

Question of Emphasis

Bangladesh Bank Governor Khorshed Alam sounded optimistic at the Economic Reporters' Forum meet on Tuesday. He said that the current financial year could end with a GDP growth rate of 5 per cent or more, provided the trend of success is held on to. Although he has some basis for making his projection, he does not seem to have elaborated it. Somewhat contrary to the notion that we might have been derailed from the growth path owing to the apical political agitation, the entire rural component of GDP growth, meaning farm, off-farm and cottage industrial output has fortunately come largely unharmed though the ordeal.

The next six months, however, will be crucial with the cumulative effects of politics reaped home either as a whirlwind or settled state of affairs. More to the point would be the macro-economic support to the growth engine. It is here that we do not read very healthy signs and symptoms.

The foreign exchange reserve is under considerable strain. It has dwindled through emergency food import in September followed by the abrupt car purchase. Between July and November 1995, import bill soared to US dollar 2,798m as against an export earning of dollar 1,583m only. Foreign aid disbursement fell from 642m dollar in July-November 1994 to 489m dollar in the corresponding months of 1995. Remittances from expatriate Bangladeshis were below par.

Public sector borrowing, usually much larger than private sector lending, reached even a notch higher this year. In a stark contrast to the last financial year, government borrowing has led the way to domestic credit expansion, something that prompted Bangladesh Bank to tighten its monetary policy. A severe credit squeeze has been applied by the central bank for the different banks to abide by resulting in dampening the spirit of new entrepreneurs.

We can only put our right foot forward if government borrowing can be drastically reduced and outstanding public and private sector loans are recovered on an effective scale.

Procurement Drive

It seems we have not learnt any lesson from last year's spurts in the price of cereal. At that time the government virtually did away with a drive to build a buffer stock and thus failed to check the price rise. The need for a rice procurement drive in the harvesting season having been keenly felt this time around, we have had one going on for some time. But after one and a half months of the procurement drive, only seven per cent of the targeted two lakh tons of paddy could be collected. The reason for such a low level of procurement is that the prices of paddy and rice in the open market are higher than those being offered by the government.

During the remaining two weeks of the procurement period, the total amount lifted to the godown could at best be 50,000 tons, accordingly to observers. Now what is the rationale behind fixing the procurement price at two taka less than the market price? From the very beginning the drive was a non-starter because of that unrealistic price offer. And the authorities take as long as one and a half months to realise that the drive is doomed to be a failure. Even after the realisation has dawned on them, look, what measures they have taken! They have now decided to give an incentive price to the suppliers. If a supplier can supply more than 20 tons of rice he gets a bonus price of 25 paise per kg. Similarly, a supplier enjoys a bonus price of 30 to 35 paise per kg for supplying rice in excess of 100 and 300 tons respectively. This should at best be considered a piecemeal effort and that too at the fag-end of the drive.

If the supplier cannot purchase the commodity at a price lower than the existing market price, he has no way to meet the target. The least the authorities can do is to extend the procurement period and raise the price directly to give the benefit to the growers, not just to the suppliers. Let's not encourage middlemen.

Conflict-torn World

The world witnessed as many as 71 'little wars' last year, says a private watch body in the USA. Some other analysts, however, put the number down claiming the world has become less violent than it was during the Cold War. Well, the criteria vary and so does the number. But the truth is that the planet had to go through numerous localised conflicts ranging from the Bosnian crime against humanity to a milder version of strife in the form of an attempted coup in Comoros.

The group concerned about the post-Cold War dangers has been engaged in monitoring conflicts and also in raising the level of people's consciousness of the same. If Afghanistan, former Yugoslavia, Somalia etc show the most savage side of the civilization's face, there are other demeaning characteristics that manifest within the borders of a country. Drug, violence and organised crime, certainly do not fall into the category of interstate conflicts but they are no less a threat to broader peace and welfare.

Despite national progress, many countries are showing their vulnerability to various perversions. A world is not necessarily going to be all-perfect, but it surely needs to wage a fight against all forms of impingement on human rights. The US-based group has rightly drawn our attention to a very worthy cause.

Nation's Expectation : Transitional Government and Election

by Mohiuddin Ahmed

stion that prerogative. To be able to effectively coordinate with the other secretaries and departmental heads, the senior most officer of the Commission can be of a rank similar to that of the Cabinet Secretary or Principal Secretary.

The recent fiasco about the Election Commission Secretary is only a manifestation of the anomaly of being simultaneously secretary to an independent body and secretary subordinate to the government. The individual secretary has behaved admirably in the event. But that does not conceal the essential misjudgement inherent in this position. He is like a mermaid or satyr in the myths. In order to establish its authority and image, the Commission may consider returning the secretary to where he belongs — the government. The formality of requesting the government to replace him can be shortened, if not dispensed with altogether.

Limiting authority and budgetary discretion of transitional government: The Election Commission may consider limit of the legiti-

additional expenditures. When the parliament is dissolved and the election can return another party with majority, the transitional government cannot anticipate such approval. Therefore, it should not initiate changes in policy or incur additional expenditure or make commitments for expenditures not already approved. If the election returns another party, they may not approve the actions and expenditures incurred by the transitional government. The anomaly dramatically brings out the rationale for the restraint. There would be exceptions to this principle, though; and in our context these would include emergencies caused by natural disasters, external exogenous shocks, conclusion of aid preferably not requiring fundamental changes in policies.

Restriction on public expenditure is essential for both economic and political reasons. Government everywhere tends to be expansionary as election comes closer — which is not in the long term interest of the health of the economy. Ours is no ex-

or can still get the loans rescheduled will not come within the mischief of the law. Rescheduling is entirely within the competence of the banks. The Boards of the NCBs and the government owned development finance institutions are packed with directors nominated by the government including members of the ruling party. The professional management personnel are also appointed by the government. Borrowers with connections with the directors and the political bosses have easier access to rescheduling. Besides, the law had been under consideration of the government for quite sometime. The Banking Division of the Ministry of Finance collected directly from the banks list of defaulters and some important ministers had had access to this list before approving the law. Some rescheduling also took place while the law was being examined. The Bangladesh Bank keeps list of all defaulters and large borrowers. It should publish the list of defaulters as it stood before the new law was proposed and the list of those who had

Use of public resources for party purposes : There ought to be restriction on use of official privileges for party or election campaign. One of the most abused is travelling on government expenses. The ministers as parliament members were entitled to the same privilege as other members; their responsibilities as ministers would justify a little more than just that. After dissolution of parliament and when other former members are not entitled to this privilege, it is doubtful if frequent visits by the ministers to their constituencies and districts can be treated as official in a strict sense. On these visits they spend much of their time on party politics and election campaign, often accompanied by party members. The Election Commission may institute independent audit of all such expenditures and recoup to the state expenditures which were not genuinely in public interest. The ministers may be given the benefit of doubt in the beginning, later, however, the principle may be implemented more rigorously.

from tradition but also from the fact that they have known their colleagues for a long time. The government has a right not to go by that advice if it is not proper. However, choice of officers for senior positions without such advice or rejecting advice without adequate reassurances makes the whole process somewhat partisan. For instance, should the government choose a junior officer for Cabinet Secretary if a senior and competent one is available? Most probably not — and if the government exercises such prerogative, it may find the process difficult to explain. The Commission need not nullify such doubtful choices but can have the government disclose the process. This gives a message down the bureaucratic hierarchy. They remain neutral only if they know that offices are not distributed on partisan or patronage considerations; if this happens at senior levels the junior officers would follow suit. If the stock from which the government can choose officers is limited to the 'normalized' size and aberrations are disclosed, bureaucratic discipline and ethics would get a boost.

Penalty for misinformation: The most difficult issue that the Election Commission may have to deal with is government's claim of success when it cannot be proved by facts or statistics. This has happened in administration of law and order and economic management. Most reports indicate a serious deterioration in law and order — if not a break down — in towns as well as mufassil areas. Government's claim for economic success also seems less defensible now. The Bureau of Statistics has deferred publication of growth and inflation estimates because they are not what the government wants. This amounts to suppression of facts or giving to the nation misleading information. In most countries this is treated as criminal offence; and even if the perpetrators are spared criminal conviction, political penalty can be very high. Let us not forget that 'defaulting on truth is no less an offence than defaulting on loan'. If loan defaulters cannot seek election to the parliament, there is no reason why truth defaulters should not be treated in the same fashion. The Election Commission may have to take firm action against 'truth defaulters', disbarring them from election. Election cannot have much meaning if someone can win on the basis of disinformation!

Political conscience and nation's expectation : The nation's expectation from the Election Commission is high. It has to set high standards for political morality. It is no easy task. But it has never been easy for anyone who wanted to bring about fundamental reform in a society.

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The most difficult issue that the Election Commission may have to deal with is government's claim of success when it cannot be proved by facts or statistics. This has happened in administration of law and order and economic management

mate scope and authority of the government in its present transition phase. After dissolution of the parliament, the Prime Minister carries on the functions of the cabinet at the request of the President until the new elected government enters office. As examples in other democratic countries show, the transitional government does not initiate new policies, make commitments for or undertake expenditures which have not already been approved and included in the budget.

There is an important rationale for limiting the authority of a transitional government. An elected government exercises authority on the basis of the popular mandate it receives in the election. At some point of time the mandate so received ends. In our present context the mandate ends definitely with the dissolution of the parliament; it makes little sense to count the majority when the parliament is no longer there.

Budgetary control is one of the most critical constraints on a transition government. As regards taxation, it is clear that no new tax can be imposed or the level of taxation raised except with the approval of the parliament. The government is normally expected to limit expenditure to the amount and purposes approved by the parliament. However, some flexibility is allowed so that the government can respond to emergencies or other needs for expenditures not already approved. As long as the government has the support of the majority in the parliament, it can anticipate retroactive approval of the

ception and the policy follies are already taking their toll on the economy. Large contracts and purchases can be used for patronage. More insidiously, they can generate clandestine funds for election expenses.

ECNEC and CPCC (Council Committee on Purchases and Contracts) in the last two meetings approved a large number of projects and contracts. Some of these were perhaps necessary and had been neglected because of other pre-occupations of the government. Unwittingly perhaps, the government claimed to have approved over 70 per cent of projects in the first six months. A large number of these projects were approved in the last two meetings, each meeting considering 50-60 projects. ECNEC could hardly give enough attention to all these projects; and such haste is *prima facie* negation of financial accountability.

The Election Commission may advise the government to abide by the fiscal constitution strictly and make full disclosure of facts as well as the process of decision involving new expenditures.

Implementation of ineligibility of loan defaulters: The recent ordinance declaring loan defaulters ineligible to contest parliamentary elections is a bold initiative on the part of the government. The honest intention of the law may not be achieved if it is implemented in a partisan spirit. Those who could get

their loans rescheduled since then. The Election Commission may consider all political parties to furnish to it a list of candidates who had had their loans rescheduled since talk about the law started. The independent candidates should also furnish the same information to the Commission in respect of themselves.

Equitable access to publicly owned information media : The government owned information media shall be used to project the programmes and activities of the government. However, the government ministers have often used the media for partisan purposes also. Officially organized ceremonies also have been used for political purposes. The Election Commission may require that the party in power does not monopolize the media for political purposes and establish some principle for equitable access of the major contending parties to government owned media for expressing their political views. Robert Dahl, an eminent US political scientist, gave a 'minimalist procedural' definition of democracy: Democracy consists of contestation and participation — i.e. all parties have the same right and scope for presenting for public judgement their respective views and participate in political contest on that basis. Equitable access to tax financed media would be essential for ensuring the minimal procedural democracy.

Neutrality of civil servants : Employment of civil servants for ensuring neutrality will be a difficult issue for the Election Commission to handle. Its several rounds of discussion with government servants at different levels do not seem to have produced any easy and workable solution. Apparently, the rule of transferring people after a certain specified period or nullifying recent transfers allegedly on 'ministerial wishes' does not address the problem. The Election Commission may have to establish criteria for posting and leave the government to follow that in deployment of government servants. Any deviation should be promptly corrected by the Commission and its wrath should visit the officials not following those principles. Here are some suggestions that the Commission may consider.

First, the government has promoted at different levels officers in excess of positions sanctioned legally by the government. The choice should be restricted to those only who would have held his or her position even without these doubtful procedures adopted by the government. Second, for senior positions — e.g. secretary, heads of department, heads of corporations — the government usually receives advice from the senior civil servants — namely Cabinet Secretary, Establishment Secretary, Principal Secretary. The advice derives its value not only

To the Editor...

Governance subverted

Sir, I refer to your editorial under the above caption appearing on 30th December '95.

I fully agree with your views, and at the same time, feel that the government has made a shameful retreat from the lawful measures taken by the police. Another laurel for the Home Minister, another feather on the cap of his failure. Had it been in a civilised country, the Home Minister would be out of office long ago. If we take stock of the failures of the present government, barring a few, other ministers would also have gone out of office long ago. Mind you I have always been a supporter of the BNP, and of this is my view then what would be the view of others? Having said this, I also feel that it is the utter failure of the opposition parties especially the Awami League that they have not addressed the issues that affect the common men and mobilised public opinion within the house and outside (not by strikes and breaking of public and private properties) by seminars and meetings.

The law enforcing agencies have degenerated to such an extent that the people has completely lost confidence in them. The government machinery from the minister down to the constable is responsible for such state of affairs. But I know and am sure if the minister and the officials under him were sincere and read and acted in accordance with various manuals and laws, such a state of affairs would not have happened.

Anyway, time of reckoning has come. Let us see what happens.

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Take care

Sir, We are lucky enough to get education supposedly at the international level in the private universities in our country. Students are encouraged and getting themselves admitted in these universities. Our guardians remain happy that the students are away from the destructive political activities on the campus.

But in one of the reputed private universities of Dhaka, there is a teacher who is middle-aged and a bachelor tries to disseminate his political ideas to the students. Not only that, young female students are scared of him as he often expresses weakness for them.

The students cannot raise these sort of issues to the Vice-Chancellor of the university due to some rules and regulations. But it can be said that this is a serious problem which will create an adverse impact on the newcomers of the institution.

We appeal to the authority of the university concerned to find and sort out the teacher under reference for the betterment of the campus.

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Of Ads and Jingles

Pinch of Salt

by Chintito

EVER since the earliest man had a duplicate of something he wanted to get rid of, man has relied on advertisement. Today, billboards, TV commercials, radio jingles, ads in newspapers are literally shouting at us to buy this or that company and use that of this brand. The problem is that most of the jazzy publicity campaigns are hard to believe, or swallow.

Now, how many of you airline passengers who have done more than twenty thousand miles can cross your heart and swear that the hostess actually smiled and spread a blanket over you when you fell asleep? I had one eye open throughout my five thousand mile journey to Nairobi to see if all those airline ads were true to life. But, all she did was scorn at me thinking I was winking at her. The nerve of the lady! I am no quadruped beast. Look lady, two hands.

And, if everyone of us using toothpaste got sparkling teeth with a glint, each of us would require sunglasses to protect our eyes. Then we would look for a sunglasses advert where the girl wears little else.

It has puzzled me. I mean, with all the good roads around you, why should you drive through mud and mire? For God's sake! There are boats to do that sort of drudgery. In England, one could lose his license for that sort of adventurism. So, how does the boatmaker come into the competition? Well, he has a boat with wheels. And, now you can drive and sail in the same contraption. The only problem is you will never reach Sadarghat through the traffic of

Comillar rashmalai and Porabari chamcham are now made in Tikatuly or Bakhshibazar by people who have perhaps never been to Bogra, Comilla or Porabari.

So what do you do with the radio made in Bangladesh that doesn't sell? Patience, my dears, patience. All you have to do is write Made As Japan and hope the chap can't read, or that he has not been to the optician after being fooled by one of their aids.

Movie-makers have a novel way to publicise their latest releases. They have a rickshaw with all the glittering four-colour posters and an accompanying mike rendering important dialogue and all the songs. They are so good that it is no point going to a stifling movie house. Just hire a rickshaw, pick up a Coke and follow the van. In only a few minutes you would have seen the entire movie. It's cheap and the best part of it is nobody knows you have been to the movies. Clever, eh?

Who does not advertise these days? The astrologer who can't but predict only his own future; the coal importer who goes kolia, kolia, kolia; the manpower exporter or leech who promises utopia to the gullible. Teachers peddling their printed notes, students vending their time to end up in marriages, politicians who are as virtuous as the celibate blossom soliciting votes with corny lines; they all advertise.

And, the sad part is many of us believe in them. The perplexing part is that there are already advertisements urging us puzzled primates not to believe in advertisements.

This ad thing has run into the masses. There is this *amra ravaallah* who gets his *amra* from Tangail and then yells his heart out to proclaim they are from Barisal. *Bogura* do



Nawabpur.

Years ago soap operas were born out of soap ads. But, frankly! where do they get all those dirt on a shirt? Have you ever wondered what would you do with a pink soap when the green soap you have is just as good? And, of course, now that there are so many of them, they have to advertise soap operas.

I wouldn't touch one of those colas if a sip of that carbonated water would make me go round and round

in slow motion with a silly grin on my face. What would onlookers think?

The clothes manufacturers are the worst. They use such tall men in the ads that their clothes never fit a wimp like me. They could be more sensitive. After all, we are the majority.

This ad thing has run into the masses. There is this *amra ravaallah* who gets his *amra* from Tangail and then yells his heart out to proclaim they are from Barisal. *Bogura* do