991, it was less than half of the UN target of 0.7% accepted by every donor except the US and Switzerland.

In Rio, the fiercest arguments were over aid volume, with many rich countries reluctant to put their names to anything but the vaguest commitments on resource flows. But just 12 months after the Earth Summit, non-government organisations (NGOs) are concerned not just that these commitments will prove elusive, but that reductions in public spending will be at the expense of the most needy.

The evidence suggests that since the Earth Summit, promises made have been forgotten in the face of domestic economic constraints. The fear is that widespread reductions in real aid levels will hit the poorest people hardest.

Aid cuts by Norway, Sweden and the Netherlands have set alarm bells ringing in the NGO community. These countries, along with Denmark, have exceeded the 0.7% target consistently for more than a decade, setting an example on aid

quantity which other donors have failed to follow. If the commitment of these countries to increasing aid is eroded, pressure on other donors to improve their performance is reduced — and the UN target itself may be increasingly questioned.

Increasing Demands on Aid Budgets

Viewed against both the needs of poor countries and the rhetoric of Rio, where reducing poverty was recognised as a critical element in protecting the global environment, the prospect for aid quantity is alarming. Evidence from NGOs, that the share of shrinking aid budgets devoted to poverty reduction is also declining, makes the prospects for the poorest people even worse.

Funding for refugees, emergencies and the global environment, all deserving of attention in their own right and legitimate ODA (Official Development Assistance) expenditure is increasingly being found from within existing, often declining, aid budgets.

The German Government's commitment to triple its funding for the Global Environment Facility (GEF) and to add an Earth Increment to the 10th IDA (International Development Association) replenishment will not be funded from additional resources. It will come from an aid budget expected to decline from 0.41% GNP in 1991 to 0.34% in 1993. Similarly, the growing use of aid budgets by Sweden, Belgium and the Netherlands for assistance to refugees, means a squeeze on funding available for long-term sustainable development programmes.

The hopes of many people that reductions in East-West tension would result in a peace dividend devoted to reducing world poverty have proved unfounded. All major emergency situations in the past two years (Iraq, Cambodia, Angola, Somalia and Yugoslavia) have involved humanitarian and military activity — mainly peace keeping. The new world order is resulting in complex and changing relationships, not least a new and very costly role for the military focused on lo-

gistics and stabilisation. The irony is that ever increasing resources are being spent on the resolution of conflict, often waged with weapons supplied by the would-be peace keepers, not on long-term, sustainable development.

Central and Eastern Europe

Reductions in aid to the poorest are increasingly hidden as countries lump together aid to developing countries with reconstruction in Eastern and Central Europe, under headings such as Canada's new 'International Assistance Envelope'. But it is hard to sustain the argument that aid to developing countries is not being held back by the needs of Eastern and Central Europe and the former USSR.

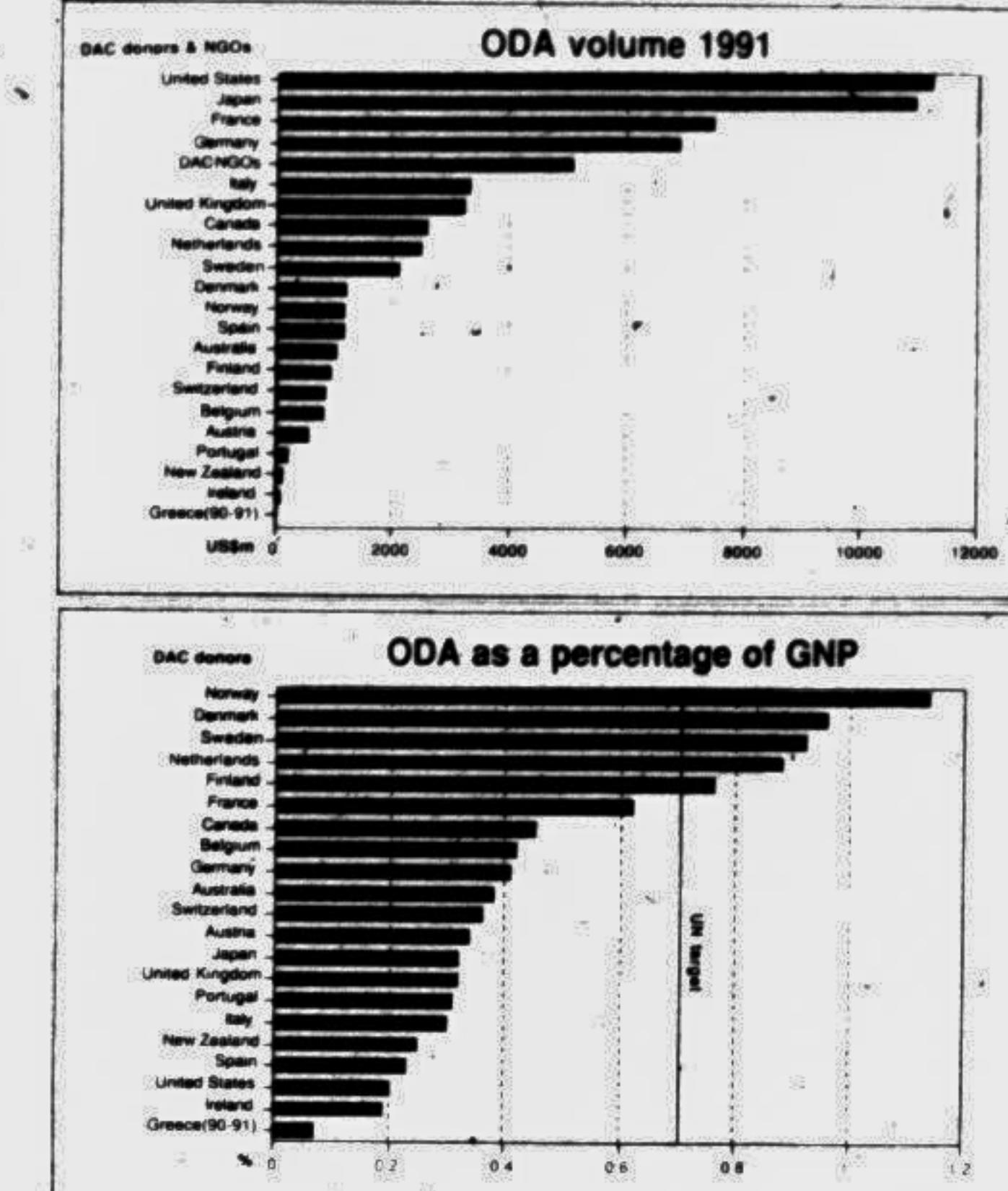
While donors have asserted since 1990 that aid to Eastern and Central Europe will be additional to aid for developing countries, the fact remains that the Development Assistance Committee (DAC) members admit that aid efforts in the former Soviet bloc have already

caused limited aid diversion from developing countries. Britain's decision to raise aid to Eastern Europe by 70% from 1993/4 and 1995/6 while aid to developing countries remains frozen illustrates the trend.

The willingness of G-7 members in April 1993 to pledge an additional US\$3.3 billion as part of a US\$43 billion aid package to Russia contrasts sharply with donors' inability to find more than US\$2.5 billion in new development assistance for all developing countries at Rio. In the Post-Cold War era, the priority given by governments to security considerations and trade opportunities in the East have, if anything, further marginalised regions such as Africa, which are no longer wooed as client states or funded out of superpower rivalry.

— Third World Network Features

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Lest We Forget Justice Murshed

by Prof A F Salahuddin Ahmed



Mr Zakaria was opposed to the communal politics of the Muslim League and was an advocate of secular nationalism. Meanwhile, Mr Murshed had drawn wide public attention for his independent thinking which was reflected in his incisive articles published in the British newspaper *The Guardian* and the leading Indian daily *The Statesman*.

During the great Bengal famine of 1943, Mr Murshed rendered valuable service in the relief operations of Anjuman-Muifidul Islam particularly in distributing food to the poor and the destitute in different areas of Calcutta. During the great Calcutta killing of 1946 he came forward to give relief to the riot-victims and help in their rehabilitation and also worked to reestablish communal harmony.

After obtaining his BA Honours and Master's degrees in Economics as well as Bachelor of Law degree from the Calcutta University, Mr Murshed went to England for higher studies in law. He was called to the Bar from the Lincoln's Inn in 1939. While in England Mr Murshed came in contact with some of the leading British liberals and socialists who were sympathetic to the political aspirations of the people of the Indian sub-continent. He returned home well-versed in English constitutional practice and with an abiding faith in the rule of law.

He joined the Calcutta High Court in 1939 and soon drew the attention of all as a very promising barrister. He married the daughter of Mr A K M Zakaria, a leading nationalist Muslim leader who was elected Mayor of Calcutta Corporation.

Practice at the Dhaka High Court and resolved to identify himself with the hopes and aspirations of the people of this region. Thus during the language movement of 1952 he gave solid support to the demand for making Bengali one of the state languages of Pakistan. At the time of the provincial elections of 1954 Mr Murshed assisted Sher-e-Bangla Fazlul Huq and other United Front leaders in formulating the twenty-one point demands. In 1955 he was appointed a Judge of Dhaka High Court and his career entered a new phase.

He was a fearless champion of the rule of law and an unflinching advocate of equity and fairplay in all aspects of national life. The language movement had aroused Bengali na-

tional consciousness. The Pakistan central government having failed in their move to denigrate Tagore aroused a new cultural renaissance amongst the Bengali intellectuals of the then East Pakistan. This was reflected in the unprecedented enthusiasm with which the birth centenary of Tagore was celebrated in the country. Realising that Rabindranath Tagore symbolised this great tradition, the Pakistani rulers made a vicious move to inject communal venom into the minds of the people. A handful of Bengali Muslim intellectuals were induced to issue a public statement declaring that since Tagore was not a Muslim, his works could not provide inspiration to the development of a distinct Bengali Muslim literary and cultural tradition. Realising that Rabindranath Tagore symbolised the literary and cultural heritage of the Bengali-speaking people. Culture, according to them, included within its domain many other elements besides religion. And that the culture of the Bengali Muslims had been greatly enriched by admixture and assimilation of a variety of indigenous elements. Both Rabindranath Tagore and Kazi Nazrul Islam represented this unique cultural tradition. This

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A seminar on moral education for those in the service of the government in this regard would, perhaps, be a welcome step. The system of awarding prize for good work and punishing those who resort to malpractices in their areas of work, might bring good results. It is said that prevention is better than cure. The act of ensuring justice to the aggrieved is a secondary one. Steps to remove the loopholes, where there are scopes for malpractice and in-

Donors' Aid Performance

In 1991, five countries — Norway, Denmark, Sweden, the Netherlands and Finland — all exceeded the target of 0.7% of GNP for aid. Their combined aid budgets represent 14% of the DAC total. All of these countries, with the exception of Denmark, whose commitment to reach 1.5% of GNP by the year 2000 is being maintained, are now making significant reductions in their aid budgets. Finland, having made rapid progress during the 1980s, has now substantially to, at best, 0.4% by 1994.

Italy, Switzerland, Portugal and Spain (totalling one-fifth of DAC aid) all made significant progress towards 0.7% over the last 10 years. But again, two of these four donors are cutting back, with Italy reducing aid by one-third and Swiss NGOs fearing that their country's aid will not even reach the 0.51% target set for it by the DAC. The Spanish NGO Intermon believes that the budget cuts needed to achieve EC convergence cast doubt upon Prime Minister Gonzalez' Rio commitment to triple aid volume during the 1990s.

Japan and France are two of the three biggest donors in volume terms, accounting for almost one-third of DAC aid in 1991. While Japan has substantially increased its aid volume, it has found it difficult to increase the percentage share of a rapidly growing GNP. France, however, has managed not only to increase its volume, but also to increase its GNP percentage significantly and has consistently reassured its intention to reach 0.7% of GNP by the end of the decade.

Three of the largest donors, the USA, Germany and the UK, again accounting for one-third of the DAC total, have allowed their aid to decline during the 1980s. German NGOs now predict a further fall as German attention is diverted from the South to Eastern Europe and reunification. After a major cut in 1980, Britain's aid appears to have stabilised at around 0.30% and will decline in real terms from 1994.

The United States — whose aid in 1991 included US\$1.2 billion worth of military debt relief — remains the world's largest donor in volume terms but the second smallest in terms of GNP, and the US does not accept the UN 0.7% GNP target. The impact of the Clinton Administration on aid is not yet clear, but emphasis being placed on Federal deficit reduction in the US leads US NGOs to predict that aid budget will shrink in percentage and possibly volume terms.

Of the remaining DAC donors, aid from Belgium looks set to continue its decline; Canada has announced annual cash cuts amounting to a reduction of US\$560 million during the period of 1992/93 and 1994/95; and the hope expressed by New Zealand's External Affairs Minister that aid should not drop below 0.2% shows how drastically aid has fallen since 1975 when it was more than 0.5% of GNP.

Austria has reached the target set for it by the DAC two years early. This is partly as a result of massive spending from the bilateral programme on aid to refugees and as a result of the Gulf War.

In 1993 Australia's ODA (Official Development Assistance) was increased by 1% in real terms in circumstances of considerable fiscal restraint. The Government has set a new interim target of 0.4% of GNP to be achieved by 1995, but even so Australian aid would not be restored to its GNP ratio of the early 1980s.

Ireland, however, whose aid in 1991 was the smallest in both volume and GNP terms, has made a realistic commitment to make sustained progress on GNP percentage, with announcements to increase ODA to 0.2% in 1993 and by 0.05% a year for the next four years.

NOTES

The DAC is the Development Assistance Committee of the OECD. Its members are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom, the United States and the Commission of European Communities.

These members have agreed to secure an expansion of the overall resources made available to developing countries and to improve their effectiveness. Members meet to review the amount and the nature of their contributions to aid programmes and to consult on development assistance policies.

The DAC publishes an annual report on development co-operation which monitors donors' performance and reviews trends and strategies for development assistance.

which had