

Lessons from the 'Siege'

When political giants lock horns, it is the innocent people who end up making the supreme sacrifice. So, once again, in a confrontation between the ruling BNP and the biggest opposition party, the AL, two students — one of Grade 12 and another of 9 — lost their lives. They fell victims to indiscriminate fire from the guns of unidentified miscreants.

Nothing perhaps demonstrates the perversity of our politics more than the fact that whenever there is political agitation, more often than not, it is the very young and the comparatively uninitiated who get killed. Why do we use our young students as cannon-fodder to achieve our political gains, is the moral question that we would like to raise to both our leading political parties. These two students should have been in their college and school, respectively, and not out in the streets, becoming targets of terrorists bullets. What cause or causes were before the nation that they fell victims to the loss of these two young and innocent lives?

The deaths of Paran and Milon can have two types of reactions among our politicians. One could be of anger and revenge, with emotions of all parties running to the extreme. This would make any serious political discourse and analysis of the possible repercussions of Thursday's events, quite impossible. The other could be, and we hope it is, that a moral revulsion overtakes both the BNP and the AL, at this tragic loss, and both of them are drawn into a meaningful dialogue on the issues that are leading them to a head-on clash.

The opposition wants the Magura election result set aside, and an agreement by the present government to hold the next general elections, and a few subsequent ones, under a neutral, caretaker government. Both these demands are substantial. While the first is comparatively simpler, the second entails complex constitutional and legal, leave alone serious political and administrative, questions. For the opposition, there are other options open to work for the overturning of the Magura election, like a writ petition in the High Court. The opposition must also candidly judge how much strength it has to push forward its demands, and to what extent it can realistically expect the government to concede.

The government on its side, must realise as to why the opposition feels compelled to take its every demand out on the streets. Why is it that the opposition — and this includes all of them, namely the AL, JP and Jamaat — has lost confidence in talking to the ruling party, and that the only language it feels comfortable in talking, is that of agitation and confrontation? Of course, the opposition has to share its portion of the blame; yet the fact cannot be denied that there is today virtually no communication, of any meaningful nature, between the treasury and the opposition benches. The root cause for this goes back to the very beginning of the BNP's electoral victory. Following it the ruling party's singular attempt has been to discredit and dismantle the opposition, and not to cooperate or engage it in a constructive dialogue. A lot has been made of the AL chief's old statement of "not allowing the BNP a single day of peace". Yet, the fact of the matter is that there were not too many days of hartals and strikes called by the opposition during the last three years of Begum Zia's rule. On the contrary the tirade against the AL as the "defeated force," "anti-national force," "anti-development force" continued relentlessly. So, in a sense, the BNP is reaping what it has sown in the last three years.

And yet, there are our economic and political futures to think of. Granted that the opposition is aggrieved, but does it need to lay 'siege' to the Secretariat, to prove it? The two days of hartals — 10th and 26th — this month, will they resolve anything, except perhaps bringing, God forbid, more deaths upon us, not to speak of production loss and greater indiscipline in factories and offices? No, the only way out of this impasse is genuine dialogue. We have repeatedly stressed in the past for a sincere dialogue and credible follow-up between the ruling and the opposition parties. We are now paying the price for ignoring that advice. Though positions have hardened on both sides, yet the time for dialogue is not over.

For the sake of the two young lives just lost, and for the future of our democracy and economic growth, there should be an immediate and sincere dialogue between the BNP and the opposition. That is the only peaceful way out of the present confrontation.

Promise Redeemed Promise Aborted

The government's performance so far in the matter of the five new medical colleges set up by it in Khulna, Bogra, Comilla, Faridpur and Dinajpur is unfortunate to the point of being sordid. In Khulna and Dinajpur the colleges are housed in rented buildings hardly suitable even for running schools for paramedics. And the remaining medical colleges are, in fact, housed in the now-defunct MATS or medical assistants' training school facilities. Lack of properly appointed buildings and other necessary facilities such as labs and OTs and hospitals so on and so forth could perhaps be overlooked in the initial months if there would be worthy teachers there who could make up for the temporary absence of those. The reality on this manpower front is abominably worse in that not one of these colleges has a teaching staff that could even educate the MATS paramedics.

By now it is clear that the government has been inordinately — irrationally, if you will — hasty in launching these colleges and opening their portals to about 750 of our brightest boys and girls. Perhaps they thought there were political compulsions for that and they put the cart before the horse. What is more baffling than the mysterious genesis of these colleges is the government's subsequent failure to make good their initial flop in the matter. What prevented them from according these an ECNEC priority and allotting them sufficient funds and appropriate teaching and managerial manpower? A promise was made by the Prime Minister in her early days of premiership about launching these medical colleges. The subsequent government follow-up does not make good on that promise and rather makes a mockery of it.

Now that the students of all those five colleges are on strike protesting this state of affairs and demanding redress the government, for the sake of transparency of governance, should be morally impelled to make a clean breast of the whole situation and come out with clear pronouncements regarding what they propose to do about these offsprings of political convenience conceived, it seems, not quite with a will.

Donor Proposes, Government Disposes and the Economy Loses

THAT the donors are the grooms of our economy is hardly a news to subside nowadays. With the flood of aid in the late 1970s, the aid conditionalities began to surface at the policy making levels. The donors are being alleged to have supplanted the endogenous policy making capacity of the country and thus become an active actor in designing and shaping the economic destiny of the nation. The policy makers of Bangladesh, of course, tend to refute the allegations of being commanded. Nevertheless, there are many cases in which Government's inability to withstand donors' conditionalities is more revealed than concealed.

Newspaper reports on the rise in the prices of Gas, an important input at the household and factory levels, by 10% could be considered as an instance where the donor's interest and the interest of the economy might not converge. It is reported that the hike was caused by the inability to lower the system loss, as suggested by the donor, in the sector that experienced a rise from 6% to 10%. Since Gas is being produced and supplied by the Government alone (Monopoly), the price changes are brought forth by a decree

rather than by the inter-play of market forces. The news of a rise in the price is not as hurting as the inability to meet the target of the donors i.e. a reduction in the system loss. The present note aims at evaluating the economic and logical part of the action and attempts to drive home some long-run ramifications.

As to the economics of a rise in the price of Gas, what are the effects of a 10% rise in the prices of Gas? The only positive outcome is a higher recovery by the Government in terms of higher revenue and availing of the credit line of the donor. This is, possibly, the macro side of the coin. However, the possible adverse impacts at the micro level are going to be more far fetched than our policy makers tend to think. Mainly three adverse effects could be emphasized at the moment. First, it would affect all "Gas burner" households, especially the low income groups, in the face of an inelastic demand for Gas and of limited income. Second, it would raise the cost of production of power which tends to use a substantial part of gas as input; and third, it would raise the cost of fertilizer that uses gas as an input.

The last two factors are likely to initiate a rise in the

cost of production in those activities where power and fertilizer are being used as important input. Thus, a priori, one would expect that the industries using Gas as an input, either direct or derived, would face a non-level playing field in the face of low cost imported commodities flooding the market in this era of import liberalization.

The consumers of this country are hardly scared by the rise in the prices of commodities, be it essential or non essentials. It is, however, the sources of price rise that warrant analysis for the sake of academic interest, if not for other considerations. The price of any commodity might rise due to (a) short-run or short-lived factors like drought, flood or other exigencies which shake the supply line temporarily; (b) cyclical reasons or (c) structural rigidities which tend to posit some built-in tendency to cause a further rise. Needless to mention, the trend prices of public utilities tend to depict a monotonic rise over the years due to, among other factors, the rise in the system loss — basically a structural phenomena. The power sector now posits a system loss of about 40% and that of WASA, about

by Abdul Bayes

54%. The system loss now seems to have become too endemic deserving to be actually called a systemic loss.

How far is it ethical to ask the consumers, through a decree, to pay for the inherent inefficiencies? Should not be the public representatives involved in debating whether the inefficient machinery should be rewarded or the innocent public punished? Should not there be a debate as to whether such steps are conformity with the Government's avowed objective of reforms?

It is being told that the donors tag a certain amount of credit with the fulfillment of certain objectives and a failure on that score might lead the line to cease. The argument is well taken and should be seen in the light of take-it-or-leave-it. But how logical is it to press for a rise in the price which tells upon domestic savings, cost of production of local industries (be it import substitution or export-oriented) and the overall competitive edge in the international market?

A further scorn is provided by the fact the present route is likely to generate a vicious circle: price rises because there is system loss and there is a system loss because there

is the scope of raising prices for the monopolist. Drawing from the experiences of the past relating to Power, Water and Gas price hikes it appears that it has become ritualistic on the part of donors to press for lowering the system loss and for the Government to respond via raising the price. The Government finds itself in a role of shuttling (like a cork) between the donors outside and the inefficient and corrupt officials inside.

What is then the way out? Quite obviously it is not by raising prices to pay for the inefficiencies. It is also not logical either. If we advocate trade liberalization on the plea that consumers should not pay extra taka for the domestic inefficient industries then, in the same breath, we cannot also advocate price rise of a commodity on account of corruption and inefficiency. There seems sheer ambivalence in this respect. The ultimate answer lies in reducing the marginal cost of production through reducing inefficiency.

That is a million dollar question, of course. Who is going to bell the cat? Surely the Government cannot do it because it has so long failed to do it. We often hear of policy-makers asking for a better performance from the rank

and file but hardly any was punished for not doing so. The Government seems hardly aware of the fact that inefficiency in the public sector, in turn, implies inefficiency of the Government itself. Only a feeling like that could minimize the rot by forcing the Government to be accountable to the public. The Government would then charge the loss out of the employees' pocket not out of the consumers' wallet.

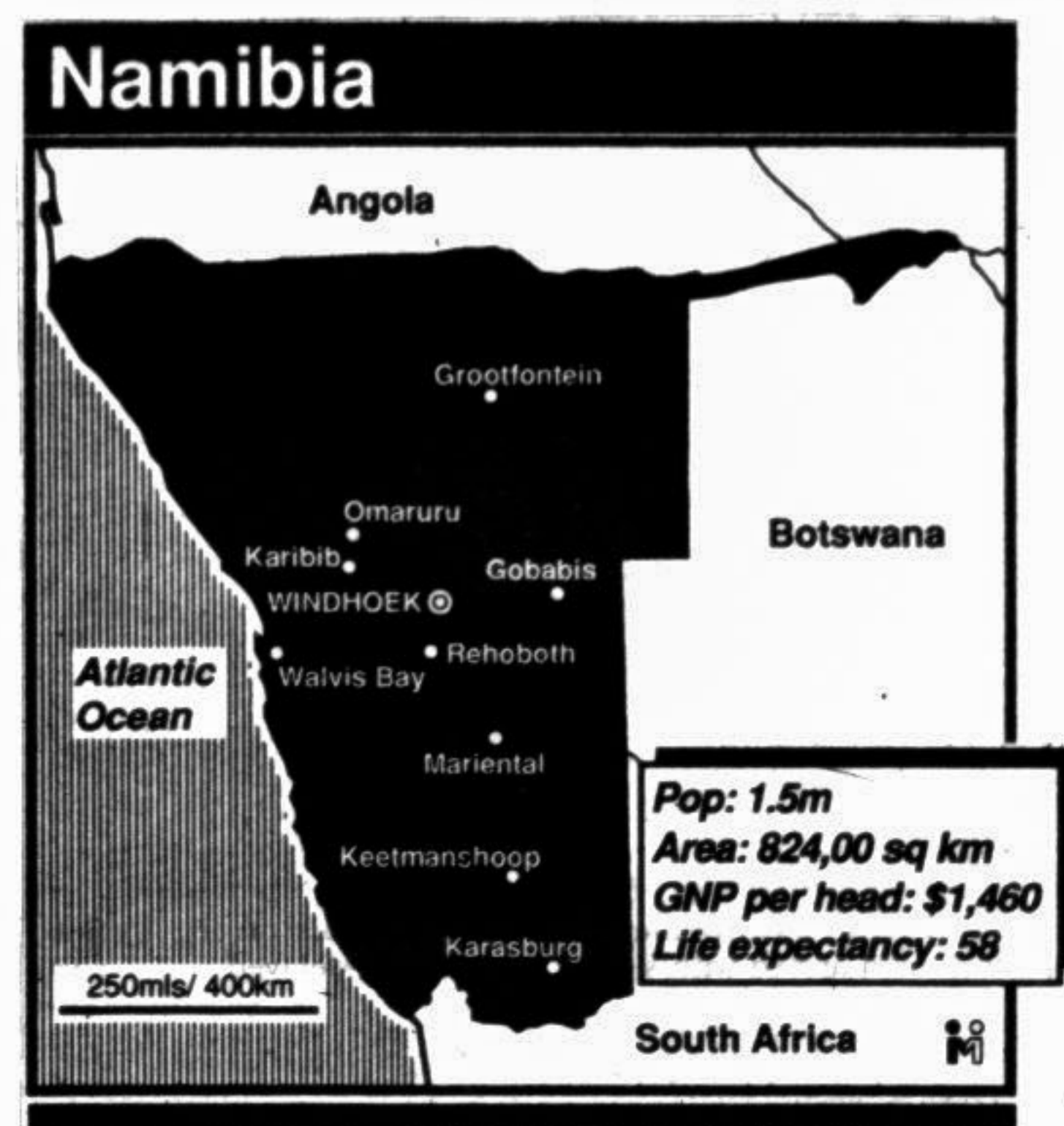
We are in a fix that everywhere there is system loss, visible or invisible, arising out of corruption and inefficiency. Only public utilities appear to capture the headlines because the output could well be quantified or because the price is paid by the public instantly. A drive towards containing corruption and inefficiencies is the solution. That is why a threadbare discussion on rampant corruption and inefficiencies across the board is needed in the Parliament. Only public representatives can devise ways and means for us to get out of the vicious circle either by paying higher prices or by injecting efficiencies. It is not recipes but consensus reforms that we are looking forward to seeing.

The writer is a Professor of Economics, Jahangirnagar University.

Namibia Hopes for the Best and Prepares for the Worst

Max Mouton writes from Windhoek

Gun battles in the heart of Johannesburg's business district as election fever rises underline nervousness in neighbouring Namibia about a possible influx of refugees. Gemini News Service reports on Namibia's quiet plans for dealing with a "worst case scenario."



by Judge Richard Goldstone that senior police generals had been involved in a conspiracy to arm supporters of Inkatha, in a bid to provoke violence and derail the transition to majority rule.

They also preceded the late March gun battles in Johannesburg's business district in which 30 people died.

Against this background, the Namibia Red Cross Society (NRCS) is making contingency plans for an influx of refugees from Namibia's southern neighbour.

National Red Cross chairman Rehabeam Auala told a news conference that his society intended to launch a fund-raising campaign "in case eventualities in South Africa turn out to be negative."

The Red Cross is already helping look after 600 refugees, 90 per cent in flight from the Angolan civil war, who are housed in a government-run camp at Osire. It is also looking at the possibility of expanding the camp or setting up new ones to accommo-

date other possible refugee seekers.

Ismael Goagoseb of the Namibian Ministry of Home Affairs said that although the Osire camp was originally designed to accommodate only about 100 people, by the end of the year it should be able to house 1,000 in healthy conditions.

Southern African Red Cross societies are meeting in Gaborone, Botswana, to make contingency plans, as well as to discuss a programme of action for 1994, said Auala. Representatives from South Africa, Zimbabwe, Aesotho, Swaziland, Mozambique, Zambia, Botswana, Malawi and Namibia will attend.

Bertha Ngavirue, secretary-general of the Namibian Red Cross, said the meeting would examine the necessity of contingency planning in the context of South African events.

The secretary-general of the Council of Churches in Namibia, N Z Nakamela, also indicates a readiness to respond.

The organisation helps look after the well-being of refugees, particularly health and education. Said Nakamela: "We are there to implement a programme on refugees one alerted by the government. We are in partnership with the government and the UN High Commissioner for Refugees."

"The situation will determine whether further action is required." Another spokesperson for the Council of Churches said that recently-shelved plans to establish a transit centre of refugees in Windhoek could be revived "if changed conditions warrant it."

The centre was to have been built on land donated by a local church organisation and would have housed refugees before they were transferred to Osire, about 110 kilometres from Otjiwarongo in the north. Plans were dropped because of a reduction in numbers of arrivals.

Refugee arrivals have levelled off to about 15 a week. That, however, is the official number; many refugees enter the country without registering with the authorities.

MAX MOUTON works for the Namibia Press Agency.

Economic Upturn Leaves behind Aussie Unemployed

Vincent W. Stove writes from Sydney

Despite the bright prospects, only a mild reduction in unemployment will accompany the revival

AFTER three years of economic gloom, 1994 has started with plenty of confidence across Australia.

There are predictions on every street corner and in the board rooms of major corporations that this is the year for the down under continent to climb out of its recession.

There is optimism in most sectors of business and within the government.

The optimism does not extend to the unemployed, especially those who have been jobless for a long time. They will join the optimists only when they are given jobs.

But the continuing unemployment does not seem to dampen the enthusiasm of the others, especially the business sector.

Australian Chamber of Commerce and Industry chief executive Ian Spicer has stated: "This year is shaping up as one of significant promise."

In a report published here, he stated: "Over recent times, business has taken enormous strides to cut its costs, lift productivity and improve quality. While even more remains to be done, these changes are showing up in growing export sales in some of the world's most competitive markets."

"This growth will eventually

flow into more jobs with the hope that by year's end unemployment may start to wind back."

According to the country's central bank — the Reserve Bank of Australia — sustainable recovery is under way and it will be accompanied by high economic growth and more jobs.

On the basis of its latest survey of the economy, the Bank states: "Business confidence continues to improve and expectations of growth in sales and profitability have strengthened. Most importantly, this confidence is now being reflected in rising spending on plant and equipment and an increase in employment."

The Reserve Bank believes these trends will help to sustain the recovery. Unemployment will fall this year as growth continues to build momentum and the full effect of heightened business and consumer confidence and stronger household incomes are felt.

According to the Organization of Economic Cooperation and Development (OECD), the Australian economy will accelerate gradually during 1994, helped by a recovery in business confidence and investment and a good outlook for commodity prices.

Australian Prime Minister Paul Keating has no doubts about 1994 and beyond.

He stated recently: "Interest rates are the lowest in more than a decade, inflation the lowest in a generation. Profits are back to pre-recession levels. Australia is more competitive than ever before — and the willingness to embrace change on which this new competitiveness has been built will itself be a vital factor in solving our unemployment problems."

The upward surge in the economy is unlikely to receive any help in the form of increased government purchasing. With the government committed to reducing its budget deficit, all departments are under strict instructions to cut spending.

Overseeing the government's deficit reduction programme is Australia's new treasurer Ralph Willis, who has been in the critical job only since late December.

He stated: "We will be sticking absolutely to the budget deficit reduction strategy."

But he added: "I am fortu-

nate to be coming in at this time, when the economy is quite clearly on the upswing. I am looking forward to doing my part to consolidate the recovery and to tackle the unemployment problem."

The Australian newspaper has noted that "there is a revival of confidence about the Australian economy, and the outlook is for two years of stronger growth that will gradually reduce the level of unemployment."

The newspaper said: "Globally, we are seeing a rolling recovery. Japan and Europe are in recession, but reduced demand for our exports there is being offset by rising demand from China, Korea and the other Asian tigers."

"Our largest partner, Japan, does not influence our economy as strongly as it used to, because of the way Australia is adjusting to the overall expansion of the world economy."

But the newspaper added: "Australians must realize that renewed prosperity will only come with a greater competitiveness in the global market."

There is also confidence in the country's manufacturing industries that has not been evident for many years. Australia's manufacturers are more competitive — on both domestic and foreign markets.

It was not so long ago that Australia's manufacturers were looking offshore — particularly towards Southeast Asian countries — to expand. It was then not feasible to expand in Australia because of uncompetitive conditions, high inflation and a small local market.

Now Australia is among the world's most competitive in some areas of manufacturing, except clothing, textiles and footwear. This is encouraging manufacturers to expand locally, with investment in plant and equipment.

The Australian insurance industry has also confirmed the economic optimism.

A top insurance industry executive revealed: "A year ago, people were surrendering their insurance contracts to get enough money to live. We are no longer seeing that."

Astute observers are predicting that insurance is likely to shine as a growth industry within the present economic upswing and into the 21st century. It is expected to be the fastest growing segment of the finance sector.

The major performer overall is tipped to be the high technology communications industry, which is facing expanding export prospects throughout Asia.

But the mining industry is expected to remain Australia's biggest export earner. It could even make the biggest contribution to the country's export growth.

Despite the bright prospects — export growth, greater competitiveness in world markets, low inflation, reasonable interest rates, a strong supply of investment capital from domestic and foreign sources, and healthy company profits — only a mild reduction in unemployment will accompany the revival.

One analyst commented: "The unemployed will be the continuing losers as the economy moves up."

Unemployment is at the highest level since the Great Depression 60 years ago. It remains in the "too difficult" category for now and in the future.

Some 10 per cent of the Australian population will have little cause for joy as the statistic unfolds heralding the upturn, the increased trade and other trappings of economic growth. They will be too busy looking for jobs.

— Depthnews Asia

To the Editor...

Violence against women

Sir, I want to express my concern about the cases of Shefali and Noorjahan Begum — the trials, sentences and consequent punishment that these women suffered. I call for an immediate investigation into the death of Noorjahan Begum to establish the real cause of her death and to bring those responsible for her stoning to justice.

I also urge the government to bring those responsible for the trial and sentencing of Shefali to justice. I am interested in information about the court challenge to the authority of the *shariat* that convicted Shefali and her mother to 100 lashings each. I want to be informed of the outcome when the case comes to the court. I am very concerned that

the incidents of *salih* have increased over the past two years and that in all cases women have been victims of an illegal trial and sentence.

The *salih* have all acted entirely outside their authority in trying and sentencing the defendants under a form of Islamic law in contravention of the civil law enshrined in the Bangladesh Penal Code. I urge the government to take measures to ensure that local bodies do not assume functions for which they have no legal authority, and I like to draw their attention to human rights standards, especially those guaranteed by the Constitution of Bangladesh.

Article 32: No person shall be deprived of life or personal liberty save in accordance with law.

Article 33: To enjoy the protection of law, and to be treated in accordance with and

only in accordance with law, is the unalienable right of every person...

Articles 33 and 35 also lay down safeguards regarding arrest, detention and fair trial, all of which are violated by illegal trials of *salih*.

The Bangladesh government newly accepted Declaration on the elimination of violence against women, f. i. following articles:

Article 4: Women are entitled to the equal enjoyment and protection of all human rights and fundamental freedoms in the political, economic, social or any other field.

Article 4: States should condemn violence against women and should not invoke custom, tradition or religious consideration to avoid their obligation with respect to its elimination. States should pur-

sue by all appropriate means and without delay a policy of eliminating violence against women.

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DCUSU polls

Sir, The Central Students Union election of any university is supposed to be held under the rules and regulations of the university and as per schedule. But it is a matter of regret that this election is now held more in the interest of the political parties than to meet the need of the students in general. Here it can be mentioned that there are different associations at Dhaka University such as "teachers' association", "fourth class employees association" etc. Their election is being held regularly

but an obstacle obviously appear when it comes to DCUSU polls.

DCUSU's role has been very much glorious. During Pakistan days and that of the autocratic regime in Bangladesh, DCUSU played a vital role in the emancipation of the people of the country. Recently, it has become almost an ineffective organ due to conflicts among the respective student wings of political parties.

DCUSU polls should be held regularly every year in accordance with the university ordinance, and DCUSU should not be used as a puppet to any political party. And no political party whether it is the ruling or the opposition should interfere, by any means, in DCUSU affairs. Until it is done and maintained, the innocent students who are not under any political umbrella, are to suffer and be deprived from their le-

gitimate rights. But why must they suffer? Recent postponement of DCUSU polls is the best example.

One obstacle is followed by another. With the recent postponement of DCUSU polls, another problem appears awaiting — session jam. Because the university authority has rescheduled the dates of the forthcoming honours and masters examination. And this always begets agony of the innocent students.

I would like to appeal to all the general students to be conscious about their legitimate rights and act accordingly. Only then the DCUSU affairs, including the polls, will be only their affairs, in their favour and interest, and cease to be any one else's negating theirs.

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