

Party and the Govt

Prime Minister Sheikh Hasina has been inviting different groups of people to her office to exchange views on important national issues. A few days ago she met with the leaders of left parties who put forward the eminently important suggestion for scrapping the Special Powers Act (SPA). In the latest such parley with a group of intellectuals, the latter suggested that her government and party should be distinctively separate from each other. Another important and timely suggestion. This one upholds the best of parliamentary traditions. Although in a parliamentary democracy a political party is voted to power, the beauty of the system is that the government when put in place ceases to be a party-alone set-up; rather it assumes a national character, wholly and unambiguously.

So the tradition in developed democracies has been to separate the post of executive head of the government from that of the party chief. When Sheikh Mujib became prime minister, he handed over the responsibility of the Awami League to Kamruzzaman by making him the party chief. When the country returned to parliamentary system in 1991, Khaleda Zia did not revert to the traditional practice. So far there has been no indication from Sheikh Hasina either as to whether she intends to revive the democratically proven system.

The images of the ruling party and the government get merged when one and the same person is the leader of the party as well as of the government. Mostly because the chief of the government hardly feels the necessity of distancing himself or herself from the party position he or she holds. This must change — and change for the benefit of both. A government becomes corrupt by its too much closeness to the party. Similarly, the party does not get the attention and services it deserves from the prime minister and ministers because of their preoccupation with governance.

To rise above party politics and assume a distinct identity by drawing a line between where the party interests end and the national concerns begin, the government and the ruling party must become wholly separate. It is time for Sheikh Hasina to do this. As time passes, the image of the government and that of the party get blurred. In this context, can we suggest that she should also make separate appointments to the posts of secretary-general, organising secretary, etc. and not burden cabinet ministers with this extra task. This will also help further separate the government from the ruling party.

Who Wins in India?

The fall of Deve Gowda government in India has raised more questions about India's political drift than answered. As a democracy-loving neighbour of that country having had our own tales of political trials and tribulations, we cannot appreciate the Congress I's withdrawal of its support from minority UF government of like-minded 14-parties subjecting the Indian polity to a spell of avoidable instability and uncertainty.

Deve Gowda had been successful to a fault it seemed because he did what was only expected of him as prime minister: he kept from interfering with the process of investigations launched by the CBA in exercise of its independent writ into the allegations of corruption against political heavyweights who included some top Congress leaders. If this made some Congress heads roll then we must say that apart from being short-sighted the Congress has also proved to be extremely vindictive. A party which led India to freedom and ran a series of governments for all but five years since the country's independence in 1947, should not have lost patience on the Gowda government so early in the day knowing fully well that Congress would be exposed to criticism as a power-hungry party and a perpetual breaker of coalition governments since the Charan Singh days if it did so.

Since the major political parties, with the exception perhaps of the BJP, and the electorate as a whole seem hardly ready for the mid-term election, all sorts of permutations and combinations are likely to be tried out to form a new government and save the day for India. One only hopes that the principles of secularism and good neighbourliness which the Gowda-led UF government practised with a tangible improvement effected in the South Asian ambience will be followed by the next coalition government in India if that comes to materialise. Let the constituents of the outgoing UF government rejuvenate themselves and lend continuity to the good work done by Deve Gowda.

And if India is inexorably headed for snap polls and a hung parliament is recreated or the BJP emerges stronger, then it will be the Congress to blame for all that.

Admission to DU

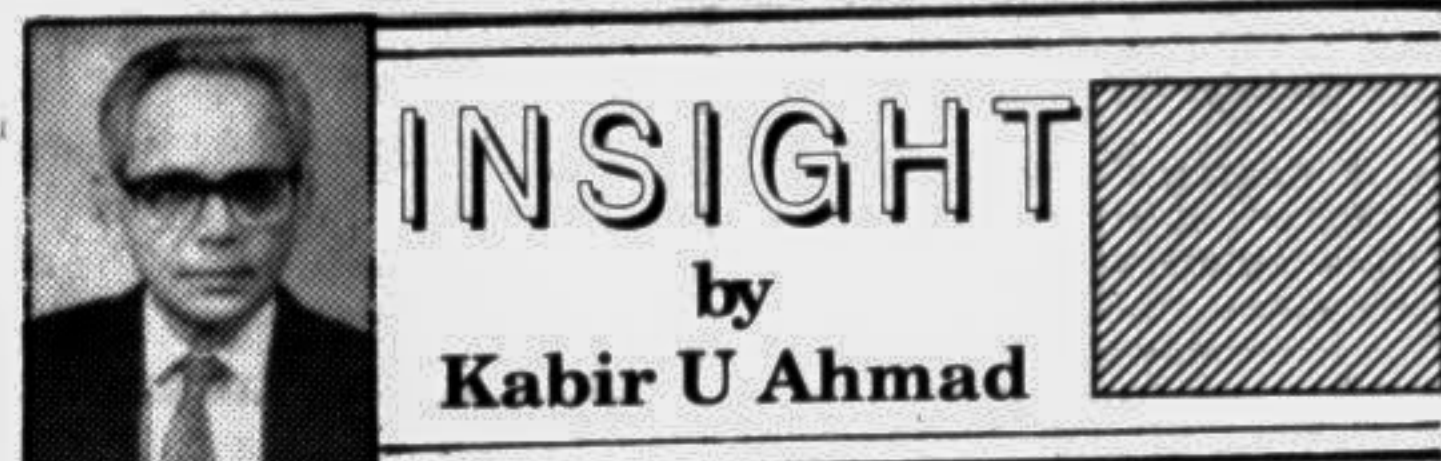
Dhaka University faculties are creaking under a severe pressure being exerted by great many number of candidates seeking admission to the first year honours classes. This would have hardly made any news but for the fact that the mad rush at the highest seat of learning has surpassed the last year's level by a modest increase of four thousand only.

Undoubtedly this is a small consolation when the base figure had already swelled to 57,000 applicants last year compared with this year's 61,000. We do not think DU faculties have been expanded to their maximum elasticity in terms of accommodation and capacity to impart education. While we would like that potential to be exploited up to a point by running more than one shifts in the useful branches of knowledge, our principal emphasis is on selective higher education. We are yet to determine the level where most adolescents will have had their terminal education of gainful vocational nature, far less provide for it, to ease the pressure off the seats of higher learning. Just think of the 57 thousand applicants who are bound to be disappointed in their bids for admission a paltry four thousand seats!

The problems of students remaining unabsorbed in the academic streams are as grave as those of economically unemployed youths. Let's have counselling services for them.

Bangladesh in SAPTA and SAFTA

One thing that has not been made clear by the government is the economics of these new trade arrangements. There was a need for a thorough cost-benefit analysis of both SAFTA and the Development Quadrangle to enlighten the people of the country before they could be persuaded to accept these arrangements.



INSIGHT by Kabir U Ahmad

India has been systematically in deficits and has been growing to a staggering figure of over 600 million US dollars a year. Taking an annual average over the period, Bangladesh's imports are about 17 times higher than its exports. The pattern of trade deficits has become chronic. However, among all the SAARC countries, India's share of exports to Bangladesh, or Bangladesh's imports from India, has increased from 55 per

cent in 1987-88 to 83 per cent in 1994-95. Given the type and limited number of goods that Bangladesh offers to India, one doesn't see much prospect of increasing the number of items in the near future.

Official Trade with India (In US \$)			
Year	Export	Import	Balance
1987-88	9.0	88.3	-79.3
1988-89	9.2	105.4	-96.2
1989-90	20.2	146.5	-126.3
1990-91	24.5	182.8	-158.3
1991-92	7.7	344.5	-336.9
1992-93	21.5	416.0	-394.6
1993-94	28.7	690.1	-661.4

Source: Bangladesh Bank

cent in 1987-88 to 83 per cent in 1994-95. Given the type and limited number of goods that Bangladesh offers to India, one doesn't see much prospect of increasing the number of items in the near future.

Cross-Border Trade

In a recent World Bank study, Trade Policy Reform for Higher Export Growth, August 14, 1996, it has been shown that the total value of smuggled export to India comes to about \$106 million whereas the total value of smuggled import from India comes to \$631 million at 1994 border prices leaving a deficit of \$ 525 million. Among the imports livestock, poultry, fish and related products comes to about 40 per cent, live animals (i.e. cattle) to about 34.2 per cent, processed food and tobacco comes to 18 per cent, agricultural products to 12.4 per cent, processed food and tobacco to 18.1 per cent, textiles to 12.1 per cent, sugar to 5.6 per cent, and other consumer goods to 13.2 per cent etc.

On the other hand, the main items of exports from Bangladesh are: Copper, brass and other metals (58 per cent of the total), fish (33 per cent), synthetic textiles (4.3 per cent), and electronics and spares (4.8 per cent). The latter are Bangladesh's imported items smuggled to India.

What Can Be Done?

By and large, the total deficit in both the official and the cross-border trade with India comes to about \$1 billion per year. Can a country live with such a situation for long? However, realising this miserable state of trade balance, Bangladesh leaders and protagonists of SAPTA and SAFTA have appealed to the govern-

ment of India for opening their market for Bangladesh's products by reducing tariffs. In the first round of negotiation on SAPTA, India granted tariff concessions to Bangladesh on 106 items from an existing level of 43.7 per cent to 20.9 per cent. In the second round, which is very recent, India has granted another tariff concessions on 513 items. For the effects of this latter round one has to wait.

However, in spite of concessions, the request to India now, therefore, is to reduce this local input cost from 40 to 30 per cent. One has to wait and see whether India accept this appeal and, if it did, then what effect it will have on Bangladesh's exports. The journey to SAPTA and SAFTA seems to be a hazardous, exhausting and almost killing. One wishes the government officials and negotiators good luck in their efforts to successful negotiation.

However, one should note that over the last few years, from 1992-96, Bangladesh has drastically reduced its tariffs leading to an unweighted average tariff rate of about 25 per cent while India's has come down to only 41 per cent. One may, of course, argue that India's import-weighted average rate has come down to 19 per cent but the corresponding Bangladesh's rate has come down to 21 per cent, marginally higher. A careful observer, of course, realises that import-

weighted average tariff rate is not very meaningful if non-tariff barriers are high which is what prevails in India. Bangladesh has more favourable tariff environment for trade.

What is interesting is to see that these non-tariff barriers are providing incentives to Bangladesh's smuggled exports. Instead of crossing the hurdles of tariff, regulations, VAT and other things, a trader would like to have the Bangladeshi goods cheaply across the border by paying a small amount of bribe to the border police. In this process, the government loses the tariff and VAT revenues but the consumers are getting the goods cheaper and the middlemen are making some money in the process. The consumers are also getting imported goods through Bangladesh cheaper than what they would have to pay if these re-exported items like electronic goods and spares were imported directly into India. On the other hand, Bangladesh doesn't have that many non-tariff barriers but some goods like poultry, livestock and related products, live animals, textiles and processed foods etc. are coming into Bangladesh against which government is losing revenues but consumers are getting benefited. There is an asymmetry here. This issue needs further exploration.

Some Concluding Remarks

It would be very difficult for Bangladesh to find profitable export market in India. It should continue to take advantage of export markets abroad. Its exports to the world as a whole has increased by 38.43 per cent over the last ten years (1984/85-1994/95) but its total exports to the SAARC countries has declined from 9.73 per cent to 2.35 per cent. On the other hand, its export to North America, Europe, East Asia and Middle East has grown by 87.45 per cent, 67.6 per cent and 27.5 per cent in the same period. It would be sheer foolishness for Bangladesh to try to divert its export trade to South Asia withdrawing from the world market because the total of trade diverting and trade creation effect will be far less than what Bangladesh is now enjoying in the world market since South Asia is a slow-growing and non-tariff barrier-ridden region.

However, Bangladesh should stay with SAPTA as far as it has gone and should not waste its energy and effort in promoting SAFTA. Bangladesh has to keep importing inputs like cotton yarn and fabrics from India for its export items and pay for whatever deficits it incurs by hard currencies. As long as its export industries can exploit its cheap labour and raw materials, and can efficiently produce its quality products, it will have no problem in finding markets abroad. It should look for its future to the outside world than to South Asia.

Charm of Adda on Campus

by ASM Nurunnabi



Adda in progress. — Star photo

Adda meaning group gossiping is a characteristic feature of our culture. It has distinct implications of pleasantness quite different from other pleasurable social pursuits. Though embedded in our pristine social culture, it gains an added dimension when this pursuit is indulged in by students.

Unlike many other people who have to work to earn a living and therefore have limited scope for leisure, students of colleges and universities have comparatively more time to enjoy, and this is despite their pursuit of studies. The younger groups, when relieved of the pressure caused by preparation for tutorials, examinations etc. are found engaged in this pursuit with their friends and acquaintances.

On Dhaka University campus, for example, the growth of adda culture has been observed to be quite steady. We may identify some well-known spots for this purpose. Who have not heard of historic Madhu's Canteen, a well-known rendezvous for students with inclinations for political discussions? Such addas of student leaders are an all-time phenomenon. Sometimes the environments of these meeting places hot up for reasons related to discussions on various matters, particularly political in nature. Addas are also held at this place on matters of culture and romance.

Then there is the place known as Hakim Bhai's chatter (precinct). It is situated in front of the Rokeya Hall near the main entrance to the university library. This tea stall, an important venue for adda for students, has been reportedly in existence since 1975. As for the seating arrangement here, jute mats are spread under the 'kadam' tree which provides protective shade to the participants in the adda.

In the chain of suitable venues for adda, there exists another well-known spot

named 'creative chatter'. It is not known why this spot is so named but it is reputed for serving good quality tea and is also a centre for creative discussion. However, what creative discussion means is not clear. It is situated near the Modern Languages Institute of the Dhaka University. Here also the seating arrangements for the students are similarly primitive.

In this chain, we have an interesting venue designated as 'dil chatter'. The name suggests that it has something to do with matters of the heart. It is situated on the right hand side of the historic 'boto mul' of the Arts Faculty building. It is said that here, in place of group assembly of students, more common sights are those of gossiping in pairs.

The origin of the name chatter for the poor is mysterious, because the students of the university do not fall into categories of the rich and the poor and all students, irrespective of their financial status, have equal access to it. The tea stalls here, however, do brisk business.

Other noteworthy venues for adda of the students include Friendship Chatter, Mall Chatter and Milan Chatter — all near the premises of Dhaka University. Besides these, there is a vast circle of adda spots for the students covering such places as Poet Nazrul Islam's mazar, Arts Institute premises, Curzon Hall, wide spaces of TSC, etc.

We thus find that adda forms an essential element of entertainment, innocuous in form for a large section of the student community. This adda culture does not seem to be in any way different from similar cultures in other countries, both in the West and the East, where students by their very nature, are inclined somewhat to idle gossiping at intervals for relaxation.

OPINION

An Example to Emulate, an Opportunity to Utilise

Md Masudul Huq

South Korea's entry into the Organisation for Economic Co-operation and Development reflects the widespread admiration for its recent economic achievements across the western world. Since 1963 the country has enjoyed an annual average 8 per cent growth rate, its output has increased 12-fold and annual income per head has climbed by 700 per cent, to \$10,076 last year. Moreover, South Korean policy makers say that by early next century their country will have become the sixth most advanced OECD economy, surpassing UK.

At the end of the Korean war in 1953, their economy lay in ruins, virtually stripped of its capacity to produce chemicals, metal products, mining with just a handful of trained technicians and engineers.

Today South Korea is the world's leading supplier of computer memory chips, the second largest ship builders after Japan, the third producer of semi-conductors, fourth makers of electronics, the fifth car maker and the sixth crude steel producer. For a country of 44 million people with few natural resources, this is an extraordinary advance.

The OECD suggested that if South Korea continued to expand at its present growth rate, annual per capita income would double to \$20,000.00 by 2001, bringing the country to levels comparable with Spain and Canada.

But whether the economy can continue to grow at the galloping pace of the past 20 years in the immediate future is a matter of open debate in the country. After last year's phenomenal 9 per cent growth rate, the economy has been calling off. This year may not represent a crash landing, but by South Korean standards it has created some anxieties.

The most noticeable trouble has been the abrupt drop in export growth, mainly due to a sharp 70 per cent fall in world semi-conductor prices during the first seven months of the year. As the export volume of semi-conductor climbed by more than 50 per cent in 1995 to take an 18 per cent share of the country's total exports, any sudden downward lurch in their prices was bound to hit the economy.

The weakening of the Japanese yen has also con-

tributed to poorer export performance. Last year visible exports made up 24.7 per cent of the country's gross domestic product with manufactured goods accounting for 93.8 per cent of that figure. So slow down in international demand has an immediate impact on the economy.

At the same time, imports have surged, rising at a 23 per cent annual rate over the past two years, reflecting a heavy dependence on raw materials and capital goods to feed exports. As a result, the country's current account deficit has widened this year to \$9.4 billion for the first half compared with \$ 5.9 billion for the same period of 1995.

There is some concern among the forecasters about consumer price inflation which grew by 5.1 per cent over the first three quarters of the year with a 4.3 per cent increase in manufactured goods' prices compared with an overall 2.3 per cent for the same period of 1995.

The Korean Development Institute, the government-funded research organisation, predicts a 6.5 per cent GDP growth in the second half of the year with further decline in the first half of 1997 followed by an upturn in the second half.

However, the economy also faces severe labour market problems. Unemployment remains low at only 2.0 per cent of the work force but only 62 per cent of adult Koreans are economically active. Shortage of labour is a worrying growth constraint with a shortfall of 183,000 workers, equivalent to 3.7 per cent of employees.

We may exploit this market for our excess manpower. Our manpower should be briefed before sending abroad. I asked a village graduate boy if he would be able to work hard abroad. He replied in the affirmative. I further asked him how many hours he could work in a day. He replied only 8 hours. According to his standard, 8 hours' work in a day is hard work. Working culture of our country should be changed. A man can work 12 hours or more a day provided he is physically sound and active. Manpower export authorities and other related authorities may consider the idea of changing working culture attitude of our country in a planned manner.

To the Editor...

Weekly Holiday: Some Say Friday, Some Say Sunday

Sir, My letter in your esteemed daily on Friday, March 14, 1997 titled 'Weekly Holiday on Sunday' has been completely misunderstood by Mr Abdur Razzak in his letter titled 'Weekly Holiday' printed on Sunday, March 30, 1997.

I think Mr Razzak has mixed up the issue of weekly holiday with the different time zones.

To reply his 'hence the argument of losing a day is a false argument', I am tempted to give a simple example: a fax enquiry from a London importer at midday on a Thursday reaches an export office in Dhaka at 18:00 when the office is already closed. The export manager reads the fax and the Friday holiday at 9:00 am on Saturday, and replies immediately which is received instantaneously at 3:00 am London time Saturday morning i.e. already in the weekend in London. After 54 hours (48 hours + 6 hours time difference) on Monday morning the London manager receives the fax when he/she arrives after the weekend in London. By this time, the Dhaka exporter already may have lost the order from a supplier from a competitor in the Far Eastern countries of Thailand, Malaysia or Vietnam who finalised the deal on Friday.

As our main importing countries are UK (and other EC countries) and the US, from the example given in the above countries we can see the delay in communication. In case of the USA, the delay could be even six to 10 hours more than the example given for London depending where in the mainland USA the importer is located.

I didn't quite follow the relevance in the argument of Mr Razzak when he stated that "a nation can only rise by showing respect to its own beliefs and culture." Before the recognition of Islamic value by the US refuted by him should we think the US didn't 'rise' or for that matter, are we less in any way when our Christian community in Bangladesh can offer special prayer in front of Jatiya Sangsad Bhaban on the occasion of Easter Sunday (ref. photograph published in the front page of The Daily Star dated March 31, 1997)?

Lastly but not least, I in my

letter didn't mean Pakistan as a model, I just wanted to emphasise for the synchronisation of weekly holidays worldwide giving recent example of Pakistan showing and justifying the inconvenience needed reverting back to weekly holiday on Sunday, even after more than 20 years.

K Anwar Dhanmandi, Dhaka

Sir, This refers to a letter on weekly holiday in The Daily Star on 5 March '97.

We were surprised to know that in Pakistan, the government of Prime Minister Nawaz Sharif has returned back to Sunday as weekly holiday instead of Friday. Some quarters in this country are also speaking in favour of returning back to Sunday as weekly holiday. They are arguing that when the entire world is working on Friday and resting on Sunday, we are doing just the reverse which is affecting our trade, commerce and industry.

This argument is not based on facts. Most of the Muslim countries observe Friday as holiday and still they are prospering. In case of Bangladesh, the export volume, import trade, growth of GDP and national income have not been halted, rather showed upward trend after declaring Friday as holiday. The official statistics and Bangladesh Bank publications will certify that.

So it is requested that the authority should not consider any request from anybody to change the official holiday following Pakistan example.

MMK Khan Rupsa, Khulna

Sir, I do not find any sensible reason behind the hasty decision taken by Nawaz Sharif to turn the weekly holiday of Pakistan from Friday to Sunday. Friday is not only a holiday for the Muslims, but it has a religious significance. The Muslims get a noble inspiration from this day by resorting to the masjids. Similarly, the Christians and Jews make their religious visit to the churches and synagogues on Sundays and

Saturdays respectively.

Now the question arises: what the Muslims of Pakistan should do on Sundays?

Surprisingly enough, some people in our country are trying to implement the decision of Nawaz Sharif in our country. They say about our international trade and other issues. In fact, it is because of their stark ignorance with such a lame excuse, Friday as the weekly holiday is not a problem in our international relations. Our country has increased its exports and imports tremendously for the last 15 years. Neither Sunday nor Friday is any problem — but the problem is the unstable situation of our country. If a country has good relations with our country no Friday or Sunday can make them 'disinterested' to invest in our country.

M G Kibria 226 West Dhanmandi Dhaka-1209

Sir, Thanks to Barrister Abdur Razzak for his courageous letter published in your esteemed daily on 30.3.97 under the caption 'Is inferiority complex?' Nowadays, we hear rumours that Sunday is going to replace Friday as weekly holiday. But why? For last many years, Friday has been the weekly holiday and caused no problem. For religious reasons and values, Friday is the most respected day in our culture. Economic reason of such changing is not really well argued.

The learned Barrister has clearly explained that. The religious reason is obvious. We should respect and uphold the religion which is part of our culture. It has proved that if philosophy and religion cannot coexist, clash is obvious. If philosophy cannot stand with religion, it will suffer serious setback of its own contraction.

So they should coexist. And it is already proved that our religion is free from such imbalances. Philosophy and culture find place in the religion. Specially in our society these two are well suited. Definitely we, as a nation should respect and uphold our old heritage, culture and belief. Religion is not away from this culture. In

the name of reform, we should not follow blindly to a particular country so long as cultural change is concerned. We should remember that we are a separate nation, we have our own philosophy, culture, heritage, belief and above all — our religion. We must have respect for it. We can share or exchange the essence of a particular reform to the extent which does not influence our own culture and ultimately destroy it.

With this I strongly believe that Friday should continue to be our weekly holiday for obvious reasons.

M A Sekendar House#35, Road#12 Sector#4, Uttara Model Town Dhaka-1230

Sir, I am taken by surprise by the fact that, in our country, some people are making a propaganda to turn the weekly holiday from Friday to Sunday. They are trying to make our Prime Minister imitate the rash initiative recently taken by Nawaz Sharif, the Prime Minister of Pakistan. I don't find any sound reason behind the arguments they are presenting.

The foremost cause they are saying about is that Friday as the weekly holiday is a deterrent in our international trade and negotiations. In fact, Friday is not a problem in our international affairs; but the problem is our own inefficiency and myopic policy and the political instability of the country. Friday has been our weekly holiday for the last 15 years and it has not created any problem.

Moreover, no foreign trade delegation has ever shown reluctance to invest in our country because of Friday. It is our inferiority complex, our imitative mind and the tendency to hide our shortcomings that move us to think in such a way. I would like to make an earnest request to our Prime Minister not to be motivated by the groundless campaign. Rather she should honour the sentiment of the people and preserve the sanctity of Friday.

Mohiuddin Vill/Po: Arat Shidha Ashugoni, B. Barta