

Seize the Scope

The just-concluded seminar on Eastern Himalayan Water and Environment in Delhi comprising a medley of experts from India, Nepal and Bangladesh left behind a few observations redolent of optimism regarding our prolonged exacerbation with India over the share of the Ganges water. It urged to press home the advantage that seems to be there following almost the simultaneous changes in political leaderships of the concerned countries. If not anything of magical proportions, the changes were expected to bring along relatively less prejudiced and more sincere attitudes at the government level to a ranking problem which these duly have as the discussions at the expert and ministerial levels suggest.

One of the suggestions emanating from the seminar was a permanent accord between India and Bangladesh. The rationale behind the prescription for solving the problem once and for all is easily understandable in that the contract ensuring mutual benefit from the use of a common river's water remains free from the political vicissitudes and the conditions for peaceful coexistence and environmental safety are also enriched enabling avoidance of any snag that political myopia may place on the way. The signing of many MOUs and their eventual ineffectuality lend strong support to the concept of a treaty visualising Ganges as a river of friendship rather than a river of discord.

Indo-Bangladesh acrimony and the resultant stalemate over the water-sharing issue are more an outcome of political prejudices and egotism than any insurmountable geopolitical barriers. Now that signs are propitious for a breakthrough, the opportunity must be seized with both hands. Opinion leaders outside the government in both the countries are of seminal significance because inter-country negotiations are often tardy and formal. The non-government brain-storming arrangements are not only feeding sources of new insights and angles for the governments but also promoting essential elements like trust and transparency in the whole process.

Matter of Will

The sword of democles has always looked like hanging over the archetypically hardened loan defaulters but never quite falling on them as such. Whether the proposed bankruptcy law, which is fast approaching enactment during the winter session of the Jatiya Sangsad, will make a difference in the scene is an open question. This has already provoked voluble reactions hardly the type suggesting though that the nail is going to be hit in the right place — its head.

We are no fashionable cynics given to any temperament for premature expression of a disappointment over something which is yet to see the light of the day, farless tried out. But we do regard this law largely as a declaratory instrument rather than a penal one. Those to be termed 'bankrupt' will not be entitled to any fresh loan — that's all. The question is how demanding the law is going to be about the loans already contracted and not obviously repaid which is why the stamp of bankruptcy on a loanee?

The draft law looks devoid of a thrust on that score, even allowing for the provision of bankruptcy courts which are to 'try to realise the overdue loan from the defaulter by liquidating his fixed assets and seizing the liquid cash.'

The 'bankruptcy courts' will be Rin Adalat reincarnates if they fail to stringently apply the rules contained in the proposed law. One practical impediment to the application of the existing laws against the defaulters has been the defrauding on the value of assets shown as collateral to the loans. The siphoning off has also been massive. Only a political will determined and resolute in making the defaulters recompense for their acts of gross economic irresponsibility can ensure the desired effect of the new law.

Under the draft law, a loanee will be deemed a defaulter if he had not repaid an installment within a month of the repayment date scheduled for him or her. The time-lag so far allowed has been long six months. So, the list of defaulters on the government dossiers may lengthen in consequence of the new law.

A strongly willed government coupled with a powerful and dynamic committee system in the parliament seems to be the only answer to any further proliferation of default culture.

Still Cosmetic

The news is that 50 BRTC-assembled luxury buses — with ten of them in the air-conditioned category — are going to be operated in the city by the private sector. This is stated to be the first heralding phase of improved commutation arrangements within the metropolitan limits which ironically had stayed frozen in a primitive groove evoking sighs over the otherwise shiny and modernised coaches on inter-district routes.

While we are no doubt appreciative of the project to increase the strength of the transport fleet it is difficult, however, to go along with the sponsors' view that it will ease the traffic jam. Other things remaining the same — namely, the presence of undiminished numbers of fast and slow-moving vehicles — any addition to the total strength of transports is only likely to exacerbate the traffic congestion.

Instead of using such warped logic or settling for virtual palliatives what we need to go for with far-sighted resolve is a mass transportation system comprising trolley buses and circular railway girdling the city's orbit. This will have the added advantage of dispersing some of the city's population on the outskirts thereby easing the pressure on amenities in the metropolises.

Bangladesh's Gold Mine and the Agro-Industrial Development

Critics may use harsh words against the country's policy makers because those past policies have inculcated among the people, specially those who wielded power of one kind or another, an attitude of making easy money by any means, legal or illegal, rather than that of adopting drastic policy reform to promote incentives to invest money in the country and do hard work which are the only sources of efficiency and growth in the economy.

POVERTY seems to have become the real gold mine of Bangladesh since it has been regularly fetching about \$2 billion a year in the form of grants and soft loans from the donor countries. It has gone on for the last quarter of a century without making any significant dent into the life of the poverty-stricken people except, of course, a couple of million of hardcore poor who have been largely served by Grameen Bank and other NGOs. There is no doubt that by far the largest amount of this vast amount of aid has benefited the upper- and middle class people while a fraction of it has filtered through to the real and deserving poor people of the country. How it has happened is well known to the policy makers, the donors and other outside observers and analysts. While the poor have earned it in exchange of their hard labour (food for work etc), the upper and middle-class people have got it by using their power and influence. The result, as all the published indices show, has been that the number of people below the poverty line has been increasing rather than decreasing over the years, on the one hand, and the external debt burden of the country has been going up inexorably reaching a level of two-thirds of the GDP, on the other.

Further, it has also led to widespread corruption in its distribution process which has almost become a permanent behavioural trait of these classes of people. However, while the normal expectation was that in course of the twenty-five years of aid flow the country would, at least, be out of the poverty trap by way of achieving higher growth rate and full employment of able-bodied workforce, in reality it has now got into a double trap of poverty and external debt. No wonder, the important ministers of the government now seem to be busy in appealing to the donors for the redemption of the Third World countries' debts.

No Easy Way Out
Whether the donors will immediately be able to redeem the third world's debt burden depends on their own taxpayers' representatives in their own parliaments. Somebody will have to bear the burden. However, until it is redeemed unilaterally by the donors, let there be no mistake that the taxpayers of the debtor countries like Bangladesh will have to re-

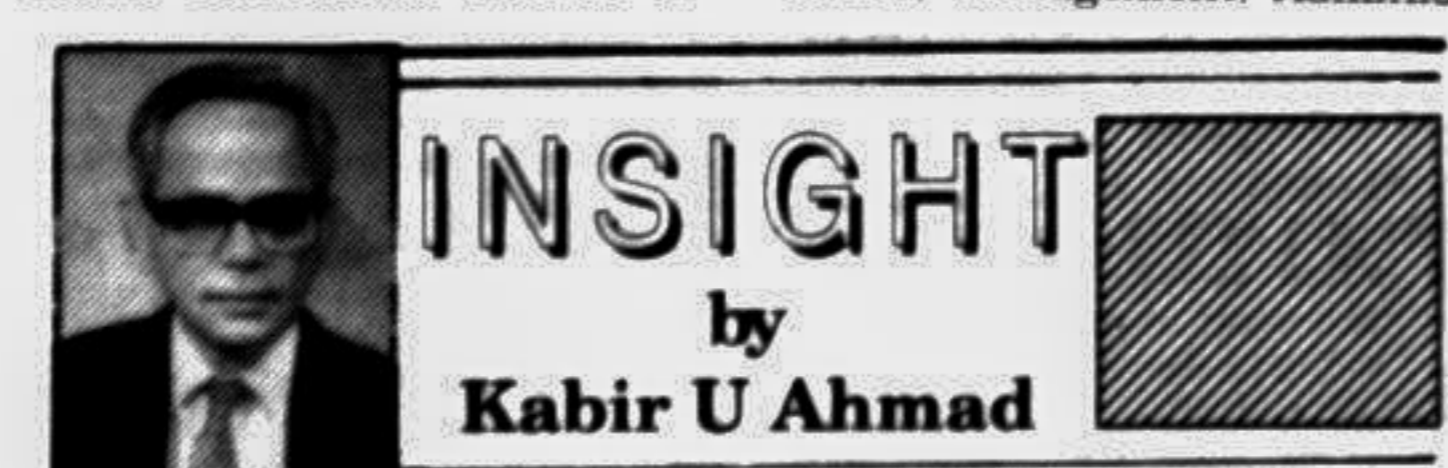
Shift to Development

To make an effective repetition, there is a need for reversing the strategy of development from urban-centre based industrialisation to rural-based agro-industrialisation so that the market price system itself generates incentives to move factors of production like labour and capital back to rural areas where land and labour are available in relative abundance and costs of production of both agricultural and non-agricultural outputs are much less than what they are in the urban industrial centres. This policy is needed to cheaply produce outputs for both export and domestic markets as well as to

pay the debts with accumulated interests. Further, the debtor has to suffer the indignity of having to beg for the debt redemption. It is quite clear that the national policy of relying heavily on foreign aid, which appeared to the policy makers as an inflow of easy money, is now coming to a crisis point. Unless the rate of export earnings increases rapidly or the government and the private sector expand the exports, it is significantly or both take place simultaneously, time is coming when the growing rate of external payment burden cannot be met at the same time when increasing domestic expenditure for rapid growth has become almost mandatory to the new government in fulfilling its election pledges. Therefore, there is no easy way out of the double-trap that the country has now gotten into. Hard and unpopular decisions will have to be taken by the government to get out of it.

Critics may use harsh words against the country's policy makers because those past policies have inculcated among the people, specially those who wielded power of one kind or another, an attitude of making easy money by any means, legal or illegal, rather than that of adopting drastic policy reform to promote incentives to invest money in the country and do hard work which are the only sources of efficiency and growth in the economy. Work-ethics has largely been destroyed and illegal activities have become the norm of the day. One consequence of this is that Mafia activities have spread to the nook and corner of the society and individuals cannot live in peace and safety anywhere in the country. This needs to be addressed by strengthening the legal power of the law enforcement agencies and the judicial punishment system. However, coming back to the issues of economics, efficiency has to be restored in the use of scarce resources in the government administration, public sector trade and industries, private sector trade and industries as well as in agriculture and service sectors. How to cut the fat out and streamline all these sectors has been analysed in my earlier articles in these pages.

achieve high growth rate and poverty alleviation. Traditional fiscal, monetary and expenditure allocation policies have to be redesigned to achieve these objectives. This is a tall order for which this is not the right forum. But in the meantime some obstacles to the development of agriculture and agro-related industries will be discussed below.



Obstacles to Agricultural and Agro-Industrial Development
It is a disgrace for Bangladesh that it has to import from India products like potatoes, onions, garlic, ginger, tomatoes, eggs, sugar, fruit juice, ketch-ups, and cattle etc. on a large scale. In the decades of 1950s and 1960s, most of the agricultural products used to be exported from this country to India. The trend seems to have been reversed these days since their agriculture has become more efficient than that of Bangladesh. Further, although traditionally this was the main milk producing country, these days the import of powdered

milk from abroad comes to about 2/3 hundred crores a year. All these show that something has gone wrong in the agricultural and agro-processing sectors of Bangladesh. All the products listed above can be produced in Bangladesh in abundance not only for domestic consumption but also for exports. The recent developments of poultry, livestock, fishery, leather products, spices, sun flower, mustard seed, disease culture, and canned and bottled fruits and vegetables are hopeful signs that the country can make a major break through in these fields. But there are some bottlenecks which can be summarised under the heads: Feed, Breed, Bank Loans, Management, Adminis-

trative Incoherence and Infrastructure. Feed: For the development of poultry, livestock and fishery industries, there is the need for balanced feed, the domestic supply of which is utterly inadequate to meet its demand. The imported feed is highly expensive and its price has gone up sharply during the last year or so. Almost about 1500 medium- and large-scale poultry farms are about to be closed down for shortage of feed supply. There are about half a dozen feed industries which are suffering from the short supply of the most important inputs like wheat or maize, soyabean, and rice polish etc. all of which are also demanded for human consumption as well. What is worse, Bangladesh does not produce sufficient amount of maize domestically although there is enough suitable land available in the northern districts. There was a Canadian-funded project to produce maize which lasted for about 12 years but, like many other projects in this country, once the fund was exhausted, the project did not become self-supporting. Further, whatever small amounts

of maize are produced by small farmers across the country these are not bought by any middleman for supplying to the feed industries. There is a need for contract growing system for maize as the contract growing of sugarcane prevails in the sugar mill areas. There is a need for some government assistance here for a short period. Breed: High breed is vital for poultry, livestock, fishery and agricultural produces like potato, tomato and various kinds of seeds. In order to reduce the costs of production of these items there is a need to introduce high quality imported breed of all these items which are expensive. The imported mother breeds of animals and seeds etc have to be nurtured to produce a few generations of animals and products respectively over some years so that per unit costs of these items go down and sold to the farmers at reasonable prices. There is no tariff problem any more. The last government reduced tariff on all these items substantially and also gave subsidy to the high breed imported cattles. Some people took advantage of this facility, but some of these animals died because of lack of proper habitat for them. Business people are gradually learning the intricate processes of rearing these animals brought from other countries. Such learning process will take some time. Bank Loans: Bank loans for this industry is difficult to get because some of these activities, e.g. seed industry, is not recognised as industry in the banking sector. Further, high interest rates (about 13-14 per cent), bribes, paper works, delay in approving and requirement of collateral etc., act as real hindrances. The agricultural banks are in shambles. Management: The concept of least cost production, optimal input combinations, inventory management of inputs and outputs, technical processes, personnel management, and marketing have not crept into this sector yet. The main bottleneck seems to be the availability of trained manpower of the type of managers, machine operators, repairers, tool makers, on the

one hand, and veterinary doctors and assistants on the other. Administrative Incoherence: Vaccine, medicines and vitamins have to be certified by Drug Administrations, which is under Health Ministry while the administration of Livestock and Poultry is placed under the Ministry of Agriculture. This creates additional redtapism and file shuffling, which leads to waste of time and money. Further, the government does not have clearly delineated cattle development policy, breeding policy, and milk production and marketing policy which are needed for integrated production, input and output pricing and distribution system. When Mafia groups take away cattle or stop the milk supply van for ransom the government agencies like police are not helpful. Infrastructure: What is most crucial for both agriculture and agro-based industries across the country is infrastructure. Availability of road and water transport, telecommunications, cold storage and grain silos facilities are the most vital elements in the development of these sectors.

Concluding Observations
Bangladesh has been caught in a double trap, poverty and external debts. In order to move out of these traps, Bangladesh has to accelerate its rate of export growth, investment, productive employment of cheap labour and land which will automatically alleviate poverty. For this to happen, development activities have to be shifted from urban centres to the rural areas where land and labour are available in relative abundance. This will provide an opportunity to produce on a vast-scale both agricultural and non-agricultural outputs at cheaper costs than in the urban-centred industrial areas which will boost exports as well as domestic production, employment, income and consumption. But there are some obstacles to the development of the latter at its present stage: problems of availability of feed, breed, bank loans, managerial services and infrastructural facilities. On top of these, there is also the administrative incoherence. The government should address itself to these problems at the earliest opportunity to facilitate a rapid all-round development of the economy so as to get out the double trap that the country has gotten into.

The Illusive Ganges

by Kazi Alauddin Ahmed

The stark reality to be faced by Bangladesh is the scanty discharge of Ganges water in the Hooghly river for navigation of the Calcutta port. The separable quantum of water for Bangladesh after their own necessity is met, may not be at all adequate.

FORMER Prime Minister and now Opposition Leader Kheda Zia has recently raised a very pertinent question. She could not see eye with the Government's decision to send Foreign Minister Abdus Samad Azad to meet West Bengal Chief Minister Jyoti Basu in Calcutta on an urgent mission. In her objection, she had presented a simplistic equation that would naturally bring the Indian Foreign Minister I K Gujral in par with his counterpart in Bangladesh. Any other Central Minister in New Delhi would have also met the normal protocol. That was what Begum Zia wanted to indicate.

Ordinarily, the conjecture of the Leader of the Opposition would get the nodding approval of all and sundry. But, there is yet something more beyond the cut line which she perhaps would ill-afford to see. Mr Azad's dash to Calcutta immediately after his return from China could be treated with compassion in consideration of the overall national interest that necessitated such an unusual departure. Obviously, it was on the burning issue of the sharing of the Ganges' water where the state of West Bengal has a most legitimate say. And notwithstanding the positional status of the veteran Chief Minister of West Bengal, his personal stature in the policy decisions of the Indian Government can never be underestimated. Mr Jyoti Basu has been practically enjoying a unique position in the political arena of India for long. Even though he does not occupy a seat in the Central Government the latter attaches high priority and importance to Jyoti Basu in run-

ning the affairs of the government, particularly, on national issues. In fact, Rajib Gandhi or for that matter, his illustrious mother, the Iron Lady of India Mrs Indira Gandhi also did never hesitate to have prior consultations with the octogenarian Chief Minister of West Bengal on almost all matters of national importance. They would never have considered Mr Basu's political thinking as a stumbling block in seeking his advice. This has been practically a legacy or, rather, a practice since the days of Pundit Jawahar Lal Nehru, the first Prime Minister of independent India.

From the realistic point of view also, the objective of obtaining a rational dispensation of the Ganges' water would be inconsequential if West Bengal is not treated as a relevant party to the issue. No emotional bickering from either quarter here would ever change the reality of the situation. It must not be forgotten that Calcutta port and its navigation is very much dependent upon the flow of the Ganges' water. Naturally, it will be an act of stupidity to think that irrespective of their requirement we must get our share. It is understood from the available technical data that during the lean period the water level of the Ganges at the Calcutta port goes down to an insignificant flow of 35000 cusecs only. This happens due to di-

version of the waters to atleast two more states of India geographically located at the upper catchments. Therefore, and the practical situation being taken into prime consideration, our full requirement of water cannot be met. However, given the goodwill, the Government of West Bengal may condescend to part with an equitable quantum of the waters purely on human grounds. In this, the proposed technical experts' committee of the two countries may be expected to come up with a reasonable tangible solution of the problem permanently as already agreed between the two Foreign Ministers sitting in Dhaka. The salient feature of the recently concluded apparently intimate discussion between Foreign Minister Abdus Samad Azad and his Indian counterpart Mr I K Gujral may be traced in the observation of the latter during his pre-departure Press Conference in Dhaka. Mr Gujral had categorically stated that there was no point in remaining tied to thinking and stubbornness of the past. Instead, he foresaw, the new Governments of the two countries were capable of forging new dimension leading to a permanent solution of the issue once for all. From the foregoing it shall be clear that the West Bengal Chief Minister Jyoti Basu has been, undoubtedly, a most vital

To the Editor

Imported newspaper
Sir, This refers to your recent notice informing the readers of the use of imported newspaper and hence the increase in price. I do not mind the price-like but would like to know: i) If our paper mills are in a position to produce the same type of newspaper, and if so at what cost? ii) Why a sensible daily like The Daily Star is patronising the import of newspaper?

Farzana Ishrat Lakshimpur
i) Khulna Newspaper Mills cannot produce the same type of newspaper. ii) Since we cannot get the quantity we require, we have to buy from open market. — Editor

Alma Mater
Sir, Well, here I am again, pretending to fight my lone battle against the big bad world, through the pages of the only friend I seem to have left — The Daily Star. After having attended the best schools, I felt that my daughters too should have nothing less — disregarding the fact that with a month's tuition fee, one can pay for a post-grad-

uate degree! Everything seemed fine, until the school decides to extend into 'Senior Section' with a few highly 'Phoren' trained teachers — and over 30 per cent of the students 'FLUNK!' That may sound acceptable — but, when a student's attendance is almost 100 per cent (with 7 to 8 hours of school); attends extra classes in school and does her assignments and projects, how can she be betrayed. Parents trust a school to give their children the proper education (without of course enquiring about the qualification, caliber, or experience of the teachers); and not to be told after 12 years in the same school, that their child is 'of average capability', "much below O-Level requirement", "is wasting her time", and many such adverse and insinuating remarks. That too would have been tolerable if the teachers felt the least bit responsible for a child's failure, perhaps a little 'sorry' too, (it's too much to expect — being ashamed). Now that 8 out of 26 students have been asked to repeat the year (not considering that this 'happy news' was given to them on the day they registered for a 'field trip' to Chittagong!); they may very well be asked to leave the school (in order to uphold the school's reputation) — and that perhaps may be the best thing the school did for them in 12 years. Munirul Haque House: 367, Road: 28 DOHS (New), Dhaka

Finest gentleman
Sir, Mr Aziz-ul Haq deserves sincere thanks from your readers for throwing a timely 'spotlight' on the career of one of our illustrious sons, alas now dead, Justice Mohammad Ibrahim (The Daily Star 13.10.96). I had the opportunity, long ago, in 1956, to hear Justice Ibrahim at the Curzon Hall where erstwhile Pakistan's education minister Mr Basanta Kumar Das was the chief guest at an informal reception arranged by the then Vice-Chancellor of Dhaka University. It was my first reporting assignment for PID and because of the thrill I could not resist my temptation to quote Justice Ibrahim who described B K Das (of Sylhet) as one of the 'finest gentlemen' of our country. Mr Aziz-ul Haq has rightly observed that Justice Ibrahim was a 'man of integrity — clean

in thoughts, words and deeds' as well as 'a man of few words but very effective in presenting his ideas in a nutshell'. My assessment of Justice Ibrahim, whom I saw from a distance for a long time, is that he, too, was one of the 'finest gentlemen' who had a dream that our people will one day inculcate the spirit of the 'human values of co-existence, cooperation and mutual respect' as has been aptly recalled by the writer. **Abdul Kader Basha, Dhaka**

A shame to police force
Sir, We are alarmed by the growing incidents of crime committed by police personnel and deeply resent it. What happened to Seema Chowdhury in police custody at Raazan in Chittagong is unbelievable. It is just like a horror story, where a human being suddenly turns into a devil in the name of law. Crimes committed by policemen are hundred times more deplorable than crimes committed by common people because they are employed to protect people and help them in any situation. If the protectors

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