Founder-Editor: Late S. M. Ali

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A Question of Sincerity

When all hopes of a solution to the country's political crisis seemed to have vanished, there was at least an occasion on Friday for leaders of both the ruling party and the opposition to talk across the table with each other. A round-table discussion on "Present Political Crisis: Where Lies the Solution", organised by the Centre for Bangladesh Studies (CBS), brought some of the front-line leaders from the two sides along with other prominent leaders and academics across the table. No matter if they have not seen eye to eye, we are happy that they could take the opportunity to reiterate many of their views from one platform. We could be happier still had they been able to narrow down some of their differences through the discussions.

Their participation in the round-table shows that they have the interest in and concern for resolving the crisis even after the flowing of so much water down the Buriganga River. We unreservedly welcome this. But at the same time we are sorry to say that the competition they locked their horns in, heaping accusations on each other for the failure of a political understanding, will lead them nowhere. If the leaders attended the round-table only to stress their oft-repeated points, we along with the people of the country have every reason to be highly disappointed with them. An academic discussion though cannot be expected to provide any occasion for a policy announcement. It surely reflects the line of thoughts and strategies of the participating par-

On this score, both sides leave enough scope for vagueness. The issue here is a political understanding or consensus for resolving the crisis. Dr Kamal Hossain is on record that the constitution provides for a number of options that can be put to use after the contending parties have reached a common political decision on the subject. But the key point is, if the parties are ready to make the necessary concessions for reaching such a consensus. If the parties are sincere enough in putting their best and also averting a serious crisis, it is possible to tide over the tactical and technical problems. The politicians have played their own games suiting their whims — and that for much too long — at the cost of national interests. People are watching. They want to see progress in the dialogues whenever the two sides meet. Playing with words is not to their liking any more. The problem is mostly the politicians creation and they must be responsible for its so-

UN Initiative in Kabul

Even such good news that the UN special envoy Mahmoud Mestiri has flown into Kabul to oversee transfer of power there, has to be taken with a pinch of salt. So endemically troubled Afghanistan has been, with the Taleban fundamentalist factor burgeoning to overtake the Hekmatyar-Rabbani internecine conflicts, that chances for peace offensive looked even remoter than before. However, despite this triangular entanglement, a keen observer notices a certain realisation just about dawning on the erstwhile two major players that things might go further out of their hands, if they were to fail to come to terms with each other in view of the growing Taleban power.

It is against the backdrop that the UN envoy is setting his foot in Kabul in line with an earlier understanding with Afghan President Burhanuddin Rabbani that he was ready to transfer power to a new governing council under the world body's supervision. The composition of the council is going to be the most important moot

On the plus side though is the fact that the Taleban militants have not yet raised any objections to the UN peace plan. Their noncommittal stance is considered to be safe so long as they do not decide to oppose it outright. We feel that the Taleban factor needs to be taken into account from the very beginning because reports indicate they are poised to sweep into Kabul.

Lending a hand to the latest UN peace initiative, the OIC's Secretary General Hamid Algabid has made a few points that deserve immediate attention of all concerned - on the ground. As long as there is no firm declaration by the warring factions that they are going to stop all armed hostilities and make room for a verifiable ceasefire arrangement and disengagement of forces from Kabul and its vicinity, there is little guarantee for even a modicum of success in the latest UN overture.

Basically the UN has to get the factions to agree to a truly representative transitional council so that the ceasefire and the disengagement of forces followed automatically. A council of some handpicked people can be another palliative, a house of cards, as it were.

Not Just Ctg's Worry

Our Chittagong correspondent's report on fake driving licence hit a bottomline that made both amusing and serious reading. The traffic police officials and those of Bangladesh Road Transport Authority (BRTA) alike admitted to the wide prevalence of fraudulent driving licences. But each side passed the buck on to the other feigning a holier than thou look. While we keep wondering who is really to blame, the shadow-boxing can go on to our great trepidation.

This is one case in which their superior authorities must now put their feet down and fix the responsibility for this glaring lack of transparency at the operational levels where truths cannot be hidden indefinitely. If we allow them a free rein after this, the fake licence-holders, the private brokers and the official abettors will take heart to carry on the malpractice with a renewed

gusto.

What gives rise to a peevish contention between the Bangladesh Road Transport Authority and the Chittagong traffic police is this: BRTA is claiming that since its inception in 1990 there have been no irregularities in the issuance of traffic licence while the police feel they are handicapped in going for a massive drive without BRTA's cooperation. The master registration book containing all the particulars is supposed to be lying with the transport authority. We have reasons to suspect things are not as straightforward as these are made out to be. It is only when the registration book with BRTA, and the fake licences so far seized by the police are thoroughly examined that the real truth will come out. We are waiting for this to happen at the earliest.

Current Concerns: Another Rice Price Shock

by Firdous Murshid

The Aman crop, unlike the Boro, is primarily retained for home consumption and to pay for wages and meals

of hired labour. The quantity sold in the market is thus a residual, which is far more volatile than total

production. Even a relatively small fall in yields could lead to a sharp fall in marketed quantities, and

TE are once again witnessing very unusual goings-on in the rice market. This time the concern is not with low prices, as was the case in 1992-93, but with high prices - and that too following on the heels of the largest rice harvest of the year — the Aman harvest a period which invariably exhibits a price dip. What we have witnessed this year, in sharp contrast, is unique — a price peak in November something that has never happened within living memory. have not been watching the rice market drama very carefully because of other pre-occupations, but will nevertheless offer a tentative explana

The Public Food Distribu-

tion System The Bangladesh govern ment has all but dismantled the Public Food Distribution System (PFDS) actually prodded into it by a donor-inspired lobby) and has therefore closed off a number of poten tial channels of intervention in the rice market. Our warnings of caution at the time, went completely unheeded, with the food ministry captive to a Washington-based "Food Policy Project" which had its own agenda to pursue.

Despite the emasculation of the PFDS, it was supposed to have retained sufficient clout to effectively intervene in grain markets should this be neces sary. Three channels of inter vention are available: Food for Works, Vulnerably Group Development and Open Market Sales (OMS). The first two will affect market prices indirectly. and therefore slowly, so that the only real option is OMS. For OMS to be effective however, it must be backed up by a minimum level of grain reserves. While estimates of this minimum vary because of differences in assumptions and models used, a figure in the range of 7-10 lakh tons is usually considered necessary spite the carefully laid out

to meet most contingencies. In reality, actual public reserves were significantly below this level - a problem compounded by the poor Aman harvest and fears of another poor crop in Boro, due to very low ground water levels this year, which

generate pressure on prices.

Naive Arithmetic

has not helped matters either

will make irrigation uncertain

and costly. The Ramadan factor

It would be wrong to say we had no advance warning of poor yields — the signs were there for all to see. In part the failure to recognized the seriousness of the shortage lay in what I call naive arithmetic. Let me illustrate: the government says the expected or estimated shortfall in Aman is five lakh tons. Public reserves of around 4-5 lakh tons and additional amounts in the pipeline, would, therefore, be sufficient to meet the shortfall. Reality however is much more complex and is rarely amenable to simple solutions. The Aman crop, unlike the Boro, is primarily retained for home consumption and to pay for wages and meals of hired labour. The quantity sold in the market is thus a residual. which is far more volatile than total production. Even a relatively small fall in yields could lead to a sharp fall in marketed quantities, and generate pressure on prices. In fact, field reports suggest a much sharper decline in Aman yields, by as much as 50 per cent in the northern districts. Expectations of another poor crop in Boro has aggravated things further. The only way to stem speculative price rises that feeds on this sort of a situation is to launch massive OMS. This did not happen deplans of a trigger mechanism to set off OMS as soon as the price breached a critical level or was it the case that the critical level itself was set too

Complacency

The government is paying the price of complacency. It was just gearing up to take credit for achieving food selfsufficiency (which no doubt would be paraded as a major achievement of the ruling party during the forthcoming election campaign), when it is having to cope with the unkindest cut of all - a food crisis of sorts. The problem of course is that even when we achieve 'self-sufficiency' on average, there are going to be vears of shortages (high prices) and surpluses (low prices) - this simple, but essential characteristic of agriculture is frequently lost sight of leven in developed countries like Australia, agricultural output could vary by up to 50 per cent from year to year) Foodgrains in a poor country like Bangladesh, cannot be treated as just any other commodity. It is a strategic goods and its management cannot be left to chance. The other wor rying factor is the dramatic slowdown in the growth rate in foodgrain production, to an average of 0.2 per cent a year. over the last six years (I hope the government will take credit for this tool.

"Hoarders" : The **Traditional Scapegoat**

Let us stop, for once and for all, the archaic (although convenient) practice of blaming hoarders and speculators for rising prices. They do not cause price rises. Even if they wanted to, they would be unable to do so. They perform

the very important task of spatial and inter-temporal arbitrage (buy cheap now in the expectation that prices will rise in the future, or buy from a low price market and sell where prices are higher). If this risky venture was not undertaken, seasonal and spatial price differences would have

been even higher. Corruption in High Places

(and Low) Corruption, as everyone agrees, is worrving. My worry has to do with its economic impact rather than the impact on morals - although the two are quite closely related. Corruption exists in all societies. from the most developed to the least, yet it is widely considered especially detrimental to development. Donors are increasingly vociferous about institutional corruption (the relevant jargon here is governance') which is being blamed for all our ills. I suggest that certain types of corruption are less injurious than others, and that it is better to talk of types of corruption rather than levels.

An entrepreneurial class is pre-requisite for capitalist development. According to all appearances, such a class has now emerged in Bangladesh, albeit in embryonic form. Our strategy of export-led growth and the withdrawal of the state from many sectors of the economy, depends heavily on the assumption of an efficient and innovative private sector.

Our capitalist class, however, has primarily arisen from a trading-indenting class of rent-seekers, bank-defaulters and beneficiaries of political patronage, through a familiar process that has come to be only too well-known. In other words, the history of basic cap-

ital accumulation (what Marxists call primitive accumulation) is somewhat tainted! The important point to note is that without such accumulation, there would have been no entrepreneurial class today. This process is familiar to social scientists who have noted the rise of the 22 families of Pakistan and their robber-baron origins. This phenomenon was entirely state engendered, so it must be an irony for it to have to withdraw now and make room for the new heroes that it helped to create!

It needs to be pointed out that for the nascent capitalist class to gain in strength and stature, the traditional avenues of (unproductive) profits through rent seeking must be choked off, so that entrepreneurial energy can be channelled to more legitimate and productive forms of activity. This is already happening but deserves to be accelerated. Here, I am reminded of the recent steps taken by the Home Minister to build appropriate prison facilities for important people. Perhaps this is an indication of official intent to stamp out misdeeds from on high? Or perhaps merely a response to a bad dream? I myself, would like to argue in favour of the former!

I can think of some other forms of corruption that actually increase welfare; smuggled Indian cows; Indian rice when our prices sky-rocket etc. The ultimate effect of corruption will depend on the resulting redistribution of wealth, its accumulation and use, and more insidiously, on the moral climate that pervasive corruption induces. Corruption in high places, if kept well-shielded, will do less damage than pervasive, low-level 'institutional'

corruption. The main problem with the former is in its demonstration effect. It also engenders lack of respect for authority and weakness the moral position of the offenders usually people in leadership roles - which threatens us with social anarchy. This is thereason why politicians in developed countries, when caught with their hands in the kitty, are required to resign from office or otherwise face public humiliation.

The problem with low-level but widespread corruption is that it causes the 'rules of the game' to blur or be destroyed. leading to arbitrariness, uncertainty and high cost in our day to day transactions, whether with the police, the Customs, the utilities departments, the bureaucracy or financial institutions. It directly affects large numbers of people, who eventually come to accept all the various hidden charges and costs (what economists call transaction costs) as part of normal life. It distorts our values and criminalizes our actions. For too long in Bangladesh, the two kinds of corruption (in high and low places) have reinforced and fed on each other. If we want to be an emerging tiger for even a cubl, lines need to be firmly drawn and the process reversed. The question is how do we get people to obey rules, not shirk, cheat or prey one each other. The solution, according to the New Institutional Ecohomics, is information (transparency), safeguards (legal, institutional) and enforcement. I suggest we start by enforcing some rules . -

Let me end with a quote from James Stuart Mill. He said that the role of the government is to save its citizens from excessive selfishness. Let us not, in the name of privatization, promote greed.

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Will there be a Coalition Government in India? crisis unprecedented

by Nikhil Chakravartty

The idea of a coalition government at the Centre to avert a constitutional breakdown has, interestingly, been suggested also by an area specialist of the Davos-based World Business Forum, who has underlined the fact that political stability is imperative if India has to attract large-scale foreign investment and a coalition government alone can ensure that political stability.

descended upon India today which has never been faced since independence of the country. Strictly by political digits, its magnitude can be measured by the fact that the ruling party at the Centre has lately faced crushing defeat at the poll in two of the States where it was in power. Of these one happens to be the homestate of the Prime Minister of India. who actively campaigned for the Congress party of which he is also the President. This setback for the Congress was largely unexpected by the party's leadership and has set in visible demoralisation at all levels of the party, because of the realisation that there is hardly any means of staging a recovery for the fortunes of the Congress, in other words, this is taken today as the starting

in its dimension has

the premier national organisa-At this critical juncture has come the resignation from the government of the seniormost Minister in the Cabinet; next to the Prime Minister. Not only the fact of the resignation. the letter the minister has written to the Prime Minister conveying the decision itself, contains issues which cause severe embarrassment for the government, providing excellent ammunition for the Opposition. All this adds up to a situation which makes it very difficult for the Prime Minister and his government to con-

point of the disintegration of

tinue in office. This is the grim scenario which faces not only Prime Minister Narasimha Rao and his government and party but the nation as a whole. Because, the state of things in the Opposition hardly warrants the possibility of any viable alternative emerging which can ensure political stability. For one thing, there is no party which

can claim to be as strong as the Congress today. Next in strength and political importance is the BJP which apart from having been unable to spréad all over the country, is facing tensions within its own ranks. Unless this problem of inner-party unity is settled by its leadership, the BJP will be hard put to retain its present eminence in public life. Next in importance within the Opposition count is the Janata Dal, which in the last

five years has fragmented into many splinter groups while the core could hold its own in only three States. Even its tie-up with the Telegu Desam for the National Front brings nowhere near the possibility of attracting majority support in Parliament. The Left on its own controls two State governments - one large, West Bengal, and the other Tripura, acknowledged to be a minor State. The rest of the Opposition mainly consists of small regional groups which hardly aspire to be part of the Centre.

This means that the breakup of the Congress which seems imminent envisages a period of uncertainty, if not anarchy, in the political set-up of this country. At the moment all major parties are engaged in another round of electioneering for five more State Assemblies. When the results of this round would be available by the middle of March, the stark reality of Congress' decline and fall would be more sharply underlined because in this round, the Congress can retain at best only one major State, that is Maharashtra, where too its position is very shaky these days. By the time

the Parliament's budget session gets under way in March, the ruling Congress is likely to be bitterly denounced for having lost the majority support in the electorate and the Opposition is likely to step up its demand for a mid-term poll. Had the Congress been a united party, well disciplined with an accepted leadership, it could have warded off the Opposition attack on its government. But the Congress MPs are not only demoralised but a good section of them has already signified their lack of confidence in the party's leadership - as Arjun has openly done - and therefore it might be a rash venture for the Prime Minister to force a vote of confidence because there could possibly be no certainty today that he would be able to carry the day in the House.

Viewed in this background. it is understandable that the far-seeing elements in political life have started pondering over what could be a possible way out of this fearsome crisis of deadlock leading to complete breakdown of the political system itself. It is significant that the leader of the Opposition in the Lok Sabha, Atal Behari Vajpayee has in a press interview suggested that the way-out would be found either by going in for a coalition government at the Centre or switch-over to the presidential form of government.

The idea of a coalition government at the Centre to avert constitutional breakdown has, interestingly, been suggested also by an area special ist of the Davos-based World Business Forum, who has un-

derlined the fact that political stability is imperative if India has to attract large-scale foreign investment and a coalition government alone can ensure that political stability. The alternative of switching over to the presidential form of government has been long debated in political and intellectual circles in the country, but no satisfactory consensus emerged out of such discus-For one thing, the success

of the presidential system in France was largely due to the personality of General De Gaulle: To manage a country so vast and with such complexity of diversities demands an outstanding leader and it needs to be conceded the country has no such leader at the moment. And when such a leader appears, his or her authority becomes law, no matter whether the country is ruled by the

presidential or parliamentary form of government. Indira Gandhi wielded as much authority as any president hopes to do, but she did not change over from the cabinet rule to the presidential form of government. On the other hand, the present President of Sri Lanka has openly declared her party's commitment to abolish the presidential system and restore the parliamentary form with the authority reverting back to the cabinet. In the present situation, this debate is bound to be revived in India.

Meanwhile, it may be necessary to think over the possibility of a coalition government at the Centre. Such a coalition needs to be worked out from beforehand instead of waiting for further setback at the next general election, and after that to knock together such a coalition so that the majority in Parliament could be re-

gained. Such an agenda is often based on the opportunistic consideration of somehow pulling off a majority for the sake of retaining power and power alone. Besides, experience shows that such a coalition does not last long, but it splits at the first onset of differences. On the other hand, preparations in advance for a coalition government would fetch positive results leading to a durable coalition regime. This would need serious dialogues between leading parties to chalk out a common minimum programme, and on that basis, face the electorate. Such coalitions are as a rule durable as could be seen from European experiences.

In fact, in the case of our country facing grave challenges from outside and within, a wider coalition of major parties at the all-India level, may lead to the formation of a National government. This however requires leaders of extraordinary courage and vision. Do we have them at all, though the country needs such leaders most urgently? - Mandira

The author is Editor of 'Mainstream'.

OPINION

Indecisive Administration

All sane citizens of Dhaka should strongly support in principle the points raised by Mahfuz Anam in his write-up (Star Feb 12) on the traffic chaos in the metropolis.

The traffic problems have been created (indirectly) by the Government, and not by the residents or drivers of the vehicles, because the administration can provide a solution easily, quickly, and without fear or favour. It is the indecisive style of administration which the suffering public have to put up with during this glamorous BNP regime (cannot remove dirt and congestion).

The Dhaka Mayor's DCC is operating in the same fashion without any sense of duty and responsibility. Let us look at the non-problems more closely.

To control the traffic madhouse, the administration can call a series of meetings with the various vehicle unions and exchange views, before clamping down stringent new measures to control and regulate the traffic. These meetings (lasting a couple of days) may continue from the early afternoon till the iftar time; and the iftar may be hosted by the admn.

The government will not be licked for licking the traffic problem (sawab, no bribery). Sometimes it is in public interest to lose popularity for the greater good of the greatest number. Dhaka looks like a city without maa-baap (guardians) despite the official presence of "City Fathers"

Now that the computerized voters' card has been approved and sanctioned, the same hitech may be applied to driving licence and vehicle number. plates (old and new), to preM M Ahmad

vent faking/duplication. Of course the Opposition will not support the move and shout zulum on the poor drivers (the populist politics in this country). The Opposition is not running the country; so. for the solutions the people look towards the administra-

'No Parking', 'No Waiting', and 'No Halting' signs are all right, but where to park? The alternatives must be practically available before enforcing the restrictions. Later, the fines should be mercilessly heavy, as a deterrent measure. But the sad story is that the present administration appears to have no deterrent effect on any

If a person feels he could get away by breaking the rule. he would go ahead and break the law with impunity. One could cite hundreds of examples from daily life. The authorities are aware of all the evils prevailing in the society but the citizens are not aware how the situation is improving.

The proof of the pudding lies in the action, firmly and quickly. This administration is governing on the philosophy of no-action and wait-and-see policy. There is no point in being nice to culprits, and to those who do not carry out their duties and responsibilities. Crime and punishment are linked from time immemorial. In Bangladesh this linkage is weak since 1991 Why?

As for the Mayor's problems, these are not new, but traditional, now made more rich due to non-action. For example: keeping the drains clean and clear. In our area

(Mohammadpur), my guess is that the mosquito menace is largely due to the large number of clogged drains; specially

in and around the market.

Why the drains cannot be cleared daily is not at all clear. Even for the old drains with a budget provision, the drains or the budget are clogged! Why the DCC do not try some pilot projects to transfer some of the conservancy work to the private contractors on a trial basis? Let there be visible and transparent circulation of money. There are thousands of unemployed who will rush to do any new job. We are not short of manpower (human resources) - where are the administrative and management resources?

As for the pavement shops and hawkers, why there is no official reaction or comment on this nuisance — a clear example of misplaced kindness? There are very low level and basic control jobs, but, like the mosquitoes, there is absolutely no control over the situ-

Liberty is not licence, the licence may be a faked one, and the licence is likely to be misused in this country. What is the name of the all-powerful agency which is capable of ruling Dhaka? Even small a problems bog us down. What are we capable of doing or delivering? The Opposition is asking a lot from the citizens. and that too free of charge, when people are not inclined to work even on payment!

Can we hear directly from the Prime Minister on drains, mosquitoes, and traffic lawlessness? The higher issues we leave to her judgement to work on silently

Parliament and accountability

Sir, What would have followed and what was expected in this republic after the 1991 general election with a transition from the authoritarian to a parliamentary type of government was a 'true' accountability of the parliament. Seemingly the opposition have terminated all their accountability with the submission of their resignation letters on December 28 last year, and have gone a step further to show their accountability outside the parliament! Indeed, they have made the parliament 'accountable' to them!

Now, should it sound too deceptive if one calls this parliament, an abode of ruling party members, accountable to the government, or to itself only? If that be true, then the picture is not much different from what it used to be before 1990. This is deplorable.

Champak Barua Deptt of Botany, DU

Unemployment or employment? Sir, With the appearance of

increasing number of "No Vacancy" signboards in the Govt offices, public sector corporations and private firms more and more unemployed youths who cannot afford to pay a fee of Taka 60,000 to 80,000 to manpower agents to make their way to Middle East, Korea or Malaysia or are unable to arrange a capital of Taka ten to fifteen lakh to run a shop are crowing foot-paths to earn their living as hawkers and vendors without any prejudice and hesitation. What would we call this, employment or unemployment? No man whether young or

old can live without bread or 'dal-bhat'. So he has to earn his living by hook or by crook, by struggle or even by unfair means. There is alarming increase

in unemployment all over our country. What is the solution? Except raising the age of retirement of the aged Govt

servants and providing most of them with reemployment facilities on contract basis our government has so far taken no step to create job opportunities for the youth of our country. The government has also not announced any national employment policy as yet. May we request the Min-

istry of Establishment, Ministry of Labour and Manpower, Ministry of Industries, Ministry of Agriculture, Ministry of Fisheries and Livestock and Ministry of Forest to kindly work out a phase-wise joint plan and programme for the employment of our unemployed youths and to save them from frustration and derailment?

We strongly feel that like 'health for all', 'housing for all', food for all', 'education for all' by the year 2000 A D it is the moral responsibility of our government to ensure 'employment for all youths' before the dawn of the next century.

O H Kabir Dhaka