

Fire-eaters — Why?

The dripping of blood at the Savar village Sadapur on the Muslim prayer-day — Friday — must be the most avoidable of law and order tragedies ever to have befallen us. One might just be tempted to make a wise-crack: well, an incident in a public-lawmen encounter may look avertable in the after-thought, but traced to the provocative circumstances proximate to a violent clash, it might not appear to be so. From the published facts of the Sadapur brawl we are so convinced about the avoidability of the incident that we debunk a de-traction like that as taking the participants' view — meaning that of self-righteous mob and the Ansars both.

Just take a re-look at the unrestrainable mob snarling at the presence of a 15-member-strong Ansar camp on a land they wanted to make use of without having any ownership right, which on the contrary belonged to a certain group of industries. At the other extreme has been the reckless firing by the Ansar personnel when being mobbed and feeling threatened reflecting a thoroughly impulsive and irresponsible behaviour, especially when this seems to have been resorted to with scant regard for the standard practice of firing blank shots to warn off approaching mobs.

Some very pertinent pointers need to be directed to all concerned: why did not the local people approach the police at Sadapur with their problem? And if they had done so, why did the police sit over the matter when this had been brewing for over a month since the setting up of the Ansar camp? Why didn't the Ansar authorities take timely precautionary measures to ward off trouble in tandem with the police? Finally, why did the local police fail to act anticipatorily on their own?

These questions beg answers through a well-made inquiry as we condole the deaths of the farmers and sympathise with both the wounded members of the rural community and the Ansar camp and share the woes of the bereaved families. Knowing that material compensations would be little consolation for them, let these be given to them anyway, but spare us a recurrence of such things by all means.

DU's Research Base

An institution of Dhaka University's prominence and age should have, by this time, developed a solid base for advanced research and experiment in all branches of the physical science. Unfortunately this has not happened and why it has not happened is hardly a palatable story. The perennial problem of fund constraint has been detected as the main villain but at the same time one must note that those who allocate the fund refuse to recognise the need for large funds for the science departments. The lack of planning and policy formulation for the purpose together with lack of coordination between the science faculty and the planners are quite evident.

While we routinely complain of fund shortages, there are indeed cases of wastage of resources as also of misplaced priorities that one comes by. Universities elsewhere enjoying similar focal positions in terms of national hopes and aspirations but boasting a less illustrious heritage have developed a system of receiving huge funds for fundamental research and higher studies in scientific disciplines. But we have a notion that it is futile to spend money on fundamental research and experiment because it is cheaper to make use of the results and conclusions produced in foreign laboratories. We beg to differ. We have a vast area of scientific and technological inquiries to make, keeping always in mind our local conditions.

Dependence on the age-old system of research equipment and scarce funding cannot be the science faculty's fate. Those involved in science must know how to procure funds. Now that big industries and business establishments are coming up in an increasing number, a mutually beneficial collaboration between the university and them is possible. Funding a research programme by a company or two at the DU is not outlandish at all, organisers of post-graduate studies and research can thus manage funds if the related industries or companies are convinced that the research results would be financially profitable. That our university students have talent is a proven fact judging by their achievements in laboratories abroad. The university that had Satyen Bose as one of its teachers should not have any doubt about its scientific potential. Once the DU takes up the matter seriously, the industrialists and business entrepreneurs will not lag behind in funding research for development.

Our Heart Goes Out...

Closest to our heart at the present moment are the quake victims of the remote districts of Baluchistan and Iran. The numerous people who died in the Friday tremors measuring 7.3 on the Richter scale in its first appearance at Harnai near Quetta, only 113 kilometres away from the epicentre, and then slightly tapering off to 6 points in Iran, cannot obviously be brought back. But those who have survived, many of them in maimed conditions for sure, are in dire straits crying to be helped out.

The minute-long heaving of earth in that mountainous region with tectonic plates underneath being conceivably in a droning movement razed the fragile mud-houses to the fault-lined ground sending the particles whirling into the black-holes, as it were. With the massive land slides occurring many families must have perished or were trapped inside the ripped landmass. In that hostile and desultory terrain communication links have been snappy, and the quakes have only made these unworkable now. That needs looking into if success is to be reached out.

In these parts of the world, warnings of natural disasters have a way of coming through the courtesy of monitorings or detections abroad.

In the present case, it is the US Geological Survey in Colorado which determined that the quake was centred east-southeast of Quetta. Local capacities need growing.

Our heart goes out in sympathy for the courageous people of Baluchistan and north-west Iran, who have been stricken down by the tremors.

Donors' Mid-term Review of Bangladesh Economy

The donors seemed to have suggested that government revenues could be increased by raising the prices of fertiliser, gas and petroleum products, on the one hand, and government revenue expenditures could be slashed substantially by privatising the State-Owned Enterprises (SOEs) to reduce the overall budget deficits, on the other.

THE mid-term donor review of Bangladesh economy held in Dhaka (February 25-26) under the chairmanship of the Finance Minister, Shah AMS Kirbia, has just ended with various important observations on the state of the economy. Before one discusses the implications of these observations, one would like to congratulate the Finance Minister for shifting the venue of this meeting from Paris to Dhaka. Apart from anything

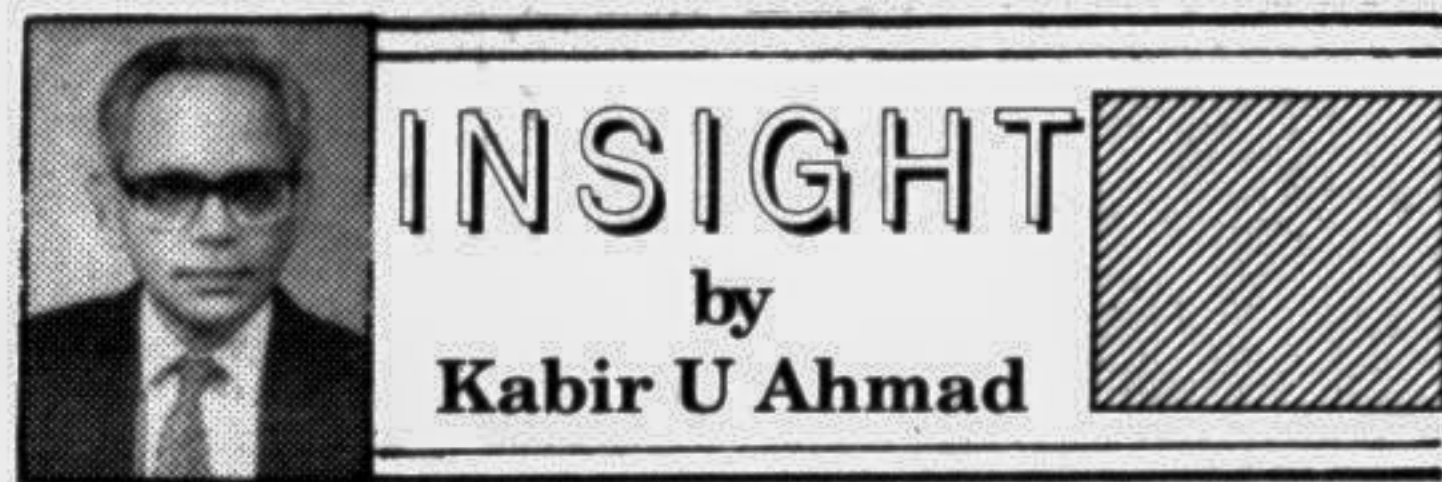
the huge amount of outstanding bank loans from the defaulters running up to about Tk 15,000 crore (over \$ 3.5 billion at the current exchange rate).

Are There "Threats" to the Economy?

Since the aid mission saw some indications of, perhaps implicit, "threats" to the macroeconomic variables of the country, it is worth exploring where these "threats" could come from. As an independent

However, the second major channel of hemorrhage is the banking sector. About Tk 15,000 crore (\$ 3.5 billion) is stuck with the loan defaulters, and, as a result, some of these banks need capital infusion almost every year. Eventually, the burden of keeping these banks surviving falls on the tax-payers' money.

The point of all these is that unless the government stops these hemorrhages, it cannot find sufficient resources to meet



INSIGHT
 by
Kabir U Ahmad

else, it gives the high level representatives of the donor countries and agencies (about 50 in number) an opportunity to see for themselves the progress of the projects that they have been funding as well as the state of the economy itself. Further, it may also have the additional benefit of holding the project implementing departments/agencies more accountable than they have been so far about their performances to their financiers. If at least some of the on-going projects are visited and inspected by the high level representatives of the donors at least once a year, there can be no doubt that their implementation will be faster. Such unexpected fall-outs of holding the mid-term and annual donor meetings in Dhaka will be the most beneficial effects that the country can reap in its present state of poor project implementation. One hopes that this happens and the venue of the aid club meetings remains permanently in Dhaka.

Outcome of the Review Meeting

What are the results of this mid-term review? In the absence of any official press handout from either the donors or the Finance Minister, one has to depend on the newspaper reports. Without going into the diverse newspaper presentations of the views by donors and the government, it will be, perhaps, fair to say that there were very open and free exchange of views by both sides as well as expressions of some concerns by the donors about the trend in various macroeconomic variables. The donors must have expressed their satisfaction on the prevailing low level of domestic inflation and opening up of the infrastructure sector to foreign investors, but at the same time, must have expressed their concerns over the slow growth of revenue collections, exports, domestic savings and external reserves, as well as heavy public borrowings, fast rate of rise in imports, slow growth of the industrial sector, and the slow implementation of ADB projects and structural reforms. This latter group of factors indicate that the country's economy was somewhat "threatened but not alarming" which need correction, according to the World Bank's Chief Economist on South Asia. The government side must have defended its position and stressed on the difficulties that a new government usually faces. There couldn't have been any fireworks, as it were, rather there was mutual appreciation and understanding of each others' positions. There was neither any threat to cut the committed aid flow nor any new promise of further aid for the current financial year.

However, the donors seemed to have suggested that government revenues could be increased by raising the prices of fertiliser, gas and petroleum products, on the one hand, and government revenue expenditures could be slashed substantially by privatising the State-Owned Enterprises (SOEs) to reduce the overall budget deficits, on the other. They also have emphasised on the recovery of

observer of the scene without any partisan political interests, one would like to widen the scope of the sources of this "threat". One sees two important sources: political and economic.

As has been emphasised before in these columns, this writer believes that politics occupies the apex position in the socio-economic framework of a society. Politics, therefore, is above everything else. If politics is not clean, fair and just, instability will occur and the socio-economic fabric, however stable, it may continue to be for sometime, will eventually go through major upheavals with devastating effects. For example, over the last 30 years or so the world has seen how the fast growing economies of Iran, Iraq, Pakistan and Philippine etc., have been thrown out of gear by wrong politics of the respective countries. It seems, the politicians in Bangladesh have not learnt the lessons. In the living memory of the last twenty-five years of the country, series of political upheavals have taken place for wrong politics. The way the government and the major opposition party in parliament are behaving and bracing themselves up for street confrontations, it looks like the events of 1994-96 are going to be repeated in the coming years with terrible effects on the economy. One doesn't wish it, but this is the political source of threat to the economy that one sees in the near future. Both sides should moderate their positions for the sake of the country's development.

On the economic front, with all good wishes for the new government which has accomplished something very tangible like the Thirty-Year Water Treaty with India, one notices that it has not been able to come to grips with the fundamental weaknesses of the public sector management and place the engine of the productive sector on the fast track of growth. These observations need explanation.

The government is the manager of the public household, including its administration. Directly and indirectly, government in this country is the main resource allocator influencing the entire economy. Public sector has become the source of heavy resource wastage or hemorrhage, as it were. One channel of such hemorrhage is the losses incurred of about Tk. 2.5 billion (over \$ 600 million) every year in the SOEs. It goes up every year. A few years ago, it was about Tk. 2 billion. Apart from these SOEs, there are other regular loss making government departments like Railway, Post Office, T&T and others. The annual government grants to private Madrasahs has come to Tk 227 crore (\$ 53 million) this year which was Tk 200 crore until last year. Incidentally, the budget for the universities is only about Tk. 160 crore. There are many other small unproductive departments financed by the government for decades but rarely produced any tangible results. Government administration is overstuffed, a cut in the manpower will save a huge amount of tax-payers' money.

the mandatory requirements of rapid growth. With such a vast amount of resource wastage, no one can build an efficient economy. As a metaphor, one cannot build a multi-storied building on weak and fragile foundations. However, one positive thing is that the government's position on these have shifted specially on the SOEs. Its initial position was to improve the efficiency of the SOEs and if it failed to do so, only then it would privatise them. Now, the government is going for privatisation but going too slowly. They have to speed up the process because their burden on the national resource base is too heavy. Piecemeal attempt will not minimise the losses in the shortest possible time. Similarly, the government's attempt to recover the bank loans must be firm-handed and drastic. Otherwise, it will not be able to accomplish much. One wishes the government success in these attempts.

The other threat comes from the government's heavy borrowing from the banking and the private sector. This means that the budget deficit is widening. In an open free market economy, it has a number of consequences. First of all, it will mean higher interest rate in the domestic economy with its adverse effects on private sector borrowing. It will slow down industrial development. Secondly, with the present trend of higher rate of imports compared with that of exports, it will exercise pressure on the exchange rate which means the country's export competitiveness in the outside market will deteriorate. In order to combat this situation, government will have to keep devaluing the currency.

The Solution

The solution, therefore, is not heavy borrowing but raising tax revenues. One thing that has not featured prominently in the mid-term donor review is the room for raising direct taxes. The amount of direct taxes especially income taxes collected in this country is extremely poor. One is told unofficially by high level officials that the richest men in the country do not pay income taxes. The government should put in a major effort to tap this sector for raising its legitimate share of revenues. Whichever cities or parts of any city one goes to, one finds that the construction of apartment buildings are coming up and public roads are used intensively for this purpose. Do they pay for the repair and upkeep of these public roads? If income is hidden by these or similar other people, why not tax them on their visible assets and consumption items? One can also suggest that there are too many cars on too few roads in the country. Import duties and VAT on the import of private cars and other luxury items could be increased to raise revenues. There seem to be effective ways of raising revenues from those who have the ability to pay but are not paying. A skillful strategy of tapping this sector will definitely improve the revenue base of the government at this critical stage of the economy.

Fresh Hopes in the Middle East

The deal between Palestinian leader Chairman Yaseer Arafat and Israeli Premier Netanyahu over Hebron, seems to have cleared the most dangerous obstacle to the peace process.

ISRAELI Prime Minister Benjamin Netanyahu's latest visit to Washington appears to have set the stage for comprehensive settlement of the Middle East problem. President Bill Clinton appears ready to take the peace process to its next logical stage, involving other players — notably, Syria.

The deal between Palestinian leader Chairman Yaseer Arafat and Israeli Premier Netanyahu over Hebron, seems to have cleared the most dangerous obstacle to the peace pro-

cess. The peace process, which was progressing smoothly ever since the historic hand-shake between Chairman Arafat and late Israeli Premier Rabin on the porch of the White House with a beaming Clinton looking on, appeared to have derailed as tension continued to escalate over the West Bank town of Hebron. Few hundred Jewish settlers nearly succeeded in torpedoing the majestic peace process.

Now that the Israelis and the Palestinians have engaged in working out details of the Hebron agreement and barriers between them are daily breaking down, it was natural that 'honest broker' USA would undertake the task of moving forward the peace process in right earnest. It is a sign of the times that 30 Palestinian women languishing in Israeli jails on various charges would be released with so little fuss.

The first brick in the peace process was laid as far back as 1979 when Camp David Agreement was signed between Egypt and Israel. I was Bangladesh Ambassador to Cairo then. The tension in the air was so thick that you could cut it with a knife. President Sadat of Egypt made the historic journey to Israel and Jerusalem and prayed at the Holy Al-Aqsa mosque. The Camp David was the first breaking of ice between the Arabs and Israel as the first-ever Israeli flag flew over an Arab capital — Camp David.

The first Egyptian flag flew over Tel Aviv. The two leaders were revered by many in their own lands and ultimately fell to assassins' bullets.

If the deal between Egypt and Israel was a difficult one, the deal between the Palestinians and the Israelis was a heart-wrenching one. Following the 1967 war which led to the occupation of Arab land by Israel, in order for the peace process to move forward, Israeli aggression had to be vacated. The Egypt-Israel accord was signed during the presidency of a Democrat — Carter. A full 12 years had to elapse and the return of another Democrat — Bill Clinton — to the White House, for the peace process to take another leap forward.

The first-ever meeting in the White House between Chairman Arafat and Premier Rabin was a historic event by all account. Mortal enemies Palestinians and Israelis were burying the hatchet. It is admitted by all that Palestine is the heart of the Middle East conflict. Once that conflict is removed from the scene, the other pieces are bound to fall in place. It is, therefore, no wonder that Israeli-Jordanian peace accord was signed without a hitch and daily new bricks are being added to the Jordan-Israel edifice. In order to re-launch the peace process, Bill Clinton had to pick up the thread with Egypt, Jordan and Palestine. These leaders will shortly visit Washington and engage in serious negotiations regarding taking forward the peace process.

President Clinton had met President Hafez Asad of Syria

from outside the region may be considered.

If the peace process has reached the present stage, it is due to the total involvement of the sole superpower USA. The world has wrestled for the better part of the last half century with this single problem — Middle East. It has seen wars, repeated attempts at peace making notably through the UN and all came to nothing. As we stand at the footstep of the end of the 21st century, we witness that the co-chairman of the Middle East Peace effort — the



The Horizon This Week

Arshad-uz Zaman

as she is daily learning with the other Arabs. A deal with Syria will automatically involve Lebanon, so heavily dependent on Syria for her security. There will be no justification for Israel to hang on to South Lebanon, once she will have vacated the Golan Heights.

France, who has historical and cultural interest in Syria and Lebanon, has come forward to play her role in the peace process. This initiative of France should be welcomed. Israel has hung on to Golan Heights and South Lebanon, on the ground of security concerns. In the final peace settlement, for a period stationing of forces

Soviet Union — has taken leave from the world stage and the sole superpower USA is carrying the process forward.

Early in his first term President Bill Clinton achieved the remarkable feat of laying the most important brick in the peace process — reconciliation between the Palestinians and the Israelis. It is right that he should undertake the completion of the peace process early in his second term. He will, thus, put a final seal of success in the peace process in that powder keg — the Middle East. Bill Clinton will thus go down in history as the greatest peace maker of our times.

Art Buchwald's COLUMN

Bronco Ride Ends

THE remaining dregs of the O J saga were played out on television last week. Prosecutors, defence lawyers, trial lawyers, accountants and jurors were all having their final say as our long national nightmare was drawing to a close.

Chris Decatur and I sat on the couch feeling very depressed. "What do we do now?" he asked. "We needed O J Simpson more than he needed us."

"I don't want to live in a world without Marcia Clark, Chris Darden and Bruno Magali shoes," I said.

Decatur said, "We all knew that someday it would be over, but we didn't want to face it. Like fools we thought that the white Bronco ride would go on forever."

I said, "When the glove didn't fit O J, I thought we were guaranteed a mistrial. That would have given us two more years on Court TV."

Decatur said, "How can television make it up to us for taking away our bread and circuses?"

"There is a show on NBC that tells the true story of a murder in Texas. It's called 'Love's Deadly Triangle: The Texas Cadet Murder'. One of the accused murderers is a naval cadet and the other is a cadet at the Air Force Academy. The person they killed was a beautiful high school student."

"I'm not interested in watching a fictitious melodrama on TV after OJ."

"It's not fictitious," I told him. "It's a true story of passion and homicide committed by two allegedly rotten people who, thank God, never made it as officers in the armed forces."

"Were they tried and convicted?" I asked.

"No, that's the point. They haven't even come to trial, yet, NBC is showing us an enactment of the crime before the jury is sworn in."

"I don't think that that's fair."

"There's nothing fair about TV. It's show business — and even the news is now put to music. NBC's philosophy is that if a person is accused of committing a crime, the networks have a duty to show the public how they think it was done, even if the trial hasn't taken place."

"So TV programmers are saying that none of us is innocent until proven guilty?"

"It depends on what the ratings are. They are much better when the person on the screen is portrayed as a killer rather than an innocent bystander."

"Well, let's watch it. If it is a success, I'll bet we'll see hundreds of shows where the networks try the accused before the courts can even round up a jury."

We tuned in the program and saw the two cadets living their alleged guilt-ridden lives in Texas after the crime. Toward the end we were treated to scenes of the murder which were brutal and sickening.

There couldn't have been a person watching who wasn't convinced of the depths of the guilt of both cadets.

Decatur and I agreed, if you can't get O J Simpson, you have to take anything the network give you.

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OPINION

Unemployment and Responsibility of Government

F Ahmad

There is no doubt that the government in a country like ours cannot do all that it is committed to unless there is support from the rest of the society, the private sector entrepreneurship in particular. There is, however, no denying the fact that reduction of unemployment through creation of additional job opportunities is not only a responsibility but also an avowed objective of the government in Bangladesh. With the population going up by about 2 per cent annually, there is an annual addition of at least 50,000 graduates/post-graduates of different disciplines to the existing millions of unemployed. Although official estimates put the unemployment rate at about 20 per cent, the fact is that it would be well over 30 per cent i.e. about one-third of our employable population is unemployed. This is a catastrophic situation and is likely to explode in no time but the authorities seem to be hardly concerned about the gravity of the situation. With the private sector playing virtually a stagnant

role and there being little industrialisation and other economic activities, the government is naturally expected to play a more positive role. But all we see is that there are government advertisements through the PSC for recruitment of about 1000 candidates annually that again comprising mostly doctors/engineers and other technical hands. The number of administrative and other cadre recruits is generally very small whereas the unemployment of these general graduates and postgraduates is the highest, may be around 50 per cent.

In view of the above and in order to make the economy more viable and less plagued with a high rate of unemployment with its socio-economic repercussions (which any enlightened citizen could easily imagine) the government may:

1) consider recruitment of at least 1000 class-I officers and 2000 class-II officers in different general cadres annually; 2) encourage the private sector entrepreneurs to employ (in lieu of tax benefits for new industries employing substantial number of employees) more young graduates and others; 3) offer new and meaningful self-employment schemes so that young educated people can take advantage of. In addition, the government especially the Department of Manpower should really work hard to arrange foreign jobs for our young people even by paying all the costs in advance for recovery at a later period. This will not only reduce unemployment at home but will also open opportunities for increased inflow of foreign exchange in the form of wage earners' remittances thus auguring well for the nation's foreign exchange reserves, future investment and overall growth.

It would be highly appreciated if the matter is given due importance and serious thought by the government, the PSC, and the Department of Manpower in particular before it is too late.

To the Editor...

Fond of changes — why?

Sir, All of us are very fond of changes in moods, plans, designs and execution those in real-life today. The effects of these reasons are very disastrous and dangerous too. The attitude of the common masses regulates the life-pattern of our lives in every aspect of national endeavour. Harmony is found missing in offices, banks, business, educational institutions, universities, factories and literature as well.

We don't realise that patience has its own reward. In all situations, we tend to be restless and intolerant of other's opinions. Does it indicate that time has come to redefine ourselves for the good of our new generation? Time is running out.

Abul Ashraf Noor
 House No: 9, Road: 4
 Sector No: 5, Uttara, Dhaka

Electricity by using gas

Sir, We understand that with the help of bio-gas made by coudung of 5-6 cows or oxen,

food for 8-10 persons can be cooked and a gas light can be lit. Abundant natural gas is supplied to Dhaka city and some other cities and towns of our country for cooking.

We wonder if a lamp can be lit with the help of bio-gas, is there no mechanism available to lit a lamp with the help of natural gas?

In view of frequent load-shedding and shortage of electricity in Dhaka, can we not lit gas-lights through the connections available in our houses?

Would our Ministry of Energy and Mineral Resources and our experts concerned kindly enlighten us on the matter?

O H Kabir
 6, Hare Street
 Wari, Dhaka-1203

JS proceedings reporting

Sir, Not a single paper reports/covers the daily proceedings of the JS in a systematic manner, in summary form, time sequentially, for future

reference at a later date. (A) Some important issues are printed as separate news items.

At least one col. length may be devoted to a summary of the day, in addition to A. The lighter/humours write up is OK. The (all) subjects/issues raised/covered must be maintained, if not the details.

The periodicals have to devote a page or 500-950 words. The experts living abroad can't get a picture of the JS proceedings. This weekly summary can be prepared by the JS Sect or by a team of relevant NGOs. There is the question of funding for facilities and staff.

The spartan reporting by the leading dailies cannot continue like this for years.

The issue may be reviewed in the Editors Council/body and some better service offered to the readers, in consultation with JS Sect PIO.

A Husnain
 Dhaka.