

Development

Decentralization and Development: The Bangladesh Experiences

by Atiur Rahman

ALTHOUGH thousands of pages have been written by various experts involved in a number of commissions on local government, the decentralized administration has been hardly given a chance for its consolidation in Bangladesh. Had this opportunity been given in right earnest, many of the crises in today's politics and economics in Bangladesh could have been easily avoided. We will try to give a historical context in which the issue of decentralization can be meaningfully discussed. At the end of the discussion some critical issues which may have wider implications for democracy and development will also be identified.

The British Raj pursued a policy of night watchmen and was primarily interested in the status quo and law and order administration. Newly introduced European laws though incorporating customary usages regulating the conduct and rights of the members in order to maintain the status quo, did not always prove dynamic enough to suit to the changing needs of the people. While the earlier Samaj preferred consensus oriented judgement, the modern colonial state tried to commoditize the legal system in the western impersonal way. The rural poor particularly got alienated from the centralized legal and administrative system. This dichotomy had serious implications in the subsequent evolution of the local government system in Bangladesh.

Even though a variety of local bodies were established or reformed (e.g. municipal corporations, municipal committees, notified area committees, cantonment boards, district boards, union boards) the dichotomy mentioned above persisted. The local government system could never meaningfully incorporate the local autonomy.

The post-British governments in Pakistan though gave lip services to the issue of local autonomy but successfully managed to bypass local authorities while 'doing development'. Many a times, bureaucratic controls over these authorities were strengthened. Introduction of Basic Democracies (BD) system with a hierarchy of councils with direct elections to the lowest tier (Union Councils and Committees), and indirect elections from each tier to the next higher council was a significant initiative. The national parliament and President were also to be elected by the local councils. Only the lowest tier had elected chairmen. Higher level councils were to be chaired by bureaucrats.

The BD system was integrated into development administration at the local level in the early sixties. However, this system was tainted by Ayub Khan's desire to manipulate the local power base for his regime stabilization. This perception of the system made it all the more unpopular and the subsequent struggles for democracy in 1969 and liberation in 1971 made BD system an easy target of attack.

Another important initiative during the sixties was the establishment of the Academy of Rural Development in Comilla under the leadership of Akhtar Hamid Khan. The experiment, though misused

by the centralized state is still considered to have spawned a number of NGO initiative in Bangladesh and Pakistan.

After the birth of Bangladesh, the local governments were superseded. An attempt was made to reorganize the field administration through district governor's scheme in 1975, with wide power to control the officials within the districts. However, the scheme could not be implemented as the then government was brutally overthrown by a coup d'état.

Though provisions of elected local governments were revived after the abolition of one-party system following the coup the elections of the

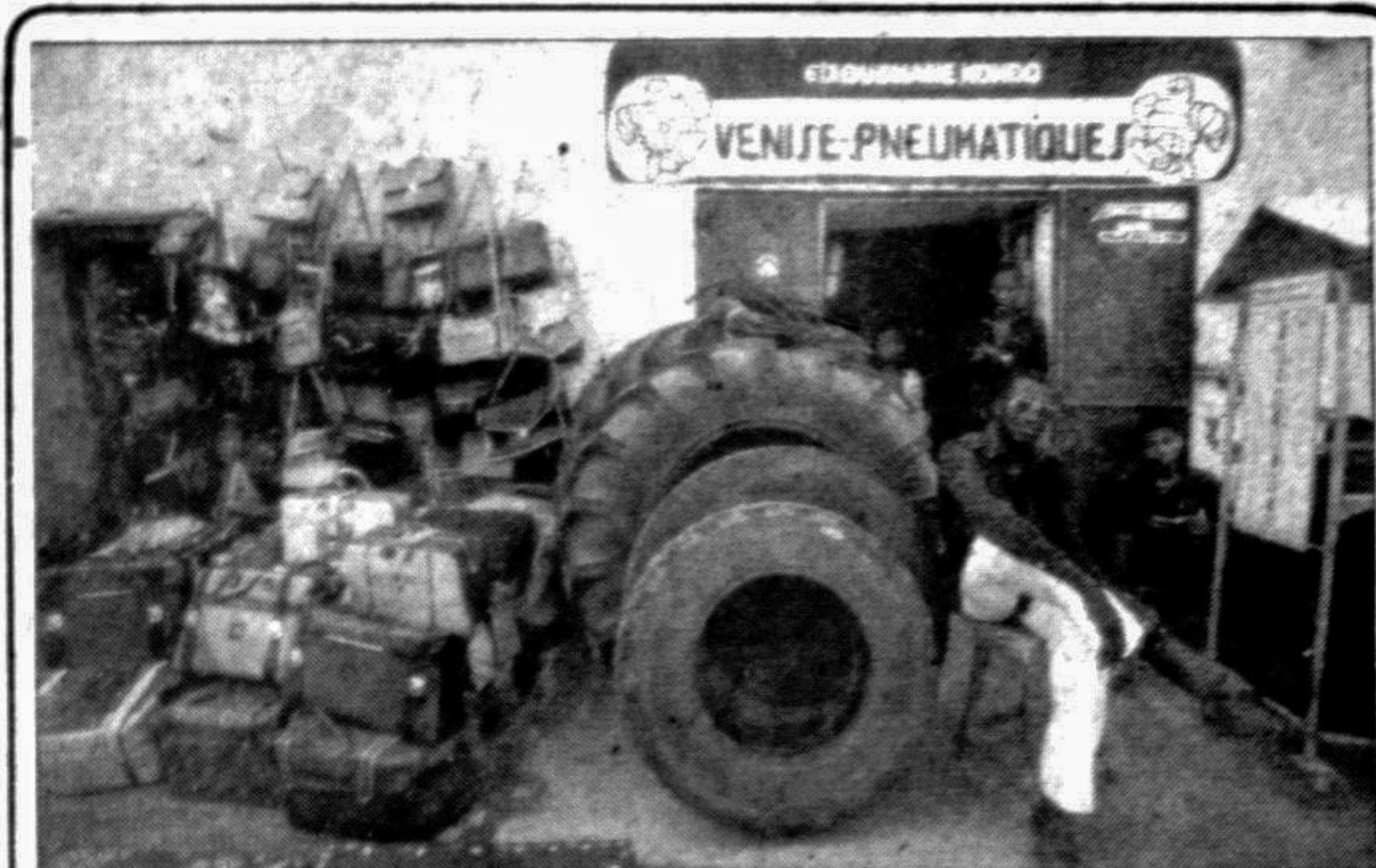
officials themselves did not like the idea of devolution of the number of cases increased and the activities of brokers and toutis intensified (Rahman, 1989). Notwithstanding these criticisms the system could have been improved and further democratized.

Following abolition of the Upazila system a new commission was set up which again tried to bring back the older two tier structure of district and union councils. Urban areas, especially the big cities were to be administered by a municipal corporation. While elections have been held in the four metropolitan areas and the elected mayors are now struggling hard (without much

there are some serious issues which need to be taken up by the policy makers and academics. The issues, to mention a few, are:

- (1) The ideological issue of whether decentralization is a means to mere economic development or an end as a political aspiration — a basic human need has to be sorted out. If this issue can be sorted out, the roles of all other agencies (government organizations, non-government organizations, community based organizations) can be placed accordingly.
- (2) All successful models of decentralization had continuity. But in Bangladesh, policies were changed too

- (3) frequently and local institutions were manipulated for creating local bases of power by authoritarian regimes at the top. Such politicization in turn provoked legitimacy crisis in local government systems and their very survival became vulnerable with every change of government. So there is a need for constitutional guarantee for the continuity of decentralized structures.
- (4) Decentralization is necessary but not sufficient for rural poverty alleviation. It cannot be effective unless there is social mobilization of the rural poor under the banner of the organizations which can safeguard their own interests. This presupposes raising of consciousness of the poor and constitutional support for such activities from the state. The facilitating role of an animator or catalyst in this respect should also be recognized.
- (5) The successful implementation of decentralization depends not only on political and administrative support but also on the continuous and timely availability of resources. So there should be a constitutional guarantee of revenue-sharing and also the



The poor make far better borrowers than the rich.

Capitalism for the Poor

by Olivier Clement

WHAT if other means, apart from international aid, existed to help poor peoples to recover from the slump for instance by lending money to the most enterprising of them to enable a village to escape poverty?

An Idea from Bangladesh

This experiment has been attempted, for five years now, in Burkina Faso by the French Centre for Cooperation in Agronomic Research for Development (CIRAD) and a private non-profit-making organisation, Action Sahel. Burkina is one of the African countries which suffered greatly from severe drought in the 80s, with its crops wiped out, its herds decimated and trade paralyzed. In order to help cope with the consequences of the catastrophe, nearly three million francs were distributed in the form of small loans. These are granted after a strict examination of each case and adapted to the needs of each family. To date about 10,000 such loans have been distributed.

To obtain this result because a very strict system of collective responsibility operates between the borrowers. Then he extended the experiment to a whole village and opened a loan office. It was the foundation stone of what was, in 1976, to become the Grameen Bank. The basis of the system developed by Muhammad Yunus is absolute solidarity among the borrowers. His future customers must create groups of five people from different families. The loans, at an interest rate of 16 per cent (which is the average rate in Bangladesh) are first of all granted to two of them and then to two more when the first refunds start coming in. Muhammad Yunus, good deed very quickly turned into good business. Today, the bank which only lends to the poor is one of the biggest, and most flourishing, banking establishments in Bangladesh, with 1,400,000 customers and 50,715 offices in 30,246 villages.

Beneficiaries could include a local craftsman wishing to open a small shop. Every month, he will receive money to enable him to pay his rent and he will start reimbursing the loan in a year, when he has built up a clientele, or a peasant wanting to buy an animal to fatten and to sell. He will get several times the purchase price for it and will be able to pay back his debt effortlessly. Thanks to these loans, whole villages have been able to set to work. The benefits of the initiative are clearly visible in the economic activity which has got off the ground again.

So Muhammad Yunus took a closer look at what was happening. In a village, he enquired about the difficulties facing a craftsman who made toys. He did not have the money to buy the wood that he needed. So he had to ask for an advance from the merchant who bought his production and took advantage of the situation to pay him a lousy price. Another example is that of a peasant who has to rent the land that he farms from the landlord in exchange for an exorbitant share of the crops. In order to buy seeds, the unfortunate man has to borrow from cereal-growing money-lenders who practise interest rates of 100 per cent.

From among the first borrowers, 98 per cent have already paid back their loans without delay. It is enough to make our western bankers turn pale. 'The poor make far better borrowers than the rich,' one of the latter admits. In fact, it is possible

Because they do not have access to capital markets, this craftsman and this peasant, just as millions of others like them, are condemned to a lifetime of poverty. How can this vicious circle be broken? Muhammad Yunus has found the answer: by rejecting the dogma by which one can only lend to someone offering a guarantee. It is a revolution in the fine development theories. Muhammad Yunus begins by lending a little money to a few people who inspire confidence in him: a young boy with no

profession who will buy a bicycle to work as a cycle-taxi-driver; a woman dreaming of opening a small grocery store in her home; and a market gardener who wants to install an irrigation system. The small loan he grants them changes their lives.

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In a country where 85 per cent of the population lives below the poverty line, it has enabled millions of people to escape from misery and to find hope and dignity once again. And Muhammad Yunus has been copied in Africa, but also in the Philippines, in Pakistan, in Colombia, in Thailand, etc. His methods are even being adopted in the West. In the United States, a bank in Chicago has drawn inspiration from it. In France, an association for the right to economic initiative (ADIE) enables those who are unable to get a loan, to create their own jobs. Thus the Third World is teaching the developed world the art of adapting the principles of capitalism to the poor.

Conclusions

The issues raised in the above discussion are quite critical and the recommendations made will not be easy to implement. Even in the best of circumstances decentralization is a difficult proposition. Those who traditionally hold power and have become accustomed to it, for example the vast majority of elites — politicians, administrators, technocrats, etc. are not prepared to give up that power voluntarily. So decentralization cannot simply be written in a project proposal by a well-meaning consultant and be implemented by an equally well-meaning national government. This requires a change in mindset and sincere political commitments of those in whose hands the power has been concentrated. However complex and difficult this may appear, the aspiration for a poverty free society cannot perhaps be realized without meaningful decentralization.

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Development depends upon the wellbeing of the peasantry. — Photo: A K M Mahsun

lowest tier of local governments were not held till 1977. During the period of 1975-82 an attempt was made to organize 'Swantirva Gram Sarkar' or 'Self-sufficient village Government'. But with the promulgation of Martial Law in 1981, the experiment for building an alternative to government ended in fiasco. In 1982, a Committee for Administrative Reorganization/ Reform was constituted. The committee recommended for strengthening local governments. Upazila system based on the Comilla model of rural development was introduced in the light of the recommendation of the Committee. Under this system thana (renamed a upazila) was made the focal point of all administrative activities.

There was a significant increase in government expenditures in the rural areas, especially in the field of infrastructure development since the introduction of the system. Also an administrative set up with elected chairman of the parishads supported by services of national officers was established. There was considerable delegation of authority to officers at local level, especially the placement of judicial officers at the Thana level was a significant step. However, there were strong criticisms against the system as well. The

support from national administrative departments) to function as autonomous bodies, the other local bodies, particularly the rural ones are still not quite active. There is total confusion in the local government system and the local leaders of these bodies are already disillusioned.

The fact remains that because of lack of continuity, step-motherly attitude of the national bureaucracy and short-term political expediences, the local institutions, despite some being elected, are still far from autonomous or effective.

The experiences in decentralization in Bangladesh point out clearly that this cannot be imposed from above and the benefits of decentralization have to be earned and defended by grass-roots organizations. The decentralization invariably requires innovation, creativity and flexibility. These elements are conspicuously lacking in bureaucratic organizations, which always played the role of midwives in raising the decentralized structures.

The Critical Issues

Given the experiences of decentralized both in the government and non-government sectors, it can be safely argued that despite numerous benefits which may derive from it,

frequently and local institutions were manipulated for creating local bases of power by authoritarian regimes at the top. Such politicization in turn provoked legitimacy crisis in local government systems and their very survival became vulnerable with every change of government. So there is a need for constitutional guarantee for the continuity of decentralized structures.

Decentralization is necessary but not sufficient for rural poverty alleviation. It cannot be effective unless there is social mobilization of the rural poor under the banner of the organizations which can safeguard their own interests. This presupposes raising of consciousness of the poor and constitutional support for such activities from the state. The facilitating role of an animator or catalyst in this respect should also be recognized.

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Disappearance of Wetlands

THE past tragic experience of short term development particularly in the field of flood control in Bangladesh taught us an unforgettable lesson that we have give a second thought in designing and implementing any future development plan. Development plan for 'Beel Dakatia' which was implemented by the then Water Development Board in 60s proved to be a potential disaster within a decade. Due to construction of embankment large areas of 'Beel Dakatia' inundated permanently. Economic activity declined in the area which forced more than half of its population to leave the locality. This was the scene of a development disaster. Very recently Water Development Board has undertaken another project to reclaim agricultural land from inundation and waterlogging to minimize the misery of the people of Beel Dakatia. This action has solved the problem of waterlogging to a great extent, but its long term viability is also in doubt.

Disappearance of Wetlands

by Helal Ahmed

tern, there has also been a decline in fish and migratory birds. The beels are being drained and embankments built to save crops from flash floods. Chalan, beel, which was once the largest in Bangladesh encompassing parts of three northern districts, was subjected to rapid natural siltation in the early twentieth century. About a century ago, the beel stood as 421 m2. In 1987,

it dried up completely leaving only small man made ponds. Over exploitation of forest produce in the Sundarbans is adversely affecting the natural ecology of the mangroves causing changes in forest structure and species composition and may have a long term effect on flora and fauna. The volume of Sundari stands has decreased by about 40% since 1959 and

fuelwood harvesting has increased faster than that of wood. The Naf river estuary in Teknaf, and Chakaria Sundarban which used to have extensive mangrove swamps and mud flats, have been cleared to yield place to shrimp farming, salt production and rice cultivation.

Human Intervention and Pollution

Wetlands are regarded as sinks for many products of human activity in the catchment area and act as natural drains for the removal of wastes to the sea. Pollution in the rivers is caused by various organic and inorganic elements. If it remains in optimum condition, water is purified in due course through a natural process known as homeostasis depending on type and load of pollutants. However, if the balance is disturbed due to excess of one or several of the component elements, it results in pollution of water. Along with the growing human populations, there has been an increase in domestic garbage and municipal wastes causing sewage contamination. The use of chemical fertilizers and pesticides in agriculture has increased enormously. Their residue ultimately flows into the water bodies. Approximately 30% of the nitrogen fertilizers added to agricultural land is lost through drainage, and a part of it is likely to be carried through percolating water ending up in groundwater reservoirs and ponded environments causing eutrophication of surface water bodies. Groundwater with high concentration of nitrates due

to excessive use of urea, when used for drinking, can cause carcinogenic condition in higher animals. The rapidly expanding field of industries further contributes to the chemical pollution in the form of industrial effluents that flow directly into the waterbodies. The tanneries situated by the river Buriganga or the south of Dhaka city contaminate the water, among others, by Chromium which adversely affects fish and other aquatic vertebrates. The other industrial pollutants known to be discharged in water are mercury, lead, arsenic and iron compounds. The discharges in and around Ghorasal fertilizer factory caused an accumulation of arsenic in the nearby soil as high as 3778 ppm. It is possible that some of the viral epidemics of fish are predisposed or exacerbated by water pollution. Existing industries discharging effluents into waterways should be assisted in establishing reasonable targets for effluents and developing and implementing methods for adequate treatment.

The effects of pollution in the wetlands extend to human habitation also. A survey indicates that life expectancy in the haor areas is significantly shorter than the national average. As the bare high grounds of the wetlands are converted during rainy season into adverse environment contaminating drinking water, gastroenteritis and water borne diseases become common. The effect of these diseases together with chronic malnutrition and inadequate health services is the high rate of infant mortality. Bangladesh, with almost half of its area as wetlands, is perennially plagued with as many as 32 waterborne diseases.



Wetlands are important reservoirs of biodiversity and provide a wide range of important benefits to millions of people on the floodplains.

Sainath Chronicles the Path of Good Intentions

Daniel Girard writes from London

INDIAN journalist Palagummi Sainath freely admits the first big story of his career was garbage. He is even proud of the fact. Killing time before a 3 am sub-editing shift at the United News of India (UNI), Sainath plucked a report on the country's primary education system from a rubbish bin in the agency's head office in New Delhi. It had been tossed there by reporters who believed all the news had been extracted from its dull, statistic-laden pages.

A thorough read revealed the story others had missed: 2,937 primary schools across the country had no teachers and nearly 20,000 others had just one, often working on a temporary basis. The revelations shocked and outraged many Indians and the issue became the subject of parliamentary debate. That was 1981. Now, 13 years later, Sainath is again setting the national agenda in the world's largest democracy. "This time he is shining the spotlight on a subject most Indians — and residents of many more countries around the world — would rather keep in the dark: the plight of their poorest people."

In a nation where 39 per cent of the population 312 million people — live below the poverty line, Sainath did not have to travel far to find stories. But he did; covering more than 70,000 kilometres over a 14-month period as part of his study of India's poorest districts. The work to date — some 80 stories published in the Times of India, 6,000 photographs and audio tapes of many of interviews with the people he visited — has netted numerous journalism awards in India as well as the United States. But of a much greater impor-

tance is the impact of Sainath's stories on Indian society. Government policies have been influenced. State legislators have transferred senior officials following revelations in Sainath's stories. The pages of the country's major newspapers are featuring more stories on rural issues, a dramatic change from their urban, elitist traditions. "It would be no exaggeration to say that his work has created an extraordinary reader response, stirred up government machinery at all levels, entailed money from governments. Sainath is clearly pleased with the strong reactions to his dozens of stories about the daily fight for survival among impoverished Indians, but mystified it took his research to make people aware. The stories are looked on as something extraordinary because daily journalism has moved so far from the ordinary," he says. "This should be the stuff of daily journalism."

Sainath, who has a history degree from Jawaharlal Nehru University in New Delhi, prides himself on investigating the process behind a story rather than simply recording the news event itself. Sainath is already planning his next project: reports from the 10 cities with the highest unemployment in India. There is little doubt that assignment will cause as many waves as his previous work. Although he insists his target audience is India and that international exposure is not a high priority, Sainath agrees that his methods of extensive research and giving a voice to the downtrodden can provide lessons for journalists and readers around the world. "It really is just basic journalism," he says.

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know best." Sainath, who began his career as a trainee sub-editor with UNI in 1980, also rejects all suggestions that journalists should be specialists on development or poverty or any other topic, believing such labels "ghettoize" reporters and limit the ideas and viewpoints that are brought to the reporting of a particular issue.

He is critical of non-government organisations (NGOs), arguing they are usually portrayed as heroes collecting donations from well-meaning Western individuals when in practice the funds have little impact. Sainath also says NGOs have become a growth industry in India, with politicians and bureaucrats often establishing the organisations after retiring from public life because they know the process for getting money from governments.



Palagummi Sainath Poverty in the press

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