

## Unrealised Potentials of Ekushey

Nobody ever called the Great Language Movement of the Bengali people a revolution. But it held in its wombs the seeds of an unprecedented revolutionary change. The movement was a process rather than an event, its first flashes making a tentative go at challenging the sacred bulls of Pakistan in 1948. And in 1952 it crescendoed to a big movement paralysing government for days and it martyrs finding an everlasting niche in patriotic Bengalee minds. Pakistan treated Ekushey, the anniversary of the 52 upsurge, as a challenge not only to its flat but also to its philosophical-ideological justifications. And a challenge it indeed was of that very nature. Thwarted as such by Pakistan through police methods, the Ekushey soon ceased to be an anniversary and rose to a great movement bursting across years.

In the new state emerging from a nine-month long bloodbath the Ekushey did not come as a movement. What was in truth an exclusively students movement, had in 19 years wrought an irreversible change in the political maps of the subcontinent. The political potential of Ekushey, which was its best appreciated part, seemed to have been over-realised. For most, then there remained nothing to Ekushey except certain ritualistic repetitions and crowd festivity. The cultural potential, or the far greater possibility, of the movement was left to peter into sterility and death through unrecognition. That education sector, formal and otherwise, is a picture of horror that grows more harrowing with every passing day is a big and direct result of Ekushey never coming to mean anything socially and culturally. How could it happen that it is language that has had the worst and unrelenting mauling in the land created by a language movement?

A backlash is overtaking Ekushey and its good work. There is a politics of undoing Ekushey and whatever it stood for. Students built the big day and the big movement through blood. It is they who have been not only desecrating the Shahid Minar with bloody clashes over whose picture should be on the highest perch but also forcing the society into surrendering to a reign of *mas-tani*, all arms and muscle and no culture and no education. From the predominance of militant patriotic students Ekushey has been turned into an exclusive preserve of university teachers of languages and a motley writers of indifferent rhymes and insipid fiction.

An educational and cultural movement, resting on a strong political base of national necessity, is long overdue in Bangladesh. Will Ekushey again pass without responding to that frantic call of the hour?

## Hardly any Trade War

The trade war between the USA and China that looked imminent the other day, has been all but headed off with a conciliatory approach replacing the angry exchanges over intellectual property rights. What did the trick was evidently the very high stakes both sides saw in obdurately maintaining their differences.

The US alleging piracy of her software, music and movies by China demanded that she show a definite sign by February 26 of curbing these or face punitive tariffs on more than US dollar 1 billion worth of Chinese exports to the American market.

Beijing struck back with an announcement saying that it would raise a similar tariff wall against US imports and discontinue negotiations with the US firms for new ventures. The loss of business for the Boeing would be the hardest blow to US interest. Besides, with Hongkong going back to China in 1997, the US could visualize what it might mean losing trade ties with Beijing. China, on her part, stood to lose three hundred crore US dollar worth of exports to the US market. China does 40 per cent of her total global export trade with the USA alone. The tariff hikes on both sides would have been as high as hundred per cent — punitive to the extent of a total breakdown in trade, and by implication, even political relations.

China has been aiming to be a member of the World Trade Organisation (WTO), quite a legitimate ambition for a country of China's size and stature. Unfortunately this has eluded her so far. As far as the patent and trade-mark laws go, China do have them. What she needs now is to add some more teeth to these. In the ultimate analysis, these laws have to be implemented.

China seems keen on stressing the point that her being a developing country, and also in the process of technological transition, makes her a fit case for a greater consideration from an advanced country.

Since introducing an open economic policy, subject to her perception of things though, China has by implication become entitled to an entry into the global market mechanism. She also needs to reciprocate. We are looking forward to the right precedent being set for resolving disputes over intellectual property rights.

## Palestinian Self-rule

PLO Chief Yasser Arafat met Israeli Foreign Minister Shimon Peres on Sunday in far-away Paris. Their meeting was arranged on the sideline of a UNESCO conference on peace prospects in the Mediterranean region. May be because the venue was a good distance away from the troubled Middle East and the cultural appeal of the UNESCO was associated with it that Arafat reflected an extra bit of objectivity when making his points to Peres.

The Chairman of the Palestine Liberation Organisation regarded peace as an irrevocable strategic choice for his people which must be understood as such by Israel. The implication is that Tel Aviv in its anxiety to safeguard its strategic interests should not ignore those of the Palestinians.

The first phase of handing over an autonomous authority to the PLO over West Bank and the Gaza Strip has been messed up closely on the heels of apparently completing it. The closure of the two areas for the Palestinians has proved to be self-defeating, let alone collective punishment and land confiscation which amount to taking away with one hand what was given by the other hand. Implementation of the second phase of the accord, practically meaning an extension of autonomy, has been set back by seven months. Unless Israeli military withdrawal is effected from around the urban centres the provocations will remain. Such steps can only pave the way for elections to be organised on the West Bank and Gaza Strip leading to the eagerly-awaited establishment of Palestinian self-rule.

# Fundamental Characteristics of Semi-Feudalism

by Dipasis Bhadra, Zahid Hussain and Laura Jean Bhadra

THE ongoing battle between neo-interventionists and free marketeers shows no signs of waning. Neo-interventionists see the prevalence of market failures as opening up new roles for the state in the development process whereas free marketeers argue that the market has not even had a chance yet to show what it can do if left alone. We argue in this article that the fundamental reason for the failure of markets in Bangladesh is the existence of a semi-feudal socio-political regime which, though inherently transient, distorts the essential allocative and rationing functions of markets. Strategic coalitions between the beneficiaries of this regime and the state apparatus have made market failure a self-fulfilling prophecy. As a result, markets are not working well even in cases where there exist sound techno-economic reasons for success. We need to take a fresh look at our own society in searching for answers to questions on the patterns of market development and their consequences in the South Asian region.

## Semi-Feudalism Defined

To get a sense of what we mean by a semi-feudal regime and how it influences our day to day lives, consider the following. Two recent gruesome killings, one in Lalmitia and another in Uttara, sparked fear among Dhaka residents. The immediate suspects in both cases were maid servants of the respective households. In the Uttara case the maid servant confessed. In the other case, friends and acquaintances were later thought to be the culprits. While in both cases maid servants were the primary suspects, only in one case has a confession taken place. Of course, establishing credibility of this confession is

still subject to the decision of honourable courts and the judicial process.

It is well known that crime in Dhaka in particular, and the country, in general, is on the rise. These facts together with a very detailed description of Dhaka murders in newspapers make you think. Specifically, they make you think twice before you hire the next person to work at your house. We have always hired our household help through some backward linkages. Some one you know of the village that you came from, someone who knows someone who came from the same village, and so on in a progressively indirect way. Those direct and indirect backward linkages are no longer working. What is it that is reducing the reliability of our traditional system of backward linkages, social networking and trust building? We will argue that the role of backward linkages will change, qualitatively speaking, as our societies go through fundamental transformations in existing exchange procedures. As these developments take place and settle firmly within our socio-cultural setting, traditional backward linkages will become obsolete. Outbursts of breaking trust through violent incidents are signals that those changes are on their way.

The feudal mode of production is nothing new in history. It existed in England. It had its great days in France (known as *Metayage*). Some form of feudalism existed in early North America, specifically, slavery, which can be taken as the most extreme case of feudalism. A transformed feudalism, or semi-feudalism exists in large parts of Asia today, particularly in South Asia. Feudalism is defined as a

serf(labour)-landlord relationship usually in agricultural production activities. Under this arrangement, a serf is given an arbitrary wage, often a subsistence wage or subsistence food as a substitute, by the landlord. Labour is coerced into contracts, if necessary, by physical means, and monitored very effectively. This form of feudalism has become rare these days, although we hear the occasional horror story from very interior villages of South Asia. However, semi-feudalism continues to exist in all layers of our societies.

We understand and define semi-feudalism in its most general sense. There are three main elements in semi-feudal institutions: personalised contracts; contract enforcement through non-market means; and, random breaking or re-warding of contracts by the dominant partner. The personalised aspect is greatly valued under semi-feudal institutions. The greater the personalised aspects, the greater the social pressure on keeping contracts.

## Personalised Contracts

In order to implement a contract, when market institutions do not exist, it is important that the parties — the dominant party in particular — acquire the maximum information available through whatever sources. By acquiring the most information possible one obtains not only higher bargaining power but also better monitoring and supervision capabilities. However, at the same time, maximum information often leads to a contract which is multi-dimensional with very complex and expensive monitoring and supervision. Thus, two offsetting aspects come into play as more

information is acquired. Contracts become progressively more complex, thus raising the costs of writing, monitoring, supervision, and enforcement (i.e. transaction cost) of the contract. However, counterbalancing forces exist which lower the above transaction costs. Thus, a complex contract can only be justified if on balance, total costs are lower. This comes about through interlinkages of markets and agents.

In this sub-continent, inter-linked markets are quite common. The nature of the interlinkages is such that the same agents enter into multiple contracts with each other. While land contracts are of primary importance, they are often linked to other input and commodity markets as well. In the case of land, share-cropping has been a common institution. Share-cropping involves sharing of inputs and outputs. This leads to straightforward interlinkages between land, other inputs and the final commodity. In addition, sharecroppers often take loans for both production and consumption purposes. An interlinked contract can be very effective to the dominant partner from the point of view of monitoring, supervision, and enforcement of the contract, and thus in extracting the highest rates of returns from all the inputs.

The cost of entering into a complex contract can be rationalised only if transaction costs are kept to a minimum. The above interlinkages are one way to minimise transaction costs. If such interlinkages also guarantee the extraction of highest rates of returns for the dominant partner, it will necessarily weaken the subordinate party, in this case the sharecroppers-cum-bor-

rowers. This is true in both a static and dynamic sense. Economic research [Bhaduri (1971)] has shown that if contracts can be kept at a personalised level with its semi-feudal characteristics over time, new technology will generally remain the exclusive domain of the dominant partners, who may or may not implement such technology. Therefore, it is probable that economic stagnation will coincide with semi-feudal institutions in a dynamic sense.

The existence of share-cropping, rural informal money-lending, vendor-farmer commodity contracting and other economic institutions are examples of how semi-feudal institutions are being sustained. The following question naturally springs to mind: what do the dominant partners do with the extracted surplus? The answer to that brings us closer to understanding how semi-feudal institutions can remain dynamically stable, at least for some time.

The very existence of semi-feudal institutions hampers existing market forces. The consequent economic stagnation implies that there are limited investment opportunities. Thus, given their extracted surplus, the dominant partners are able to acquire more and more claims on existing assets. This results in a skewed distribution of income and wealth which perpetuates monolithic influence on non-economic institutions (social and political, in particular). This in turn leads to stronger semi-feudal economic institutions. A cursory look at our societies today, South Asia in particular, confirm the existence of all these aspects.

There are three questions which arise at this stage. First, what are the instruments by which the dominant partner can implement such complex contracts effectively? Second, what role does the government play in the semi-feudal regime? Third, how does a semi-feudal society transform itself into a modern market society?

## The Role of Social and Political Pressure

The success of semi-feudal institutions lies in their effective implementation. Effective implementation has two aspects: first, built-in enforcement within the contracts; and second, a general social and political environment which reinforces contractual obligations and guarantees implementation. A complex contract involving multiple self-enforcing elements. For example, a share tenant who also borrows money from the landlord is subject to double monitoring and enforcement. A default in one contract can easily be squared away in another. Multiple contracting lowers transaction costs for each contract because of economies of scope. This is the basis of the cost rationality of economic institutions under semi-feudalism [Dutta and Nugent (1984, 1985)].

Other than this self-enforcement, the general environment can also guarantee an overall success in enforcement. For example, it is virtually impossible to be a defaulter in every contract for a long time in villages where the dominant party can easily mount a very effective social pressure. The effectiveness of such social pressure depends upon the size and structure of the input and output exchange places. It is reasonable to suppose that with more concentrated asset and income distribution structure and greater influence of monopoly power in exchange relationships, this social pressure becomes more effective in terms of maintaining the semi-feudal socio-economic order. Information flow together with a disabling social environment make it almost impossible to be a successful defaulter for a long time.

The role of social pressure is much wider than we commonly perceive. In countries such as ours where most of the

exchanges take place through non-market institutions [Mahmud (1994)], a bad reputation will easily seal off future contracts with other parties both at the local and external levels. The role of social pressure in enforcing contracts at a local level should be obvious because of the very localised nature of the contracts. Social networking and thus channeling of information also play important roles in migration decision as well as post migration labour and other contracts [Pal Majumdar and Afsar (1990); Ahmad (1994)]. Obviously, a violator in one contract, irrespective of the place of violation, will be trusted less than those loyal to contracts. These mechanisms preserve semi-feudal institutions.

Semi-feudalism in economic institutions also leads to semi-feudal political institutions. As long as social pressure is effective in enforcing economic contracts, the role of the government as the keeper of law and order and the enforcer of contracts does not really arise. However, over time a supportive political environment will become necessary since such exploitative contracts alienate the majority of people. In a democracy or a government (democratic or non-democratic) which has a stated goal to take note of majority opinion, there can be a need for dominant partners to influence the political institutions. Because political institutions have the ultimate arbitrary power to change the structure of asset and income distribution, it will serve the purpose of dominant partners to influence and infiltrate these institutions.

Such influences have more far-reaching implications on the society than one anticipates. Political institutions can guarantee that semi-feudal economic contracts exist in a dynamically stable institutional environment. This damages faith on the part of the majority in the social decision making processes. Observing that there is a tacit coalition between the parties of the institutions, the majority of the people lose trust in the institutional arrangements of the society. They may also lose their interest in the political process, believing that their input is useless since it will not be taken into account. The resulting alienation strengthens the overall existing institutional arrangements in the short run.

The long run, however, is a different story. Contractual arrangements in any society are extremely dynamic and go through a continuous evolution. The need for hope in the possibility of changes in the existing system is always there. The experience of *Gono Shastho Kendro* and *Grameen Bank* in this country shows, at a micro level, that people still have hope in the system. At a macro level, people's participation in elections and community matters gives evidence of hope at the national level as well. This poses a real challenge to the dominant partners. Stories of resistance to activities of *Gono Shastho Kendro* and *Grameen Bank* testify that dominant partners take these challenges very seriously. At the national level, these challenges provoke resistance on the part of dominant partners by continually seeking to form strategic coalitions which protect their interests. Despite changes in the political power structure, semi-feudal institutions remain entrenched in South Asia. This provides evidence that semi-feudal institutions have been highly successful in forming such coalitions.

## Day after tomorrow: How Semi-Feudal Institutions Survive over Time

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## The Political Impasse

# Have We Really Missed the Bus?

by A K Faezul Huq

*Obstinacy and obduracy have reigned supreme in our political life. Little do we realise the consequences of such a rigid attitude which is bound by nature's law to take its own toll, unless a miracle intervenes in between.*

A very common question asked these days by the concerned citizens is: Where are we heading to and what next? The continued presence of the clouds of uncertainty has made ever the most optimistic amongst us a pessimist. Obviously, people are no more interested in just rhetoric or the sound and fury (hartaals) that signifies nothing but brings misery for all. And one of the significant casualties of the prevailing confusion has been the reputation of our politicians who no longer enjoy even 1/10th of the respect that they used to, even in the recent past. The slide on this count has been distinct, gradual and definite.

One thing is quite clear: The political impasse that we face today could be easily avoided had we, amongst us, had just two statesmen and the rest, politicians! It is an irony of fate (and fact) that none of our top leaders could cross the barriers of egoism and stretch their hands of friendship at the right moment and the right time. Yet again, paradoxically though, it is the same politicians to whom the nation will have to turn to in the days to come.

As for the common-man, satisfied with the barest minimum that a human being can ask for, the future remains as bleak as ever before. And that is for the simple reason that the power-wielders have miserably failed to deliver the goods so far. Obstinacy and obduracy have reigned supreme in our political life. Little do we realise the consequences of such a rigid attitude which is bound by nature's law to take its own toll, unless a miracle intervenes in between.

Frankly speaking, a quick solution does not seem to be

within the sight at the moment, notwithstanding the fact that the difference of opinion, lately, has vastly narrowed down between the opposing camps. On the other hand, whatever the honourable Prime Minister (and her wisdom-laden colleagues) may say today, the 5th Parliament is a gone case. Simply open the pages of our sacred constitution and see what Article 65 (2) says: "Parliament (or the House of Nation as defined in Article 65) shall consist of 300 members to be elected in accordance with law from single territorial constituencies by direct election —" Article 65 (3) provides for another 30 women MPs for next ten years; which means 330 MPs in all till 2000 AD.

Now, would someone please tell us, where is the ambiguity, vagueness or confusion in the constitutional language that we have just read above? The answer is quite clear and simple: There is no scope for any twisting or misinterpretations whatsoever. The constitution, unfortunately, does not envisage an exclusive, compact House of 183 (BNP) members only (330 — 147 who have resigned). It is very well understood that one or more members, at any given time, may die, resign on any ground or lose their membership otherwise. But when 147 (or 146) MPs leave the Parliament declaring openly that they have resigned, the curtain automatically falls. The question, therefore, is not only one of ethics and morality; legalities are also very much involved and clear.

Since the resignation issue is still pending before the Hon'ble High Court, we cannot proceed to make any comments. But one thing is clear:

The constitutional language as enunciated in Article 67(2) is inadequate and suffers from an inherent weakness; more so because it deals with a very delicate matter such as the resignation itself. Somehow we can do very little at this point except sit with our fingers crossed and pray for a solution. May be the future Parliamentarians will, at the first available opportunity, rectify the error (of the past) and add what is essentially needed — the missing portion that will enable the Speaker to scrutinize and give his decision at will — so that the nation is at least saved from all the confusion that has cropped up now.

But even as the dark clouds of uncertainty hover around, the good news is that the opposition is still willing to accept the President as the head of an interim, caretaker government. Their demand for a neutral, advisory council is also logical. But the problem is, where can we find 15/20 neutral persons, capable enough to shoulder the responsibilities of Advisors, no matter for even a brief period? Where is that pool of neutral, yet capable persons from which we can pick the Advisors at will? People are so much involved and linked-up these days that whomsoever we may choose, he or she is very likely to be involved with some politics, some party or some group, this way or that way. Isn't it better then, if I am allowed to suggest, to rely on our senior serving bureaucrats, whose neutrality is almost guaranteed till they leave the government job. The Council of Advisors therefore, drawn from such persons will undoubtedly be the most neutral body one can conceive of.

My only humble suggestion

once again, will be to include the Attorney General, the Chief Election Commissioner (if possible) and a senior retired Judge of the Supreme Court as Advisors. The last named, may also act as a standby in case something unforeseen happens to the President during the interim period. While the Attorney General could look after law, and Parliamentary Affairs, the retired Judge may be given Establishment and Information. Home and Defence may remain with the Hon'ble President himself. Eventually, a more matured and acceptable formula may emerge. However, everything seems to be blocked when the thought of a Constitutional amendment comes to the mind, which could temporarily (as long as the caretaker government functions) give the President the required Executive powers [Article 55(2)]. With only 55% of the total MPs left, obviously no constitutional amendment is possible now. Hence, the ominous signs of a permanent deadlock.

The constitution has been flouted a number of times in the past. We can hardly allow that to happen once again. If someone even mischievously challenges our good faith, we will be left with nothing but a mountain of embarrassment. Already some people are talking of moving the courts to prove that things were not done constitutionally in the winter of 1990-1991 and that H M Ershad is still the country's legal President! What a realization! Let us not allow the ghosts of uncertainty to visit us much after we have crossed the darkness of night.

The writer is a former MP and Minister.

## To the Editor...

### A New column indeed!

Sir, A column by American clown king of journalism in The Daily Star? I wiped dust from my glasses on Friday last. I checked it again. Yes, his typical grinning face was right there beside the bold heading 'Art Buchwald's column' (though looked different from his typical cigar in hand profile). It instantly rang the joybell for me (and may be for others too) on seeing him first time in The Daily Star on 17th Feb, 1995.

In one of my writings (an obituary on S M Ali) I mentioned Buchwald's lamenting the death of John F Kennedy. His narration of salesmanship in Italy and in France is a classic example of contrast between Italian gaiety and French snobbery (yet Buchwald didn't have difficulty in making friends in Paris where he lived

for 15 years). He is considered to rank third (next to Jack Anderson and Russell Baker) among 12 best Syndicated columnists in the US.

I only hope — Art Buchwald's column with all its humour (with a due note of satire and sarcasm) will continue in The Daily Star. How about reproducing Khuswant Singh's column 'with malice towards one and all' from The Hindustan Times by syndicated arrangement?

Well, my gladness in seeing Art Buchwald is simply great that I can't help writing this letter. Please keep it up.

Salahuddin Akbar  
DPP, Dhaka-1000

### Diplomats

Sir, I have read your report on the, out-going Foreign Secretary, Mr M R Osmani's comments. Foreign policy ob-

jectives and goals are set and charted by politicians. Diplomats just implement them. Successful implementation is their credit no doubt. By mixture of other cadres in foreign assignment the Foreign Ministry is kept under balance.

Some of our diplomats are brilliant but this attribute cannot be generally given. The common complaint about them is that they man a Bangladesh Desk, one among many others and not the only desk. Abroad, some of them, appear as just aliens to average Bangladeshis and lack, in many cases, even human element. There are or have been microscopic exceptions. Except their own ministry, many of them often are found 'ignorant' about the country's affairs.

Abdullah Salahuddin  
DRA, Rd. II, House 39 A,  
Dhaka

### Traders' assurance

Sir, With a view to stabilize the prices of essential commodities, the government and the traders meet every year before the month of Ramadan. This type of meeting generally concludes with an assurance from the traders that they will keep the market price stable.

But what we are seeing now? In spite of the traders' assurance market prices have been rising day by day. Traders' association says, a few unscrupulous people are responsible for this. It is clear that the traders' assurance can hardly control the prices of essential commodities. So the traders should come up with new and practical mechanism of price control.

What can the government do on this count? Government should not fully depend on this type of verbal assurances from the traders. On the other

hand, without having a definite legislative measure, simply the market inspection and monitoring cannot change this present chaotic market situation.

At this moment, with some modification the government should contemplate to reactivate the essential commodities act and anti-hoarding act immediately.

Abdullah Al Mamun  
Mirpur, Dhaka

### Mosque or temple?

Sir, This refers to an AFP/UNB photograph (The Daily Star dt. Feb. 14, 1995) showing the removal of stones from the Western Wall in Jerusalem.

The caption of the photograph says "The stones are part of a ruined Muslim temple from around 700 AD". We never call a mosque a Muslim temple. Nor do the

Christians call their church a Christian mosque or the Hindus call their temple a Hindu church?

Would the AFP/UNB kindly clarify as to why the word 'mosque' had been replaced by 'Muslim temple'?

We further wonder why the ruin of 700 AD mosque is being wiped out in Israel?

We would request the relevant authorities to preserve the historical stones at a suitable site.

O H Kabir  
Dhaka 1203

### A corrigendum

Sir, The name of Mohamad-bin-Tughlaq may kindly be read in place of Ghiyasuddin Tughlaq in the last para of my letter 'One Taka coin or note' published in your esteemed daily of February 16, 1995. The mistake is regretted.

O H Kabir