

Dhaka, Saturday, April 20, 1996

AL's Manifesto

As expected, Awami League is the first of the major political parties to announce its election manifesto. Making it a 21-point programme may have been done with the intention of emulating the famous *Ekush Dafa* (21-point programme) of the 'Jukta Front' in 1954 — a programme of all the major parties opposed to the then ruling party, the Muslim League. *Ekush Dafa* brought the Front almost all the seats of provincial legislature. AL would obviously like to repeat a similar victory in circumstances that are vastly different.

The AL's manifesto is a comprehensive document that covers most of the concerns that face the nation. But as manifestos go, this one is also a huge litany of promises and seek to address everything in sweeping sentences and tall promises without going into details of either what is being promised or how it will be implemented. From an improved law and order situation, to faster agricultural development, to granting independence to judiciary and autonomy to the electronic media and getting due share of the Ganges water — everything has been promised. But this time we would like to make it crystal clear to all political parties that just making promises will not get us to vote for any party. In addition to promises they will have to tell us how they propose to implement them.

The point we are making is that if political parties are sincere about transparent and accountable government then let that transparency and accountability start from this very moment. Make your manifestos transparent and accountable. Thus when AL promises agricultural subsidy, let it tell us where that money will come from — will there be new taxes or will it be funded by diverting money from somewhere else, and if so, from where?

We urge all political parties, especially the big ones not to get into a competition of promising the world. Whatever is being committed should be backed by publicly announced credible plans as to how the commitments are to be kept. This time the electorate is far wiser than they had ever been before and we, the independent media, are going to help out in this process as best as we can. Voters will examine thoroughly whatever is being promised, and parties giving the impression of fooling them by reckless promises will be adequately 'punished' on the day of judgement — the election day.

We look forward to hearing detailed plans from AL about how it will implement its manifesto if voted to power.

Is Dhaka a City?

Of the total urban population of Bangladesh, 61 per cent are absolute poor. This is according to a latest survey presented last Thursday in a government experts' workshop. The ADB funded Dhaka University survey of urban poverty is hopefully above such reproach as is standard for many projects of this nature. More than anything else it clashes with and, in fact, unsettles many figures so long touted by party governments and government bureaucracy.

To take one: we have been long fed with the rosy picture of school enrollment of children rushing every day to the saturation point of hundred per cent. But how can children of the absolutely poor families in towns go to school? So when the survey says 40 per cent children of these families do not go to school we are not shocked. Rather we wonder at the 23 per cent families that do manage to send their children to school in spite of their having no homestead and dependable income.

In Dhaka more than six persons out of ten do not live under a regular roof, do not use tap water and do not have access to anything even remotely resembling a lavatory. Can we call these settlements of congested humanity towns? Can we call Dhaka a city? Do not towns, and more so a city, mean a higher level of organisation that provides a higher level of amenities of life — and to sustain it all a higher level of norms and values subscribed to universally by the constituents? If such be the criteria, Dhaka and our other towns are not urban to be sure. What are they then?

What is the percentage of the absolutely poor in the villages? What can be the true percentage of children's school enrollment there? When our governments and lesser agencies of social organisation and control have so little effective hold on the realities of our towns and cities, it is foolish to put faith in figures giving us any kind of lowdown on our nation.

Rewards for 'Tips'

Finally a credible step has been taken by the caretaker government in its drive to recover illegal arms. Cash reward for authentic information is always a good method. But it must be honestly implemented. If an informer feels that he may himself be implicated and harassed by the police as and when he comes forward then this stratagem will not work. In our cities police often harass people who give 'tips' about illegal activities — saying 'how do you know if you are not a part of them?' If this new move is to produce results then informers will have to be protected. This means nobody should be harassed for bringing in information. More importantly, their identities will have to be protected so that there is no retribution from associates of those who are locked up.

What it all means is that a whole range of confidence building steps will have to be taken by the law enforcing agencies if they really expect that informers will come forward. These confidence building steps will have to be built both in words and in actions, both through the mass media and through the 'network of the underworld'.

Meanwhile the intelligence network of the police should be made more effective. Through greater funding, training and strict monitoring — to prevent abuse — a more efficient information gathering system should be developed for police work. The repeated instances of police raid into DU halls resulting in practically no arms being recovered, whereas almost all resident students know with whom and where arms are being kept, can be attributed to nothing but a miserable failure of police intelligence. Hopefully, the 'Reward for Tips' method will change it all.

Devaluation and Export: The Core Needs More

Many people would like to argue that selective subsidies should be provided to exporters in place of depreciation of currency. Experiences with respect to the nature of assistance to exporters reveal that if exporters are to be given any assistance, then it should be through exchange rate adjustment rather than through any form of selective subsidies.

In a recent move, Bangladesh Taka was devalued by 50 paisa against US dollar. In fact, it was the fourth devaluation in a row within a short span of time. The extent of earlier devaluations ranged between 15-25 paisa. The most recent devaluation has been welcomed by the concerned business and trade quarters as the Bangladesh currency has, arguably, remained appreciated for quite a long time. The urgency was more keenly felt in the wake of consecutive devaluations by India and Pakistan, two of the arch competitors in Bangladesh's export market where Bangladesh's competitive edge is, allegedly, being eroded. So better late than never.

The arguments for and against currency devaluation are well documented in economic text books. Primarily it helps the exporters and tends to hurt the importers. Devaluation of the local currency appears to act as a boost to local exporters. It is generally believed that the best way to help exporters is through exchange rate adjustment than through special benefits like subsidies, special concessions etc. The real exchange rate has always to be closely monitored and has to be maintained at an appropriate level so that exporting becomes and remains generally more profitable than home selling. Looking in and around, the successful export drives of Korea and Japan clearly point to a more aggressive exchange rate policies and more aggressive state interventions in strategic export points. The appropriate real exchange rate enables foreign investments to pour in the export sector. Available empirical evidences show that in this

part of South Asia, especially in Bangladesh and in India, exchange rate policies have always been anti-export relative to home sales. This holds good despite the prevalence of a maze of export incentives like bonded warehouse, facilities, duty drawback system and other incentives.

However, as students of economics know it well, the success of a devaluation depends mostly on elasticity conditions. To use the widely used technical jargon, if the sum of the elasticities of demand for exports and imports exceeds unity, then devaluation is likely to benefit the country concerned. Besides the elasticity conditions, economists also tell us to be careful about few things before offering any judgement on the effectiveness of devaluation or exchange rate adjustment. First, the exchange rate that concerns most is the real exchange rate (i.e. adjusted for inflation). Second, the effect of devaluation also depends on whether the competitors also devalue their currencies in a retaliatory manner. Third, the distinction between gross and net devaluation needs to be taken in due cognizance with due weight. If, for example, a 10 per cent devaluation is followed by the abolition of a 10 per cent import duty and a 10 per cent export subsidy, the net effect is likely to remain zero. Fourth, it is generally argued that small and temporary devaluation may not be able to produce expected results from

the measures. It must be substantial and sustained to offset the bias against exports relative to home sales. Otherwise, required resource allocation may not take place. Fifth, whether devaluation would be inflationary or not would depend largely on whether devaluation is accompanied by customs duty reductions on basic capital goods and raw materials (Alok Ray, *Economic and Political Weekly* 1993, No. 40).

In the light of the above discussions, let us now focus

on Bangladesh's perspective. It must be remembered that as far as Bangladesh's export demands are concerned, price is an important factor but not the dominant one. So any degree of optimism built on the price factor alone through devaluation might frustrate the analysts. Even then, available evidence tends to posit that the major export items of Bangladesh are price-elastic and hence positive response from foreigners, other things remaining the same, can be expected through devaluation of Taka. Second, devaluation of Taka should be followed by a judicious monetary and fiscal policy so much so that devaluation fails to generate inflationary trends in the economy. This condition obviously presumes a tight monetary and fiscal policy. Needless to mention here, perhaps, that a fair amount of inflation might creep in with the surging food-grain imports in Bangladesh.

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Beneath the Surface

by Abdul Bayes

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Need for National Consensus

by M Hasan-uz-Zaman

The demand as unconstitutional and a deep political crisis started thereafter which resulted in the submission of mass resignation of all opposition MPs and their seats were eventually declared as vacant. No successful dialogue could be held between the ruling party and the opposition during the two-year-long political deadlock. Begum Zia finally accepted demand for a neutral caretaker government and the constitution was amended by the 6th parliament on 26.3.96 by passing of the neutral caretaker government bill. As the constitutional changes came without any dialogue and understanding Begum Zia failed to contain the political turmoil till she made over power to the neutral caretaker government headed by Justice Habibur Rahman 30.3.96 when the opposition withdrew their agitation programme. However, the disastrous effect which the agitation programme had on the economy of the country and its image could not be avoided and it is very difficult to say when the country will be able to overcome the effect of this damage.

The above developments provide sufficient reasons to think that only holding of free, fair and impartial election under the non-party neutral caretaker government cannot guarantee stability, smooth and peaceful administration under any democratically elected government. Some crisis may

again grip the country even after a good beginning is made by the new government. Bangladesh cannot afford to go through another crisis again. It is strongly felt that all political parties should now seriously think about arriving at a national consensus on following major issues on the basis of which a government should run and no serious damage is caused by political unrest.

Let us now focus

OPINION

BBC Bengali Service

by Rashid Karim

Two incidents prompt me to take up the pen. The first was a rally near Jatiya Press Club on 29th March where a handful of young men paraded the street carrying placards saying 'Shame to BBC Bengali Service for biased reporting', 'BBC Bengali Service not reflecting people's movement', 'BBC an agency of BNP', etc. I was struck by the silent demonstration and the loud cheers of the passers-by.

'About time' said some: 'why haven't we seen such placards before?' said others.

The second incident I refer to is a news item in The Daily Star (as well as some other dailies) on April 6, that a large number of civilian associations (most of which are elected bodies representing various institutions) had sharply criticized the anti-movement (and thus pro-BNP) role of the BBC Bengali Service.

As a conscious citizen and regular listener of the radio, I cannot agree more with the above positions. However, I think the civic groups who registered their resentment of the BBC Bengali Service News reporting had overlooked the fact that such 'biased' reporting in the broadcasts have been evident for almost a year now, rather than in the past weeks only. The bias may have taken a new turn or intensified since the fall of the erstwhile government, but it was always there. Now it is one thing to be neutral and point out the follies of both sides in a struggle; but it is quite another to constantly dwell on the drawbacks of one side only in a polarized situation.

For instance — the newscasters from London with the help of their correspondents in Bangladesh, repeatedly told us about the damage brought upon by the Opposition Movement, conveniently failing to point out that the government of Begum Khaleda Zia had a big role in the economic loss and social chaos by not commanding for a caretaker government, a demand made two years earlier, and by hanging on to a rigged parliament. The BBC newscasters seemed to be indecisive over the nature of the 15th February election, always making statements like 'election which the opposition terms farical' — never calling a spade a spade, whereas the entire world community had no doubts about its controversial nature.

One cannot pass of indecisiveness on vital matters especially where evidence is available by the score, as 'neutrality'. No, in fact, in taking up the role they had in January and February 1996 in particular, BBC Bengali Service has grossly violated the tradition of neutrality in news-casting which the corporation prides itself on. This has hurt us in particular because the BBC has been able to maintain a neutral position in the past. But we had to hang our heads when a group of youngsters silently displayed those placards.

It is not really my job engaged as I am in nothing more glamorous than petty trade, to be telling news correspondents what to do. But even people like I have to come forward on occasion and take up the pen in protest, when we are deprived of the wonderfully objective BBC news casts that we received; it now seems once upon a time.

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.

Declare general amnesty

Sir, Following resignation of Prime Minister Begum Khaleda Zia, dissolution of the sixth Jatiya Sangsad and appointment of Justice Habibur Rahman as head of the caretaker government for holding a free and fair elections in the country, there does not exist any ruling BNP or opposition AL-JI-JP and there is no difference between one political party with another.

These days, most of the BNP, AL, JI, JP and other political leaders are bitterly criticizing each other, making pompous speeches and long promises.

We the common people, are at a loss to think what to do and what not. We would request our political leaders to kindly come forward with specific suggestions and recommendations in order to solve various socio-economic, political and administrative problems of the country to mitigate the sufferings of the then opposition.

We also strongly feel with a view to accomplishing its onerous task, the caretaker government may kindly declare a general amnesty in the country and release all political prisoners for holding a free and fair general elections with spontaneous participation of all political parties and the people in a peaceful atmosphere and disciplined manner.

We would further request the political leaders to solemnly declare that whichever party comes to power after the next election under the caretaker government, they — the political parties — would never repeat the past 24-month political im-

passe and economic disaster in the country in future.

The voters want to cast their votes freely and independently without any fear, favour or ill-will towards anybody for peace, progress, democracy and political stability in the country.

Would our caretaker government and the political leaders kindly help fulfill the long cherished desire of 120 million people?

O H Kabir
6, Hare Street,
Dhaka-1203

Request to the Advisors

Sir, I congratulate the advisors including the Chief Advisor on their assuming dignified positions. We, the people of Bangladesh, dwelt on an apprehension and disquietude for two years because of the adamant attitude of the then government and the continuous relentless political pronouncements of the then opposition.

After the appointment of the advisors, we have been able to breathe freely again. They have appeared before us as the saviours of our dear motherland. They have taken a tremendous responsibility of establishing peace in the country.

I would like to request them to pay their foremost attention to the recovery of explosives from all the educational institutions. It is a great opportunity for them to serve the country and restore a smooth and congenial atmosphere in the educational institutions by making the campuses free of all kinds of arms and explosives.

I thank them for their re-

cent attempts. But it should be taken more seriously. The previous government failed in this respect because of their own weakness. But the advisors are fully free from such frailty. Now is the proper time to take bold and dauntless attempt. If the advisors fail to free the universities from all kinds of explosives, the universities will never be exempted from the armed students and outsiders.

Mahmudul Hasan
101, Surjya Sen Hall
University of Dhaka.

Asking punishment for wrong-doers is justified

Sir, I feel deeply troubled at the attitude of the then opposition political parties, defending the government employees who acted most abominably. If the deplorable trend sets in, it will cause great harm to our country, so in no circumstances it should be allowed to be in practice.

Awami League's political adviser, Shah AMS Kibria criticised Begum Khaleda Zia for demanding punishment of those offenders, but we see no fault in that.

Every conscious citizen wishes to see them brought to justice.

But how could the supporters of Awami League forget, Sheikh Hasina threatening the innocent people, saying, 'If anyone goes to cast vote will return as a corpse.'

She allegedly instructed her party supporters to identify persons who were elected and punish them wherever they are found.

Could it be accepted as utterings of a person who really wants democracy to be established?

Nur Jahan
East Nasirabad, Chittagong.

"Mad Cow" Crisis

Sir, It is reported that Prime Minister John Major of England is having a bad time in handling the "Mad Cow" prob-

lem as most of the European countries refused to import beef from England as its beef is not supposed to be safe for consumption. Discussion is given on to destroy large number of high risk cattle.

Any decision to destroy the cattle will really manifest the cruelty to animal. I am not sure whether the British government has ever tried the beef for consumption of dog and other flesh-eating animals. If it is, it can be used for consumption of dogs, lions, tigers etc. The hide of the cattle can also be used as usual.

The cattle which do not bear high risk may be nourished and used for tilling of farmland. These cattle may be sent to poor countries where still cows are used for ploughing purpose.

I would request the British government to stop killing cattle in a large scale rather than send them to other countries for use in the farmland.

Mahibul Haque Chowdhury
153, Lake Circus, Kalabagan, Dhaka.

Recycling of waste

Sir, A number of letters appeared in The Daily Star recently on environment and recycling of country's huge waste which has been a grave problem to dispose off, and no doubt, creating severe threat to the environment. A number of suggestions have been put forward by interested people, requesting government agencies, donor organisations and NGOs to offer financial assistance to entrepreneurs who wish to set up plants to recycle waste and produce a good number of useful items required by the people in their daily life. Apparently, very little response has been received so far.

I request you to bring up the subject through your powerful editorials emphasising the urgent need for setting up plants and machinery to recycle wastes rejected by garment and other industries.

Md Rafiqul Islam
Baushta, Meghna, Dhaka

supreme while the factors affecting competitiveness hardly get prominence. The basic constraints to our export competitiveness seem to be: (a) Lack of better infrastructural facilities, both human and physical. Electricity, communication network etc are still in the age of ISI strategy where cost reduction remains as a minor consideration. The country still awaits infrastructural facilities that stand as pro-export led growth. (b) Many of the policies undertaken so far seem 'paper policies' and not 'real policies.' Export-led growth has a close connection with the economic reforms. It has also a close relationship with the size of the government and the nature of government interventions. On both counts, the existing performance