

Fertilizer Crisis

News from various parts of the country, about farmers being on the rampage for fertilizer, continues to flow to Dhaka. Never before have our farmers been reduced to such a state of helplessness. The Boro crop, which is critically fertilizer-dependent, now faces the prospect of withering away due to the absence of this vital input. While the newspapers continue to report on the crisis, government continues its mysterious silence. This journal, in a previous editorial, urged the government to come out with an official statement on the present state of the fertilizer crisis. The statement should clear the air about supply, demand, and the steps the government is taking to meet the crisis. People have a right to know, and the government has an obligation to tell. But in its place, what we are having are disjointed statements by ministers, who instead of giving the total picture, makes remarks that add to the public confusion. For example, recently a minister blamed the media for playing up the crisis. Well if we are, then the minister should address the issue in full, and in public, and expose the exaggeration of the media. Are the media manufacturing the farmers' agitation? Are we shooting the agitating peasant down, just to be able to report it the next day? Such reactions are typical of a government unable to cope with a situation, or unsure of itself, and not having the self-confidence to be frank with the people. Such irresponsible statements also tell on the credibility of the administration.

Without losing any further time, we repeat our suggestion that the government should immediately take the public into confidence and tell, frankly, where we are with fertilizer. If the situation is bad, there is nothing better than to share the facts with the people. Such candour prevents rumours from making the situation worse, and helps build public confidence in the government. As more days are passing, and the fertilizer crisis is getting worse, farmers are getting panicky, and are being forced to resort to all sorts of means, including violence, to vent out their frustrations. Hoarders are taking full advantage of the government silence, manipulating the market to their best advantage. But then, in the absence of a clear-cut statement of position by the government, nothing better can be expected.

Why the Border Pin-prick?

Reports have it that some BDR members allegedly detained a group of eight Myanmar citizens on charge of spying inside Bangladesh territory. In retaliation, three Bangladeshis and six Rohingyas were abducted and killed by the Myanmar border security force, Nasaka.

These are most unfortunate developments, specially when Bangladesh has recently held a trade fair in Myanmar, and the two governments are also considering quite a few moves to increase co-operation between them in a number of areas. The border incidents may impede the process of normalisation of relations. Now the question is: how can the security forces behave so odiously when there are scopes to settle disputes through diplomatic negotiations? The Bangladesh side brought charges against the Myanmar citizens who were carrying some documents along with them. If they were on a spying mission, the BDR men had every right to take them into custody. If the move was made through diplomatic channels there was the likelihood of resolving the problem without pushing it into further to a crisis point.

The killing of nine people on the Myanmar side is a blatant violation of all the diplomatic norms. It has brought out the brutality in the Nasaka, for which they are so widely known. Such incidents can never be taken lightly, particularly when Myanmar has pushed their citizens into our territory and we have been hosting thousands of refugees and still trying to be on good terms with that government. Apart from strong official protest made to the Yangon authority we should make it a point that any further development of such nature would certainly compel us to reconsider our position on the normalisation of relations with that government. We demand good neighbourly behaviour and both the governments must guarantee that their security forces behave according to official instructions.

A Case for Conservation

In a land-scarce country like Bangladesh marshes and natural water bodies are bound to be put under a severe pressure. Increasing demands on lands have reduced either their number or their sizes. But allowing the agricultural need to get over the consideration for marsh lands may invite an ecological disaster. We have come to know that a number of species of fish and birds have already become extinct or are on the verge of extinction. Now a Bangla daily says, quoting expert opinions, that *Sarali*, a local variety of the exotic duck, popularly known as a migratory bird, is under threat of extinction.

One of the reasons why these wild ducks are threatened is that in violation of the Wild Life Act, hunting of birds goes on unabated. The other one concerns the vanishing habitats of these birds. This may be less known but its impacts are far greater and more far-reaching. Marshes, haors and baors — home to these birds — are encroached upon more and more. The *Saralis* are very sensitive to encroachment and disturbances, according to our experts. Once they are disturbed, these birds look for fresh pastures and it is at such times that they become easy prey to hunters.

These beautiful birds therefore need not only legal protection but some environmental support as well. Preservation of marshes in a few pockets could at least give them such environmental support. These are the birds which hate human contact in any form. So no conventional conservatory, park or sanctuary can be of great help to these birds. A birds' sanctuary of a special kind will be required for the purpose. There is hardly any better place than the marshy land and haors still dotting some districts in the country. To let not only these birds but also quite a few species like them live such a step has to be taken. We cannot or should not be branded as the civilization that failed to understand the biological diversity and protect the species that maintain that diversity.

The Squeezing Middle Class: Can the Govt Avert the Slide?

by Md Asadullah Khan

This trend is no doubt very alarming. We don't know how it will influence the forthcoming national election, but the stark reality is that it may threaten the 'dream' we have cherished so long.

THE economy of the country is in a state of recession. Unemployment is surging up. An ominous addition is that 20,000 Bangladeshis working in Saudi Arabia are returning back as a measure of structural reform in that country. This also indicates hard time for a good number of families who were enjoying prosperity and comfort from the remittances from these earning members. On the trade front, deficits with India, the main trade partner, is likely to cause prosperity to fizzle. There is also a feeling that buildings and other super-structures that are sprawling in the cities namely Dhaka, Chittagong and Khulna do not actually show the economic boom oft preached. Evidently a stray picture of general prosperity is not bringing as much of the good life as the rosy numbers indicate. Although the wealthy are doing somewhat better, most middle class Bangladeshis feel squeezed.

They are struggling harder and often depending on two incomes, when one only sufficed to pay for housing and tuition that have gone up faster than inflation. Economic boom, if there has been any, has not distributed its benefits evenly. In the past few years, as we see, the rich have gotten richer, the poor have gotten poorer and those in the middle have gotten squeezed. This is a very sorry state and an unmistakable signal that the country is plunging into disenchantment, disillusionment, chaos and disorder paving the path for rather an anarchic situation which no government even with democratic mandate can perhaps control. The people would not have resented, nay felt least concerned if the rich were indeed getting richer, but the poor would have stopped getting poorer. But this has not come to pass. Evidently, while the gains made by the rich have been spectacular, incomes of the middle class have been barely sufficient, and those of the

poor not at all even that to get them back where they were 10 to 15 years ago. The yawning gap between the rich and the poor is growing wider by all indications available. This trend is no doubt very alarming. We don't know how it will influence the forthcoming national election, but the stark reality is that it may threaten the 'dream' we have cherished so long.

Let us spell out what this 'dream' really means for us. It is just a comfortable house in a tree-shaded neighbourhood, with just sufficient food and clothing and hazard-free and meaningful school-college education for the children. But at the core it underscores two simple articles of faith: (1) that each generation will live a bit better life than that of its parents and build a still better life for its children and (2) that the nation will slowly but steadily progress toward greater equality. These twin pillars of belief have helped create political and social stability and economic dynamism that have characterised the surge of prosperity and development in many a nation, at all stages and at all times.

But what concerns us most is that the 'dream' does not seem to be coming true. Beginning with the Gulf war and the opening of free market economy in the late '92, the fortunes of different income groups diverged not in the favourable directions. And contrary to most expectations, this divergence is still continuing.

The middle class is gradually getting extinct as some of its members fall prey to poverty and others acquire wealth. Statistics are available that the group made of households earning from Tk 36,000/- to 1,20,000/- a year just in 1990 has dwindled from 50 per cent to 40 per cent. Median family income is

just Tk 60,000/- a year what it was 10 years ago. The fortunes of the middle class and their living standards have strikingly gone down in several ways.

Dual incomes: For many families it takes two jobs to get by. In recent times 40 per cent of all mothers including 30 per cent of those with infants under one year of age were either holding jobs or looking for one. Many women, however, work because they enjoy the independence and broader horizon that a job entails. But an even larger number of mothers who would rather stay home to raise their children feel driven to take jobs by sheer economic necessity.

Another syndrome is visible. As it is seen, the palpable trend in economy was converting the country from a nation of tenants to one of house owners. But for people of 30 to 45 age groups house ownership these days is almost unthinkable. Middle class salaries have simply fallen far short of the inflation in housing costs: today's average apartment buyer (of the salary range Tk 7000-8000) has to part with his total salary for the year to put up the instalment payment, let alone the down payment for a deal.

As a result, those buying apartments or constructing houses by purchasing land tend increasingly to be those lucky enough to have provident fund accumulation, or have parents or in-laws to borrow money from.

The schooling for the children puts the middle class families to an ever-increasing strain almost unheard of in the good old days. Savings required to send even one child to either school or college and give him/her the type of education that can fetch the incumbent an employment or create avenues for further

studies abroad, puts millions of middle class parents on an ever accelerating treadmill. Expenses of studies required for a student in a private university is about 40 per cent of a median family's total income. Many families have more than one children in college or university at the same time. How can they make both ends meet in such a desperate situation?

The government till now has not made any plans to advance loans for education in either colleges or universities. But many parents feel they have no choice. A college or a university diploma, once the passport to upward mobility, is becoming a necessity just to avoid falling out of the (middle) class. Precisely told, the dream of the middle class was being strangled by spiralling prices, lack of job opportunity for the educated members of the family, and absence of adequate incentives for the small savings they have managed through hard toils and extreme economic measure. Ironically, during the last seven years wages rose less than prices rose but enough to push tax-payers into higher brackets forcing them to pay higher bills on gas, electricity, water and municipal taxes. The double dilemma of higher prices and higher taxes in ever-increasing form simply cut the purchasing power of the middle class down. What the government could do, and should do right now, to bring about equality in social structure and stability in the society is to offer social security net to the unemployed youths in line with the advanced countries by levying proportionate taxes on the richer section. Unless programmes are proposed to relieve specific discontents, the country would be caught in a chaos. Efforts must immediately be launched to cater to the need of the middle class

who are the well-spring of development in any country. Members of the middle class who work as business people, lawyers, engineers, journalists, teachers, bureaucrats living in big cities as well as rural towns are increasingly becoming willing to put in long hours to vault this country into the modern world, but is it possible in a situation where they have to manage a living beyond their means year after year?

Most worrisome and quite disturbing, the trend toward inequality is rife with the potential for social conflict — not just between classes but within the middle class. The differing prospects for its university-educated members and those who go no further than high school is one potential source of antagonism. Another is the growing cleavage between young and old — while younger couples wonder if they can ever buy a house, some people of their parents' generation are sighted as virtually sitting on a gold mine. Many of them just bought a 10-katha piece of land, now under the metropolis, with a small amount of Tk 20,000 and built a house with just one and half lakh Taka just 30 years ago — which is now worth 40 times of that.

No wonder, this growing inequality could even threaten those who now benefit from it, by putting an end to the economic expansion that the nation envisions so much. This only signals a 'great depression' that the nation can't head off even with the best of rhetorics, astute and pragmatic planning done within the four walls of the cosy Govt buildings. There is no denying the fact that the national income is rising to a high level, but it is so distributed that incomes of the majority are entirely inadequate and business activity was sustained only by a rapid and unsound increase in the private debt structure. In

recent times there are disturbing parallels. In the country now about 70 per cent of Bangladeshi households owe more than they own in financial assets. Government asks the loanees and borrowers of HBFC and small business firms to return the loans with as much as 12 per cent interest accumulation, but how can they meet the expectation of the government if they are not either stealing or fattening the purse with the so-called kick-back money? Think of the inequality of rent received for a house built in the Uttara Residential Area and the other built in either Baridhara or Gulshan area of the Dhaka metropolis by a middle class citizen with almost the same amenities and almost the same construction expenses. In any case, this growing inequality is a subject that must be addressed and not just by indulging rhetorics that continued economic growth would automatically cure it. The danger is that growing disparities in wealth and living standards will undermine the sense of community and optimism that have kept the country from being riven by class resentments.

The saddest part of the truism is that life is simply getting harder for middle class citizenry now. Not that this middle class ever lived very well but most could afford the basics. Today the soaring prices and the diminishing value of currency have eroded even that minimum standard of life.

Without a shadow of doubt, the middle class spans the country. They are working in Govt offices, business firms, technical installations, factories and industrial plants as the brain behind the machine. Given proper incentives, ideal conditions of employment and, last of all, better housing facilities and proper schooling facilities for the children, they can provide a steady support to the demand for industrial growth and spur national development.

What the Budget in India has Not Done

Arun Ghosh writes from New Delhi

The Budget ought to have addressed the problems of continuing inflation; increasing poverty and unemployment; slowdown in the growth of infrastructure...

these developments and otherwise bring about a better balance between supply and demand in the economy? First, the nature and the reasons for the continued inflow of private (relatively short term) capital need to be analysed. Three positive steps could be taken to control this phenomenon, without any adverse consequences to the economy.

The first concerns the rate of interest on NRI (and other foreign) deposits in India; a reduction in the interest rate payable can help us to gradually bring down such deposits, and there our payments liability in the coming years. A well publicised campaign — that the reduction in our exchange reserves reflects essentially a reduction in our payments liability over the next few years — should then increase (rather than decrease) confidence in the Indian economy.

Secondly, we should put an end to the sale of the equity of

the most profitable public sector enterprises in India. Much of capital inflow into India today is in the expectation that such equity (at throw away prices) would be up for grabs in the future; and once that expectation is killed, the inflow of external capital would be limited to direct investments and long term institutional funds (like those of insurance funds) in search of a return higher than interest rates abroad.

On the internal front, the Government must stem the Revenue Deficit. This calls for both higher revenue collections and curtailment of wasteful government expenditure. The 'service tax' (of 5 per cent) last year has been a useful device, we should also go back to a tax of, say, 2 per cent on interest, to be deducted at source, with a corresponding reduction in the official rate of interest. Thus, without reducing the gross interest rate for

the borrower, the interest rate received by the lender would be reduced. The great merit of this scheme is that it will at once cover a great deal of black money which is floating around in the country today, as well as reduce the payment of interest by Government to service its enormous public debt.

Take scheduled bank credit outstanding on 30 December 1994: it was Rs 202,618 crore, and a 2 per cent tax on this alone would net more than Rs 4050 crore. And the activities of finance companies, loans made by them lending institutions, deposits and debenture raised by corporate bodies, and diverse other financial instruments; and one can easily raise Rs 6000-7000 crore, at a minimum, from this source.

More importantly, this measure will stem the operations of black money, which would become much easier to trace through interest tax de-

ducted at source. (Such a measure will doubtless create a howl of protest, but the time seems to have come when a systematic drive to reduce black money is essential). And, as stated earlier, this step would also reduce Government expenditure significantly. It is unlikely that savings would come down as a result; in fact, if inflation can be curbed, they would increase.

Coupled with revenue raising, (including better tax collection), wasteful government expenditures, especially on internal security and defence purchases, must be strongly moderated. There should also be austerity, at the highest level, which may help to reduce the revenue deficit. Penalties for tax evasion should be enhanced, so as to broaden the tax base.

We must realise that in the hope of attracting foreign capital for power generation, virtually no progress has been made

to create new power capacity over the past three years. The same story is repeated in regard to other infrastructure like the railways, roads, public irrigation, and even the telecommunications sector. There is no reason why the Power Grid Corporation (PGC) and the CDOT should not collaborate to string across the country, optic fibre cables along the HT transmission lines owned by the PGC, and that would create enormous new basic services capacity at very little capital cost.

Finally, one way to reduce poverty (among landless labourers), increase 'induced' private outlay and reduce government's carrying charges of the large stock of foodgrains would be to step up outlay on the Jawahar Rozgar Yojna, with foodgrains providing 50 per cent of the outlay, for rural works of a permanent, capital building nature. This can be achieved only through decentralised, local watershed area planning by the panchayats and other local authorities. This will help to increase the rate of capital formation in the economy at least cost.

— Mandira
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To the Editor...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

Tamabil — a tourist spot

Sir, Tamabil on Sylhet-India border is a picturesque place where holiday makers' dreams can come to life. Its lush green, dimpling hills, tranquil tea garden and serene surrounding provide a panorama of rare charm and beauty. If properly developed it can be an excellent tourist spot for both domestic and foreign tourists. But so far no tangible step has been taken to develop it as a tourist spot. If a beautiful motel is constructed on a hill top with all facilities, tourists can spend a day or two there. People going to Shillong along this road can also find it to be good halting/resting place. With a little initiative and imagination on the part of the Parjatan Corporation, this beautiful place can be developed into a real tourist attraction where people can enjoy the beauties and bounties of nature in a relaxed mood.

It may be mentioned here that half of the Sylhet-Tamabil road is in a bad shape and needs re-carpeting. To make the whole thing commercially viable the proposed motel can be leased to a efficient private party after construction so that it does not turn into a white elephant as is usually the case in our country.

May I therefore request the Ministry of Civil Aviation and Tourism to look into the matter and construct a motel there at an early date.

Saleh Ahmed Chowdhury
Dhaka Cantonment

Environment traffic hazard

Sir, Our traffic police in Dhaka are well-versed in two things — visibly, with the freely-occurring outsized traffic jams in the city roads and invisibly, in the process, with the worst form of environmental pollution. Their lungs and eardrums are in fact the best trappers of all forms of air — and noise pollution — relentlessly taking in the molecules of all kinds of semicombed hydrocarbons, all potent carcinogens and carbon monoxide in their lungs and sound waves in their tympana all day long.

Though they are exposed to the highest risk of pollutional hazards, they have unfortunately never been educated on how to combat or lessen it.

We strongly feel that they should duly be made known of this face of their professional hazards, be instructed to use

masks on duty and monitoring of their auditory and respiratory function tests be carried out at regular intervals for a designated period to hold sufficient statistical records for future remedial machination.

Champak Barua
Dept of Botany, DU

NGOs' rally

Sir, Our attention has been drawn to the news item titled 'NGOs threaten Government with legal action' published in your esteemed daily on 23 March, 1995. We appreciate your covering this news with significance but we observe that the objectives of the rally has been misquoted as 'progressive politics'. However, we would like to clarify our position with regard to the objectives of the rally which was planned to be held in Manik Mia Avenue on 31 March 1995. Our objectives, as mentioned in all our documents, papers and statements are to help invigorate national commitments for poverty alleviation, sustainable development, democracy and the ideals of our hard-earned independence.

In addition, the rally would highlight the commitments made by our government as well as governments of 131 countries of the world in the Social Summit held recently in Copenhagen and call upon all concerned for speedy implementation of these commitments.

Rasheed K Chowdhury
Director, ADAB, Dhaka

OPINION

The Public is Getting Restive

Kazi Alauddin Ahmed

The events taking place in Bangladesh over the past several months did not as yet precipitate a real crisis. They have been at once erratic and ominous. The loud thoughts of the parties/persons both in the position and the opposition continue to fringe on utter thoughtlessness. The position, on one hand, has almost reached a point of no return. This is a situation created by themselves. On the other hand, the opposition claim to have reached a stage where they plan to make the final thrust to achieve their goal of caretaker government and holding of general elections under it.

The party in power, or for that matter the Prime Minister would not acquiesce. Nor would she find any justification in replacing an elected government by a non-elected caretaker government. She would not even budge an inch from our Constitution or would not accept anything which was not guarded by our Constitution. Even for a moment she would not recollect how she got herself elected to power.

It is however, not to suggest that such apparently stubborn stance would not let her have a second thought. But that unseemly 'second thought' dawned on her a bit late. And as she continues her passion for the highest seat in the government the belated offer of a '30-day' concession to the opposition appears pitifully lackadaisical.

The offer is again lost in the infernal pandemonium over the issue of resignation en masse of the 147 opposition members of the parliament. The honourable lady in all her public meetings in recent past reminded time and again the opposition benches that their demand for election under a caretaker government was unconstitutional. A lawyer had filed a writ petition in the High Court feigning himself affected by the resignation en bloc of the opposition MPs. Speaker Sheikh Razzak Ali continued bidding time over the issue of formal acceptance. He had of course excuse(s) to atone for the delay. He too dished out to the press some remarks which the opposition instantly called both controversial and partisan. Minister and Barrister Rafiqul Islam Mia had opined (evidently as a member of the legal profession) that members of the parliament could not resign en masse as per constitution. The latest ruling of the High Court had echoed specifically similar view point and curiously enough the Speaker of Jatiya Sangsad too would not say anything else. Everything, analysed in chronological order, would behave a 'tailored' feature. And we behold Begum Zia making a fresh offer to the opposition members of the parliament humming the 'come back babies' tune. She goes even to the extent of saying that 'if necessary' she may sit across the table with Sheikh Hasina.

She had the respite in the holy month of Ramadan. Instantly she harps on the old string reminding the opposition that 'all our disputes can be settled by discussion in side the Jatiya Sangsad'. To me and perhaps to many others her greatest strength is her unwavering ability to remain silent even at wild provocations from her political adversaries. Paradoxically, she is again most pathetically unable to withstand the strings of self-provocation. One may recall her 'slip of tongue' in a meeting of BNP student wing a few months back. She was proclaiming that her 'Chhatra Dal' boys were enough to 'thengao' the united opposition and that the parent BNP was not required to intervene or to join hands. She would not even imagine that the traditional 'boomerang' was soon to come. In the last couple of months the Islam Chhatra Shibir hoodlums, took a heavy toll on her Chhatra Dal boys. Amazingly, she is in her usual sullen silence as if nothing has happened. Her boys like it or not, she is unmoved.

The BNP insiders more close to the chairperson now sell a news in the media that she doesn't have any desire to go for a third term although the 2nd term is yet uncertain. Even remote indications are there that she is eager to instal her son Tarek in politics in the next election. Well, that's far off but his mention is perhaps not premature from her apparently unpredictable nature.

However, she remains an honourable person. But the vicious element of distrust is spinning fast in minds of the general public. These specific instances could be enough to precipitate a crisis, for truth is stranger than fiction.