The Baily Star

Founder-Editor: Late S. M. Ali

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Stop Stampede Tragedy

No one learns. No one wants to learn. But is there a choice not to learn particularly in matters involving definite risks to life of big groups? Our industrial establishments have highly dangerous sections manned by workers specially skilled to survive and do their job. But that is not the case with our garments houses where there is no area of work which can be called dangerous. And as such not one of the thousands working in any garments establishments, or any one of the superiors, has been trained in survival techniques and exercises. Yet when danger strikes, all of the thousands penned in one unit of housing, equally stand the risk of death. Nothing has been done to minimise this very grave and ever lurking threat to life by either the owners of these establishments or by the government. The garments houses are offering this risk as a part of the working condition of their employees. The owners of these have both the material capacity and the organisational strength to provide for quick and efficient exit for thousands at the time of need - a simple and cheap way out of the danger of death that almost all of present garments units have in their housing design.

Stampede deaths at garments units is not an unfamiliar tragedy. Has the experience resulted in any improvement in the arrangements and layouts of workers inside the locked up factories? What has the government been doing about security of thousands of workers against being penned in with no provision of easy exit? The archiveture of exit for, say, five thousand workers from, say, a seven-storyed unit has not yet been worked out by any employing company. And this when built into the units would need some seasonal exercises and regular drills to be of any good to workers - have they been worked out, not to

speak of being put into practice? How can the owners forget about Mr Nasiruddin's flery death — a hero's death. He was the owner and he could have escaped first from the fire that broke out in his big establishment. He wanted to ensure that the best was being done to evacuate the workers. And he was consumed by fire as were many of his workers with still more dying from the accompanying stampede. This and other sacrifices have failed to move the leaders this successful industry. The stampede death of five workers on Saturday in a Mirpur garments factory is a national scandal. We know not much value is put on man's life in our country. But to build-in death in places of work is the height of criminal callousness that must be removed before further such tragedies visit us.

The Traffic Mess

Lately a lot has been written about the city's traffic problems. In fact a lot more should be written as our life is about to come to a stand still because of it. It can perhaps be safely stated that whatever bleak picture that has been painted about our traffic mess, the reality is far worse. All the accounts are under-statements. However, people for whom so much is being written are either totally oblivious to our suggestions, or just could not care less. Nothing, absolutely nothing has been done to ameliorate the unbearable situation that has been created by the congestion in the city roads. Yesterday we carried a write-up containing several useful suggestions that could be implemented immediately. The suggestions included removing bus stands from road crossings, and making 50 yards into the roads "No Parking" areas. Some busy roads and sections of others should also be made no parking areas. Rickshaws should not be allowed to bundle together in street corners. Some areas should be designated "Pedestrian shopping areas" where no vehicular traffic be allowed. A ceiling must be fixed as to the total number of rickshaws that will be allowed in the city. Rickshaw vans should also be banned from carrying oversized items that it is not capable of carrying.

We also suggested the use of Rover and Boy Scouts, UOTC, National Cadet Corps and Girl Guides as forces to help out our police. These young people, we feel, will do a far better job than the ill motivated, and inadequately trained traffic policemen who are currently on the job. This we suggest as a stop-gap arrangement to cover the Eid shopping period. As we see it, there is no other way than to introduce these urgent measures, to make Eid shopping possible. We are many potential shoppers from venturing out. As we know that for many traders, Eid sale makes up for more than the rest of the year's sale, any diminishing of it will affect their viability.

The point to be noted here is that the traffic problem of the present season has an impact on the economy itself, and hence it should be addressed with much more urgency and seriousness than we have seen so far.

An Artiste of Many Parts

Not all excellent singers are 'golden voiced'. And the epithet isn't a hallow overstatement. If we had heard Juthika Roy in person, one would surely have known what it meant. And to a whole generation of listeners in Dhaka, pat came this epithet on hearing our local pride Leila Arjumand Banu. Her musical career spanned six decades and yet her musicianship never could overshadow the total person which had other equal achievements. She was distinguished in a unique way Her musical repertory was vast, encompassing the whole range of the Bengal legacy of songforms. And yet she never emphasised either her prowess in or her love for music. This was due to the aristocrát in her.

With her death on Friday is gone a very colourful and indeed haloed piece of Dhaka - old Dhaka. It was her father Syed Mohammad Taifoor who first spelt this city's name that way — in his important work Glimpses of Old Dhaka. Syed Taifoor, joining with Abul Hasnat and Nalinikanto Bhattashali formed the triumvirate of East Bengal, specially, Dhaka antiquarians. An ambience of culture, shot by a quest for learning, in which Leila grew up, coloured her personality very profoundly. This led her to her masters in Persian language and literature. This was the atmosphere which landed the child Leila on the lap of Ustad Gul Mohammad Khan, who nurtured and channelled her musical potential for over two decades. At 10 she was the youngest — and the only Muslim — singer to perform at the inauguration of the Dhaka station of All India Radio.

She will sorely be missed for her musical and other accomplishments. Our condolences to her

family.

Tequila Hangover: Did it Afflict Our Market Too?

Appearances belied reality in Mexico's case. Mexico's membership of NAFTA entailed dismantling of trade

barriers. Imports grew rapidly and shot way above exports which have been expanding at more than 20 per

INANCIAL analysts came up with quite a few catchy expressions to describe the economic crisis that took hold of Mexico from December 20 last year. Mexwhirlwind conveys something of the dizzving speed at which the economy went into a tailspin. Peso collapse recalls the currency rout. And tequila hangover captures the lingering aftershock of the

The euphemisms are quite apt. Tequila is a district in Mexico. Tequila is also the name given to the strong liquor distilled from fermented juice of plants of the genus Agave. native of Mexico. incidentally, a plant of the Agave family is also cultivated for the fibre it yields. The fibre, sisal, is obtained from leaves of this plant and is used for making rope, sacking. Our jute fibre lands to identical uses. However, jute is a plant of the genus Corchorus. As a fibre, sisal is stronger than jute. Nonetheless, jute and sisal can perhaps be regarded as distant cousins in terms usage. Overseas manufacturers at times mix jute and sisal to produce tough yet pliable material.

Any way, this particular tequila hangover spread far and wide beyond Mexico's borders. The miasma engulfed bourses in the Americas, Europe, and of more immediate relevance to us, the emerging markets in Asia as well. Stock prices tumbled and currencies came under assault. Central banks in some of the emerging economies in Asia had to intervene to shore up their cur-

On the surface, things have been running quite smoothly for Mexico. It had teamed up with its powerful northern neighbours, the United States and Canada, in the North American Free Trade Agreement (NAFTA) in 1994. The same year. Mexico also became a member of the 24-nation

burden which is most

severe on children. It is

the main cause of child labour

in Bangladesh and it will

continue in some form in

future for obvious socio eco-

nomic reasons. They come

from families which are poor.

illiterate and neglected. They

are the deprived majority of

veloping countries with high

rates of population growth

have higher incidence of child

work. While various socio-eco-

noime factors favour high fer-

tility parents in traditional

economies reduce the cost on

children by engaging them in

work. This induces high fertil-

ity in the short run. In the long

run, employment of children

with its negative effect on

school enrollment aggravates

Given the interactive rela-

tionship between poverty.

child work, school, enroll-

ment, economic development

and population growth, it is

common that several develop-

ing countries find themselves

in a vicious circle. Bangladesh

is an example of this phe-

nomenon with its abysmal

poverty, high incidence of child labour and low school

enrollment. According to Census data, children constitute

nearly 12% of the total labour

force. Statistics also indicate

that less than sixty per cent of

children aged between 6-11

are enrolled in school. In

Bangladesh human capital

formation through basic liter-

acy has been constrained by

acute poverty and widespread

child labour. The control of

child labour through compul-

sory primary education is a

adult illiteracy.

Research indicates that de-

the nation's population.

Paris-based Organisation for term private foreign invest Economic Cooperation and Dement that had gone into fivelopment (OECD) which has nancing its current account deficit. The foreign investment been known for long as the Capitalism's club. As late as in mainly. In short, the inflow of November, 1994, at the Summit of the Americas held in · foreign funds took the shape of portfolio investment in bonds Miami, USA — the first meeting of nearly all Latin American and equities. Such inflow can dry up and reverse as quickly leaders in almost three decades - Mexico's economic as it came. Thus Mexico's overwhelming dependence on management had earned praise as model for the rethis type of short-term and highly volatile foreign invest gion's growth. All these had contributed to the creation of ment had also exposed the an atmosphere of unbridled

sive of loan default by Mexico. foreign investors stampeded into dollars - unloading their holdings of Mexican bonds and was in the stock market shares - rushing to convert the peso they received as sale proceeds into dollars - take it all out of the country. The peso failed to retain its level reached after the earlier dose of 13 per cent devaluation. Rather than continue devaluing the currency, the Mexican authorities preferred next day to float the peso. Quickly, peso economy to financial stam lost about 40 per cent of its pede. Foreign investors hold value. The stock market fell by

cent a year. The immediate consequence had been a draw-down on foreign exchange reserves.

ALONG MY WAY

S B Chaudhuri

70-80 per cent of Mexico's government-bond market. A financial collapse is the only possible outcome if masses of these foreign investors try to withdraw all their funds simultaneously, sending the stock market reeling and setting the currency on a steep downslide. Mexico faced precisely this si-

Foreign investors' euphoria about the Mexican economy was rudely broken on December 20 when Mexico permitted peso to devalue by 13 per cent. Peso, the Mexican currency, had earlier been allowed to trade against the dollar within a narrow band. What the Mexican authorities did in fact on December 20, was to widen the band substantially. Fearing further devaluation and consequent loss of asset value of investment, even apprehen-

more than 30 per cent in dol lar terms and short-term interest rates rose to more than 30 per cent.

The debacle of an apparent

star performer like Mexico dealt a severe jolt to foreign investors confidence in emerging markets in general Currencies came under pressure and stock markets plunged. The Latin American bourses were the worst hit taking losses in values of anywhere from 30 to 45 per cent and so were the emerging markets in former East Europe. Global fund managers got badly burned in Mexico and were downgrading all emerging markets. Asia also came under the onslaught of these fund managers' persistent 'sell orders in a bid to liquidate their holdings in emerging markets and shift funds to safe havens. Stock markets

China. Hong Kong, India, Indonesia, Pakistan, the Philippines. South Korea, Taiwan, Thailand - all lost 10 to 15 per eent in January alone.

While the Mexican crisis

provided the proximate

ground for the sell-off, there were other underlying reasons too, particularly the changing scenario of investment returns in the United States. In 1992, the real short-term US interest rates - that is nominal rates adjusted for inflation had come down to 0.4 per cent and by 1993 had dropped to zero. Investors looking for higher yields were driven to overseas markets. The outflow of US portfolio investments in 1993 nearly tripled to \$120 billion and remained about as heavy in 1994 - a large chunk of its pouring into the emerging markets. However, US interest rates have been climbing up since. Investors can now get 7.5 per cent or so in nominal terms on deposits. Even adjusted for inflation, the rate of return is sufficiently attractive to lure many American investors to take their money back home, which is safer than

would have flowed back to the home market any way. Now that a Mexico rescue package appears to be firmly in place, investors sentiments will probably calm down a bit. Still, it is quite likely that the portfolio managers will take a second hard look before committing funds in emerging markets. The size of current account deficit will, of course. ligure prominently in their considerations. However, current account deficit is not necessarily a sign of worsening economic health. What is im-

the emerging markets. Thus,

some of the US portfolio funds

portant is the texture of the current account deficit. When capital inflows in the form of import of investment goods. such as machinery, swell imports, contributing to current account deficit. Then that could be reckoned as a healthy sign - portending a growing economy. In the case of Mexico. it were consumer goods, not capital machinery, that had swelled imports. On the other hand, dwindling foreign exchange reserves, again as in the case of Mexico, would continue to be read as a danger signal, as would be the rate of inflation.

ID the tequila hangover afflict our market as well? There is no clear evidence either way in so far as the Dhaka Stock Exchange (DSE) is concerned. DSE share price index did shed about 5 per cent since December. However, the market also perked up a bit towards end-January. On the other hand, both value and volume of the scrips traded were noticeably lower in January than a year ago. As for foreign portfolio funds, their participation in the DSE is pretty low, only about 15 per cent of market capitalization and there wasn't any sign of sell-off either. Nonetheless. newspaper reports surfaced last week to the effect that the authorities were weighing moves by way of stricter entry and exit rules for foreign portfolio funds to preempt any sudden outflows. Authorities' concerns are genuine. Sudden outflow of funds induced by stock sell-off, assails currency also. Foreign investors rush to convert local currency sale proceeds into dollar for immediate repatriation of funds. This undermines the local currency. Still, it wouldn't do to overreach and slap down measures that could dry up the inflow altogether.

A glimpse at Child Labour in Bangladesh: Social Security Needed HRONIC poverty, is a

by Ambreen Choudhury

Some children have to work when they are ill in order to keep their jobs in force. Some children have to work more than 8 hours (8-14 Hours). No leaves are allowed. No letter of employment is given. Therefore, the working children have no bargaining power. It is the responsibility of the government, politicians, NGOs and international agencies to work hand in hand in order to combat this problem.

prerequisite for human capital formation. This has, however proved to be a difficult task.

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The immediate consequence

had been a draw-down on for-

eign exchange reserves. Mex-

ico's foreign currency reserves

had slipped from a comfortable

level of \$30 billion in early

1994 to below \$7 billion in

December. In the process.

Mexico had also been running

into heavy current account

(roughly its trade plus other

current foreign transactions)

deficit. The economy thus

came to rely on foreign in-

hard currency to pay for ex-

panding imports and for meet

ing its other current financial

had been running a current

account deficit. We tried to

bridge the gap between our

current earnings and spend-

ings in foreign currency.

through the infusion of long-

term official development as-

sistance funds. In Mexico's

case, it had mostly been short

Till very recently, we also

obligations abroad.

vestment for gaining access to

Appearances belied reality

economy.

Children opt to work, aim to survive, improve their own life and that of their families All that young children so engaged may not be necessarily destructive in case of human capital formation. Some forms of employment may be positive experiences for them and the nation. The positive aspects can be reinforced provided their health, security and basic éducation are ensured. In some situation work is an education experience, a mean ingful training for their future. But they work in various places such as coolies at ferry-ghats. railway stations or bazars; rickshaw pullers; helpers in motor transports and garment facto-

Child labour appears to be indispensable in a number of small cottage industries. In rural areas children are engaged in income generating activities not only within the households but also outside as agriculture labour on the farms. They are engaged in both soft work such as weeding, spreading fertilizers, and plucking seedlings etc and hard work as kamlas or rakhals. The application of new technology in agriculture has opened up new scope for employing child labour putting them to even greater risks. They are also

employed as domestic servants

in affluent rural households in very adverse working condi-

Child labour is subjected to exploitation by adults in a variety of ways in both formal and informal sectors of the economy. The actual jobs in which children are engaged, the danger they face and the desirable opportunities of which they are deprived bear testimony to the extend of such exploita-

Working children are the teenagers, dwelling in the urban slum areas in an inhuman living condition. Their parents are poor, illiterate, neglected. even flagellated. Most of the children of school going age in such families do not attend any school at all. These children grow up being either what has been called "street children" or, at their best, unskilled child labours. They contribute to the vicious circle of poverty and to the continuity of generations of the poor. They are not in a position to cater to the real needs of their families.

There is no immediate prospect of eliminating child labour. Children engaged themselves in physical labour for their own survival or for supporting their families to make a living. The poor parents are not in a position to cater the basic needs of their families without engaging their children in physical labour. I child labour is eliminated

without introducing social security their children will be compelled to be involved say in hijacking, theft, and other anti social activities. There are over 25 special laws and ordinances to protect and improve the status of children apart from those provided for by the Constitution of Bangladesh. These existing laws are mostly of Pre-Liberation origin. Government, however, has encouraged rehabilitation of the working children through different organizations. It has received a considerable attention from policy makers and various organizations concerned with development in Bangladesh.

social sector such as health education and population control are designed to serve the majority of the population who are poor. The Government approved the legislation to make Universal Primary Education (UPE) compulsory and it is also encouraging international organizations and NGOs to combat the problem. But the envisaged matrix is yet to be achieved.

Children opt for work, to survive, improve their own life and that of their families Some even work in order to have enough income to go to school. Some of them work to support their siblings' educa-Government programme in the tion. But their immediate aim

is not easily achieved, due to the fact that they do not get proper wages. In fact it is not even enough to guarantee their basic needs. They are deprived of other basic rights such as recess time and health care facilities. Some children have to work when they are ill in order to keep their jobs in force. Some children have to work more than 8 hours (8-14 Hours). No leaves are allowed. No letter of employment is given. Therefore, the working children have no bargaining power. It is the responsibility of the government, politicians, NGOs and international agencies to work hand in hand in order to combat this problem. Priority must be given to ensure that children are excluded from dangerous and physically demanding

The writer is a Bangladeshi student studying journalism in

policies. The Air Force is de-

manding it and the Pakistani

politicians strongly believe that

it will be a bargaining chip

a controversial issue in India.

While everybody is inclined to

admire the perfection of mis-

siles made by Indian defence

research scientists, some

complain about the wastage of

India, some analysts say

should devote its resources to

social development as no

amount of economic liberaliza-

tion will provide bread to the

poor and give medical help to

Washington has asked the

Those familiar with the old

feuding south Asian nations to

stop the proliferation of mis-

Indo-Russian security and

friendship agreement note a

sharp contrast between that

and the defence agreement

with the US. For instance, un-

der Clause 9 of the old pact,

India could consult the Rus-

sians if it perceived a threat

from any country to its borders

and seek Soviet help to re-

While it is not certain

whether the agreement really

averted armed hostilities be-

tween Pakistan and India. New

Delhi at least did not feel un-

protected or weak when its

neighbour was being armed by

the Americans who, during the

Cold War, needed Islamabad's

cooperation in containing the

Russian threat or the threat of

communism in Afghanistan

and it appears to be in the in-

terest of both India and Pak-

istan to have equal relationship

All this has changed now

Missile production remains

against India.

resources.

the needy.

sile technology

move the threat.

works.

Defence Pact Ushers in New Era in Indo-US Ties

Prakash Chandra writes from New Delhi

new defence agreement between the United A States and India may be valuable as a tool to prevent a war between the South Asian country and its neighbour Pakistan.

American policymakers appear to view the new accord as a window of opportunity to resolve the tension between the neighbouring countries caused mainly by dispute over Kash-

The signing of a new deence agreement between the US and India appears to be opening a new chapter in the history of this sensitive area. Some observers suggest that New Delhi may be turning its back on the Nehruvian era (named after the late Indian Prime Minister Jawaharlal Nehru) of leaning or Soviet shoulders and distrusting Washington.

Even the doctrine of nonalignment is now being questioned. Many analysts believe it is a negative approach to international politics and has not achieved much in recent years. It has not prevented mutual bickerings among the so-called members of the non-aligned bloc nor has it been useful in bringing together countries like Iraq and the US:

On the other hand, the demise of the Soviet Union has altered the world situation dramatically.

The Russians have joined the North Atlantic Treaty Organization (NATO) and are also now part of the European Union. They become heavily dependent on the West's economic cooperation and for the

restoration of national stability

Thus, India has to look for new partners or re-establish friendship with such countries as the US. However, the new defence

eration between the two countries' defence establishments. expanding the scope and content of cooperative research

William J Perry, who visited India recently, said: "It (defence pact) is a major step to step up security links between the two countries."

Washington has already been cooperating with New Delhi in a light-combat affectalt project, costing so far 10,000 million (US\$319 million). Analysts say it will take some 10 years, if not more, before such aircraft can be used by the Indian Air Force.

The message of the US defence secretary's visit and the subsequent agreement is some kind of balancing of relations between India and Pakistan with the US as a partner.

At present, Washington has

Experience tends to suggest that Washington's relations with Pakistan, however close, have not stopped the south Asian country from getting involved in an arms race on the subcontinent. Pakistan has reportedly acquired a substantial number of missiles

with Washington

and elsewhere.

American analysts believe that the new agreement with India might liberalize Washing ton's foreign and defence poli-

- Depthnews Asia

The destiny of Rohingyas

Sir, The latest trump card of the SLORC was the peace negotiations with ethnic groups, under its own terms. leaving out the students and Rohingyas. A total of 12 rebel groups had signed peace agreements with the SLORC. It was widely reported that the KIO and the Khokan insurgent groups were pressurised by the Chinese government to have peace accord with SLORC. Of late a Japanese team was mediating between the SLORC and the oldest and most powerful ethnic insurgent group, the Karen National Union (KNU).

As for Rohingyas, they are left alone. There are no negotiations or peace-brokers between them and the SLORC. The SLORC regards them as alien and declared that they would only talk with the rebel groups of 135 indigenous races in which Rohingyas are not included, though Rohingyas were declared as an indigenous ethnic race of Burma and their language was aired from Burma Broadcasting Service (BBS) by the previous elected democratic government with Ro-

and cabinet. The SLORC categorically made it known to the UN special rapporteur, Yozo Yokota.

hingya members in parliament

that Muslims of Arakan are from Bengali stock and are not in 135 indigenous races, flagrantly obliterating the past record of Arakan's history. Thus, no amount of changes in Burma for transforming it into a democratic state with the consent of the SLORC could bring peace and honourable living for Rohingyas unless specific step is taken for them by someone whom the SLORC could not ignore, in accordance with the adage, "a stitch in time saves nine."

May we, therefore, take the

opportunity to entreat earnestly the Hon'ble Prime Minister and the Hon'ble Foreign Minister of Bangladesh to give a 'sympathetic consideration to our chronic issue and help us in a way so, as to persuade or pressurise the SLORC regime, directly or indirectly, to restore the indigenous status of the ethnic Rohingyas of Arakan and to invite them to peace talk to resolve all their problems and to allow them to attend the national convention drafting a new constitution and to give them a constitutional safeguard.

Jilani Maungdaw, Burma

Liabilities of foreign loans Sir. With the fall of value of

exchequer

O H Kabir our taka currency the liabilities Dhaka-1203

of our all foreign loans, principal amount and interest thereof, for repayment are believed

Let us take for example, we took a loan of US dollar 100,000 @ Taka 8.00 per dollar in 1972, the loan stands at Taka 40,00.000/- @ Taka 40.00 per dollar in 1995.

to be increasing day by day at

an alarming rate.

Similarly the amount of interest of US dollar 100,000 e Taka 800,000/- in 1972 and Taka 40.00,000/- in 1995 has increased manifold now.

Some of our experts claim that foreign loan is a blessing for us for carrying out our various development works. Some of our critics opine that foreign loan is a curse when the question of repayment comes.

We strongly feel that we al-

ways must be cautious about taking foreign loan and think thrice about our own resources and limitations. Accepting colossus amount of foreign loan year after year to feed our annual budget is neither a oredit nor wise. We must 'cut our coat according to our cloth' and stop uneconomic and wanton expenditure from our public

> pact will not mean any dramatic transfer of technology or resources to New Delhi from Washington. It involves coop-

and production activities. US Defence Secretary

An immediate result of the agreement is the formation of a joint technical group composed of senior professionals in defence research and production to ensure consistency in cooperation in these two

Also, the two countries will upgrade the inter-services joint exercises and joint technical training programmes.

closer ties with Islamabad, But this has not prevented the Americans from denying military supplies to Pakistan for reportedly going ahead with a nuclear development plan, de spite American protests.

from China and currently en gaged in the development of

Nuclear weaponry appears

nuclear weapons. to be part of Pakistan's internal