

FOCUS

Towards a Contract with 21st Century

TWENTYFIRST century is only about four years away. Sea changes have been taking place in the economic landscape of the world. In this process, the fast growing East and South East Asia will likely be the nerve centre of the economic world in the Twentyfirst Century. Bangladesh borders that region but remains a marginal player. Can it lift itself up into a success story? For it to be able to do so, there must be a vision and a strategy.

My vision for Bangladesh is: a democratic, economically vibrant, inclusive, equitable, and stable society, based on high moral and social values. The policies and programmes should then be so formulated and implemented as to have the economy and society move along an appropriate trajectory as fast as possible towards that goal.

Where do the Nation Stand Now?

Before dealing with policies for building the future, let me briefly review the present socio-economic realities facing the nation, which obviously are the outcome of the past policies and programmes and the manner in which they were implemented.

The per capita income has grown at a snail's pace before as well as since the Liberation in 1971. It is therefore still one of the lowest in the world at about US\$240 (less than Tk. 9,000) per annum in current market prices. Moreover, there is gross inequality in the distribution of income as the top 20 per cent receive about 45 per cent of the total national income while only six or seven per cent accrue to the bottom 20 per cent. In fact, over the years, the share of the top 20 per cent has increased somewhat while that of the bottom 20 per cent has tended to decline. The available data indicate that some 50 million people or more are below a generally agreed upon food-poverty line, i.e. their calorie intake is less than the recommended 2,122 k.cals per day per person.

However, if one were to consider a human dignity line defined in terms of a reasonable minimum access to other basic needs of life, in addition to food, such as shelter, clothing, medicare, educational opportunity, and freedom of choice, the number of the poor would go up by millions. In other words, the majority of the population is languishing in living conditions below human dignity. On the other hand, a small minority is having it as good as anyone in the world.

The following statistics, which relate to the poor, would illustrate in concrete terms the kinds of indignities, marginalisation, and inequity the poor suffer from. The infant mortality rate is about 80 per thousand live-births and malnutrition is widespread. The officially stated adult literacy rate is 65 per cent. Moreover, about half of those counted as literate may not be functionally literate i.e. they may only be able to write their names and read a little but cannot write or understand a letter or a document. One-third or more of the labour-time available in the country is unemployed and most of those who are employed in such occupations as agriculture, non-farm activities and ordinary services suffer from very low productivity and very low income.

Despite substantial economic reforms (structural adjustments) carried out since the



Despite substantial reforms carried out since the late 1980s, the economic growth rate has averaged about 4 per cent in the 1990s, no better than in the 1980s or the 1970s . . . A pathway needs to be defined — to follow towards realising the vision of a democratic, inclusive, economically vibrant, equitable and stable society based on high moral and social values, writes **Qazi Khaliquzzaman Ahmad**, Chairman, Bangladesh Unnayan Parishad.

of two sets of relationships: human-human relations and human-natural environment relations. The first set subsumes all the characteristics (democracy, equity, inclusiveness, stability, and human behaviour pertaining to economic activity and relations) that were invoked in defining the vision. The second set is concerned with the sustainability of life and economic growth.

Clearly SHD is a people centred approach i.e. people must be put first in the development strategy. In Bangladesh, such a strategy would focus on, among others, the following six core elements - limiting the population size, cultural realities, development of people's capability, appropriate utilisation of that capability, people's harmonious relationship with the natural environment, and democratic governance.

Suggested policy directions in these broad areas towards developing a comprehensive people first policy framework for sustainable human development aimed at realising the vision enunciated earlier are outlined below.

Suggested Policy Directions

a. Demographic, Social and Cultural Issues

DEMOGRAPHIC REALITIES: Towards developing a comprehensive people first policy framework for SHD, demographic realities would appear to be the logical starting point.

Bangladesh has a large, fast growing, and young population. The first two are severe constraints while the third implies an opportunity in terms of potential human capability. The current population is close to 120 million and is growing at an annual rate of 2.17 per cent - a daunting prospect in the com-

ing years and decades, given that the present population density is over 800 per sq. km. Hence, the need for population control is extremely urgent. On the other hand, about 45 per cent of the population is below 14 years of age and about 54 per cent below 19, a huge potential human power.

A two-pronged strategy is therefore needed. On the one hand, all necessary actions, including educational and motivational aspects and access to safe birth control devices, should be continued/ strengthened/undertaken to reduce population growth as fast as possible. And, on the other, appropriate policies and steps will need to be vigorously pursued to ensure proper mother and infant care and healthy growth of children as well as the best possible development and utilisation of the potential human power. It may be noted here that the examples of the developed countries and of the educated and rich in the developing countries indicate that education and economic upliftment necessarily induce birth control. In this context, emphasis placed in SHD on education and poverty alleviation is in the right direction.

SOCIO-CULTURAL ASPECTS: For a process of SHD to succeed, it must have wide social and cultural acceptance and preparation among the people. Hence, in designing and implementing the policies and strategies, the cultural realities of life in the country - mundane and spiritual, individual and collective, finer values and human relations - will need to be taken into account. In fact, a major emphasis must be on cultural promotion and renewal in order that appropriate SHD policies and strategies are rooted in the prevailing realities and owned by the people themselves.

In this process, basic education (literacy, numeracy, life skills, awareness about one's own environment and inner strengths, benefit of cooperation), and basic training aimed at enabling the people at large to pursue their chosen vocations effectively will be crucial considerations in education, training and technology policies that will be pursued.

b. Economic Policy

The guiding principle is that no dogma, be it state centred or market centred, must be pursued. Pragmatic approach is needed. This means that appropriate roles will be performed by the state and the market forces, in response to the existing and emerging realities. A broad guideline is that production and distribution of goods and services are the domain of the market, while establishing and enforcing a level playing field is the responsibility of the state. But, depending on the ground realities, using such tools as monetary and fiscal policies, budgetary allocation, and institutional support, the government can seek to influence the allocation of resources in certain respects in the overall national interest in the context of SHD, instead of leaving it all to the market prices. Moreover, state initiatives and certain focused interventions may be required in certain fields of activity and also to ensure the flow of resources to social and productive sectors which are more poverty alleviating and inclusive than others and may also strengthen the national economic base to build on. For example, agriculture deserves attention in terms of policy and resources commensurate with its absolutely crucial role in the economy and so does environmental protection and enhancement.

Again, the policy must address the priorities of the people at large - such as improving women's socio-economic status, employment, training, health, infrastructures (e.g. irrigation facilities, clean drinking water supply, electricity, transport facilities), and environmental protection and enhancement - in the context of long term objectives (such as those embodied in vision as defined earlier) of development. It must not be crisis-driven as has generally been the case in this country, including the introduction of the stabilisation and structural adjustment programmes (in response to fiscal crisis - balance of payments deficit, inflation)

Crises should be anticipated as far as possible and preventive and curative steps taken as required.

The first priority in Bangladesh, in the context of SHD, is poverty alleviation. Indeed, the real test of whether our's is a truly civilised society depends on how the poor multitudes are treated. But a process of sustained poverty alleviation through redistribution of income in a stagnant economy is a non-starter. Hence, it is necessary to accord a high priority to accelerating economic growth. But any type of growth will not do; it must be growth of a kind that has poverty alleviation built into the growth process. That is, such strategies will have to be pursued as will not only accelerate economic growth but will also open up equitable opportunities for all segments of the population. In this context, a high priority should be given to productive employment generation for the unemployed in various sectors of the economy and to raising productivity of those employed but suffer from low productivity.

For raising the productivity, the crucial factors are trade and management training and access to other services and facilities on the one hand, and technology on the other. The level and type of technology may vary from sector to sector. Upgrading of technologies will be needed in agriculture and rural non-agriculture sectors. At the same time, modern technologies will be needed in more sophisticated sectors such as informatics and management and other modern equipment and machinery. However, technology policy should be so geared that scarce resources are allocated in a manner that accords priority to, for example, cheap but efficient irrigation facilities, better quality ploughs and small tillers, and better bus services as opposed to cellular telephones and better vehicles.

Since Bangladesh is primarily agricultural and rural, the primacy of agriculture and rural non-agricultural sectors should be recognised and policies and strategies introduced/strengthened to encourage increased flow of resources and institutional support to these sectors. Special agricultural and rural non-agricultural support schemes may be introduced if found necessary. In a broad sense therefore the industrial sector will play a complementary role. But the right kinds of industries will have to be identified and encouraged. Policies should be so formulated that a coordinated development of both agriculture and industry through exploitation of forward and backward linkages can flourish.

c. Environment Policy

Along with poverty alleviation, environmental protection and enhancement are of critical importance in SHD. But, conservation of natural resources must be pursued in a manner that will create new investment opportunities rather than constrain them. People in local

communities should be the primary stakeholders in this process.

Environmental strategy should therefore be developed within the framework of a participatory, integrated socio-economic-environmental planning process, highlighting and prioritising feasible actions. Pollution control standards should be developed/improved in relation to various types of pollution (air, water), and adherence thereto will need to be made binding on all concerned. Institutional and legal aspects should also be examined and improved/ redesigned as necessary. Since various ministries are involved in environmental protection and enhancement, it is necessary to develop and effectively implement an appropriate coordination mechanism.

d. Governance

People's effective participation in governance at all levels - from local to national - is a sine qua non of a democratic society. Hence, while the national parliament should be the hub of national policy making, effective local government institutions will need to be developed with appropriate devolution of power. And there must be transparency and accountability in the governance process. A responsible opposition is also a prime requirement.

The democratic governance structures at different levels can be utilised to establish appropriate linkages between macro, meso and micro policy and action dynamics for a healthy policy regime encompassing all spaces for sustainable national development with the people effectively participating in the process and equitably benefiting from it, both individually and collectively.

An essential prerequisite for a democratic order is the establishment and maintenance of law and order and the rule of law, which must therefore be ensured. Corruption and violence are much discussed and denounced but continue to pervade the whole society deep and wide. Corruption in the forms of speed money and hidden cost is a major stumbling block hindering the nation's economic and social progress. As a matter of fact, corruption and violence are a severe cancer in our body politic. All necessary steps must be mounted and pursued with dogged determination to rid the society of corruption and violence.

Finally, it must be recognised that foreign policy has a critically important role to play in the increasingly globalising and interdependent world. Economic diplomacy should be carefully crafted and diligently pursued to maximise the benefits derivable from the existing and emerging opportunities in the highly inquisitive international arena.

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DEPTHnews

Rice or Rights: Whose Responsibility?

"Most hungry people are those affected by mass famines striking a particular area at one time. Most of those who die of starvation are victims of a quiet but on-going famine that continues day in day out."

by M A Sabur and Khaled Ehsan

child stunting is 24 per cent. Regionally, only Nepal has a higher rate of child stunting than Bangladesh.

The priority that has been accorded to rural development in Bangladesh is politically motivated in that successive government came to power largely on a popular slogan for structural change and development in the rural sector. Underlying the political imperative, however, are the socio-economic realities of abject poverty and landlessness arising from the existing agrarian structure, which curtails people's political power on the basis of their access of food. In contrast, the need for a national strategy to address problems of food insecurity, migration, urbanization and rapid urban growth, largely stemming from rural problems has only gradually been perceived, and that in piecemeal fashion: even now no comprehensive strategy has been fully articulated by the government or NGOs. Why?

To a considerable extent the inertia may be attributed to the fact that the root cause of food insecurity lies outside Bangladesh. It is some twenty years since the 1974 World Food Conference, where the unfulfilled promise that within a decade no child would go hungry was made. The US Secretary of State, Henry Kissinger, had then announced that within a decade no child would go to bed hungry. Salvation, he pledged, would come from US-grown cereals. So successful was the subsequent drive to maximize food production in America and Europe that by the mid-1980s US and European surpluses went out of control and the nightmare of shortage had given way to debates over whether to dump the glut in the Atlantic or use it to fuel power stations. Far from resolving

the problem of world hunger, dumping cheap food in Third World markets compounded it, destroying local agriculture, undermining rural employment and creating a dependence upon food aid or imports. Thus ended free trade and increased US food production over the 20 years since the first Food Conference have worsened the malnourishment situation among the poor.

The world produces enough food for all its inhabitants and likely to do so for the foreseeable future. In actual fact the world produces 350 kg of grain per person a year. The average person needs about 220 kg of grain each year, that is around 2,100 kilo calories. Nevertheless out of the 5.7 billion global population more than 800 million people in the developing world alone live with hunger and malnutrition. The major priority in this context is how to improve effective demand. This in itself will bring increases in production as well as assist the redistribution of food stocks. The two main mechanisms for increasing effective demand are the reduction of poverty and access to markets.

A third element is the creation of fairer world markets. Is there a free and fair market in world agriculture? The industrialised countries spend US \$185 billion subsidizing the production and export of farm surpluses that is 10 per cent of the value of production. Each farmer in the USA, the world price-setter, receives an average subsidy of US \$16,000 to produce surpluses for export to countries like Bangladesh where the entire income of local producers represents a tiny fraction of this.

People have the right not to go hungry in a world where there is enough food to feed everybody. Access to food is basic

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