

Demand for Reorienting their Policies Growing Louder

by Munim Kumar Barai

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New Year Outlook

So there is no present for the nation on the new year's day. Eminent because of the failure of the politicians to deliver what was expected of them. Call it negative politics — or even political naivety — or whatever you will, there is a growing sense that the politicians have let the people down. That feeling of disappointment, instead of getting dissipated, is likely to degenerate into defiance and disdain as the political turmoil looks set for disrupting social peace and progress.

Indeed, no nation — except those in war — can think of a worse way to begin the new year. What began as a dispute about the election results of a parliamentary seat culminated, at the year end, into the most divisively dominant issue. In the process the more important issues failed to capture the nation's imagination. For long ten months the Jatiya Sangsad was virtually turned into a rubber-stamp parliament. If the opposition has walked out, the ruling party did no better.

It is not just the parliamentary backlog but the awful performance by our politicians that set the grim tone for the year 1995. Unless something dramatic happens, the political future of the country looks very bleak. Amid such dismal political performances, forces opposed to democracy and social peace are likely to have a field-day. All the institutions and values that hold society together get weakened by the cumulative effects of bad politics. A sharp rise in crimes and religious bigotry bore testimony to this during last year. The only silver-lining is that towards the end of 1994, the threat of fundamentalism could be contained to a degree — though not removed — through the sheer force of conscious and articulate public opinion against it.

The agriculture sector did reasonably well. Our crop production — unaffected as it is by politics — has recorded a tremendous boost. So has been the performance of the stock exchange market, indicating the high potential for capital formation. Inflation, was low but the consumer price index could not be contained proportionately.

On the international front — such as the United Nations may have had its nose snubbed against the defiant feuding parties' intransigence, our troops joined its forces to help its peace missions. In our eagerness to see peace established, we were deeply shocked at the Bosnian ethnic-cleansing and Rwandan massacre of civilians. Only the South African racial integration and Palestinian peace efforts gave an ideal setting for furtherance of peaceful co-existence between communities, cutting across religious, racial and ethnic divides. Let us learn from such amity and accommodation and build on them to make the new year meaningful.

Hartal & Trade Deadline

BGMEA's appeal to the opposition political leaders that they keep the garments export business out of their hartal programme deserves to be heeded by them. There is a very special reason why. According to the time-table agreed upon by our export houses with the garment importers, under the quota system, a consignment worth Taka eight hundred crore has to leave our ports by the 31st of January. Readymade garments valued at Tk 600 crore have to be despatched to the United States alone by that irrevocable deadline. As the system works, the commercial wing of the US embassy in Dhaka and, by implication, the quota authority of the United States, will keep an eye on whether our merchandise has left our waters by that due date.

If the hartals should throw out of year the production, packaging, customs clearance and transshipment schedules then we are in for serious trouble. This will not only mean an enormous loss of business for us to the tune of several hundred crore taka, the importer will also be irate over going without these garments. They would not like being presented with an unsavoury fait accompli. The repercussion can be serious in terms goodwill for enjoying the quota benefit in the future.

On another plane, a few thousand students are going to appear at the O and A levels examinations held by the London University authority in January. Given the current political outlook and the line of opposition thinking, the month of January could witness an unbroken chain of hartals. There will be loss of at least six months for these several thousand examinees, to say nothing of the high fees they have already entered.

These are two specific areas where we are destined to experience an irreparable damage. There may be a few other points equally vulnerable to losses. Anyhow, we regard the above two instances as an unassailable rationale for keeping those deadlines out of the harm's way. Even if the hartals or sieges are considered unavoidable by the opposition political parties then we suggest that they take note of certain business and educational deadlines and set the dates for their demonstrations accordingly. Medicare and utility services should also come under a specified, and what is equally important, well-ensured relaxations.

Hall's Release

It reminds of the U-2 incident only as a reference-point, not as a snugly-fitting analogy to be sure. On May 1, 1960 a US reconnaissance plane was shot down in the former Soviet Union and, in the furor that followed, Moscow cancelled an imminent superpower summit in Paris.

On December 17, 1994 in an entirely different setting of a cold war-free world, North Korea, a communist country — if that means anything by way of a remote resemblance with the past — downed an observation helicopter that strayed into her airspace. Pilot Bobby Wayne Hall survived but his co-pilot died. It took 13 days of intense and delicate negotiations between Clinton emissary Thomas Hubbard and Pyongyang authorities to secure Hall's release.

We are very happy over the wonderful reunion that Bobby Wayne has had with his family. At the inter-state level the outcome is highly welcome as it helps normalise Washington-Pyongyang relations. Short of apologising to North Korea, the US has expressed a sincere regret for the incident which it put down to a navigational error. North Korea said it released US pilot Hall on a humanitarian ground after the "admission of his crime of illegally intruding" into her airspace.

The moral of this story is the respect shown to an international norm relating to the inviolate and sacrosanct nature of a country's territorial integrity. Even as the lone superpower in the world, the US kept its cool and handled the affair in due deference to the sensitivity involved. This reflected well on US diplomacy under stress.

IN the last quarter of last year, in Madrid, the Bretton Woods institutions — the International Monetary Fund (IMF) and the World Bank (WB or Bank) — celebrated their 50th birth anniversary. The golden jubilee meal at the Palacio de Congressos was historic in a sense that it saw an unprecedented divide between the rich and the developing countries for the first time in the institutions' half a century long life-span. It was also perhaps the first occasion when different individuals and non-government organisations (NGOs) raised a vociferous protest against policies and ways of functioning of the two premier world institutions. Some of the protesters even demanded the dismantling of them on the ground that they have actually promoted social injustice and accentuated inequalities in the Third World countries. Though it is audacious to make such a demand of their abolishment, the protesters have succeeded in doing what they so earnestly wanted to. They have sent the message to the institutions as well as to the rich nations that the Fund and Bank must reorient their programmes and policies according to the actual needs of the hundreds of millions of people around the world.

Evolution

The WB and IMF were set up in 1944 at the Bretton Woods Conference in New Hampshire with some assigned objectives. While the World Bank was designed to help reconstructing and restructuring the War devastated Europe, the IMF was created to oversee and work for a stable financial system.

But the unfolding events took away the initial respon-

sibility of the WB. The War-torn Europe started to rejuvenate itself with the help of the Marshall Plan, named after the US Secretary of State George Marshall. Then the Bank turned its attention to the developing world and assumed its present role of a direct lender for specific projects. These are projects of mega scale such as dams and canal works, power plants, roads, major irrigation projects, telecommunications, air or sea ports and other infrastructural projects that are deemed to be essential for the development of a country.

The Fund, on the other hand, crossed a more eventful time since its inception. From the very beginning, the Fund membership is open to countries and each member has to contribute to the Fund's fund according to its share of GNP and the accession to Fund means gaining the drawing right according to a quota. A member also acquires the right to vote according to its contribution towards the Fund's capital. The IMF assists a member by financing its trade deficit and other BOP problems through an instrument called Special Drawing Rights (SDR) which are now about SDR 25 billion in circulation. Most of the industrial countries adopted a floating exchange rate in 1971 and the IMF has become the flag-bearer of the rate since then. To help the hard currency starved and structural problem-ridden countries, the Fund has also introduced windows like Extended Fund

Facilities (EFF), Structural Fund Facilities (SFF), Enhanced EFF and so on. The Madrid Conference in October, 1994 witnessed a deadlock when the G-7 countries tried to introduce a new financing window — the Systemic Transition Facility (STF) of SDR 20 billion — to help the former socialist countries of East Europe, without extending any extra SDR facilities to the developing countries.

Conditionality

Whatever honest intention the G-7 countries had for their newly found East European "brothers", the G-9 among the 24 Interim Committee (IC) members of the IMF saw through the game and chose to dig in their heels in protest. This protest was due long back against many issues which the Fund and Bank got away without much hindrance. Just look at the mess they have done to most of the Latin American and African economies. The decade of 80s is called a "lost decade" for the Latin American economies. Whenever a country went to get the help of the Fund or the WB to overcome BOP or other structural crises, they attached a long list of prescriptions and conditions which the country must follow in case it wanted to have the help. The kind and nature of the conditions attached to their loans were more or less the same as to "open up the economy through liberalising imports, to let foreign investment come in freely, to minimise the role of government and public sector

enterprise, to stop regulating the market and decide where investment to go, to reduce taxes, specially income tax, to give incentives to private investments, not to try to redistribute incomes and so on. The most appalling aspect of the Fund-Bank policy was that the same menu was prescribed to the countries of different geographical location, different stages of development, different economic conditions or of different ethnic and cultural set-ups.

Results or Allegations

It would be more to the dismay of the Fund-Bank Management that the institutions have little success to be boast of. Just look at the conditionality they set for the aspirants of the Fund or Bank loan. What would be the effects on the Third World countries which go for their loans with these conditionalities? Do the poor of these countries can expect to get a fair treatment in the changed atmosphere where their governments spend little for them in education, health and hygiene, medicine, sanitation, public distribution system, or stop controlling the prices of food or other basic commodities? Results around the world show that they become the victims of the Fund's or Bank's harsh prescriptions. On the other hand, these have resulted in creating a creamy layer in the developing countries who have followed their programmes with attached conditionalities. The creamy groups are directly benefited, defended and

represented by both the institutions. The attached prescriptions of the IMF has brought consumerism in most of the countries it provided loans, but that ism is for that privileged few. Proliferation of tax havens and shelters for every kind of financial flows have again benefited that section of the Third World societies. So it seems that the IMF has actually aided to widen the gap between rich and poor in a systematic way.

The Bank could be charged with criminal violation of human rights and man-made ecological disasters during the project implementation in different parts of the world. An April 1994 internal study on resettlement by the Bank confirmed that at present over four million people worldwide are being displaced by ongoing or future Bank projects. These four million people comprise largely indigenous peoples and subsistence farmers whose last survival niches will be destroyed. The Bank also never assumes responsibility for the failure of any projects.

It was also being seen that in a same country the Fund and the Bank worked for cross purposes that ultimately resulted in deterioration of the total situation. This paradox became evident in the sub-Saharan economies where the Bank's long term development objective became the casualty of the Fund's terms which wanted to arrest short-term fiscal disarray of the countries by binding them to cut their expenditures in human devel-

opment and in other essential public infrastructures. Repeated cutbacks in these essential sectors progressively whittled away the complementary elements needed for a take-off propelled by the private sector. The last, but not the least, allegation against them is that their borrowers end up paying more back to them for what they owe on past loans than what they disburse to them in new loans.

Conclusion

The address by Dr. Manmohan Singh, the Indian Finance Minister, drew the attention of the gathering of the Palacio de Congressos to the fact that the world now faces six predominant challenges — unemployment, fiscal stabilisation and structural adjustment in developing economies, abject poverty in some parts of the world, problems in transition in East and Central Europe, systemic risks caused by burgeoning private flows, especially portfolio investment and environment. The Fund and Bank cannot remain aloof from these problems any more. And for that they have to be far more modest and would put priority to the human needs by alleviating poverty and social injustice through their programmes. Serving as the flag-bearer of a selected few in the developing countries will further alienate them from majority of the people. To be acceptable to the wider section of people and to act for a better future for the Third World people, the Bretton Woods institutions must reorient their policies and programmes to accommodate more social contents and to address the challenges Mr Singh has candidly pointed out.

FOR a long time, the Philippines has stood apart from its authoritarian neighbours, diagnosed as a country where rowdy democracy sapped economic health.

Singapore Senior Minister Lee Kuan Yew in 1993 made the famous pronouncement that US style democracy in the Philippines had created "undisciplined and disorderly conditions" to block development.

Many agreed. The Philippines regained its freedom in a 1986 popular uprising but what good was this, they asked because hungry Filipinos cannot eat freedom. In contrast, East Asia's newly industrialising countries that put economic progress ahead of political rights have surged ahead.

But as the Sick Man of Asia starts rebuilding its economic muscle, Filipinos are finding a sympathetic audience tuned to their assertion that democracy and development do mix.

Filipino officials have been repeating this thesis like a mantra in promotion trips abroad, determined to turn what has often been called a burden into an advantage.

"This I have always believed: we can develop as a working democracy — and not in spite of it," says President Fidel Ramos, who put the Philippines' democratic foot forward when he went on a five-country swing through western Europe in September.

At the annual meetings of the International Monetary Fund (IMF) and World Bank in Madrid last year Finance Secretary Roberto de Ocampo noted that it had become fashionable in Asia "to think that the only key to economic success is strong and authoritarian government rather than an elected one". But he added: "We are determined to prove that there is yet another way that miracles in Asia can happen. Keep watch."

The Philippines' assertion that democracy can be the takeoff point for economic growth is not entirely new, the

country being one of Asia's oldest democracies that had its political culture shaped by colonisation by Spain and then the United States.

But the theme has become more compelling at a time when the once-moribund economy is projected to grow by 4.5 to five per cent this year. Renewed international confidence has also fueled foreign investments and the stock market.

Analysts maintain that democracy was never really in danger of losing out to authoritarianism, though its concrete benefits may take time to emerge. Building a country that is democratic and growing may be harder, but its benefits are also much greater.

Julius Caesar Parrenas of the Manila-based Center for Research and Communication (CRC) says the much-vaunted stability of authoritarian regimes tends to be temporary. South-east Asia's strongman governments also find their lack of democratic systems a weakness that Western governments constantly harp on.

Nobody worried about succession in Indonesia in the

Development-friendly Democracy

The Philippines may have finally found that freedom is not a deterrent to development. Johanna Son of Inter Press Service reports from Manila

1980s. But today, uncertainty is rife about what happens when the 73-year-old president bows out when his six five-year term ends in 1998. Says Parrenas: "You don't know whether the one who will succeed Suharto can control more than 100 million people as well."

He says this can be bad for business since sudden political upheavals or unrest in a labour sector tightly reined in by Jakarta could wipe out millions of dollars in investments.

The economist notes that while the Philippine political process may be slower, "people are now willing to play according to the rules of the game. Once the rules are accepted, things become more stable."

Democratic set-ups are also bound to be more stable in the long-term because authoritarian ones are open to pressure on issues such as human rights

and labour rights.

Trading partners cannot use these issues against democratic countries, say analysts. A choice between democratic and authoritarian systems may no longer really exist anyway. Split-second communication and satellite systems mean

that strongman governments that try to keep information out of national borders are fighting a losing battle.

De Ocampo says the Philippines aims to "make haste slowly" in its bid to become a tiger economy by the year 2000, hoping to achieve growth that addresses equity and sustains the environment as well. He observes: "Tigers may use their strength to prey on the weak and dragons may breathe fire that can burn forests."

OPINION

The Disconcerting Signals and Gano Forum

A Q Rasulpuri

Perhaps every citizen of the country feels the kind, if not the degree, of the danger the nation is facing today. But few give their in-depth thoughts emanating from a measure of ingenuity and patriotism towards its solution. It is due to niggardiness, indifference, unimaginativeness or lack of insight and proper education on the part of those who are supposed to be the conscience-keepers of the nation? The reason is anybody's guess. But it is broad and loud that the educated class has perhaps turned its face from the incoming danger deepening every day. Have they resigned and become fatalistic, though fatalism has no place in mundane affairs, much less in religion? Or, have they abandoned all initiatives on national plane and thrown themselves into the current of the day?

The emergence of Gano Forum enkindled some hope in as much as it was expected to work as a beacon light in the grey zones of the nation. Is it fulfilling that role? Perhaps, not in a full measure. Many thought that Gano Forum was a third current in the national politics. Gano Forum has perhaps neither affirmed nor denied it. Be that as it may, we should consider Gano Forum as really a people's forum — a cradle of free thoughts and ideas dedicated to the welfare of the people; a cradle of social and international mobilisation for the cause of the nation; a sort of Hyde Park, a Mukhtangan, to debate and generate input for the solution of national problem. Because, it is helmed by a talent and personality of international fame. If the Gano Forum, as a true people's forum, cutting across all affiliations, can show the nation a brighter path and help it to come out of danger perhaps the blessing of people will pour on it sooner than expected.

How should we prioritise national problems endangering us sooner than projected? The institutionalisation of democracy, Farakka problem, the population explosion problem, the poverty problem, the educational problem, the rule-of-law problem, the value-erosion problem, the law and order problem, the black money problem, the accountability and transparency problem — which one should come first or should all be bracketed? It seems that all of them are interlinked and mutually reinforcing each other. Gana

Forum, should address itself seriously to solution of these problems drawing the experts, professionals, social, scientific and political thinkers etc. to its portal. In the process they should use all conceivable least cost media including the press and press clubs, at home and abroad, off and on, for social and international mobilisation. The Gano Forum can form Gana sub-committee for each problem at professional and expert level and try to seek out a solution for each of the crucial problems the nation is thrown into.

The present Jatiya Sangsad built upon toil and tears as well as free, fair and impartial elections is considered to be the stepping stone for institutionalisation of democracy and the hub for discussion and solution of national problems. The opposition, however, from the beginning accused the party in position of making the Jatiya Sangsad ineffective. The party in position also brought the same accusation against the opposition party. Perhaps the feeling of the broad masses is that the Jatiya Sangsad is yet to rise to the level of national expectation in as much the country has witnessed few meaningful debates on solution of national problems in the Jatiya Sangsad. Be that as it may, now because of the continued abstention of the opposition parties the Jatiya Sangsad elected through a model election is perhaps (we hope not) heading towards its dissolution.

Though the nation is perhaps not a party to it (the Left Front holds this view) yet the educated segment of the society particularly the Gano Forum is not raising its due voice in this respect as much as expected of it. The concept of institutionalisation of democracy and inculcation of democratic culture in the polity seems to be thrown into the wind by all and sundry. The enlightened class is almost silent and not taking any effective and perceptible initiative to break the one-track thinking of the concerned parties.

The Farakka Barrage is proving a death trap for the nation. The Head of the Govt raised the issue in UNCTAD and sought the co-operation and good will of the neighbouring country for the solution of this humanitarian problem. But the opposition dubbed it as a polit-

ical gimmick and debunked the same as playing of the party in position into the gallery. The Gano Forum, should rise to the occasion both nationally and internationally and create ground for the honourable settlement of water-sharing issue among the riparian countries under SAARC, regional and international umbrella, like the sharing of water in Indus-basin under the aegis of World Bank and international community. Meanwhile, the Gano Forum may ensue a national debate as to the construction of the proposed barrage down the Hardinge Bridge and solution strategy of water problem all over the country. The environmental degradation and desertification process Farakka has imposed on the country, should attract the national genius as well as consensus for its solution. The Gano Forum by the charisma of its name and leadership should give some gifts to the nation causing continued and persevered discussion on the solution of national problems, by the scholars and thinkers, patriots, social workers, and, of course, the people at large. Otherwise, people may think that the Gano Forum is another traditional political party floated to capture power, though its name does speak of greater magnitude.

The immediate agenda for the Forum seems to make the Jatiya Sangsad effective by creating a national pressure on the concerned quarters and build up an atmosphere where other crucial national agenda can be debated for solution. The Gano Forum should not frustrate the people (Gana) and take up the national problems one after another for their resolve.

At this level of socio-political-economic development of the nation, the Gano Forum should subsume more the role of a popular and professional than political organisation to salvage the nation from despondency. In the process they should perhaps shun association of retired bureaucrats and technocrats who are normally of one-track thought but pose to play egg head, like professor Harold Laski playing to Labour Party of England, to become minister in competition with their colleague. Did they not prove already too expensive for this poor nation now crying hoarse for bettering their socio-political-economic condition?



To the Editor...

Let 1995 be a happy new year

Sir, 31st December finally drew the curtain for the year 1994 which will now slowly be lost into the ocean of time with all its events. The deeds and destiny of the year will now remain as contents of a begotten diary.

Let the dawn of the new year 1995 bring the nation peace, progress and shun all the differences and disputes to bring everyone to a solid unity to strive for the common goal: feed and clothe the poor and make all out efforts to develop the country. May Allah the Almighty have mercy on this land and cease the miseries and endless sufferings that have so cruelly bogged us down for so long.

Let us wish the new year bring respite on the campus so that the students sincerely pick up pen and book instead of stick and gun. Let us hope the prices of essential commodities be within the reach of the common man. Let us pray the use of knives be for its

sole purpose and not for severing human throats. Let us pray and hope that the speeding wheels of trucks and buses keep on the right track and not crush human beings to death. We do hope the year 1995 will enable families from all walks of life to freely move about without being worried of being mugged.

Well, the above are only prayers and hopes, but nothing is ruled out or is impossible; all we need is firm determination.

So let's wish a very happy new year 1995 to all; let the year be full of joy and smiles, for we don't know who among us will make it to see 1996.

Khawja Viqar Motruddin
Dhaka.

Religion and human rights

Sir, The honourable President of Bangladesh has assured of the fundamental rights to all during the visit of 30-members team of Bangladesh Human

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