

Tourism

Our tourism development angle ought to be making Bangladesh into a preferred destination or natural retreat for foreign travellers rather than their incidental stop-over which she presently is, by and large. From Calcutta in neighbouring India to Dhaka, the capital of another country, it is a short haul and the air dash to Yangon or Bangkok though not as short hop is not longish either. The implication is that those who came to neighbouring India or planned using the Bangladesh bridgehead to East Asia could do it at not much of an extra cost, but their sojourn in Bangladesh and travelling to and from her tourist spots will have to be worth the money they spend at the standard tariff rates. In other words, unless they have basically pictured Bangladesh as a tourist destination worthy of exploring on its own merit and attraction, they will not simply take the trouble of visiting the country.

Furthermore, what is claimed in government tourist literature by way of services offered is sought to be confirmed by the overseas travellers through independent writings and travelogues on the region and words of mouth of people who have been to the country beforehand. Hence reputation is of considerable importance built over the years by nurture. How do we fare there? Biman, the national carrier, is neither a ticketing nor a punctuality idealist, its in-flight service having been good, bad, indifferent all rolled into one. Bangladesh Parjatan Corporation (BPC), the organisation for promotion and development of tourism in the country, has nor acquired a reputation for efficiency comparable with that of their counterparts in South Asia. The gap in its performance is, to large extent, the outcome of the under-developed state of our general infrastructure of which tourist infrastructure is usually an extension.

This is where the private sector tourist developers come in. But while successive governments have failed to look beyond the walls of BPC, they have not been able to extract much from it either. Fund constraints have dogged its steps much the same way that a befuddled management produced half-baked results. A massive private sector involvement, if necessary on a collaborative basis with interested private entrepreneurs from select countries, holds the answer for a rapid growth of tourism industry in the country.

The basic statistics of tourist arrivals from 1994 to 1996 are an eye opener to the slow pace at which we are moving in this vital income-generation area. From 1,40,122 in 1994, the figure rose by only 20 thousand last year — standing at 1,60,000.

The future of tourism in Bangladesh can neither be secure nor bright so long as we fail to have an ever larger number of local people flock to the tourist attractions side by side with travellers from abroad.

Happy Vijaya

The Bengali mind preponderantly sees in the Pooja the coming back of the darling of the house for a short stay from her husband's forbidding abode in far Kailas. All other concepts of Durga — called the Devi everywhere else in the subcontinent — are mental, cultural and historical constructs that appeal far less to the minds of a race peopling for millennia this plane between the seas and the mountains. The homely Bengalees and their family values.

There is however far more in the Durga conception of the Devi — the mother principle — than merely a loving daughter. For one thing Durga symbolises the victory of light over the forces of darkness. And the slayer Durga is at the same time a paragon of beauty and only as her other terrible manifestation of Kali she is raw power. Only in enlightenment lies man's prosperity and Durga is the giver of so much and so many as spelt out in the prayer: *Dehi devi saubhagyaam-arogyam, dehi param sukham/Roopan dehi jayang dehi yasho dehi divishojah.*

It is the festival of festivals for all of this subcontinent. It never was much of communal or denominational occasion and over the years it has tended to be less and less of a worship than a concourse joined for rejoicing and lined by sheer bonhomie.

We wish our readers a Happy Vijaya.

Step Back from Rivalry

Since India and Pakistan are keen on resolving their disputes bilaterally without any third party intercession, they should be wary of any incongruity developing in their working relations not to make it happen. Unfortunately, closely on the heels of the Indo-Pak Prime Ministers' meeting in New York on the sideline of the UNGA session, India and Pakistan have expelled each other's visa officers accusing them of spying, a ruse that has become the trade-mark of their arch-rivalry. Only six weeks ago, New Delhi and Islamabad had expelled two staff members of their embassies apparently in a backdrop of wordy ballistics traded by each other. Even the fact that official antenna on both sides has been catching positive signals all the time for the secretaries' level talks to be a continuing process could not quite stave off such an odd exchange of salvos. Their this many-shaded diplomacy resulting from a dogged pursuit of rivalry which has become obsolete in modern international parlance — Germany and Britain and France and Britain being the cases in point — confuses the SAARC-lovers to a point of utter bewilderment. We fully endorse British Queen Elizabeth's observations at the Pakistan Parliament on the occasion of the fifty years of independence of the subcontinent to the effect that removal of 'barriers' between the two arch-rivals would open up great development opportunities. Not only would they be the beneficiaries of disengagement, the entire SAARC region will find itself firmly set on a development path free from the expensive distractions of South Asian armory contests.

Call it a non-aggression pact, scaling down of armies or disengagement of forces, none of these can be a reality, far less a durable one, unless the disputes over the divided territory of Kashmir, occupation of a Himalayan glacier and demarcation of the boundary are addressed in an accommodative spirit. Let the first step in that direction be taken by an early formation of the working committees for each of these contentious problems.

HERE are three sources of rural credit in Bangladesh: institutional (eg. Banks), quasi institutional (eg. Grameen Bank/NGOs) and non-institutional (eg. Mohajans, land owners etc.). They vary in terms of the amount of credit that they supply, rate of interest, nature of collateral requirements and supervision. But an investigation into their operations tend to reveal interesting results which could be of interest to readers and policy makers. We draw upon household level data generated by a survey conducted by the Centre for Human Resources Development, Jahangirnagar University. The survey was done in 1995 and covered 425 households of 22 districts.

In the sample areas, 56 per cent of households (HHs) informed that they took loan in the year preceding the survey. The recipient households could be categorised into three groups: 'very poor' HHs (owning less than 0.50 acres of land), 'poor' small farm HHs (owning 0.50-2.0 acres) and 'not poor' HHs (having more than 2 acres of land). The proportion of credit recipients of three groups were 59 per cent, 58 per cent and 48 per cent respectively. The average size of loan received stood at Tk 5,853, Tk 8,476 and Tk 12,207 respectively. If we compare the average size with that of in 1980s, after allowing for inflation, we witness a negative real growth.

From where the loan money came? It could be gleaned that only about 15 per cent of sample HHs received loans from institutional sources. This is not much different from 12 per cent observed in the eighties. In terms of the total loan delivered by all the sources, institutional sources accounted for 21 per cent. At disaggregated level, the 'very poor' group received only 4 per cent of their total requirement from institutional sources as compared to 13 per cent and 30 per cent received by the 'poor' and the 'not poor' groups respectively. The poor group met 36 per cent of their credit needs from Grameen Bank and other NGO sources. One-fourth of their credit requirements were also supplied by friends and relatives. Village Mohajans contributed to about 19 per cent of their credit availability.

The 'poor' group of HHs met 36 per cent from friends and relatives, 20 per cent from Mohajans and 13 per cent each from banks and BRDB/Samity. The 'not poor' group of HHs de-

Some Reflections on Rural Credit

The government should never assume the role of typical Mohajan by charging exorbitant rates of interest on borrowed money, nor should it assume the role of a philanthropist to give away credit at free of cost. The solution lies in between.

pare the average size with that of in 1980s, after allowing for inflation, we witness a negative real growth.

From where the loan money came? It could be gleaned that only about 15 per cent of sample HHs received loans from institutional sources. This is not much different from 12 per cent observed in the eighties. In terms of the total loan delivered by all the sources, institutional sources accounted for 21 per cent. At disaggregated level, the 'very poor' group received only 4 per cent of their total requirement from institutional sources as compared to 13 per cent and 30 per cent received by the 'poor' and the 'not poor' groups respectively. The poor group met 36 per cent of their credit needs from Grameen Bank and other NGO sources. One-fourth of their credit requirements were also supplied by friends and relatives. Village Mohajans contributed to about 19 per cent of their credit availability.

The 'poor' group of HHs met 36 per cent from friends and relatives, 20 per cent from Mohajans and 13 per cent each from banks and BRDB/Samity. The 'not poor' group of HHs de-

rived 52 per cent of the total credit from friends and relatives followed by 30 per cent from banks and 13 per cent from Mohajans.

It thus follows that (a) government institutions still account for a negligible proportion of rural credit supply; (b) government institutions do very little to ease credit con-

ditions. The 'poor' group appears to be more balanced in terms of sources of spending. Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('poor' HHs) seem to perform better than other groups. In terms of capital formation in agriculture, the 'not poor' group of HHs tend to spend the largest proportion (24 per cent) on account of fixed capital formation, followed by business and trade (17 per cent), health and education (10 per cent), and house construction and main-

tenance. The 'poor' group appears to be more balanced in terms of sources of spending.

Few other features across HHs need mention. First, the share of credit going to business and trade is almost same (15-17 per cent) implying that all the households seem to be carrying out these activities in rural areas.

Second, the proportion of credit money used for the purpose of purchasing agricultural inputs is 8-9 per cent by both 'very poor' and 'not poor' HHs although 'poor' small-farm HHs spend 12 per cent. This group also seems to spend the least in ceremonies compared to the other two groups, and spends the most in livestock/poultry. Thus in terms of utilisation of loan-funds, the small-farm HHs ('po