

Under the Watery Pall

Today is only the sixth of Ashadh. And a panicky situation has gripped at least eight districts. It is all water there in all of greater Sylhet and Sirajganj, Manikganj, Pabna and Jamalpur. Whoever can have a bird's eye view of any of these areas, would have his or her mind fail the person. The mere sight of the vast expanses of water enveloping all signs of life and vegetation and movement under endlessly big shrouds is numbing. How about humanity peeping this nightmare? They are enmeshed by the reality that is hidden from all who take a total view — a reality outlined only barely by the facts that 5 to 7 million people are now marooned with tens of thousands fleeing their villages in spate, whole villages vanishing under water without a trace, roads and rail-links being snapped routinely at numerous places.

People are dying, not of diseases attending such floods, but because of the direct impact of inundation. It is difficult to imagine how does that occur. For people living with such floods for ages do not die from drowning. More than 50 are already dead, 42 alone in Sylhet. This speaks of the intolerably hard conditions in which the millions there are trying to survive. A fair size of the marooned have already lost their homes. And for all of these millions there is hardly any food and medicine and kerosene and matches and fuel. The dead are having a watery burial.

Have we been caught unawares by the waters. Judging by scanty government response to the situation it is plain the government was not quite prepared. Why? And this is only the beginning of the disaster season. Can we hope government reaction to gear up and find pace with time? Is there any scope for such progressive coping with a deteriorating disaster situation in the government's structured scheme of things?

The first problem is the will is not there. If it were, it would be part of constant government policy to develop capacity as well as innovations to a. evacuate whole masses of threatened population; b. reach succour to all people marooned but safe even if on rooftops; c. operate relief satisfactorily among all affected people; — relief including medicare; d. effect changes in traditional housing patterns; e. go for long-range water management-cum-hydro-engineering projects answering this transformation of what was a boon — the flood waters — to a bane of Bangladesh; f. sort out the political needfuls towards that end.

Meanwhile can we appeal for less corruption in whatever government will do specially by way of relief. The best it does is to come to the help of those who have already managed to survive by their own device. And in even that inefficiency and corruption have a scuttling effect. The record needs improving.

Optimising Use of Hospitals

If only we had the American genius to quantify things that most others dismiss as unmeasurable, we would certainly have been cut to the quick by statistics of human casualties resulting from mismanagement in government hospitals. The centrality of good management, the very high value of a system working in the hospitals, is thoughtlessly lost sight as we conveniently spot the villain, in resource constraints, equipment inadequacy and high pressure of patients.

Where, in the first place, we ask, is the common man's access to hospitals? Only an influential handful, or those who know someone in the hospital or have been to a hospital specialist's private chamber, can qualify for treatment in a government hospital. The entirely compassionate cases are few and far between. The denial is pyramidal from the thana through the district towns to the metropolises and finally the capital city — accentuating upwards in that order depending on the density of the elite. But these hospitals and health complexes are meant for the general, not out of any pity but as a matter of their right to minimum medicare. It is the tax-payer's money, or the aid money which obliges the common run to sacrifice and do the debt-servicing for, that keeps the hospitals going. This, of course, is true about other government establishments requiring them all to be public-spirited in their services but the docs know it to be even truer for them because of the nobility of their very high calling.

Accessibility to hospitals, in case of need, is the basic public expectation. But then the treatment they receive once at the hospitals, both as outdoor and indoor patients, is nightmarish for the most part. Newspaper reports have highlighted surgical lapses as gross as leaving gauze or an odd instrument inside a patient or two. Poor patients have to buy medicines although these were supposed to be given free or at a nominal cost. Pilferage of medicines from hospital stores shames spooky detective stories. Only thoroughly professional, disciplined and accountable managements in hospitals, with the least of internal squabble and outside interference and which will reward good work and punish recalcitrance, can salvage the reputation of our hospitals.

Undying Milestone

The death of John Atanasoff, inventor of the world's first computer, has been evocative of sadness deepened by gratitude. By pioneering a device in 1939 for speedy mathematical calculation with a base-2 number system in which the only allowable digits are 0 & 1, he laid the foundation for what appeared on the scene six years later as the Electronical Numerical Integrator and Computer (ENIAC) by Mauchly and Eckert. Atanasoff must have felt hard done by when his invention took a back seat to Mauchly's, almost to a point of oblivion, for long thirty years. Then came his moment of belated glory when the US federal court ruled that Atanasoff's computer actually deserved recognition being the original one on which ENIAC was modelled.

In a sense he was luckier than some other inventors who had to die before being recognised for their work. They were honoured far removed from the time of their death.

Basically Atanasoff must have breathed his last — at the ripe old age of 91 — a very satisfied man in the full knowledge of the magnificent flow of the micro chip era which will be as long-lasting as the humanity itself. He saw with his own eyes how delectably his rather crude, giant and swaying numbers machine evolved into highly efficient, sleek and handy micro — or mini — computers revolutionising storage, retrieval and worldwide sharing of knowledge.

Even when computers will have sloughed off the image of programmed automatons — hopefully, in time — he will be remembered for taking the first step that taught us the ultimate value of creativity by a splendid default.

We live in a land of contradictions. Newspaper reports indicate that farmers are getting an unfair price, from Tk 170 to Tk 230 per maund, for the newly harvested boro paddy. This is well below the estimated cost of production of Tk 300 per maund. At the same time, newspapers are reporting that retail price of even the low grade rice is Tk 16 per kg which means a price of around Tk 600 per maund. In fact the cost of living has gone up so much that opposition political parties are planning to launch a movement against the government. A rising retail price of rice and low (even falling) farm-gate price of boro paddy, simultaneously at the same time, can only be a figment of imagination. It could be a reality only in case of a highly fragmented market. In the country of Mastans, however, buyers may also corner the market. It would be difficult but may not be impossible.

An offshoot of this contradictory situation is the conspicuous lack of information. Experts sit around banquet halls of five star hotels deliberating on the alternative strategies of economic growth, weaknesses of government policies and programmes of how to overcome the constraints to development — often oblivious of the fact that discussions are based on an incredible lack of information, or else, there are misinformations giving rise to improbable contradictions, for example, of rice/paddy markets.

A foodgrain shortage of five million tons was predicted earlier in the year. With the arrival of boro paddy at primary markets and falling farm-gate prices, shortfall estimates have been revised downward and from

The Information Crisis

What to believe and what not to believe — the source of the crisis is in the information collection system. Even in the same government publication, production of total foodgrains vary by as much as 3 per cent in different tables.

the original figure of 30 per cent, it is now anticipated that compared to last year, boro output may fall short by 10 per cent only, and at certain places it might equal or even exceed last year's production.

Shortfall Estimates

In fact, the basis of the shortfall estimates can be questioned. First, the 10 per cent deduction on account of feed, seed and wastage is doubtful after field level studies have shown that in the subsistence economy of Bangladesh, post harvest losses are minimum — much less than standard percentage assumed so far. Second, the transformation from hand-pounding to husking mills must have reduced losses involved in the conversion process; while storage facilities have also improved in the meantime. Third, border trade would considerably influence availability of foodgrains which has not been taken into account. After the Uruguay Round and freeing of markets, we all are now more catholic than the Pope. So like airless vacuum, rice/wheat less markets cannot exist in Bangladesh. Naturally, grains would rush in from across the border where it was yet another year of bumper harvest. Lastly, famine is not a function of prices. Make work available for farmers, market would take care of the rest. The golden words of the eminent Bengali economist, Prof Sen, remains strongly valid although often forgotten

by the experts debating at the five star hotels where the obvious attention is now focused on agriculture growth, foodgrain production in particular.

The shortage of five million tons has also been based on the per capita cereal consumption of 16.5 ounces per day. The same figure used to be 15.5 ounces before and with income growth, cereal consumption tends to decline while people eat more of other high value food items like meat, milk and eggs. But

is caught and eaten at the subsistence level. It is a daily household task particularly in the low-lying floodplains — so obvious and common that nobody bothers about it.

Given the shortage of foodgrain at present, attention has naturally shifted to agriculture growth, which, though incorrectly, is considered to be same as growth in cereal production. Government statistics for the last few years indicate that of the three basic rice growing seasons, incremental paddy pro-

oilseeds. Often high yielding varieties of boro have replaced low yielding deep water aman. In order to establish net gains, opportunities foregone should also be taken into account. The crop production structure as a whole has become less diversified with emphasis on monoculture of boro paddy in the very low-lying floodplains of Bangladesh.

At the same time, there is a crisis in information since details of crop losses compared to gains as recorded are not available. Such changes in cropping patterns also influence non crop agriculture, in particular the livestock and poultry sector. Even fish culture is affected due to lack of flooded deep water aman paddy fields. Unfortunately, all these issues are known only in a superficial manner. An insight is required through access to quality information on cropping systems and not individual crop outputs only.

The statisticians churn out all sorts of figures everyday. I have even heard of the number of tigers now in Sunderbans without being able to identify the forester following what method did arrive at the estimated tiger population. The problem is whatever data are available, lack the desirable accuracy.

Growth in agriculture in the recent past has been recorded to be less than 2 per cent per annum. This is because the mainstay of agriculture, rice production, increased by only 680,000 tons,

a total increase of only 4 per cent during the past five years. Only wheat and potato, grown in the winter months have shown some spurt of growth by an increase of over 30 per cent in the recent past.

Doubtful Statistics

However, I have some doubts about these statistics: for example, vegetable production seems to have declined by as much as 20 per cent during the past five years; while market arrivals, although seasonal, are reported to have considerably increased at the same time. There is a prevailing opinion to the effect that consumption of imported milk powder is going down since local milk production has picked up in the recent past. However statistical information to justify such claims are lacking. In fact contradictory reports further add to the confusion.

What to believe and what not to believe — the source of the crisis is in the information collection system. Even in the same government publication, production of total foodgrains vary by as much as 3 per cent in different tables. We all know that rice output is on the decline due to reduced acreage and the inevitable assumption would be that paddy cultivation is on the increase. The published statistics however indicate that rice output has also gone down. Who would now explain that this is an impossible situation — what happened to the traditional rice-jute competition?

Before we can effectively plan for growth in agriculture, we must establish a sound information base relating to both crop and non-crop yield and output, land under various crops, varieties thereof, irrigation coverage, fertiliser use etc. The crisis in information must be resolved first.



Window on Asia

Shahed Latif

not in our country since we move backward and produce more rice and less of other foods. The 'dall-bhat' slogan ignores the fact that we are trying to produce more of bhat at the cost of dal. The basic contradictions are never manifested in the dialogue of, for and by the experts. Given the absence of high yielding varieties of pulses as well as land being diverted from rabi crops to boro cultivation, it might be more feasible to concentrate on intensive rural aquaculture so that the slogan may have to be changed to 'machh-bhat'. But this cannot be done since we do not have any quantifiable information about how much fish

duction is largely accounted for by growth in HYV rice during boro season — while aus paddy cultivation sharply declined. However, the real situation in the field is far removed from the officially reported position. Due to overlap of growing seasons, late boro and early aus are all lumped together as boro while mixed aus-aman is considered aman only. Consequently, there is a large draw-down of aus coverage which is really not the case.

At the Cost of Rabi Crops

Growth in rice production has often been at the cost of a number of rabi crops, particularly pulses, coarse grains and

Privatisation-II

The Problem : How can Bangladesh Get Out of it?

by Kabir U Ahmad

UNDER normal circumstances, government could have tried to restore efficiency of the State Owned Enterprises (SOEs) by cutting the redundant expenditure, by drastically reducing its costs, by linking wage and salary payments to productivity, by introducing newer machines embodying state-of-the-art technology and by retraining the workforce. Such measures not only need new investment but also determined leadership from both the management and the labour to slash the labour force and to improve labour productivity. The machinery, the technological base and the labour force of the SOEs of Bangladesh have become completely obsolete and need a drastic overhaul. No financial institutions will lend money to these units for modernising and restructuring with its present labour force, inefficient management and huge accumulated debts. Nor are the donor agencies willing to give any soft loans any more to such inefficient and overstuffed industries. Nor can the government keep doling out the tax-payers' money year after year to subsidise such a colossal level of inefficiency any more. Therefore, the time for rescuing these SOEs financially in their present set up under government ownership has gone. Alternative ways of dealing with these SOEs has to be looked for.

Thus comes the question of either privatisation or just closing down these SOEs. If the net worth of these industries is negative, then no one will buy these units. It will be foolish to think that businessmen will come forward to pay any positive amount for an asset with negative net worth. Such units will have to be either liquidated and dismantled or something else

will have to be done. (Some other alternative has been discussed below). However, the SOEs with positive net worth, can be sold in the private market in some form or other.

What Forms can Privatisation Take?

There are seven ways that government can privatise the SOEs: (a) sell the shares to the public, (b) sell to the employees, (c) sell to the domestic buyers, (d) sell to the foreign buyers, (e) lease out to the leasing companies, if such companies exist, (f) liquidate the SOEs and (g) permit the private companies to enter the fields of activities which were formerly reserved for the government and discontinue giving subsidies and other privileges to the existing SOEs in these fields.

Bangladesh government has been trying the conventional methods of (c) and (d) all this time, while in the recent months it has been trying (g) in the fields of power and gas. There has been some response from the outside parties to enter the power and gas industries. Hopefully, it becomes successful since the level of corruption, system loss and load shedding cannot be stopped otherwise. As far as (c) is concerned, the terms of the stipulated contract look rather strong. Whatever the calculated net worth of the individual SOE might be, an intending buyer has to pay 25 per cent of that value as downpayment and the rest 75 per cent to be paid in five years. Such harsh terms will discourage the potential buyers from bidding. If the government is interested in disposing of these SOEs quickly, it can relax these terms to the initial downpayment of 10 per cent and the subsequent repayment period to 10 or

even 15 years. Such a relaxation of terms will stimulate competition among a larger number of prospective buyers and will speed up the sales.

Employee Buy-out

Although in the terms of references of PB, (b) is mentioned, it has not been presented as a serious alternative in the sense that not much explanation has been given on it. It should be tried out in right earnest. In support of this employee buy-out, one can cite a large number of examples from the recent developments in the western capitalist societies like the United States, Great Britain, France, Spain and Italy etc. In the case of United States, the United Airline, LTV (the second largest steel industry) and the ballbearing plant of the Ford Motor Company etc are the glaring examples. In a more recent and sophisticated econometric study of the plywood industry in the northwestern states of USA, which is dominated by workers' cooperatives, it has been found that these workers' cooperatives are profitable, their stock prices are undervalued in the market and some of these are bought out by private entrepreneurs (Ben Craig and John Pencavel's 'The Behaviour of Worker Cooperatives: The Plywood Companies of the Pacific Northwest' in The American Economic Review, December 1992). This is an interesting new trend that one finds in the mature western capitalist societies.

However, for buying out an industry, the employees have to take the following steps: (i) prepare a complete feasible work plan for running the industry with profits which can be used as a basis for negotiation with the gov-

ernment for sale and with the banks for borrowing working capital etc. (ii) reach an agreement among the various professional groups (eg factory workers, engineers, accountants, managerial group, and sales force etc) working in the industry on streamlining the workforce, adjustable salary structure, bonuses, work hours, pension funds, production schedule, machine maintenance, inventory management and sales strategy etc and (iii) prepare a reorganisation and development plan for the industry.

Once the employees prepare such a plan and can negotiate with some bank for loan facilities, they can make a bid for buying out the industry. If it satisfies the terms of the sales contract and the PB is willing to accept it, then the sale can be negotiated. Such a sale to the employees has some general advantages: the industry doesn't have to be liquidated, it will not be a burden on the government budget, all the workers will not be unemployed at one stroke and the tension between the workers and the

government due to proposed liquidation of the industry will be eliminated. Further, SOEs with low or negative net worth which will not attract private buyers can be sold to the employees if the government writes off some of the outstanding debts for this purpose.

All these may sound like utopia to the practical business people, industry managers and the government in the present climate, but if the workers, whose survival is at stake, can show discipline, maturity and wisdom, and the government and the banks can adopt a constructive and helpful attitude then it can be turned into a reality.

Some Concluding Observations

The current 20 billion taka loss of the SOEs which is about 2 per cent of the current GDP is a heavy financial burden on the government and the country. There is no justification whatsoever, economic or moral, for paying for these losses by using poor tax-payers' money. These should be sold out to either the domestic or the foreign buyers even if some of the terms of

sale have to be relaxed. Some of the industries like power, gas and T & T etc which have positive net worth but their administration is corrupt and inefficient should be opened to competition allowing private investors so that these industries become efficient. The SOEs with low or negative net worth may be sold out to the employees if they can provide a feasible management plan with streamlined workforce which can be used as a basis for (i) negotiation with banks for working capital loans, (ii) negotiation with the government for the sale of the industry, and (iii) developing the guide rule for running the industry in future.

In the western mature economies, employee buy-out has become a respectable and profitable activity in the industrial sector. In the present state of public sector crisis in Bangladesh, hopefully all the three parties — the government, the employees of the SOEs and the banks — should be able to demonstrate their ingenuity and wisdom to implement such buy-out plans which will benefit the society in general. (Concluded)

Bangladesh War

A Personal Account by A K M Jalaluddin



Journey by Karachi

SO on 31 March 1971, I decided to make a try. I would not bother General Wasiuddin, whose de facto powers were grossly undermined because he was a Bengali. So I landed up in the office, without any appointment, of the GOC, Second Armoured Division. The General was briefly out inspecting something or the other.

Major General Jahan Zeb (not to be confused with Brigadier Jahan Zeb Arbab whose brigade started the genocidal operation in Dhaka city) held me in genuine affection. The Pathan General was a soldier par excellence and hated army's involvement in the running of country. "That is a bloody civilian job — we have done no courses on how to run the civil administration. Our home is in the barracks," he told me sometime in November 1970.

He came to his office after a few minutes and invited me in. I explained my problem to the General. "Could I go to Dhaka now to look up my people? I am most worried. I did not hear from our dear ones for weeks," I said. And in my presence, the General made phone calls to several persons including General Gul Hassan and General Rahim, GOC, Karachi.

He spoke to General Gul Hassan, Chief of General Staff (he became Army Chief of Pakistan in December, 1971), in Pushtu, so I could not understand a thing. "PIA people would get in touch with you, it is all done," he said. The PIA office did contact me the same afternoon. The

earliest flight to Karachi was on the following day, 1 April. And on 2 April to Dhaka via Colombo. Could I send a man to their office or they would bring the tickets themselves?

The tickets were sorted out in minutes. I would however have to have another confirmation for my journey Karachi-Dhaka sector. The question arose: with whose family would Khurshid Jahan stay?

We were very friendly with the Zaheer Alis of Zaheerabad. His wife Tasneem extended an invitation to my wife Khurshid Jahan (we are since divorced) to be her house-guest. She and Tasneem got along famously and were real pals. We had other invitations too — especially from her first cousin Major Mahmud and his devoted wife. She opted for Tasneem.

Commissioner Quasim Rizvi's wife Zeb was also exceedingly fond of her. When Zeb extended the invitation to be her houseguest during my leave period in Dhaka (about two weeks), she said, "Zeb, you are a bit too late. I have already accepted Tasneem's invitation. Why do not we all go to Zaheerabad and take some holiday." I was satisfied that Khurshid Jahan would be looked after well during my absence.

So, I left Multan 1 April, for Karachi en route to Dhaka. Zaheer Ali was at the airport to see me off and told me that Brig Zulfikar Ali was in Dhaka and commanding a brigade there. He had already spoken to "Zulfi" on the army phone and he would be

most helpful, if need be. He gave me the Brigadier's telephone number etc. and address.

In Karachi, I was the houseguest of my friend Farshuddin. Asma, his wife and son, Tamal, were equally pleased to see me and, needless to say, I was very comfortable in his home.

A footnote must be added here without which my story of Karachi-Dhaka journey in a troopplane would not be complete. As soon as I got the PIA ticket, I had phoned to thank General Jahan Zeb. A message was left for him as he was away.

On 1 April afternoon the General phoned my office and residence but received no reply. He personally wanted to be sure of things and decided to visit our house in the Wahadat Colony. As he asked after me, he later teased me, my domestic aide would not talk to him properly — as Ismail was busy handing over our clothes to the dhobi.

Later, I heard this amusing story from the General.

I asked Ismail, "Did anyone come to visit us the day I left for Karachi" (i.e. on 1 April)? "Jee huzur" — he said, "A General had turned up. I was angry, 'You fool, you should have told me about it at the earliest opportunity.' "Sir, so many uniformed people come and go — I cannot remember their names but I did tell you that Tehsilidar (that is our Thana Magistrate) Montaz Java and DSP Sheikh Abrar had come." That was his sense of proportions! I simply felt outraged and apologised to the General for the stupidity of my cook, the newly married Ismail Bhatti from Kasur, Lahore.

The General laughed and said "He is a bit foolish. He meant no offense to me and did not commit any crime. He has no obligation to be wiser than what he is." General Jahan Zeb was truly generous

"Bengali Muslim ICS"

Sir, Mr T A Khan's letter captioned "Bengali Muslim ICS" published on 10 June obscures what it seeks to illuminate. Interestingly enough, you published a piece on the subject by Mr A R Mamun on 28 July last year which gave quite detailed accounts of the careers of Messrs Nurunnabi Chowdhury, A F Mujibur Rahman and Akhtaruzzaman.

As Trustee of the A F Mujibur Rahman Foundation, I am aware that the late Mr Mujibur Rahman achieved first class first position in the Calcutta University MSc (Pure Mathematics) examination held in 1920. Incidentally, all the other 22 candidates were Hindus. Mr Rahman's ambition was to become a Wrangler but when he was nominated to the ICS by Sir Ashutosh Mukherjee himself it was an offer that he clearly found too good to refuse. Mr Mamun records in his write-up that Sir Ashutosh introduced Mr Rahman to the selection Board with the words: "This is the boy who broke my record". Mr Mamun further records that Mr Rah-

man served as District Judge of Dhaka for two years and died at the early age of 48 just as he was being considered for promotion as Judge of the Calcutta High Court.

Thanks to a multiplicity of socio-historical reasons, the Muslims of Bengal were severely disadvantaged and it is unfortunate that Mr T A Khan should write in a cavalier tone about the few who distinguished themselves despite tremendous odds.

SA Hafiz Trustee, AFMR Foundation, Motijheel C/A, Dhaka

All about fruits

Sir, North Bengal has lost the lustre of bumper production of luscious mangoes and litchis this drought-hit inauspicious year. Yet whatever has been produced have not been destroyed by insects or viral diseases. So we are getting plenty of mangoes of top varieties and juicy sweet litchis from Rajshahi, Chapainawabganj, Dinajpur and Pabna.

Our market is literally flooded with top class mangoes and egg-size litchis (though not within the reach of everyone). Indian varieties are also added.

Other juicy fruits are also in abundant supply in the market. These are jackfruit (poorman's fruit and of course our national fruit), pine apple, black berries, papayas, lemons, sabri and champa varieties of bananas etc. Fruit stalls are loaded with multicoloured fruits, which take me back to Dhaka of fifties and sixties, when mangoes used to be bought in basketful, not in kilos.

Large size mangoes e.g fazli variety in hundred for taken to twenty if it is Surmai variety. Alas! those days are gone.

Let us take the gift of God with our receiving hand and go a relishing the sweet products of modhu mash or the month of sweets with our near and dear ones.

Fit Lt (r) ABM Mohiuddin Dhaka