

Row over Power

The opposition BNP has launched a campaign against any possible import of electricity from neighbouring India. This, among other things, has prompted the government to issue a press note, clarifying its position and also contradicting the claims made by the BNP. So we get two versions of a story relating to power generation, distribution and the negotiations for its import. Whatever may be the contradictions, one indisputable fact remains that load-shedding has now become a regular feature throughout the country.

However, the BNP would like us to believe that the government is deliberately creating a shortfall of power. The government, on the other hand, has given a detailed picture — mentioning figures — of the shortfall of electricity and its various reasons. We do not understand why the government should create an 'artificial' shortage of power — just to punish the consumers? The fact is that during its rule the BNP could not increase the capacity for generation of any amount of additional power. Even the existing capacity could not be fully utilised because of lack of an appropriate energy policy and timely actions in some areas of routine work. That legacy doubtlessly has had its crippling impact on power generation.

What then looks like a smear campaign is the critical position taken against the import of power. Even if we accept that the BNP did not initiate negotiations about importing power — the government claims it did and the BNP has not yet disclaimed it — we see no rationale behind opposing any deal without knowing its terms and conditions. It is still in the negotiating process largely representing a follow-up of what the BNP had purportedly initiated and yet that party is trying to put the government in the dock for it!

The BNP in effect charges the government, which is yet to get old enough, with mismanagement in the energy sector. Can it prove that performance in the sector during its five-year rule was better and the charges levelled against the government are based on facts? There is no point opposing a negotiation or a deal that might emerge from it for the sake of opposition and a mere propagandist satisfaction. No one will ever believe we have no energy shortage and the point for consideration should be to use all the options we have to meet our power need.

Watershed Day

The world yesterday took the first irreversible step towards a nuclear-terror-free planet. The five permanent members of the UN Security Council, or the first five powers of the world since the Second World War yesterday signed the Comprehensive Test Ban Treaty at the UN headquarters. For some years the threat of this planet ending it all up in a nuclear holocaust has been receding into the background but only in the mind of man buffeted as he is constantly by political and economic developments — and not at all in reality. The reality has been all these years as it was at the peak of Soviet-US balance of terror prompting Bertrand Russell to personally appeal to Khrushchev to turn his nuclear stockpiled ships bound for Cuba. Khrushchev saved the day but the world remained as vulnerable to nuclear annihilation as it was then — till yesterday. What a day was yesterday — a watershed day for all mankind.

But a few more small steps remain still to be taken before we can say the threat is a nightmare well past. Although 65 more nations are scheduled to sign the CTBT today, this would not include all 44 of the states having nuclear capability. Israel will relent at last but not, unfortunately, the two neighbours of the subcontinent — India and Pakistan. Their fear of each other and standing short of signing the great treaty until the other one does, in a way makes this unparalleled achievement of the nations of the world almost ineffectual. The treaty is so designed as to come into force only when all 44 sign it.

We have every hope that Mahatma Gandhi's India would prove wise enough to treat the spectre of a Pakistan nuclear blackmail as exactly what it is — a fear within and not without and unfounded altogether. As for Pakistan it thrives mainly through a fear psychosis directed at India. It is not for her to see light until India signs the CTBT. The whole world is looking up to a moral India and not a stingy spoiler.

A Crime of the Worst Kind

Who doesn't know about the great danger already continuously devastating both the present and the future of this nation? Namely, the ubiquitous polythene bags — popularly called polybags? These bags — about 500 thousand of them — thrown away daily are clogging the city's sewage and drainage system. This is only one example of the multiple harm the bags are wreaking on our society. These bags have been playing havoc with our soil fertility as well as fish wealth besides posing many problems of health and environment.

The first among those who proved to be aware of the danger was the past government which banned production of polybags totally except for export purpose and use as nursery pots. The ban was announced in January, 1994 and was to take effect three months later, offering time to manufacturers to switch over to other productions. But the manufacturers implored the then Prime Minister to keep the ban in abeyance for one whole year. The PM relented and the ban was never again revived these past three years. Why? How could it happen so?

Some responsible officials have already said they know about the problem and also of the stalled ban and that they would raise it with their ministers. Will the polybag manufacturers again move for some cushion-time? Will the same tried and successful game come into play? A revival of the reprieve that would never run out?

Selling away the nation's future for some present petty and dubious political gains can be anything but politics. It is a crime of the worst kind.

A new government, as on the domestic front, generally seeks to choose the priority in dealing with international affairs in the manner it considers best in furthering national interests. Some lay emphasis on strengthening relations with old and trusted friends, some on fostering close neighbourly relations with countries across the borders, others try to identify more strongly with one or more of the formal groupings of nations. Still others seek to make new friends, and so on and so forth. Most countries do not rely only on one of the several possibilities, but adopt a combination of some or all in varying degrees.

Prime Minister's visit to China within three months of holding the rein of government, was no surprise to many. It could have, on the contrary, evoked surprise had such a visit not taken place by now.

China is an old and trusted friend of Bangladesh. For over two decades, Bangladesh relied heavily on its northern neighbour for both political and material support. Bangladesh's relations with China grew by leaps and bounds since late 70s. The two visits of president Zia, first as Chief Martial Law Administrator and then as head of

Prime Minister's visit to China An Exercise in Pragmatic Bilateralism

In the field of investment, Prime Minister received positive and encouraging reaction from both mainland China and Hong Kong to her plea to invest in Bangladesh, providing high incentive to prospective investors in a state, the Prime Minister emphasised, of political stability.

state, in 1979 and 1981 respectively, laid solid foundation on which the strong edifice of excellent relations between the two countries was built. China was the only purveyor of military hardware for Bangladesh soon after its traditional source, the Soviet Union, had dried up since the fateful events of mid-75. She remained in that position for quite some time.

During my assignment in China for almost three years, I hardly could witness a grandiose welcome of a scale bigger than what had been accorded to president Zia on his state visit. Only exception was perhaps made for China's strong friend and protégé, North Korea's great leader Kim Il Sung. Begum Khaleda Zia's official visit in 1991 also went off successfully. As per Chinese custom and wisdom, Sheikh Hasina was also accorded a warm and befitting reception in China. This was a manifestation of the policy of political pragmatism or realpolitik pursued by China and many others. China, as the only nuclear power in Asia, Kazakhstan ex-

cepted, and with the phenomenal growth in the economy and developmental activities has been variously dubbed as slumbering giant or snoring Tiger of the East, already in the process of emerging, with heavy groan or loud roar, as if from wilderness into the 21st century. She is viewed to soon



by M M Rezaul Karim

match in economic strength most of the G-7 nations. While on a visit to China on invitation by the Chinese government as late as in 1994, Vice Chairman Wu Xueqian told me in Zhongnanhai, the official living quarters of Chinese leadership in the forbidden city of Beijing, that China still was a developing country. There were pockets of poverty at places,

specially in the west and among tribal areas, where actions to mobilise resources to alleviate poverty were warranted directly. He stressed, demonstrating characteristic Chinese humility. He, however, agreed that the situation would be different in the 21st century.

Sheikh Hasina received assurances of the Chinese to reduce the yawning trade gap which tilts heavily in favour of China against Bangladesh. It would depend upon how much efforts the Chinese are able to put to this end. They had promised to do so in the past too, but the promise withered away as a whimper. It is still difficult to achieve what is desired, as major Bangladeshi ex-

portable goods are also abundantly produced in China and meet most of its domestic needs. The task, therefore, lies in being able to identify and shift the relevant commodities carefully in order to accommodate the other's genuine requirements.

In the field of investment, Prime Minister received positive and encouraging reaction from both mainland China and Hong Kong to her plea to invest in Bangladesh, providing high incentive to prospective investors in a state, the Prime Minister emphasised, of political stability. Needless to say that prospective investors would never tell a visiting head of government otherwise. Yet, this is a commendable effort made in national interest. Previous government had also extended special facilities, including investors from abroad. They even devised a one-stop mechanism through which an investor did not have to go from pillar to post before receiving approval. But the mechanism broke down even before it could start. That is why goodwill and genuine cooperation on the part

of our officials are sine qua non for effective operation of such and similar devices of national interest.

And for the industrial sector, Bangladesh has received substantial funds, credit, materials and technology from China for setting up industry of different nature and size. China's technology is generally of old vintage, erstwhile Soviet style, which is, by and large, adequate to meet our normal requirements. In matters of high tech, as China herself does, it may be worthwhile to import machinery and equipment from countries recognised and reputed for their sophisticated merchandise. In the areas of infrastructure, more progress has been recorded. A fourth friendship bridge will be constructed by the Chinese, this time on Karatoa. One must not also be oblivious of the deep political impact of the visit. President Li Xian told me while receiving credentials in January 1990 that China would hope that countries in South Asia should endeavour to resolve their differences and live peacefully. The advice received by Sheikh Hasina was apparently not much different. The difference may have been of nuances and of application of bilateral strategy to individual cases.

OPINION

Should We Extend Transit Facilities to India?

Mohammad Mujibur Rahman

It has been reported in some section of the press that during his recent visit to Bangladesh, Salman Haider, the Indian Foreign Secretary stated that, "In the interest of India, we required transit facilities (in Bangladesh)". He however tactfully avoided answering a question whether the transit facilities were in exchange of the Ganges waters. Such demand, if any, for transit facilities in exchange of waters is unprecedented and unwarranted.

Numerous water treaties between upper riparian and lower riparian countries for sharing common water sources have been concluded all over the world, but there is not a single instance revealing that an upper riparian country ever asked for anything in lieu of waters supplied to the lower riparian country.

The Harmon Doctrine of absolute territorial sovereignty over the international rivers, which had originated in USA in 1895 has in fact never been followed and practised by any state, not even by the US. Thus while resolving the Rio Grande dispute, the US did agree to provide Mexico with waters equivalent to that which Mexico had used before the diversion of waters from the Rio Grande for irrigation purpose in the US took place. But while providing the waters to Mexico, US never asked for anything in return from the latter. Even India did not ask for any facilities from Pakistan while concluding the Indus Basin Water Treaty of 1960. Not only that, India acquiesced to share a part of the cost of the replacement works which would be constructed in Pakistan in order to irrigate the land hitherto irrigated by the waters of the Indus (Page 17, The Ganges Water Dispute by M Rafiqul Islam).

It may be recalled, India started to construct the Farakka Barrage on or before January 30, 1961, without giving prior notice and information to Pakistan about the project in total disregard to Article 7 of the 1933 Montevideo Declaration of American States, which provides that "the works which a state plans to perform in international waters shall be previously announced to the other riparian states". The 1957 Buenos Aires Resolution of Inter-American Bar Association requires the consent of a co-basin state when that state may

suffer damage or injury as a result of a proposed work.

From the very beginning, the then Pakistan opposed the construction as it had a right to the waters of the Ganges which receded primarily on the Ganges Kobadak Project. Till 1971, Pakistan challenged the right of India to undertake the Farakka barrage on the ground of its serious injurious effect on the then East Pakistan.

But it is rather surprising that immediately after the independence of Bangladesh, the then ruling Awami League government apparently accepted, that India had a right to use the Farakka barrage (page 96, Sharing the Ganges by Ben Crow). This acceptance without concluding a permanent treaty to share the Ganges water by Bangladesh and India on a just and equitable basis was a tactical blunder. Perhaps then Prime Minister Sheikh Mujibur Rahman honestly believed that the acceptance would be a good friendly gesture to India, which would promptly conclude a permanent water treaty with Bangladesh. But the noble intention has not been materialised even today.

On April 18, 1975, India secured an interim agreement with Bangladesh allowing the former to run for experimental purpose the Farakka Feeder Canal for a stipulated period of 41 days from April 21 to May 31, 1975. According to the terms of the agreement, India would withdraw between 11,000 cusecs and 16,000 cusecs of water during the period to run the Farakka Feeder Canal and ensure the continuance of the remaining flows of 44,000 cusecs of water to Bangladesh. After the expiry of the agreement India should have stopped withdrawing even a drop of water. But after the stipulated period i.e. 31.05.75, without any further agreement, India, virtually flouting all international laws and practice between 11,000 completed the full commissioning of the project by diverting 40,000 cusecs of water, the full extent of capacity of the feeder canal. This is a very important point, the writer feels, to be borne in mind before deciding whether we should extend transit facilities to India or not.

Some persons think that if we allow transit facilities to India, we shall be able to compel it to conclude a permanent water treaty with us in future. This may prove to be wrong. In fact

such a mistake was committed by the then government in 1972 by accepting first that India had a right to use the Farakka barrage without concluding a permanent water treaty to share the Ganges waters by Bangladesh and India in the hope that such treaty would automatically follow. But it did not.

If we conclude a transit agreement with India the latter will acquire a legal right to use our territory including our ports with all auxiliary facilities like storage, road and railway transport etc. If at a later stage, we withdraw this facilities to India, India can easily restore its right by filing a case in the international court of justice. Again India may misuse the provisions of the transit agreement as it virtually did in regard to the provisions of the Interim water agreement dated April 18, 1975 by withdrawing waters even after the stipulated period which ended on May 31st 1975.

India can otherwise solve the cargo problems of the greater Assam. Firstly, there was an agreement between India and Pakistan allowing the former's vessels to carry cargo between west Bengal and the greater Assam through the East Pakistan now Bangladesh river routes extending from Raimongal in Khulna district to Zakiganj in Sylhet district. India may ease Assam cargo problems by engaging more vessels for the purpose. Secondly, India may increase its air service between Calcutta and Gauwahati, Agartala etc. thirdly, it has been reported by S N Sanyal in his Article "The economics of Calcutta — Haldia Port complex", appearing in Economic and Political weekly, 5-12 May 1990 that there is underutilisation of the capacity of the Calcutta Port Complex. In the heyday of the colonial era (1870 to 1946) Calcutta carried up to 50 per cent of the India's Imports and Exports. But the share of the Port has gradually declined to 10 per cent in the late 1980s. Therefore instead of banking on Chittagong Port, which has insufficient handling and storage capacities, Calcutta Port can be utilized to solve their cargo problem by converting the entire railway from Calcutta to Gauwahati through Jalpaiguri into double line.

The writer is retired Collector of Customs.

Revolutionising Agriculture: "Tk 100-crore Agricultural Subsidy" is Not Enough

Muhammad Abdul Mannan

AGRICULTURE is the bedrock of world economy. The developed world's development stories have amply demonstrated the strong correlation between agricultural prosperity and economic growth.

However, so far the story of Bangladesh agriculture is a mixture of less achievements and missed opportunities. Mother nature blessed Bangladesh with fertile land, over 75 per cent of which is suitable for cultivation; against a global ratio of 10 per cent. Yet, unfortunately, only a small portion of its irrigated potential is fulfilled, and even its yield per unit is one of the lowest in the world.

Though disappointingly long overdue, it is a source of satisfaction and hope that the Government of Bangladesh has now produced a draft agricultural policy, and has encouraged a national debate. But it seems to have dispensed its responsibility through the provision of "Taka 100-crore agricultural subsidy fund", in the Annual Budget of 1996-1997, and which is only 0.8 per cent of the development budget.

Agriculture is the backbone of Bangladesh. Nearly 80 per cent of its population is dependent on agriculture where over 65 per cent of country's labour force are engaged, and which is also directly contributing around 35 per cent to the GDP. So, compared to these, Taka 100-crore is inadequate.

Nevertheless, government expected to utilise the fund mainly to subsidise 80 per cent of interest cost on the credit for the purchase of agricultural machinery, to provide grants for establishing input and output prices; and to rehabilitate farmers affected by natural disasters.

Yet, here we do not need to enter into a debate about the justification of this kind of development policy. But to revolutionise Bangladesh agriculture, we need to focus on a comprehensive programme for discussion and implementation.

Government's first priority should be revolutionising the productivity of arable land. For this emphasis must be given: (a) to development of alternative or appropriate technology, and to the importance of realising

the potential of traditional methods. Government must re-examine the role of traditional agricultural practices, and must start improving and creating innovative user friendly technologies. It is in this context that the government must take a critical look at western high-input agricultural technologies, which are reliable largely on very large-scale production, and usually proved useless on small-scale, apart from needing specialised skills by the operators; (b) to support a bottom-up approach to agricultural development, instead of a top-down advisory approach, to ensure that the maintenance of agricultural development is in the hands of men and women who know and understand agriculture; (c) to include women in the development process, they are often responsible for most of the agricultural production, they are the inventor of agriculture; (d) to develop a large pool of trained extension workers to transfer the modern knowledge (specially biotechnological) to the farmers in different parts of the country. In these areas of research and training, government must influence the agribusiness companies to play their important roles; (e) to formulate and implement a national Integrated Pest Management (IPM) programme, to reduce or eliminate pesticides use, and instead, put priority on the use of biological, botanical, mechanical, cultural and traditional means to maintain production and profit, and to keep the human health and environment safe. A high level study meeting of Tokyo-based Asian Productivity Organisation (APO), on IPM, revealed that Asian countries are spending some US\$200 billion on pesticides with narrow or no success — instead, pesticides have caused pest and disease.

The second priority must be improvement of arable land through — (a) land redistribution from large holdings through reform; (b) tenancy on privately owned holdings, and; (c) resettlement schemes to newly developed or government owned areas. Along these ways, many countries have benefited their agriculture; such as Taiwan, Korea, Iraq, Algeria, Egypt, and Ethiopia. In fact agricultural revolution must begin seriously from the ground, i.e. from landed property. Therefore, form, structures of land and land tenure system need to be adjusted to the dual objectives of increasing agricultural production and promoting a wider distribution of benefits of agrarian progress.

The third priority is to identify and provide a national focus on a few selected crops, where Bangladesh has, or can develop, a competitive advantage relative to other countries. Bangladesh cannot grow everything by itself. It must grow only what it can grow best. Self-sufficiency needs to be redefined: we could earn enough from our exports to pay for our imports.

Fourthly, in place of government's large-scale costly and time consuming irrigation project, they must encourage greater participation from the private sector in small-scale irrigation.

Fifthly, every year many hundred thousand tons of food grain go waste by insect infestation and rotting, due to inefficient storage and processing at village level. The sweat of thousands of farmers is just wasted, destroying the finance and spirit of the growers. Therefore, it is imperative to attract state-of-the-art technology in the agri-processing sector, to minimise post-harvest losses. Even our greatest shrimps buyer United States' recent warning about hygienic processing supports this hypothesis. In this context it is therefore essential that agri-process-

ing complexes, put up in the backward rural areas, should be exempt of income tax for few years.

Sixthly, tea and rubber have now developed into a major sector of Bangladesh economy. These crops were given the status of plantation industry, and were not constrained by ceilings on land holding. Now it is essential to identify other crops that qualify for this status, and can give us a competitive advantage over other countries. For example, oilpalm is treated as a plantation industry elsewhere in the world — and must be similarly treated by Bangladesh. Horticulture and reforestation are strong candidates for plantation status.

Seventhly, "cheap and easy" credit is the main requirement of small and marginal farmers. Even today many of them have to rely on the village money lender, at exorbitant rates (frequently around 200 per cent). In this situation, companies must be called upon to play a pivotal role in linking farmers to the banking system and capital markets — which will serve to channel rural savings, and provide liquidity and credit at competitive rates. Similarly, mutual fund must be stimulated to develop products that attract investment by farmers, and make them a major investor in emerging capital markets.

Eighthly, government must encourage agri-business companies to invite farmer participation in their shareholding, to ensure strong partnership between supplier and buyer — which will stand enriched by providing the farmers a stake in the property of agri-business.

Finally, as a supplementary support to this revolution, I would recommend the setting up of a 'National Farming Venture Capital Fund', which would focus on investments in this sector.

On an experimental basis, a new programme can begin within a Taka 100-crore fund. As a model project, five acres of government owned land must be selected in every district, to invest Taka one crore for its development. In the first place, to protect the land from flood the project area must be raised above the danger level. On northern centre, there must be a pond for fishery and duck rearing also with poultry farming facilities around. The northern side will be accommodated with managerial, storage, and processing rooms, and a veterinary clinic. The remaining parts may be utilised for growing grass for the chicken feedings, horticulture for the markets, and some neem tree for the natural pest control. Nevertheless, the area must be connected with electric power supply.

Thus, only for Taka 64-crore, there will be 64 country-wide modern model farm houses. But if the existing bureaucratic system cannot successfully run the business, then government must hand over or sell these farm houses to local or international entrepreneurs for further development, on down payment basis.

Nevertheless, the remaining Taka 36-crore would be utilised for the following: 5-crore for a fully implemented experimental central project; 5-crore for programme planning, monitoring, and 26-crore for a central liaison office.

However, everyone of us has a vision. Many of us share a common dream: the dream to see our agriculture as prosperous, our farmers affluent, and Bangladesh an honourable member of world economic community. But for which, we need more winning strategies, more winning products, and more winning funds. Together we can revolutionise Bangladesh agriculture.

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.

Water supply

Sir, Enough assurances in respect of a prosperous Bangladesh continued to be uttered by the PM, Finance Minister and their Cabinet colleagues during the recent Jatiya Sangsad session. But unfortunately, similar promises were made by the previous governments of BNP, JP and Awami League.

It is evident from daily newspapers that WASA water supply is not adequate in the capital city while the water supply in rural areas also scanty. In many areas water is supplied by water tanks excavated several hundred years by sants, zamindars and religious preachers.

The former foreign minister of BNP regime referred in his political autobiography about man-made water tanks at Bagerhat area dating back more than 555 years and people are still getting drinking water from the 'Dighis' under various names associated with Muslim preachers.

programme. We can survive without electricity, gas but it is hard to survive without water.

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Nurunnabi Commission

Sir, Very recently I have come across the Nurunnabi Commission Report. The commission has suggested many reforms in the age-old administrative system of Bangladesh, of which separation of Accounts from Audit is my concern. As far as I have understood, this means that the Comptroller and Auditor General of Bangladesh (C&AG) is going to lose control over the public accounts of the Republic. To me, this suggestion is beyond the jurisdiction of the said commission. Article 131 of the Constitution says that "The Public Accounts of the Republic shall be kept in such manner as the Auditor General may, with the approval of the President,

Water-logging

Sir, These days, a little shower of rain for about 15 to 20 minutes is enough to sink most parts of the city under waist-deep water, creating worst sort of inconvenience to the inhabitants. In the past, some low-lying areas of the old Dhaka city and areas adjacent to river and lakes had obvious reasons to go under water. One of the major causes for the present logging of water in the capital city is due to closing up the thing called "drain", of commercial residential towers/apartments and markets.

Such ambitious trend to climb high should have never been allowed. It was interesting to know that the Awami League government is adamant to solve the water-logging in the cities and their policy to ban illegal and unplanned constructions of all kinds. I hope that the gov-

Finance Act 1996

Sir, Thanks are due to Mr Altaf Hossain, an advocate and tax law consultant for his valuable article titled "Finance Act 1996 — A Review on Income Tax" published in your Focus Page on the 12th instant. We like to add the following points:

1) Mr Hossain has aptly discussed about the Tribunal. It is a good work for the present government to get more good result.

2) The other appellate authorities like Commissioner, Additional and Joint Commissioners of appeals should be under the Ministry of Law for good result.

3) There is a bench for Taxes in the High Court Division at the Supreme Court. So, there should be a person from either retired members of the NBR or tax law consultant.

We think that under the active role of the present chairman of NBR, it is not impossible.

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